

## PROJECT DESCRIPTION

VCS Version 3, CCB Standards Third Edition

# KATINGAN PEATLAND RESTORATION AND CONSERVATION PROJECT



|                      |                                                                                                                                                                 |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Project Title</b> | <b>Katingan Peatland Restoration and Conservation Project</b>                                                                                                   |
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## LIST OF ACRONYMS

|                 |                                                          |
|-----------------|----------------------------------------------------------|
| APD             | Avoiding Planned Deforestation                           |
| AFOLU           | Agriculture, Forestry, and Other Land Use                |
| AGB             | Above Ground Biomass                                     |
| ANR             | Assisted Natural Regeneration                            |
| APL             | Non-Forest Estate                                        |
| ARR             | Afforestation, Reforestation, and Revegetation           |
| BAU             | Business-As-Usual                                        |
| BIG             | Geospatial Information Bureau of Indonesia               |
| C               | Carbon                                                   |
| CDM             | Clean Development Mechanism                              |
| CH <sub>4</sub> | Methane                                                  |
| Co              | Alluvial sediment                                        |
| CO <sub>2</sub> | Carbon dioxide                                           |
| COP             | Conference of the Parties                                |
| CR              | Critically endangered species                            |
| CUPP            | Conservation of Undrained and Partially drained Peatland |
| CV              | Coefficient of Variation                                 |
| DBH             | Diameter at breast height (1.3 meter)                    |
| DEL             | Drainability Elevation Limit                             |
| DEM             | Digital Elevation Model                                  |
| DF              | Deforestation                                            |
| DG              | Forest Degradation                                       |
| DM              | Dry Matter                                               |
| DOC             | Dissolve Organic Carbon                                  |
| EF              | Emission Factor                                          |
| ER              | Endangered species                                       |
| ERC             | Ecosystem Restoration Concession                         |
| FAO             | Food and Agriculture Organization                        |
| FGD             | Focus Group Discussion                                   |
| FORDA           | Indonesian Forest Research and Development Agency        |
| FPIC            | Free, Prior and Informed Consent                         |
| FS              | Feasibility Study                                        |
| GHG             | Greenhouse Gas                                           |
| GIS             | Geographic Information System                            |
| Gol             | Government of Indonesia                                  |
| GPS             | Global Positioning System                                |
| GWP             | Global Warming Potential                                 |
| Ha              | Hectare                                                  |
| HCV             | High Conservation Value                                  |
| HCVF            | High Conservation Value Forest                           |
| HPH             | Commercial Logging Concession                            |
| HPK             | Conversion Production Forest                             |
| HTI             | Industrial Timber Plantation                             |

|                    |                                                                                     |
|--------------------|-------------------------------------------------------------------------------------|
| IDR                | Indonesian Rupiah                                                                   |
| IEC                | Information, Education and Communication                                            |
| IEPB               | Initial Estimate of Peatland Border                                                 |
| IPCC               | Intergovernmental Panel on Climate Change                                           |
| IUCN               | International Union for Conservation of Nature                                      |
| IUPHHK-RE          | Ecosystem Restoration Concession License                                            |
| LCL                | Lower Confidence Limit                                                              |
| LiDAR              | Light detection and ranging (an optical remote sensing technology)                  |
| LULC               | Land Use and Land Cover                                                             |
| LULUCF             | Land Use, Land-Use Change and Forestry                                              |
| MDD                | Methodology Design Document                                                         |
| Mg                 | Mega gram = 1 metric tonne                                                          |
| MMU                | Minimum Mapping Unit                                                                |
| MoF                | Ministry of Forestry Indonesia                                                      |
| MRV                | Monitoring, Reporting and Verification                                              |
| MT                 | Metric Tonne                                                                        |
| N <sub>2</sub> O   | Nitrous Oxide                                                                       |
| NDVI               | Normalized Difference Vegetation Index                                              |
| NER                | Net Greenhouse Gas Emission Reduction                                               |
| NGO                | Non-Government Organization                                                         |
| NTFP               | Non-Timber Forest Products                                                          |
| PD                 | Project Document                                                                    |
| PDT                | Peat Depletion Time                                                                 |
| PRA                | Participatory Rural Appraisal                                                       |
| PT. RMU            | PT. Rimba Makmur Utama                                                              |
| QA/QC              | Quality Assurance / Quality Control                                                 |
| REDD               | Reduced Emissions from Deforestation and forest Degradation                         |
| REDD+              | Reducing Emissions from Deforestation and Degradation Plus carbon stock enhancement |
| RePProt            | Regional Physical Planning Program for Transmigration                               |
| RDP                | Rewetting of Drained Peatland                                                       |
| RKT                | Annual Workplan                                                                     |
| RSA                | Firefighting Team                                                                   |
| SOC                | Soil Organic Carbon                                                                 |
| SOP                | Standard Operation Procedure                                                        |
| SRTM               | Shuttle Radar Topography Mission                                                    |
| tCO <sub>2</sub> e | Metric tonne of Carbon Dioxide equivalent                                           |
| TM                 | Landsat Thematic Mapper                                                             |
| TOD                | Dahor formation                                                                     |
| UKL-UPL            | Environmental Management and Monitoring Programme                                   |
| UNFCCC             | United Nations Framework Convention on Climate Change                               |
| UU                 | National Act/Law                                                                    |
| VCS                | Verified Carbon Standard                                                            |
| VCU                | Verified Carbon Unit                                                                |
| WB                 | Water Bodies                                                                        |
| WRC                | Wetland Rewetting & Conservation                                                    |

## 1 GENERAL

### 1.1 Summary Description of the Project

#### 1.1.1 Project summary

Tropical peatlands support fundamental ecological functions and store massive amounts of carbon, with stocks below the ground making up up to 20 times the amount stored in trees and vegetation. When cleared, drained and burned to make way for plantations and other developments, this carbon is released into the atmosphere as carbon dioxide (CO<sub>2</sub>) along with other greenhouse gases (GHG). Indonesian Borneo, known as Kalimantan, encompasses approximately 5.7 million hectares (ha) of peatland [1]. By 2020, the expansion of industrial plantations on peatlands in Kalimantan alone is estimated to contribute to 18–22% of Indonesia's total GHG emissions [2].

The Katingan Peatland Restoration and Conservation Project ('The Katingan Project') seeks to protect and restore 149,800 hectares of peatland ecosystems, to offer local people sustainable sources of income, and to tackle global climate change – all based on a solid business model. The project lies within the districts of Katingan and Kotawaringin Timur in Central Kalimantan Province, and covers one of the largest remaining intact peat swamp forests in Indonesia. The area stores vast amounts of CO<sub>2</sub>, and plays a vital role in stabilizing water flows, preventing devastating peat fires, enriching soil nutrients and providing clean water. It is rich in biodiversity, being home to large populations of many high conservation value species, including some of the world's most endangered; such as the Bornean Orangutan (*Pongo pygmaeus*) and Proboscis Monkey (*Nasalis larvatus*). It is surrounded by villages for which it supports traditional livelihoods including farming, fishing, and non-timber forest products harvesting.

The project area is located entirely within state-designated production forest. Without the project, the area would be converted to fast-growing industrial timber plantations, grown for pulpwood. The Katingan Project prevents this fate by having obtained full legal control of the production forest area through an Ecosystem Restoration Concession license (ERC; Minister of Forestry Decree SK 734/Menhut-II/2013), blocking the applications of plantation companies.

The Katingan Project implements a variety of activities through a holistic approach in order to achieve its objectives (see Sub-section 1.1.2). All activities are implemented with a full consideration of internationally credible science and standards, conservation priorities, Indonesian laws and regulations, land tenure, socio-economic needs, and community consultation based on free, prior and informed consent principles. The Katingan Project is performance-based, and at its core, is financed by its achieved GHG emission reductions and sequestrations against a baseline scenario during the initial crediting period of 60 years. Through the planned activities described in Sub-section 2.2.1, the project is expected to reduce an average of 7,451,846 tons of GHG emissions annually during the initial 60 year crediting period.

The Katingan Project is managed by the Indonesian company PT. Rimba Makmur Utama and is designed to ensure that all benefits are real, long-lasting, and passed on to local communities, the region, and to the wider State of Indonesia in which it operates. The Katingan Project aims to bring positive change over the next 60 years by conserving the integrity of remaining peat swamp forest, and by playing a crucial role for Indonesia as it sets out to fulfil its emission reduction commitments in the years ahead.

#### 1.1.2 Project objectives (G1.2)

The goal of the Katingan Project is to develop and implement a sustainable land use model through reducing deforestation and degradation, habitat and ecosystem restoration, biodiversity conservation,

and increasing economic opportunities for the local people of Central Kalimantan. The Katingan Project is designed to achieve this through a series of objectives, considered in turn below:

A) Climate objectives

- To deliver credible GHG emission reductions through avoided deforestation and forest degradation, prevention of peat drainage and fires
- To enhance ecological values at the landscape scale through ecosystem restoration
- To conduct research and development (R&D) activities as to implement the latest science, research and management practices

B) Community objectives

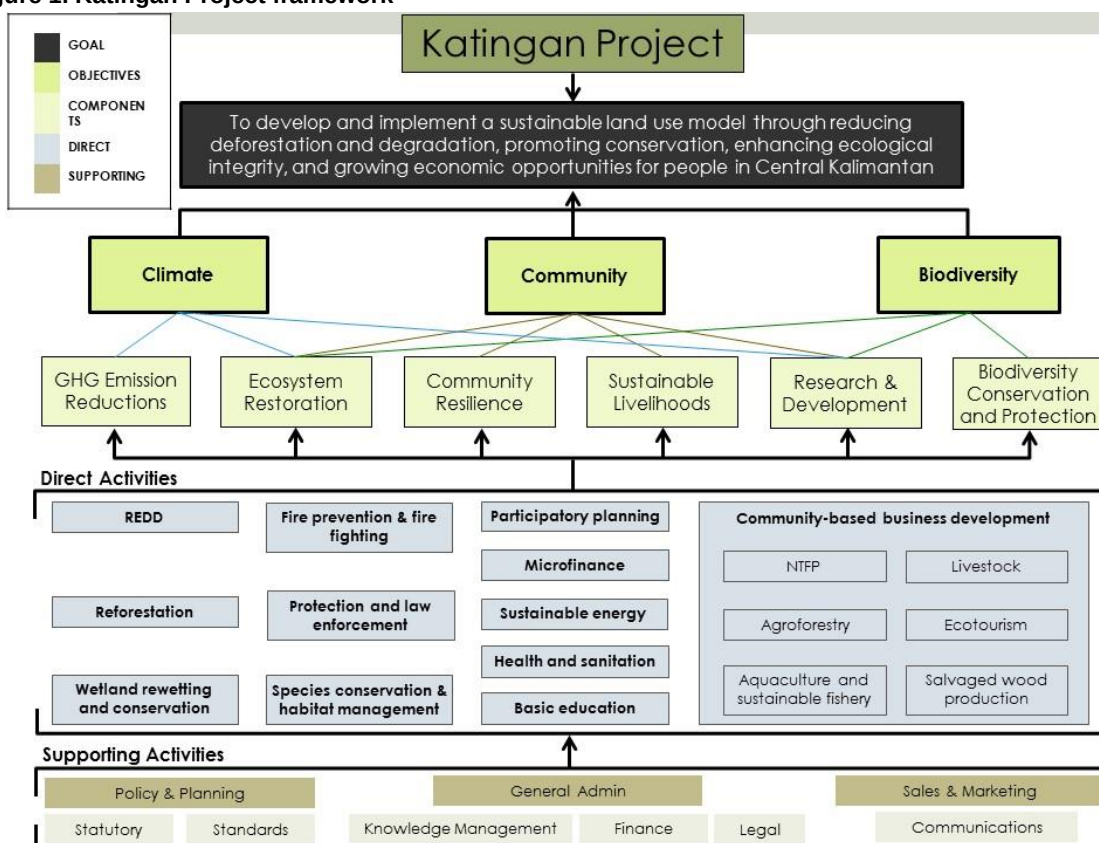
- To enhance the quality of life and reduce poverty of the project-zone communities by creating sustainable livelihoods options and economic opportunities
- To strengthen community resilience by increasing capacity to cope with socio-ecological risks
- To maintain and enhance ecosystem services for the overall well-being of the project-zone communities through ecosystem restoration
- To conduct research and development (R&D) activities as to implement the latest science, research and management practices

C) Biodiversity objectives

- To eliminate drivers of deforestation and forest degradation and to stabilize and maintain healthy populations of faunal and floral species in the project zone through biodiversity conservation and protection
- To maintain natural habitats and ecological integrity through ecosystem restoration
- To conduct research and development (R&D) activities as to implement the latest science, research and management practices

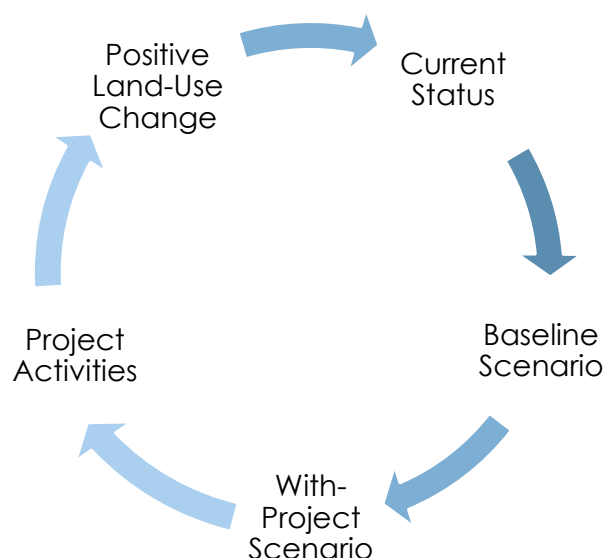
Figure 1 is a project framework which describes the project's planned activities and explains their relevance to achieving the project's objectives. A more detailed description of these project activities is then presented in Sub-section 2.2.1.

Figure 1. Katingan Project framework



The causal relationships that explain how the activities will achieve the project's expected CCB benefits are built upon a theory of change and net positive impact analyses as provided in Section 5.6, Sub-section 6.1.1 and Sub-section 7.1.1, and also described in each project activity in Sub-section 2.2.1 (also see Figure 2). The project's monitoring plans, Appendix 9, Appendix 10 and Appendix 11, also describe how each project activity supports to achieve the CCB objectives and aims to produce the expected outputs, outcomes and impacts.

Figure 2. Causal relationship of project activities

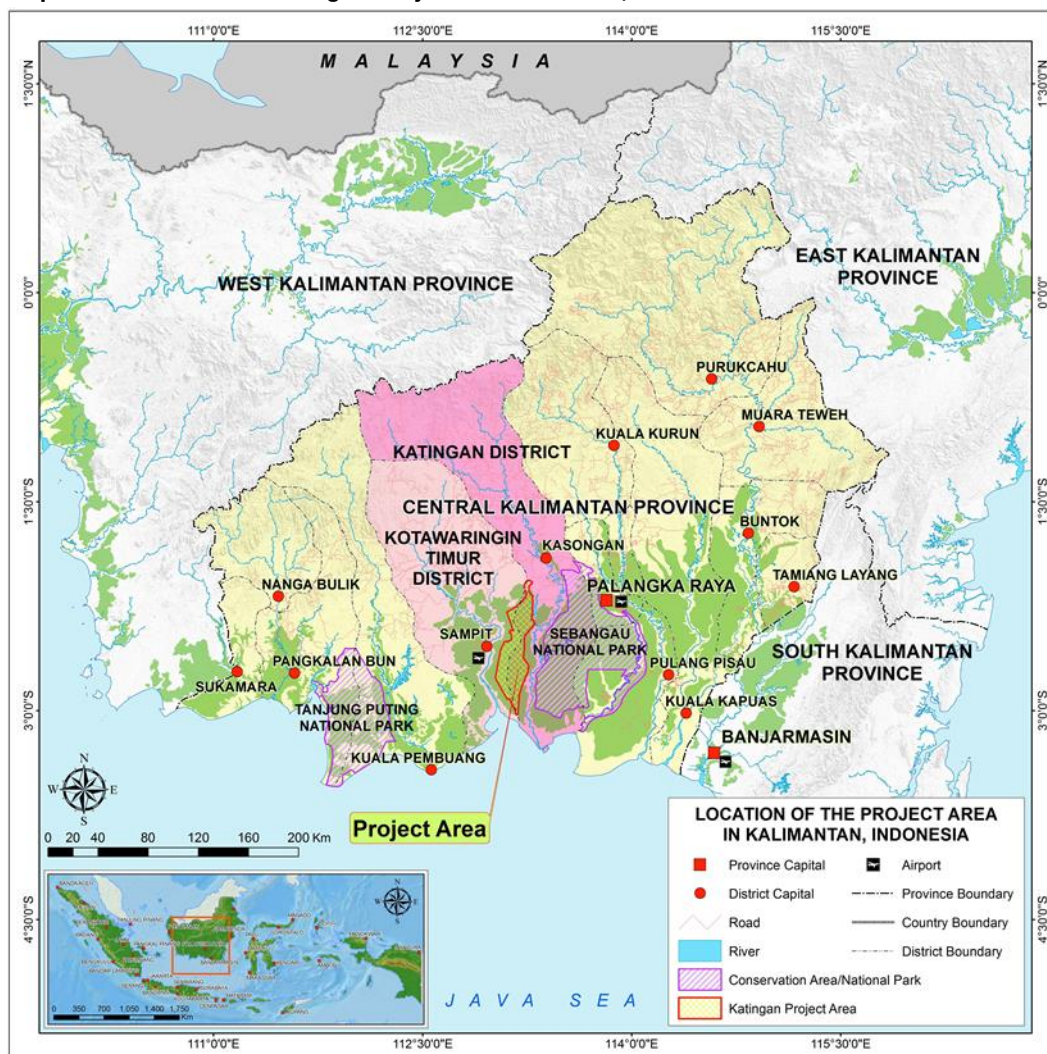


## 1.2 Project Location

### 1.2.1 Project geographic boundaries (G1.3)

The project is located in the Mendawai, Kamipang, Seranau and Pulau Hanaut sub-districts of Katingan and Kotawaringin Timur districts, Central Kalimantan, Republic of Indonesia (see Map 1). The project lies within the following geographic boundaries: S2° 32' 36.8" to S3° 01' 43.6" E113° 00' 29.7" to E113° 18' 57.4".

Map 1. Location of the Katingan Project in Kalimantan, Indonesia



#### 1.2.1.1 Project area (G1.4)

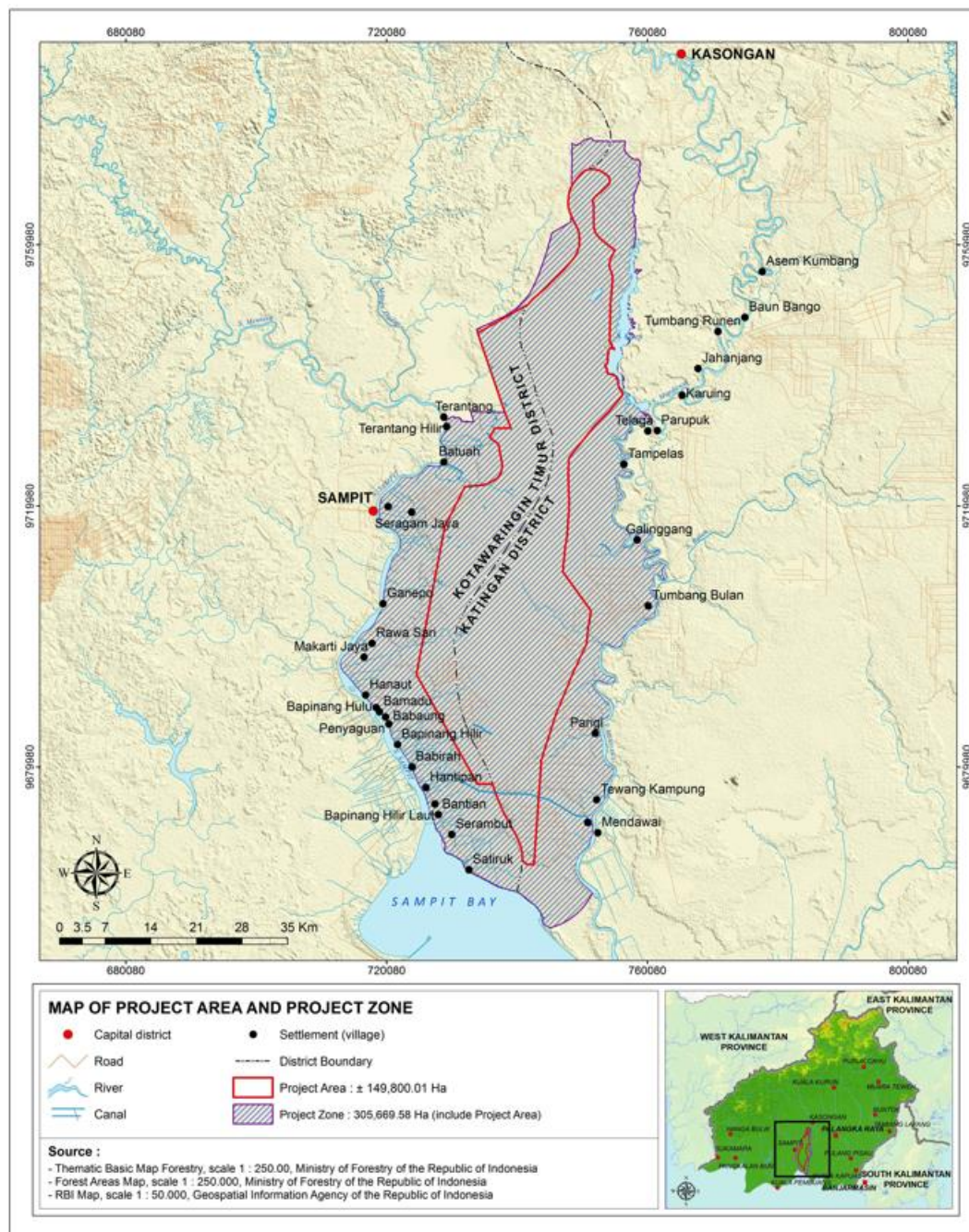
The project area, defined by the ecosystem restoration concession (ERC) license, encompasses 149,800 ha of land with a total perimeter of 254.12 km (see Map 2). The project area boundary delineates the area in which GHG emission reductions are quantified. The Project area is described in more detail below.

#### 1.2.1.2 Project zone (G1.4)

The wider project zone represents the extent of the area in which the project activities described in Sub-section 2.2.1 are implemented. It extends to the banks of the Mentaya River in the west and the Katingan River in the east, and encompasses bordering areas to the north and south of the project area, covering an area of 305,669 ha (see Map 2). The project zone was selected based on the dominant ecological,

landscape and socio-economic features and in particular to include the main river catchments and to encompass the land of 34 villages likely to be affected by the project. The project zone is described in more detail in Sub-section 1.3.2.

**Map 2. The location of the project area and project zone**



## 1.2.2 Basic physical parameters (G1.3)

### 1.2.2.1 Geology and soils

The project area is almost entirely based on peat soils (97%), with the remainder made up of exposed alluvial deposits of sand silt, kaolinite clay and gravel. Peat soils are defined as organic soils with at least 30% organic matter and a minimum thickness of 50 cm. They were formed by a process that began thousands of years ago and which continues to the present day. The formation of peat soil is a result of constant conditions of water logging above mineral soil and a lack of oxygen, in which a large amount

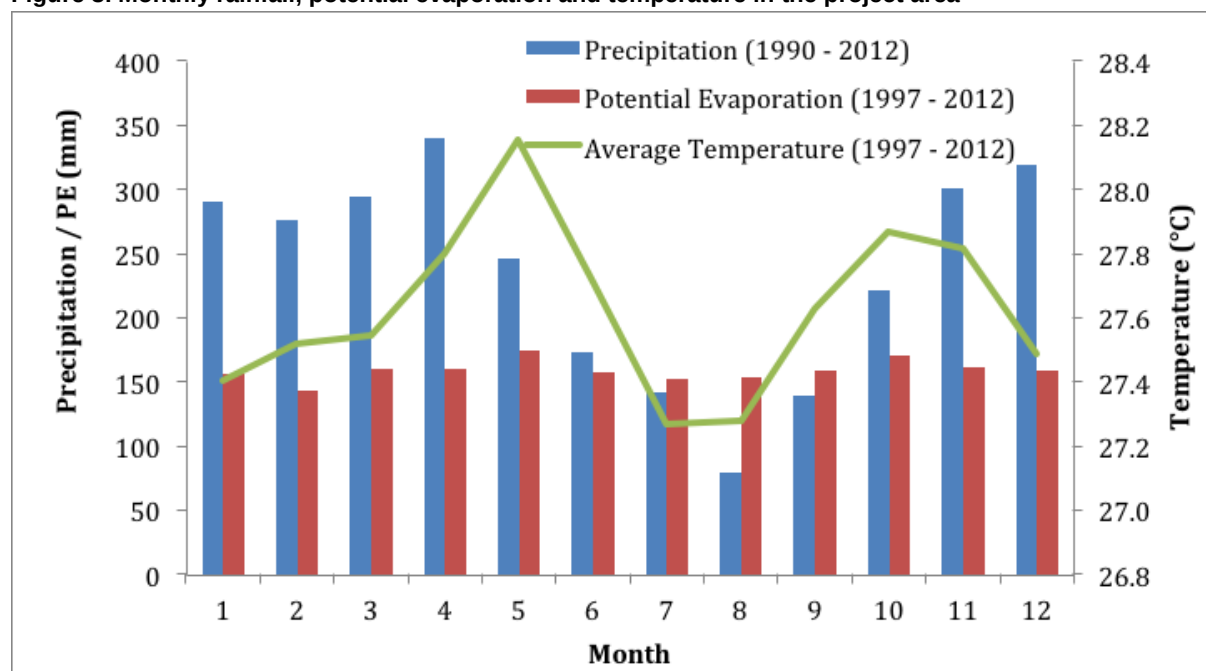
of organic residues are accumulated at a higher rate than they can be decomposed [3]. Peat layers in the project area store an enormous amount of organic matters, and play an important role as an ecological reservoir for greenhouse gasses such as CO<sub>2</sub>, nitrous oxide (N<sub>2</sub>O), and methane (CH<sub>4</sub>).

Underlying the peat, the project area has two distinct geologies. Stretching from north to south over the eastern part of the project, the underlying geology is made up of alluvial deposits, while in the north-western part of the project area the underlying geology is predominantly dahor formations consisting of quartz sandstone, lignite and limonite soft clay [4].

#### 1.2.2.2 Climate

The project area has a wet tropical climate with an average annual precipitation of around 2,820 mm and approximately 196 rainy days per year (monthly record from Haji Assan Sampit Airport Station 1990 – 2012). Precipitation is highly seasonal with the highest average monthly rainfall typically occurring in November – April (wet season), while the lowest average monthly rainfall occurs in August (see [Figure 3](#)). Daytime temperatures are very stable year-round, averaging around 27.6°C (min 21°C, max 32°C), as is humidity, averaging 83%. Dry seasons usually last from June to September, when potential evaporations are close to or exceed precipitations. More about climate of the area is given in Annex 1.

**Figure 3. Monthly rainfall, potential evaporation and temperature in the project area**



#### 1.2.2.3 Hydrology

The project area is situated on top of the Katingan peat dome. Hydrology in the project area is characterized by the seasonal recharge in the wet season and recessive discharge in the dry season. Due to the raised nature of the inter-lying peat dome, the flood plains of the two major rivers – Katingan and Mentaya rivers – extend only a short distance from the riverbanks into the forest. The inter-lying peat dome therefore receives little nutrient influx from these river floodplains, and therefore can be classified as an “ombrogenous” peat swamp [5]. In such peat swamps the source of nutrient is often limited to aerial precipitation (i.e., rain and dust), with small amounts of nutrient influx from microbial nitrogen fixation and animal faeces. While brackish backwater may contribute to the small portion of ground water recharge, it is limited to the southern part of the project area close to the sea.

The peat layer serves as the main aquifer in which precipitation input is stored and slowly released to blackwater streams during the dry season. Natural drainage shows a radial pattern, typical to the convex land form, with an enormous number of creeks along the footslope of the peat dome. The Mentaya and Katingan rivers serve as major tributaries to the drainage system in the project zone.

Inundation in the project area is a combined feature of seasonal excess precipitation and diurnal tidal rise. While tidal rise does not normally cause inundation, it may amplify the magnitude of recharge in the wet season. This happens when the sheer volume of blackwater discharge meets lowered head gradients downstream, leading to water level rise in tributaries due to the combined effects of the tidal and seasonal high river flows.

Output components of water balance are dominated by evapotranspiration, as indicated in [Figure 3](#). The overland flow contributes the major portion of the annual river flow in wet season, while the ground water flow contributes to the minor portion.

For a detailed description of the hydrology of the area, see in Annex 3.

### 1.3 Conditions Prior to Project Initiation

#### 1.3.1 Historical land use change and conditions in the project zone (G1.3)

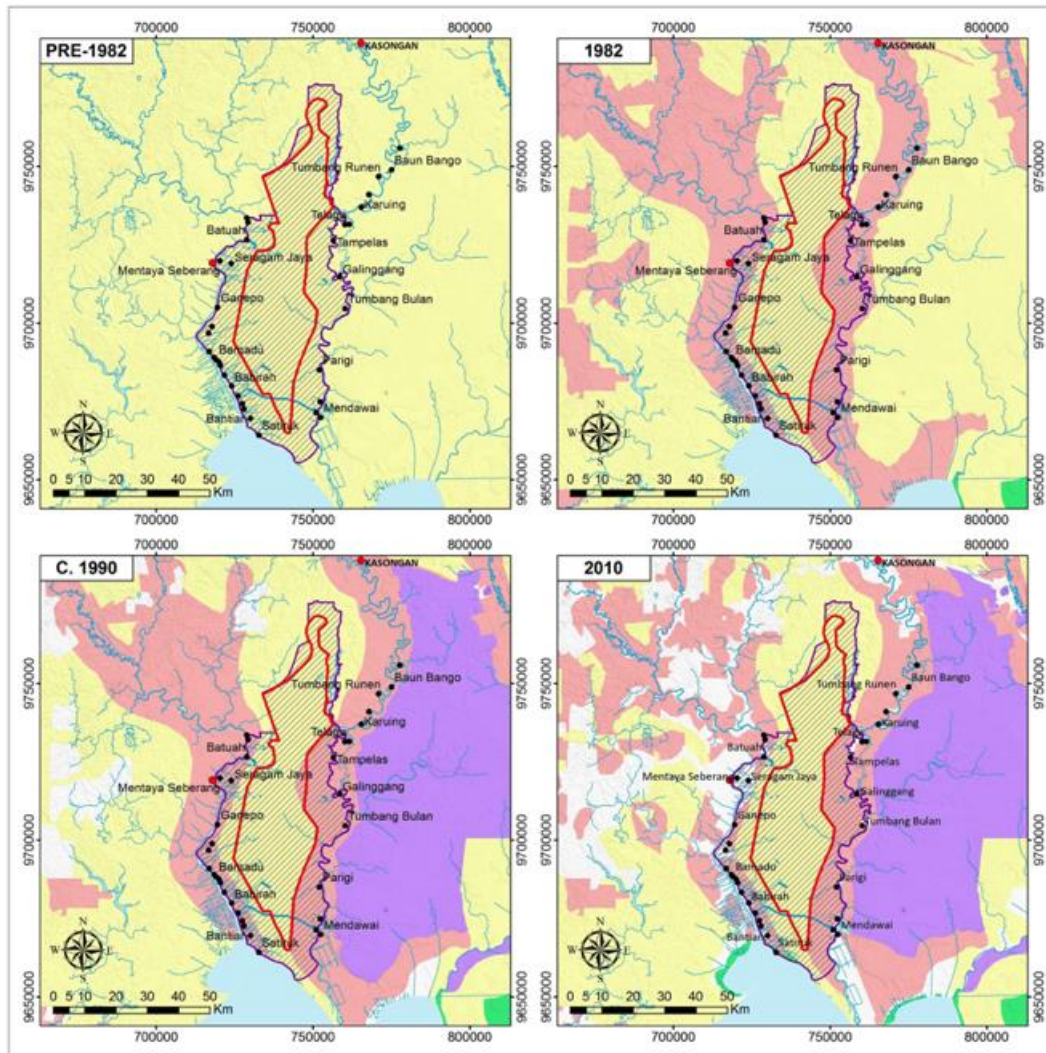
Historic land use patterns in the Katingan area were originally largely determined by physical conditions, but have shifted over time to accommodate changes ranging from forestry policies, market trends, economic needs, and migration to changing population sizes.

Small local communities have existed in the area for generations, relying on a river and forest-based economy. Such villages were (and to a large extent remain) exclusively located along the banks of the main rivers, or in areas where raised sand ridges allowed some agriculture. Livelihoods were typically supported by fishing, and to a lesser extent by small-scale logging, non-timber forest product harvesting, farming, hunting, and smallholder agroforestry. At this time the vast interior peat swamp forests would have been almost entirely uninhabited by permanent settlements.

As time has passed the distribution of villages and village land has remained essentially the same, but the interior forests have increasingly been targeted for commercial exploitation. This began in earnest in the early 70s and continued through to the early 2000s, and witnessed a number of companies being granted licenses by the government to log the interior forests (see Section 4.5 for a more detailed review of commercial exploitation). Legal land use designations evolved in parallel to the commercial exploitation. Originally all land within the project zone was simply designated as lying within state forests and open to commercial exploitation (see Map 3), irrespective of the presence of people or customary land claims. While companies largely tended to avoid land occupied by local villages, this was usually for pragmatic reasons rather than legal ones.

**Map 3. Historical change in land designation in the region of the project.** Yellow indicates State Production Forest ('Hutan Produksi'); Pink indicates forest designated for conversion ('Hutan Produksi Konversi'); Purple

indicates areas designated as conservation areas; Green indicates protection forest ('Hutan Lindung'); and White indicates areas removed from the national forest estate.



As the commercial exploitation continued, so did the legal land designations evolve. Commercial logging left behind degraded forest, typically being most degraded nearest to the rivers where access was the easiest. This led to the designation of a swathe of land along both rivers being designated as forest estate land suitable for commercial conversion to non-tree crops, coinciding with the booming increase in oil palm in Indonesia. Only the interior forest remained designated for commercial logging. In parallel, across the broader region, the revision of land status maps also began to recognize the existence of some customary land by excising such areas from the forest estate, although the process was far from comprehensive (Map 3).

As the late 2000s approached the effect of the changing legal designations predictably saw an increase in palm oil agriculture in those areas bordering the rivers for which it had been made legally permissible. The impact of this has been greater in areas outside of the project zone (for example to the north, and west), but its effect was also felt within those areas designated for conversion within the project zone, with a number of applications by companies being lodged, some of which remain in process to date (for example the oil palm company, PT PEAK). Meanwhile, within the interior forests where commercial conversion to oil palm was not permissible the commercial interest switched from logging to monoculture plantations. By 2010 these interior areas designated as 'production forest' were being earmarked for conversion and already subject to pending commercial applications (for a detailed review of see Section 4.5). By 2010 further land status reform was in the pipeline which saw the retention of the interior

forests as production forest while excising further areas of the 'conversion forest' belt along the rivers from the forest estate. This was partly to reflect a greater recognition of the distribution of villages and village land (which had increased, but which was essentially unchanged in distribution) and, outside of the project zone in particular, to reflect the presence of new commercial oil palm plantations (Map 3).

This is the context within which the Katingan Project started. As an ecosystem restoration concession, the project was able to target only the interior production forest area, in what is now the project area, but in doing so could avoid the threat of these forests being commercially converted to monoculture plantations (see Section 4.5). Meanwhile, the areas closer to the rivers remain a mix of state forest land slated for conversion, areas already subject to commercial plantations, and land either legitimately owned by local villages or at the least being exploited by them.

### 1.3.2 Current land use in the project zone (G1.3)

Current land status and use within the project zone is summarised in Table 1 below. More detailed information on the project area is then given below in Sub-sections 1.3.3 and 4.4.1. As described in the previous section, there is a greater diversity of land status and land use within the wider project zone compared to the project area.

**Table 1. Land use and status within the project area and zone**

| Land cover                                           | Area within project area (ha) | % of total project area | Area within project zone (ha) | % of total project zone |
|------------------------------------------------------|-------------------------------|-------------------------|-------------------------------|-------------------------|
| Peat swamp forest                                    | 143,095                       | 96%                     | 180,370                       | 59%                     |
| Fresh water swamp forest                             | 1,683                         | 1%                      | 7,574                         | 2%                      |
| Non-forest vegetation                                | 4,659                         | 3%                      | 78,637                        | 26%                     |
| Bare soil                                            | 363                           | <1%                     | 11,273                        | 4%                      |
| Plantation                                           | 0                             | 0%                      | 27,815                        | 9%                      |
| <b>Total</b>                                         | <b>149,800</b>                | <b>100%</b>             | <b>305,669</b>                | <b>100%</b>             |
| Land Status                                          | Area within project area (ha) | % of total project area | Area within project zone (ha) | % of total project zone |
| Protection Forest ( <i>Hutan Lindung</i> )           | 0                             | 0%                      | 1,442                         | <1%                     |
| Production Forest ( <i>Hutan Produksi</i> )          | 149,800                       | 100%                    | 205,395                       | 67%                     |
| Conversion Forest ( <i>Hutan Produksi Konversi</i> ) | 0                             | 0%                      | 82,212                        | 27%                     |
| Non-Forest Estate (APL)                              | 0                             | 0%                      | 13,156                        | 4%                      |
| No-Status/Water Body ( <i>Badan Air/Danau</i> )      | 0                             | 0%                      | 3,464                         | 1%                      |
| <b>Total</b>                                         | <b>149,800</b>                | <b>100%</b>             | <b>305,669</b>                | <b>100%</b>             |

### 1.3.3 Current condition and types of vegetation in the project area (G1.3)

The project area is classified into three vegetation types: mixed peat swamp forest; freshwater swamp forest, and; open degraded, scrub and grassland (see also Sub-section 4.4.1). Mixed peat swamp forest is by far the most dominant vegetation type, covering about 96.65% of the project area. Each of these vegetation classes is considered in turn below.

#### A) Mixed peat swamp forest

Peat swamp forest in the project area consists of mixed swamp vegetation, mainly inhabited by native tree species including terentang (*Camposperma* sp.), bintangur (*Callophyllum* spp), jelutong (*Dyera lowii/polyphylla*), punak (*Tertamerista glabra*), malam-malam/kayu hitam (*Diospyros* sp.), resak (*Vatica Rasak*), meranti rawa (*Shorea* sp.), balangeran (*Shorea balangeran*), kajalaki/parak (*Aglaia rubignosa*), nyatoh (*Palaquium* spp.), alau (*Dacrydium beccarii*), kempas (*Kompassia malaccensis*), tumih

(*Combretocarpus rotundatus*), ramin (*Gonystylus bancanus*), and gemor (*Alseodaphne coriacea*). Among these species, ramin and gemor are both economically and ecologically valuable, and are very rare in the project area today due to over exploitation in the past. Besides tree species, mixed peat swamp forest is inhabited by non-tree species as well. The common palm species found in this type of forest are asam payo (*Eloioxa conferta*), palem merah (*Cyrtactachys lakka*), and rattan (*Calamus sp.* and *Khortalsia sp.*). Amid standing trees, there are many types of herbaceous plants and sedges such as *Rhapidophora spp.*, *Cryptocoryne sp.*, *Liparis spp.*, *Freycinetia spp.*, *Thoracostachyum sp.*, and *Schleria sp.* In the deep peat areas, pitcher plants locally known as kantung semar (*Nepenthes sp.*) are abundant on the forest floor. [Figure 4](#) shows a typical condition of the mixed peat swamp forest.

**Figure 4. Typical vegetation condition in the mixed peat swamp forest**



#### B) Freshwater swamp forest

Freshwater swamp forest occupies small areas in the eastern part of the project area adjacent to rivers. Freshwater swamps form where periodic flooding causes water logging on soils. The soil in this type of forest is much less acidic than that in peat swamps, and it is among the most nutrient-rich tropical soils due to frequent deposition of silts and organic matters. Freshwater swamp forest is dominated by swampy tree species such as perupuk (*Lophopatalum multinervium*), jambu-jambu (*Syzygium sp.*), gelam tikus (*Eugenia spicata*), ara (*Ficus microcarpa*), *Archidendron clyperia*, and *Elaiocarpus sp.* Other tree species include *Shorea belangeran* and *Combretocarpus rotundatus*. Common riverine species such as *Barringtonia spp.*, *Pandanus helicopus* and *Thoraxostachyum spp.* are abound along the river or creek. [Figure 5](#) shows a typical condition of the freshwater swamp forest.

**Figure 5. Typical vegetation condition in the freshwater swamp forest**



### C) Non-forest vegetation

Within the project area are small areas of non-forest vegetation that include shrub land, fernland, grass land, and bare land. These areas are dominated by ferns such as pakis (*Selaginella* sp.), paku jampa (*Nephrolepis* sp.), kelakai (*Stenochlaena palustris*), *Pteridium* sp, and *Glechnium* spp. Sedges and grasses such as *Scleria purpurescens*, *Hymenachne acutiguma*, and alang-alang (*Imperata cylindrical*) are also abundant. Some woody species including galam (*Melaleuca* sp.), tumih (*Combretocarpus rotundatus*), senduduk (*Melastoma malabathricum*), *Tetractomia tetranda*, gerunggang (*Cratoxylon arborescens*), and *Trema orientalis* grow as well in some areas. These are pioneer tree species which grow quickly after fire events in the project area. [Figure 6](#) shows a typical condition of the non-forest vegetation areas.

**Figure 6. Typical condition in the non-forest vegetation**



### 1.3.4 Current carbon stocks (G1.3)

The volume of total aboveground biomass and peat carbon stocks in the project area at the project start was quantified to be **14,254,599 ton of carbon (tC)** and **546,767,493 tC**, respectively. For a full description of current carbon stocks, see Chapters 4 and 5.

### 1.3.5 Communities in the project zone (G1.3)

The project area contains no permanent human settlements. This distribution is no accident, as for reasons described in Sub-section 1.3.1, the project area is essentially defined as the area that was not occupied by communities or was targeted for excision from the forest estate. The wider project zone outside of the project area, on the other hand, encompasses 34 village communities and a population estimated in 2010 to be 43,000 people living in 11,475 households [6] [7]. These villages fall under the territorial administration of Mendawai and Kamipang sub-districts of Katingan District, and Seranau and Pulau Hanaut sub-districts of Kotawaringin Timur District (see Map 2). These communities typically make their living from the land and from the rivers, predominantly relying on small-scale agriculture and traditional fisheries. Rice, rubber, coconut, rattan, fruits, non-timber forest products (gemor, jelutong, honey, medicinal plants) and freshwater fish are among the most common livelihood commodities in the project zone (see [Figure 7](#)).

**Figure 7. Communities in the project zone**



For a detailed description of project zone communities, including demographic and socio-economic data, see Annex 2. This is discussed further in relation to project activities in Sub-section 2.2.1, to stakeholders in Section 2.7, and to the project's net positive community benefits in Chapter 6.

### **1.3.6 Land rights and conflict (G1.3, G5.5)**

The centralistic land tenure policies of the 70's and 80's led to both confusion and conflict among local communities, as lands they had traditionally recognised as their own were designated as lying within the national forest estate and were therefore open to commercial exploitation (see Sub-section 1.3.1). As time has passed the situation has slowly improved, with more and more village land being progressively excised from the forest estate as land tenure and planning practices have improved. Outstanding issues do remain however, particularly within those areas lying between the project area and the rivers, which remains designated as commercial conversion forest. Further land conflict within the wider project zone has also been sparked by progressive waves of transmigration. For further details see Annex 2.

The Katingan Project is designed and implemented to fully recognize customary rights and community land tenure. The project has facilitated participatory land-use mapping and demarcated land-use boundaries in the project-zone villages based on customary rights. While this process has allowed a formal consensus to be reached on the project area, the process has also helped local communities to resolve conflicts within the wider project zone. The outcomes can then feed directly into local planning processes and get formal recognition. For further details see Sub-section 2.2.1 and Section 2.7.

### **1.3.7 Current biodiversity (G1.3)**

In total, field surveys identified 67 mammal, 157 bird, 41 reptile, 8 amphibian, 111 fish, and 314 floral species in the project zone [8] [9]. Of these, two species are considered as Critically Endangered, 11 are Endangered, and 31 are Vulnerable [10], while 14 are endemic to Borneo, and 63 are protected under Indonesian law (see Appendix 1). Preliminary estimates also indicate an estimated population of almost 4,000 Orangutan, almost 10,000 Bornean Gibbon and over 500 Proboscis Monkey (see [Figure 8](#)). These populations all represent over 5% of the remaining global population of these species, classifying the project area as a Key Biodiversity Area by this criteria alone.

Figure 8. Oranghutan in the project zone



Full details of the biodiversity assessment can be found in (Harrison, et. al, 2010 [8] and Harrison, et. al, 2011 [9]). Key species identified by the survey, including all those considered of high conservation value, endangers, protected or endemic, are listed in Appendix 1. Measures implemented to protect and enhance the site's biodiversity are discussed further in relation to project activities in Sub-section 2.2.1, and in relation to the project's net positive biodiversity benefits in Chapter 7.

### 1.3.8 Identification of high conservation values (HCV) (G1.3, G1.7)

In addition to the biodiversity assessments described above, a rapid assessment of high conservation value (HCV) areas was conducted in collaboration with the Katingan Project by a team from the Indonesian Forest Research and Development Agency (FORDA). The assessment was based on the high conservation value forest (HCVF) identification toolkit for Indonesia [11] in conjunction with data collected from field surveys (available upon request) and the evaluation of secondary data. The assessment sought to identify the existence of HCV species and prominent threats to them, as well as to produce indicative maps of the area's forest land systems and HCV species. A full report of the results are available in the reference [4], and are summarized in Annex 3. The assessment identified areas within all six HCV classes, as shown below in Table 2, each of which is mapped (see Map 4 and Annex 3 for further details).

Measures implemented to protect and enhance the site's high conservation value areas are discussed further in relation to project activities in Sub-section 2.2.1 and Section 2.4, and in relation to the project's net positive community and biodiversity benefits in Chapters 6 and 7 respectively.

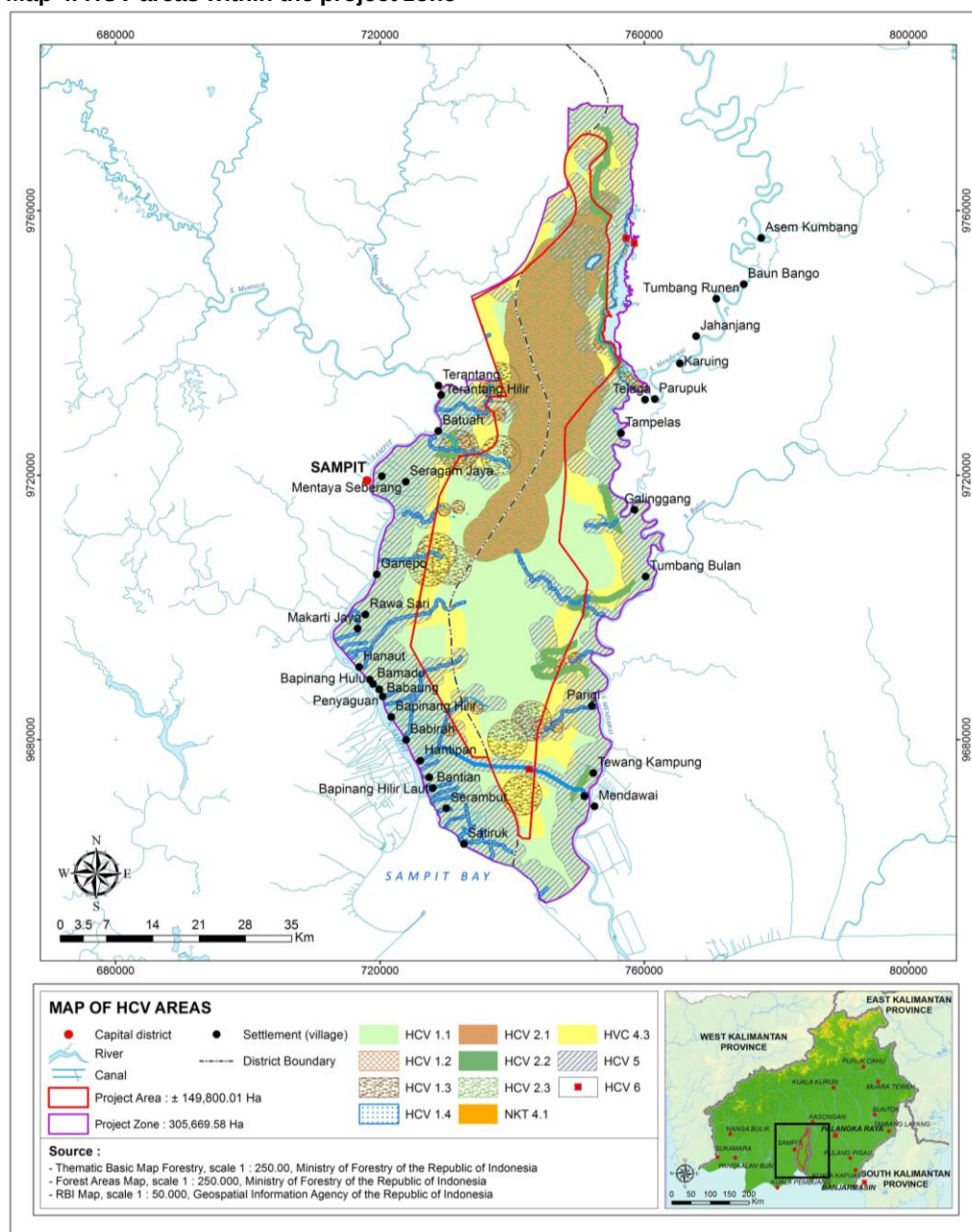
Table 2. HCV attributes and findings

| Class                                                       | Sub-class | Key Question                                                                                                                                 | Results |
|-------------------------------------------------------------|-----------|----------------------------------------------------------------------------------------------------------------------------------------------|---------|
| <b>HCV 1</b><br>Areas with important levels of biodiversity | 1.1       | Does the project area contain or provide a function to support biodiversity for protected or conservation areas within or nearby?            | Yes     |
|                                                             | 1.2       | Does the project area contain critically endangered species?                                                                                 | Yes     |
|                                                             | 1.3       | Does the project area contain areas used as habitats for viable population of species, which are threatened, restricted ranged or protected? | Yes     |
|                                                             | 1.4       | Is the project area used as a temporary place/habitat for a species or a congregation of species?                                            | Yes     |

| Class                                                                                     | Sub-class | Key Question                                                                                                                                  | Results          |
|-------------------------------------------------------------------------------------------|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| <b>HCV 2</b><br>Natural landscapes and dynamics                                           | 2.1       | Is the project area a part of large natural landscapes with a capacity to maintain natural ecological dynamics?                               | Yes              |
|                                                                                           | 2.2       | Is the project area a part of landscapes that contain two or more contiguous ecosystems?                                                      | Yes              |
|                                                                                           | 2.3       | Is the project area a part of landscapes containing population of most naturally occurring species?                                           | Yes              |
| <b>HCV 3</b><br>Rare or endangered ecosystems                                             | 3         | Is the project area a part of landscapes containing rare or endangered ecosystems?                                                            | Yes              |
| <b>HCV 4</b><br>Environmental services                                                    | 4.1       | Is the project area considered a part of landscapes important for the provision of water and prevention of floods for downstream communities? | Yes              |
|                                                                                           | 4.2       | Does the project area hold areas important for the prevention of erosion and sedimentation for downstream communities?                        | No               |
|                                                                                           | 4.3       | Is the project area a part of landscapes that function as a natural break to the spread of forest or ground fire?                             | Yes              |
| <b>HCV 5</b><br>Natural areas critical for meeting the basic needs of local people        | 5         | Does the project area play an important role for meeting the basic needs of local communities?                                                | Yes              |
| <b>HCV 6</b><br>Areas critical for maintaining the cultural identity of local communities | 6         | Does the project area contain areas critical for maintaining the cultural identity of local communities?                                      | Yes <sup>1</sup> |

<sup>1</sup> Identified subsequent to the initial assessment, see Section 6 for further details.

Map 4. HCV areas within the project zone



## 1.4 Project Proponent (G1 & G4)

### 1.4.1 Contact information and roles of the project proponent (G1.1)

The Katingan Project is developed and managed by the ecosystem restoration concession (ERC) holder, PT. Rimba Makmur Utama (RMU). By collaborating with the project-zone communities and partner organizations, PT. RMU takes full responsibility to manage, finance and implement project activities for the duration of the project. Table 3 shows the project proponent's information.

Table 3. Project proponent information

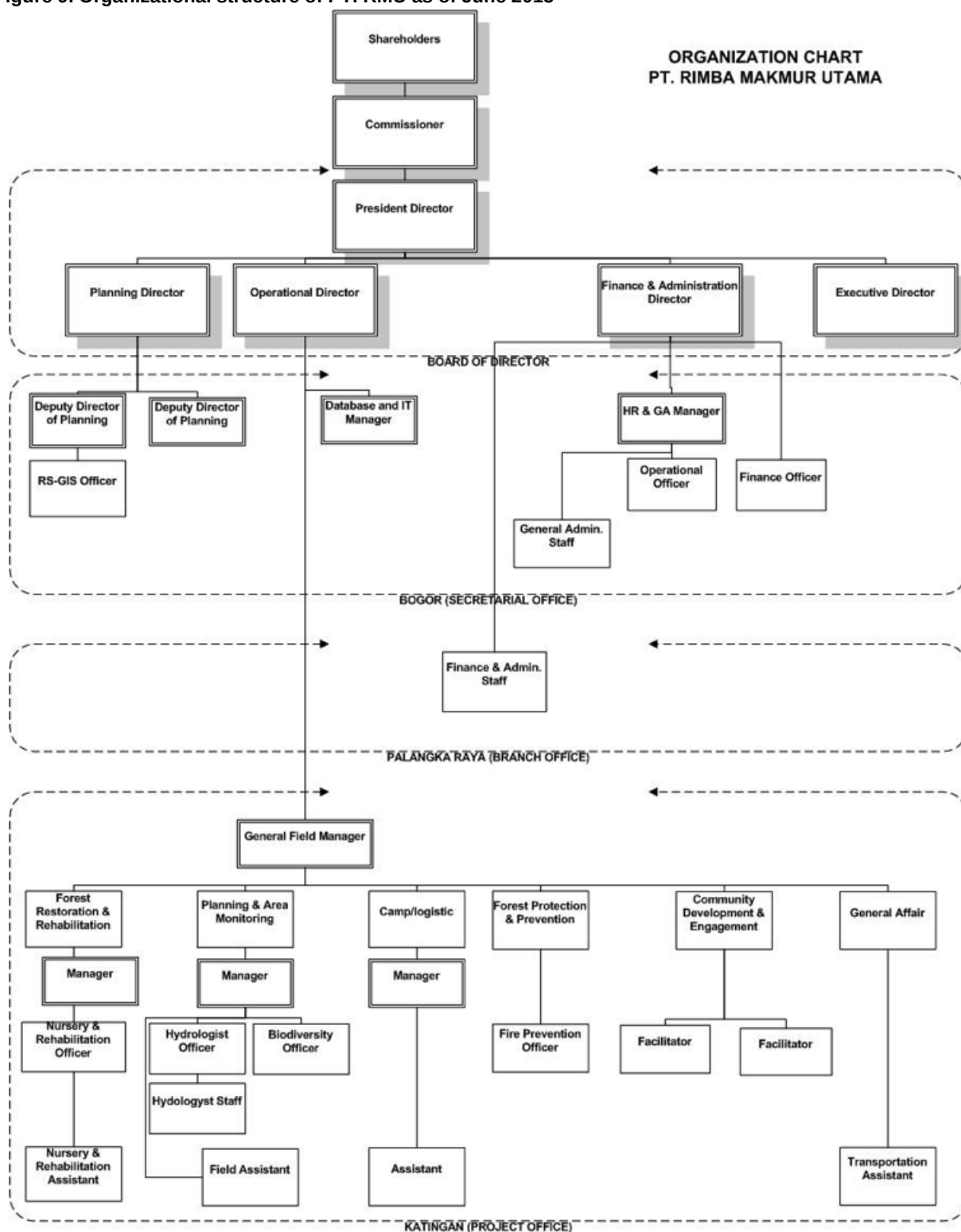
|                |                                  |
|----------------|----------------------------------|
| Organization   | PT. Rimba Makmur Utama (PT. RMU) |
| Organizational | Private company                  |

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| category                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Contact person          | Dharsono Hartono, Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Address                 | Menara BCA, Fl. 45, Jl. MH Thamrin No. 1, Jakarta, Indonesia<br>Phone: +62 (0)21 2358 4777; Fax +62 (0)21 2358 4778;<br>Mobile: +62 (0)816-976-294<br><a href="mailto:dharsono@ptrmu.com">dharsono@ptrmu.com</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Organization's profile  | PT. RMU was founded in 2007 with a mission to restore and conserve peatland in Central Kalimantan Province through a land-use permit, IUPHHK-RE, also known as ecosystem restoration concession (ERC). By using the ERC business model, PT. RMU seeks to reduce greenhouse gas emissions within the concession site and generate carbon offset credits under REDD+ mechanisms.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Project roles           | PT. RMU is the project developer, ERC license holder and lead implementer. It is responsible for the overall management, financing and implementation of the Katingan Project. Proposed project activities are to be carried out in collaboration with communities in the project zone and project partners as described below Sub-section 1.5.1.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Project management team | <p><b>Mr. Dharsono Hartono, Chief Executive Officer</b><br/>Dharsono is the Chief Executive Officer (CEO) of PT Rimba Makmur Utama, an Indonesia-based company that is developing the Katingan Project. Since 1998, he has worked for multinational companies such as PricewaterhouseCoopers and JP Morgan in New York, handling merger acquisition, debt management and financing and raising capital. His role in PT Rimba Makmur Utama includes managing all the company's activities, especially marketing and financing in the carbon market. Dharsono obtained a bachelor's degree in Operation Research, and a Master of Engineering from Cornell University in Financial Engineering.</p> <p><b>Mr. Rezal Kusumaatmadja, Chief Operating Officer</b><br/>Rezal is the Chief Operating Officer (COO) of PT Rimba Makmur Utama. Before joining PT RMU, he was involved in the Katingan Project as co-founder of Starling Resources where he led the development of the project activities since 2008. He has more than 15 years of experience in natural resource management, community-based planning, forest conservation and sustainable forest management. Rezal is also actively involved in the international REDD+ initiatives serving as an advisory board member to the Climate and Land Use Alliance (CLUA) from 2010 until present, a member of the REDD+ Social Environmental Standards (REDD+ SES) international standards committee from 2009 to 2013, and a member of Advisory Committee VCS Jurisdictional and Nested REDD Initiative in 2012. Rezal holds a master's degree in urban and regional planning from the University of Hawaii and a bachelor's in City and Regional Planning from Cornell University.</p> |

#### 1.4.2 Organizational structure (G4.1)

The organizational structure of PT RMU (as of Jun 2015) is shown below in [Figure 9](#).

Figure 9. Organizational structure of PT. RMU as of June 2015



## 1.5 Other Entities Involved in the Project

### 1.5.1 Implementing and technical partners (G4.2)

Key implementing and technical partners are shown below.

|                        |                                                                                                                                                                                                                                                                                                                                   |
|------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Organization           | Yayasan Puter Indonesia                                                                                                                                                                                                                                                                                                           |
| Category               | NGO                                                                                                                                                                                                                                                                                                                               |
| Contact Person         | Yekti Wahyuni, Executive Director                                                                                                                                                                                                                                                                                                 |
| Address                | Jalan Ahmad Yani II, Nomor 11A,<br>Bogor, 16151, Indonesia<br>Tel/Fax: +62 (0)251-831-2836<br>Email: <a href="mailto:yektiwahyuni@gmail.com">yektiwahyuni@gmail.com</a>                                                                                                                                                           |
| Organization's profile | Yayasan Puter Indonesia is a not-for-profit organization based in Bogor with a core mission to develop and implement innovative approaches to people-based planning processes. Yayasan Puter is committed to assisting communities, CSOs, private companies as well as government agencies that share Puter's vision and mission. |
| Project roles          | Community development activities, including: <ul style="list-style-type: none"> <li>• Participatory land-use mapping</li> <li>• Community consultations and REDD+ awareness building</li> <li>• Livelihood programs</li> </ul>                                                                                                    |

|                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Organization           | Wetlands International                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Category               | NGO                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Contact Person         | I Nyoman Suryadiputra, Director Indonesia Programme, Wetlands International                                                                                                                                                                                                                                                                                                                                                                                                |
| Address                | Indonesia Programme office:<br>Jl. Ahmad Yani No. 53<br>Bogor, 16161, Indonesia<br>Tel: +62 251 8312189<br>Email: <a href="mailto:nyoman@wetlands.or.id">nyoman@wetlands.or.id</a><br>Web: <a href="http://www.wetlands.org">www.wetlands.org</a>                                                                                                                                                                                                                          |
| Organization's profile | Wetlands International is an international NGO, dedicated to maintaining and restoring wetlands – for their environmental values as well as for the services they provide to people. The organization works through a network of offices (including a HQ based in the Netherlands and a Programme Office in Indonesia), with a global network of partners, specialist groups and associate experts. It receives funding from governments, private donors and a membership. |
| Project roles          | Wetlands International leads technical aspects of MRV-related activities, including: <ul style="list-style-type: none"> <li>• MRV methodology and platform development for monitoring above- and below-ground carbon emissions;</li> <li>• The provision of technical expertise including biodiversity management, fire management, land-use management and community development</li> </ul>                                                                               |

|                        |                                                                                                                                                                                                                                                                                                                           |
|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Organization           | Permian Global                                                                                                                                                                                                                                                                                                            |
| Category               | Company                                                                                                                                                                                                                                                                                                                   |
| Contact Person         | Dr. Nick Brickle, Asia Director                                                                                                                                                                                                                                                                                           |
| Address                | Savoy Hill House, 7-10 Savoy Hill<br>London, WC2R 0BU, United Kingdom<br>Tel: +44 20 3617 3310<br>Email: <a href="mailto:info@permianglobal.com">info@permianglobal.com</a><br>Web: <a href="http://www.permianglobal.com">www.permianglobal.com</a>                                                                      |
| Organization's profile | Permian Global is an investment firm dedicated to the protection and recovery of natural forests to mitigate climate change. Permian Global comprises a team of experienced experts from the fields of science, forest conservation and asset management; committed to creating the best possible forest carbon projects. |
| Project roles          | Technical advice and support, including: <ul style="list-style-type: none"> <li>• MRV methodology design and technical support</li> <li>• Remote sensing</li> <li>• Carbon commercialization and marketing</li> <li>• Technical management advice including protection and restoration methods</li> </ul>                 |

### 1.5.2 Key technical skills required for project implementation (G4.2)

The project activities described in Sub-section 2.2.1 will be implemented primarily by the project proponent, PT. RMU. The company employs a large, highly-qualified and professionally-experienced staff, drawn from various backgrounds and with expertise including forest management, peatland biochemistry, conservation biology, silviculture, aquaculture, community development, financial

management, business management, legal and technical regulation and policy. This team is based in headquarters in Bogor and Jakarta, within regional offices in Palangarya, Sampit and throughout the project zone.

In addition to in-house experts, PT. RMU collaborates with a wide-range of institutions both as implementing partners and as sources of technical advice. This includes those partners listed in above in Sub-section 1.5.1 but also includes a range of other partners that assist the project on an issue-based or *ad hoc* basis, both *pro bono* and as contracted consultants. Amongst these partners are a range of nationally and internationally recognized scientific and technical experts, providing advice on issues ranging from climate science, to community development, practical site management and biodiversity conservation. Furthermore, local communities are also considered as one of the key collaborating experts since they are the source of a wealth of local and traditional knowledge.

Table 4 below summarizes some of the main project activity themes and some of the range of skills required for their implementation. For further detail see Sub-section 2.2.1. More details of the financial management of the project can be found in Section 2.5.

**Table 4. Key skills required to implement the project, by activity**

| Project activity              | Sub-project activity                                                                                                                                           | Key skills required                                                                                                                    |
|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| Ecosystem Restoration         | Hydrology management; reforestation; enrichment planting; MRV                                                                                                  | Hydrology; Carbon MRV, GIS/remote sensing; silviculture; peatland biogeochemistry                                                      |
| Forest Resources Conservation | Protection and enforcement; Forest fire prevention and control; Habitat conservation and management                                                            | HCV mapping, forest conservation; Peat forest fire management; biodiversity conservation, biodiversity MRV                             |
| Research and Development      | Knowledge management; MRV methods; restoration methods; biodiversity conservation methods                                                                      | Carbon MRV, hydrology, silviculture, peatland biogeochemistry, forest conservation, biodiversity conservation                          |
| Livelihood Development        | Non-timber forest products; Agroforestry; Ecotourism; Salvaged wood production; Aquaculture and sustainable fisheries                                          | Community organizing, conflict resolution, participatory land-use mapping, business management; Agroforestry, peatland biogeochemistry |
| Community Resilience          | Microfinance institutions and enterprises; Energy efficiency and production; Mother and child health care; Clean water and sanitation; Basic education support | Microfinance, community organizing, conflict resolution; Renewable energy, community organizing                                        |

## 1.6 Project Start Date (G1.9)

Following the VCS definition of start date (the date on which activities that lead to the generation of GHG emission reductions or removals are implemented), the **project start date is November 1, 2010**.

PT. RMU submitted a technical proposal to the Ministry of Forestry in 2008. The application was acknowledged and instructed to proceed with a partial environmental impact assessment of the project area (the status known as *SP-1*) in 2009, hence blocking any further applications. November 1, 2010 is the date when the Katingan Project commenced field survey activities inside the project area, and it also coincides with the time when baseline emissions would have started, had the project not blocked any further applications by reserving the project area applications (see Sections 4.5 and 5.3 for more details). Therefore, this date will be used as the calculation base for the historical reference period required for

setting a baseline scenario, and for the project crediting period as required by the methodological standards of the VCS guidelines.

## 1.7 Project Crediting Period (G1.9)

The duration of the VCS **project crediting period is 60 years**, beginning on the project start date of **November 1, 2010** and ending on **October 31, 2070**, and credits will be calculated against the baseline scenario at the time the project start (see Section 1.6). The project crediting period is renewable.

The project crediting period is set initially for 60 years, which is in line with the lifetime of the Katingan Project based on the term of the ecosystem restoration concession (IUPHHK-RE) held by PT RMU.

## 2 DESIGN

### 2.1 Sectoral Scope and Project Type

The Katingan Project is categorized as an Agriculture, Forestry and Other Land Use (AFOLU) project under the Reduced Emissions from Deforestation and Degradation (REDD) project category. The project activities are categorized under the VCS as a combination of REDD+WRC<sup>2</sup> and ARR<sup>3</sup>+WRC; specifically as Avoiding Planned Deforestation (APD) and Reforestation (ARR), in combination with Conservation of Undrained and Partially drained Peatland (CUPP) and Rewetting of Drained Peatland (RDP) activities. This is not a grouped project.

### 2.2 Project Activities (G1)

The Katingan Project conserves a vast ecosystem of mostly intact peat swamp forest which would have been converted to industrial acacia plantations in the absence of the project (see Sections 4.5 for a full analysis of the project's baseline scenario). Based on the project framework presented in [Figure 1](#), project activities are implemented with a full consideration of science, research, field surveys and community consultation, and will reflect the condition of surrounding ecosystems, local land tenure, conservation priorities and livelihood options. The detailed description of project activities is presented in the following Sub-section 2.2.1.

#### 2.2.1 Project activities (G1.8)

##### A) Avoided Deforestation and peat drainage (REDD + WRC)

At its heart, the project will avoid the deforestation, degradation and drainage of a vast area of peat swamp forest. This is achieved primarily by obtaining the legal licence to the project area, thereby preventing the area from being converted by an industrial acacia plantation company. The process of deforestation in the baseline and associated emissions which are avoided in the project scenario is described in more detail in Chapter 5.

REDD and WRC activities will bring about positive impacts to all CCB benefits by maintaining the project area's peat swamp forest intact, and enhancing overall ecosystem services in the project zone.

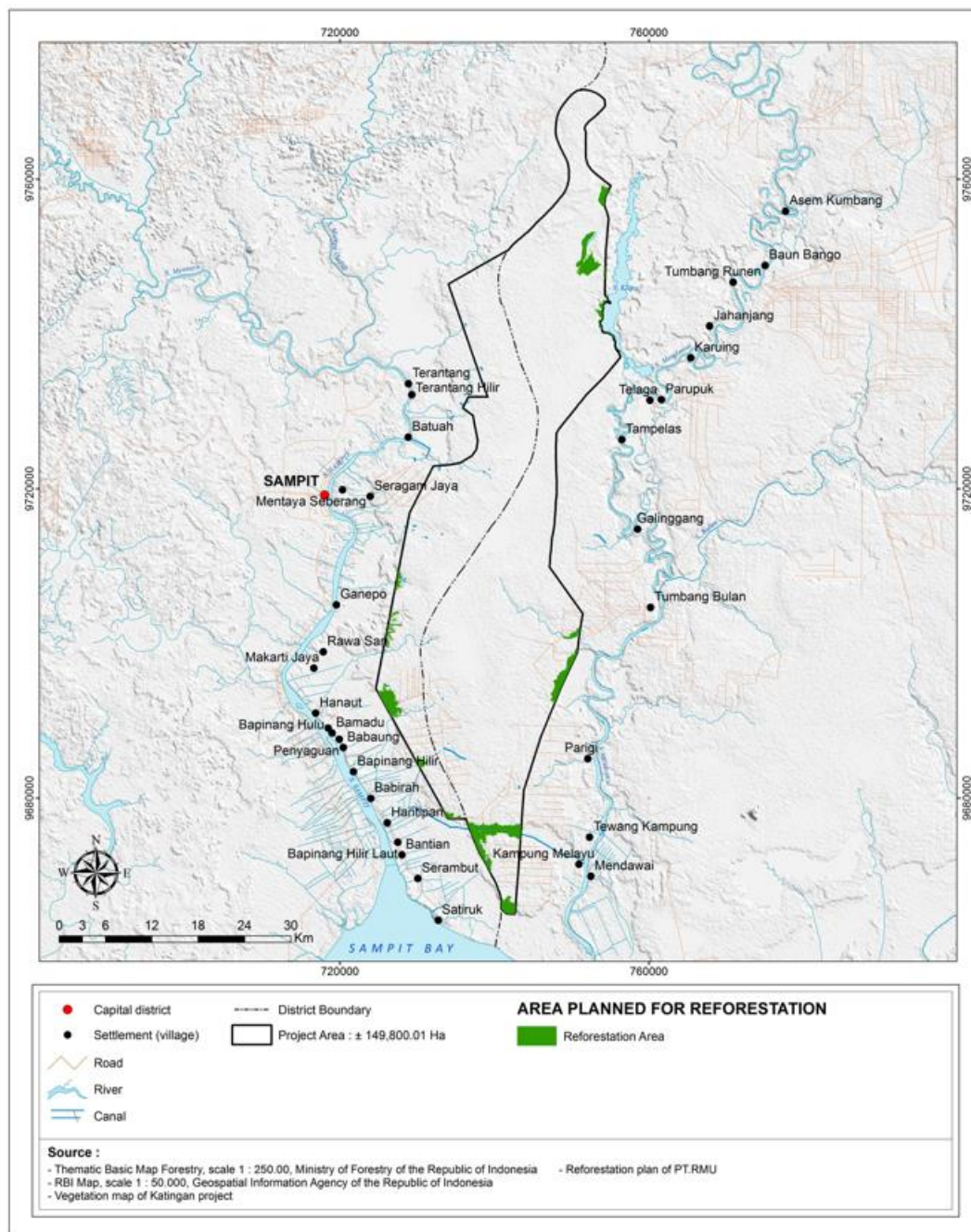
##### B) Reforestation (ARR)

<sup>2</sup> Wetlands Restoration and Conservation

<sup>3</sup> Afforestation, Restoration and Revegetation

The Katingan Project aims to reforest total 4,433 ha of non-forest areas within the project area. Three designs are applied in the reforestation program; community-led agroforestry, fire break plantation and intensive reforestation. In all cases, saplings will be grown in on-site nurseries and regular maintenance will be conducted to improve the rate of tree survival and to control fire risk. Map 5 indicates the locations of planned reforestation activities inside the project area.

**Map 5. Locations of reforestation plan**



The community-led agroforestry approach will focus on a small area alongside the transport canal in the south of the project area in areas claimed by local communities. Through the project's community-based business development program (see 2.2.1–H), two economically-valuable local species will be planted; Rubber trees (*Havea brasiliensis*) as demanded by the project-zone communities and Jelutong trees (*Dyera lowii*). When mature, these agroforests will generate incomes for local communities and also to lower the risk of fire incidents by providing the otherwise open areas with biomass cover.

Small fire-break plantations will be established along the east and west boundaries of the Hantipan canal areas. These areas will be planted with two local fire-resistant species; Galam (*Melaleuca spp*) and Tumih (*Combretocarpus rotundatus*), and are intended to prevent the spread of outside fires into the project area while it is being rehabilitated.

Intensive reforestation will be carried out in all remaining non-forest areas inside the project area. In these areas, three primary species will be planted; Jelutong (*Dyera lowii*), Belangiraan (*Shorea belangeran*), Pulai (*Alstonia spp.*), as well as other native peat swamp forest species (see Appendix 1).

The Katingan Project's ARR activities will have positive impacts on all CCB benefits by restoring the ecological function of peat swamp forest in the project area, preventing fires, increasing vegetation covers, and generating local incomes.

#### C) Peatland rewetting and conservation (RDP + CUPP)

Rewetting of the drained peatland (RDP) will be conducted in areas where drainage canals already exist (see Map 6 and [Figure 10](#)), while the conservation of undrained and partially drained peatlands (CUPP) will take place in the rest of the project area.

**Figure 10. Hantipan canal used for the main transportation route in the southern part of the project zone**



There are two types of drainage canals in the project area – 1) small logging canals (narrower than 2 meters and shallower than 1 meter) typically made by loggers to access forest and transport logs; and 2) navigation or irrigation canals (wider than 2 meters) made by the local government for the purpose of transportation and irrigation for the nearby communities. Rewetting efforts will be achieved by reducing the water table head-gradient towards canals as well as by reducing and preventing water outflow. Combinations of different rewetting approaches are feasible, and the final technical design will be determined in 2016 through a consideration of field conditions, technical assessments, stakeholder involvement and expert judgments. Options include:

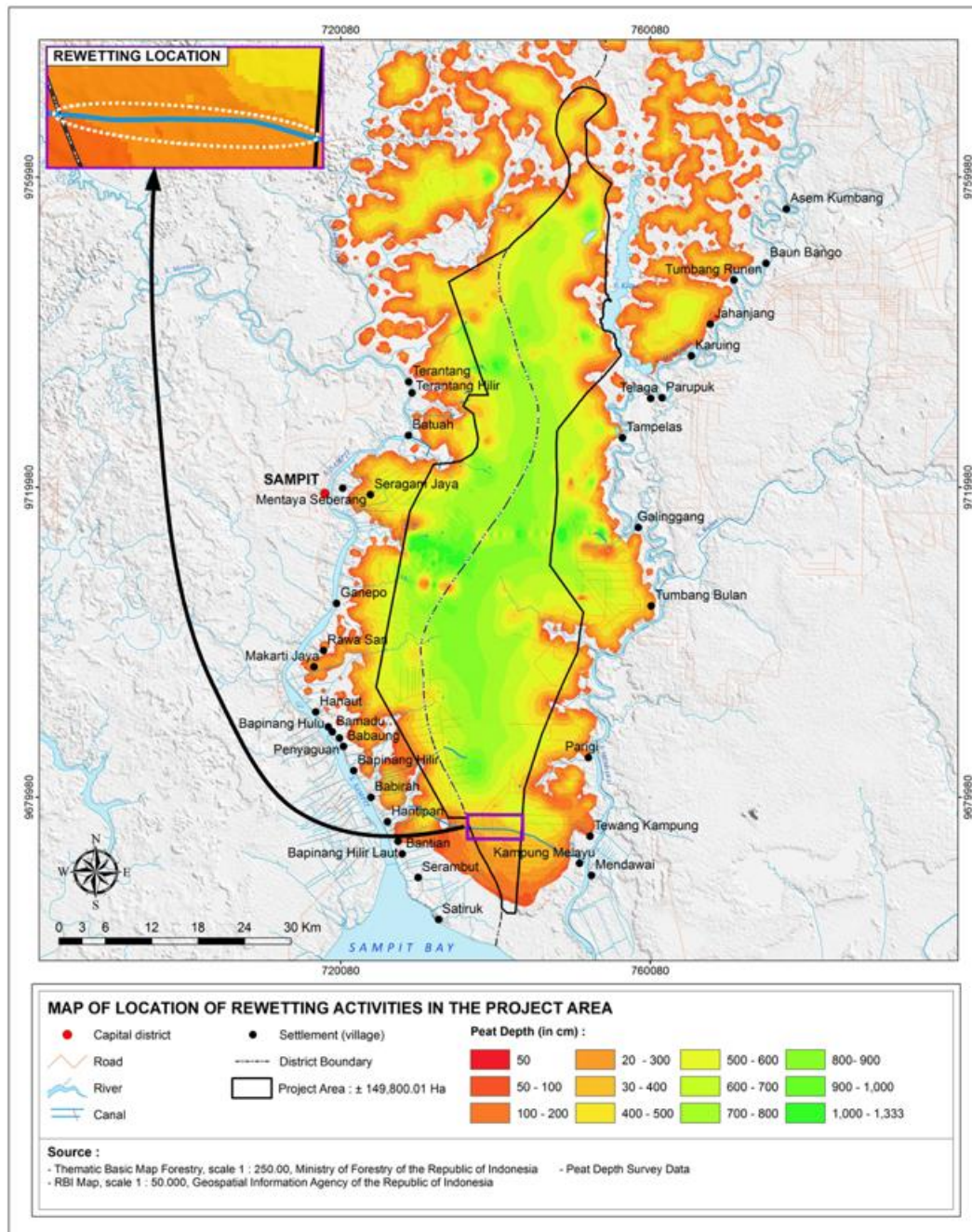
- Construction of a series of cascade sluices and/or dams in the main canals;
- Construction of membrane barriers along smaller canals and ditches for the prevention of water loss from the area;
- Blocking of ditches and small canals with local materials (e.g. peat, wood), and allow them to naturally fill and overgrow with sediments and vegetation.

Together with A) REDD and B) reforestation (ARR) activities described above, RDP and CUPP activities will be implemented over four phases:

- Preparation phase (2016): Collection of hydrological information, feasibility study, development of the technical design, relevant stakeholder consultations, and financing
- Construction phase (2017): Procurement and mobilization of construction materials and workforce, and construction
- Post-construction evaluation phase (2017): Monitoring and evaluation of construction, and making improvements
- Maintenance phase (2017 – 2070): Regular monitoring of the structures and day-to-day maintenance of the blocks, if necessary

Peatland rewetting and conservation activities are crucial to maintain the integrity of the peatland ecosystem, and will bring about positive impacts to all CCB benefits. Protection and conservation measures will include protection against fire (see below D), protection against the creation of any new drainage, and protection against the loss of peat soil (erosion and oxidation) by maintaining and replanting tree vegetation in non-forest areas. This leads to the creation of a mild microclimate on the forest floor which in turn decreases wind speed on the forest floor, increases shading, lowers soil temperatures, and hence reduces microbial decomposition and fire risk.

Map 6. Location of rewetting activities in the project area



#### D) Fire prevention and suppression

Forest and peatland fires occur almost every year during the dry season on non-forest and drained peatland areas in the project zone. They can spread quickly and travel long distances, and pose immediate threats to all climate, community and biodiversity benefits of the project. They are typically caused by the extreme weather (drought) combined with unsustainable land-use practices primarily land clearing using fire. As a result, most fires spread from near settlements and adjacent agricultural land. Within the project area, the only region heavily affected by fires to date is the area adjacent to the transport canal in the south. This is the area now targeted for reforestation (see above). For a detailed description of emissions from uncontrolled burning, see Sub-subsections 5.3.5.5 and 5.4.3.4.

Given the highly damaging nature of fires, the Katingan Project takes fire prevention and response very seriously. Key activities throughout the project zone include:

- Participatory fire mapping to identify locations with potential risks to communities and the project zone;
- Development of early warning systems through continuous weather forecasting, water level monitoring, patrolling and community radio systems;
- Establishment of monitoring posts and watch towers in fire prone areas;
- Development of firefighting teams (*Regu Siaga Api* or RSA) staffed by local communities members and provision of fire extinguishing equipment and training; and
- Awareness building programs for communities in the project zone.

Fire prevention and suppression activities will contribute to all CCB benefits by avoiding GHG emissions from the combustion of aboveground and peat biomass, loss of natural habitats and HCV species, devastating haze and its health impacts, and loss of livelihoods.

#### E) Protection and law enforcement

Protection and law enforcement activities will seek to prevent illegal exploitation of the project area, including illegal logging, poaching, encroachment, illegal gold mining, peat drainage and forest clearance with fire. This will be achieved through a combination of activities, including:

- Physical demarcation of the project boundary (based on community maps, see below project activity G);
- Identification of specific locations, agents, targeted species, methods, frequency and the typical season of improper activities to be monitored and refrained;
- Mobilization of forest rangers and patrol teams consisting of local community members;
- Development of community-led monitoring and reporting systems to enforce laws and village regulations;
- Community radio systems for effective monitoring, reporting and information sharing;
- Establishment of monitoring posts at main entry-exit points to the forest;
- Provision of necessary equipment and training to participating community members
- Awareness building programs for communities in the project zone to enhance their understanding on potential socio-ecological impacts of illegal resource extraction and unsustainable land-use practices.

Illegal exploitation of the project area poses risks to the objectives of the project as forest resources and ecosystem services deplete. The protection and law enforcement program will bring about positive impacts on all CCB benefits by protecting faunal and floral species and the integrity of peatland ecosystems from illegal activities.

#### F) Species conservation and habitat management

The vast majority of the biodiversity within the project zone requires no active management beyond the protection of their habitat and prevention of unsustainable exploitation or hunting. These objectives will be delivered through the activities described above and below. A comprehensive program of biodiversity monitoring (Chapters 7 and 8) will provide feedback on population status of key species.

In a few cases more specific management may be required, such as if the incidence of crop-raiding by orangutan requires approaches to mitigate the potential conflict with local communities. See Chapter 7 for a summary of main project activities by key species.

Through collaboration with other partners, it is also likely that the project area will be used to support the orangutan rehabilitation efforts of these partners. In such cases careful assessment will be made of suitable location for the potential release of rehabilitated animals and any releases will be made in full

compliance with Indonesian law and adhering to IUCN guidelines for reintroductions and translocations [12].

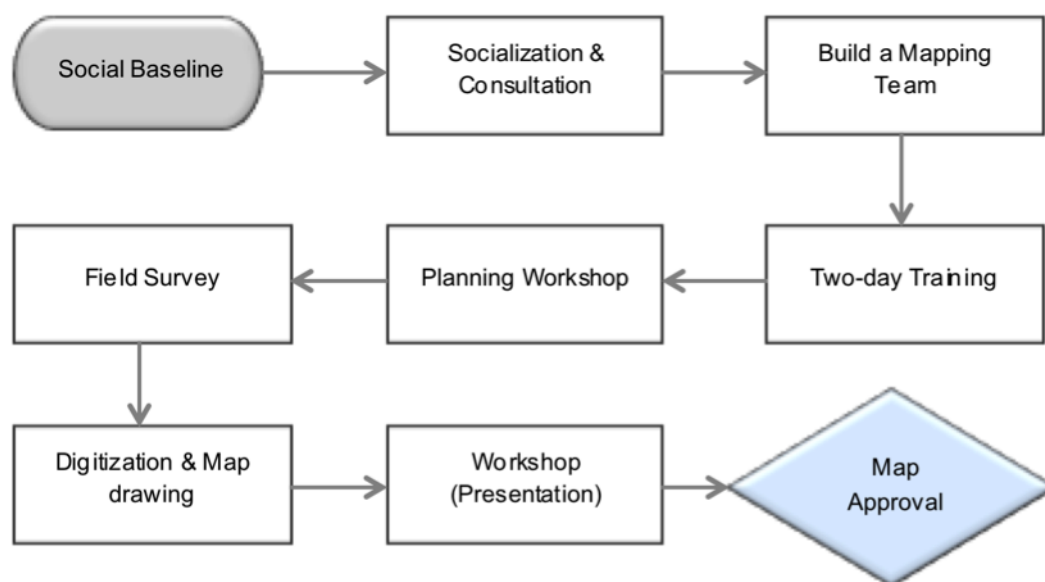
The species conservation and habitat management program directly supports the project's expected biodiversity benefits by increasing the population of key species and their natural habitats.

#### G) Participatory planning

Participatory planning is a cornerstone of the Katingan Project's approach to activities designed to support local communities. It consists of two tenure-based methods: participatory community mapping and village planning.

Participatory community mapping transparently draws together important spatial information regarding the project-zone villages. This includes information such as village boundaries, the extent of cultivated land owned by community members, the extent of other land-uses, and other thematic information as relevant. All data points are ground-truthed together with the community and recorded by GPS to create a spatial map that is presented back to the community for approval. [Figure 11](#) shows general steps in the community mapping process.

**Figure 11. Participatory community mapping process**



Participatory village planning is the second integral part of participatory planning processes. The Katingan Projects' community-based activities are designed to address needs which the project-zone communities have identified through the participatory village planning process. A variety of methodologies are used, including focus-group discussions, interviews, household surveys and others. The maps developed through this process are used as a basis for dialogue. Through the village planning process, local communities are to discuss and determine short- to medium-term development goals and plan specific activities that can be implemented between them and the Katingan Project. As such, participatory planning is an integral part of and leads to all project activities.

Participatory planning contributes to all CCB benefits by providing a ground to robust decision-making processes to project planning and implementation. Based on consensus, clear land tenure and active participation of local stakeholders, project activities will be developed and implemented effectively.

#### H) Community-based business development

Community livelihood development is a core priority of the Katingan Project. The goal is to bring substantial benefits to the project-zone communities through sustainable economic development and

land use, through support for activities identified during the participatory planning process. Activities already identified include the development of non-timber forest products, agroforestry, ecotourism, livestock, salvaged wood production, and aquaculture and sustainable fisheries, each described in more detail below (also see [Figure 12](#)).

The community-based business development program directly contributes to community benefits by increasing livelihood options and local incomes, and improving land use practices. It will also bring about climate and biodiversity benefits since forest exploitation by local communities is expected to lessen as more sustainable livelihood options increase.

**Figure 12. Community livelihoods in the project zone**



*Non-timber forest products:* The Katingan Project works with local communities to develop the sustainable use of non-timber forest products, such as rattan, honey, coconut and jelutong. This includes helping to consolidate individual efforts to facilitate collaborative management and marketing of NTFPs, creating access to financing for businesses through microfinance, helping to develop small processing facilities, assisting to add value to produce and assisting access to value-added market access.

*Agroforestry:* The Katingan Project supports the development of village-owned agroforestry that provides revenues to local communities while being sympathetic to emission and fire-risk reduction and biodiversity conservation. Efforts are targeted on degraded lands mostly outside of the project area but including one small area within the project where fire risk is currently very high as described in B) Reforestation above. A variety of crop plants may be considered, including rubber, jelutong, rattan, pineapples, meranti and blangeran. In each case the project's support will be linked to the use of sustainable management systems that avoid peat drainage and support fire-risk reduction measures. As for non-timber products, the project will also support the development of local processing facilities where appropriate and assist communities to access value-added markets.

*Ecotourism:* The project area holds a great potential for tourism due to its aesthetic beauty, abundant forests, wildlife, clean rivers, and unique local culture. While accessibility is often one of the most challenging and crucial factors for the success of ecotourism, a network of roads and rivers within the project area provides fairly easy transportation from nearby cities (i.e., Palangkaraya, Sampit and Kasongan) to remote villages and forests. The Katingan Project seeks to develop ecotourism in the project zone in collaboration with experienced tour operators. This will help market the project to both

national and international investors, and also to increase employment and livelihood opportunities to the project-zone communities in ways which do not compromise surrounding ecosystems and cultural heritage.

*Livestock:* Livestock production is still rare in the project zone, but has economic potential for local communities. The Katingan Project provides technical assistance and access to microfinance to purchase livestock such as cows, goats, chickens and ducks. Livestock can be raised within villages themselves or small pastures with agricultural land. As with other community-based business development activities, this program will focus on small community groups, with each group receiving support and capacity building ranging from animal husbandry to fund management to the production of organic fertilizers and biogas from animal manure.

*Salvaged wood:* As a consequence of the history of commercial forest exploitation in the project area, high-value salvageable wood is still common and can sell to export markets for high prices either as a raw or processed product, both with full certification of the origin. Much of the capacity needed already exists locally as a result of the area's past, while knowledge of and access to markets and of regulatory requirements now restrict development, all issues the Katingan project will seek to develop while ensuring sufficient safeguards are in place to ensure the supply chain is based only on salvaged timber.

*Aquaculture and sustainable fisheries:* Similar to the agroforestry program, the Katingan Project will support and work with local fisherman groups to establish aquaculture platforms and promote sustainable fisheries. As many local communities depend on fisheries for their livelihoods and nutrient intake, this program aims to improve the efficiency and effectiveness of local fishing practices using traditional methods as well as fish pens. It also seeks to increase livelihood options and generate alternative income sources for a greater number of the project-zone communities. Specifically the Katingan Project will provide technical and financial support to create traditional fish traps (locally known as *karamba*) in the river and to develop aquaculture platforms (i.e., fish ponds) in villages; help develop networks for market access; help establish small processing facilities and facilitate training to fishermen's groups, and; conduct research to improve the productivity of fisheries and share lessons learned among fishing communities in the project zone.

#### I) Microfinance development

The Katingan Project seeks to assist sustainable local development by supporting the development of small to medium sized businesses, particularly those listed above in H). A variety of mechanisms will be used, including the direct provision of microfinance to facilitating access to government-backed financing schemes and grants. When implemented directly by the project microfinance will typically be channelled through local community groups known as *Kelompok Swadaya Masyarakat* (KSMs), often entirely made up of women.

The microfinance development program will bring about community benefits by empowering women, encouraging effective and transparent financial management, and nourishing entrepreneurship among the project-zone communities.

#### J) Sustainable energy development

The Katingan Project promotes the use of sustainable and renewable energy sources using locally available resources. Through the community-based planning process, the project will seek to increase energy efficiency and the number of communities who have access to cleaner, renewable energy, while reducing the amount of fuelwood consumption. Initially the work will focus on a number of pilot villages, to learn and develop methods, and then will be expanded more widely. Sustainable energy sources that will be considered include biomass cook stoves, bio-gas, and solar lamps.

The sustainable energy development program will mostly benefit the project-zone communities as they will have access to renewable energy sources. However, this will also contribute to climate and biodiversity benefits by reducing the dependency on diesel-based generators, kerosene lamps, and fuel woods, which are sources of GHG emissions.

**K) Improved public health and sanitation services**

Currently, the project-zone communities only have close access to very basic health care. The Katingan Project will seek to improve this by working closely with local government to improve access to public services and to assist local government in providing health education at the village level. The Katingan Project will also seek to improve local sanitation practices, including the common practice of discharge of all waste into local rivers, which are in turn used for cooking, drinking and bathing. The Katingan Project will work with the villages together with local government agencies to bring awareness about and improve sanitation in each village, increase access to clean drinking water, and develop waste treatment facilities in each village.

The project-zone communities will benefit from this program as public health care services and their living environment are expected to improve.

**L) Basic education support**

Project-zone communities all have the right of access to basic education, however the accessibility and the quality of schools and teaching remains a challenge. Students in villages with no middle school often need to travel at their own cost to other villages to attend classes. The Katingan Project aims to support the local government's efforts to improve the quality of basic education and the number of enrolment, and encourage the youth to pursue higher education. The project will implement an open competitive scholarship programs to provide funding to selected students, and will assist to develop facilities at local schools. Capacity building and educational workshops for teachers will be conducted as well through various training programs.

The basic education program will benefit the project-zone communities as they will have increased access to quality education.

## 2.2.2 Lifetime of the project activities

Project activities described in Sub-section 2.2.1 will be initiated in the period 2010-2017 and be maintained for the duration of the project as shown in Table 5.

**Table 5. Lifetime of project activities**

| Activity                                       | Activity start year |
|------------------------------------------------|---------------------|
| APD+CUPP                                       | 2010                |
| Reforestation (ARR)                            | 2016                |
| Peatland rewetting and conservation (RDP)      | 2016                |
| Fire prevention and suppression                | 2014                |
| Protection and law enforcement                 | 2014                |
| Species conservation and habitat management    | 2014                |
| Participatory planning                         | 2010                |
| Community-based business development           | 2010                |
| Microfinance development                       | 2010                |
| Sustainable energy development                 | 2010                |
| Improved public health and sanitation services | 2017                |
| Basic education support                        | 2014                |

The major project milestones and key dates are presented below Table 6. Additional milestones may be identified during the project's implementation.

**Table 6. Major project milestones**

| Year        | Event                                                                                     |
|-------------|-------------------------------------------------------------------------------------------|
| 2010        | Project Begins                                                                            |
| 2010-2017   | Participatory planning process                                                            |
| 2015        | Data collection, methodology revision, project documentation                              |
| 2015 - 2016 | VCS/CCB monitoring events and reports generated                                           |
| 2016        | Project VCS/CCB Validation and Verification, dissemination of Verified Monitoring Reports |
| 2014 - 2018 | Nursery established                                                                       |
| 2016 - 2017 | Canals blocked                                                                            |
| 2020        | VCS /CCB monitoring events and reports generated                                          |
| 2015 - 2017 | Boundary demarcation                                                                      |
| 2021        | Project VCS/CCB Verification dissemination of Verified Monitoring Reports                 |
| 2025        | VCS/CCB monitoring events and reports generated                                           |
| 2026        | Project VCS/CCB Verification dissemination of Verified Monitoring Reports                 |
| 2030        | VCS/CCB monitoring events and reports generated                                           |
| 2031        | Project VCS/CCB Verification dissemination of Verified Monitoring Reports                 |
| 2035        | VCS/CCB monitoring events and reports generated                                           |
| 2036        | Project VCS/CCB Verification dissemination of Verified Monitoring Reports                 |
| 2040        | VCS/CCB monitoring events and reports generated                                           |
| 2041        | Project VCS/CCB Verification dissemination of Verified Monitoring Reports                 |
| 2045        | VCS/CCB monitoring events and reports generated                                           |
| 2046        | Project VCS/CCB Verification dissemination of Verified Monitoring Reports                 |
| 2050        | VCS/CCB monitoring events and reports generated                                           |
| 2051        | Project VCS/CCB Verification dissemination of Verified Monitoring Reports                 |
| 2055        | VCS/CCB monitoring events and reports generated                                           |
| 2056        | Project VCS/CCB Verification dissemination of Verified Monitoring Reports                 |
| 2060        | VCS/CCB monitoring events and reports generated                                           |
| 2061        | Project VCS/CCB Verification dissemination of Verified Monitoring Reports                 |
| 2065        | VCS/CCB monitoring events and reports generated                                           |
| 2066        | Project VCS/CCB Verification dissemination of Verified Monitoring Reports                 |
| 2070        | VCS/CCB monitoring events and reports generated                                           |
| 2071        | Project VCS/CCB Verification dissemination of Verified Monitoring Reports                 |

### 2.2.3 Adaptive management plan

All activities described in Sub-section 2.2.1 are monitored and evaluated on a regular basis according to the project's monitoring plans and standard operation procedures (SOPs) as described in Chapter 8. Based on monitoring and evaluation (M&E) outcomes, the Katingan Project implements its adaptive management plan in order to systematically improve existing practices. It is scientific, flexible and practical, and builds upon shared learning processes. The Katingan Project's adaptive management plan is used to incorporate revised goals and objectives, new knowledge and technology, and lessons learned from experience into strategic planning of project management. Robust adaptive management strategies are in place and integrated into the following SOPs, and detailed approaches are described in the relevant SOPs (see Appendix 8).

- Village planning and monitoring

- Livelihood assessment
- Complaint and grievance response mechanism
- Fire prevention, suppression and post-fire land management
- Hydrological restoration
- Forest protection and restoration
- Recruitment
- Employee training
- Health and worker safety
- Research and development
- Data management and reporting system

## 2.3 Management of Risks to Project Benefits (G1)

### 2.3.1 Non-permanence risk assessment (G1.10)

A non-permanence risk assessment was carried out in accordance with the most recent AFOLU Non-Permanence Risk Tool v.3.2. The resulting risk rating and non-permanence risk buffer is 10%. The summary of non-permanence risk assessment is provided in [Table 7](#), and the full assessment is provided in Appendix 2. This assessment primarily addresses the risk to climate benefits but is equally applicable to the risks associated with community and biodiversity benefits, which are then considered in further detail in the next Sub-section 2.3.3.

**Table 7. Summary of non-permanence risk assessment**

| VCS AFOLU non-permanence risk category     | Score       |
|--------------------------------------------|-------------|
| <b>Internal Risk</b>                       |             |
| Project Management (PM) Risk Value         | -4          |
| Financial Viability (FV) Risk Value        | -1          |
| Opportunity Cost (OC) Risk Value           | 2           |
| Project Longevity (PL) Risk Value          | 0           |
| <b>Total Internal Risk (PM+FV+OC+PL)</b>   | <b>0</b>    |
| <b>Total External Risk</b>                 |             |
| Total Land Tenure (LT) Risk Value          | 0           |
| Total Community Engagement (CE) Risk Value | -5          |
| Total Political (PC) Risk Value            | 2           |
| <b>Total External Risk (LT+CE+PC)</b>      | <b>0</b>    |
| <b>Natural Risk</b>                        |             |
| Fire (F)                                   | 2.5         |
| Pest and Disease Outbreaks (PD)            | 0           |
| Extreme Weather (W)                        | 2           |
| Geological Risk (G)                        | 0           |
| Other natural risk (ON)                    | 0           |
| <b>Total Natural Risk (F+PD+W+G+ON)</b>    | <b>4.5</b>  |
| <b>Total Overall Risk Rating</b>           |             |
|                                            | <b>4.5%</b> |
| <b>Non-Permanence Buffer</b>               |             |
|                                            | <b>10%</b>  |

### 2.3.2 Measures taken to maintain and enhance benefits beyond project lifetime (G1.11)

The Katingan Project is based on a 60-year concession licence, extendable to 100 years. Project benefits are expected to extend beyond this time scale. The effective protection status of the forest and peatlands is anticipated to be maintained and extended, either through a further concession license or directly under state ownership as the global importance of the stored carbon stocks and biodiversity are fully recognised as a result of the project. In parallel the actions of the project to restore both hydrology

and degraded areas will result in the project area being more resilient to the threat of fire. Similarly, activities targeting community benefits are all designed to be managed in the future by the local communities themselves, without the need for further external interventions. Finally, the project itself is anticipated to set an example of sustainable land use management in the region, leading to wider adoption of the practices it is pioneering. In this way the Katingan Project will contribute to wider region managed more sustainably with respect to carbon emissions, biodiversity conservation and equitable development of local communities.

### 2.3.3 Short and long-term risks to climate, community and biodiversity benefits

In addition to the risk analysis presented in the section above, the table below summarises short and long-term risks to the climate, community and biodiversity benefits generated by the project. Both natural and human-induced risks are considered, and activities to remove, reduce and mitigate anticipated impacts are summarised. Further details can then be found as per the references provided in the [Table 8](#).

**Table 8. Short and Long term risks to climate, community and biodiversity benefits**

| Benefits  | Natural Risks                                                                                                                                                                                                                                                                                                                                                                                           | Human-induced Risks                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Mitigation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Climate   | Natural risks to the climate change benefits of the project are considered low, both in the short and long-term. Such risks, including natural fires, pests & disease, extreme weather, geological events and other natural risks are considered in detail in the non-permanence risk assessment presented at Appendix 2, including a quantitative assessment of their likelihood and potential impact. | Potential human-induced threats to the project's climate benefits are considered likely, both in the short and long term, but the project is implemented so as to remove, reduce and mitigate their impact. Potential risks include fire (loss of peat and forest carbon), encroachment and illegal logging (loss of above ground biomass) and commercial drainage and conversion (loss of peat and forest carbon). The long term threat of climate change is considered to present minimal threats to the climate change benefits of the projects (see Section 5.7). | No specific measures are considered necessary to mitigate natural risks, or the threat of long-term climate change, beyond the overarching objective of ecosystem protection and restoration. In contrast, a wide range of measures are undertaken to mitigate the threat of human-induced impacts, including obtaining secure legal tenure to the project area (Chapter 3) and initiating a diverse range of project activities designed to protect and restore the peatland forest and to ensure the long-term support for the project from local communities (Section 2.2). These activities are considered in detail in the sections referenced above, and their risk and likelihood in the non-permanence risk assessment presented at Appendix 2. |
| Community | As above, natural risks to the community benefits of the project, both in the short-term and long-term, are considered low, and such risks are considered to be lowered further by the activities of the project (see mitigation, this table).                                                                                                                                                          | Human-induced threats to the community benefits of the project include the willingness of communities to participate in project activities, both in the short and long-term, external pressures, and long-term climate change. In particular, there is a risk that initial willingness to accept and participate with the project may be replaced by a return to                                                                                                                                                                                                      | Project activities are specifically designed to ensure sustainable community benefits. Such activities are implemented in partnership with each community and focus on the development of enhanced and alternative livelihoods: aiming to improve local economies in a way that relieves pressure on the adjacent natural ecosystem. In parallel, measures have been put in place to ensure a high-level of participation of both local communities and local government in project planning and                                                                                                                                                                                                                                                        |

| Benefits     | Natural Risks                                                                                                                                                                                                                       | Human-induced Risks                                                                                                                                                                                                                                                                                                                                                                                             | Mitigation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|              |                                                                                                                                                                                                                                     | exploitative practices if the project fails to deliver tangible benefits over the long-term to affected communities.                                                                                                                                                                                                                                                                                            | operation, to ensure grievances are heard and corrected, and to ensure long-term benefit sharing. Further details are provided in Section 2.2, Section 6 and the non-permanence risk assessment presented at Appendix 2. Measures that mitigate against the threat of climate change to community benefits are specifically considered in Sub-section 5.7.2.                                                                                                                                                                                                                                                                                 |
| Biodiversity | Natural risks to the biodiversity benefits of the project are considered very low. The project essentially protects and restores a natural ecosystem stable to the effects of naturally occurring events that might be anticipated. | Human-induced risks to the project's biodiversity benefits, both in the short and long-term, are essentially the same to those related to climate change benefits (above) as they relate to the protection and restoration of the natural ecosystem. In addition, there are further human-induced risks related to hunting pressure, typically focused on a narrow range of species (highlighted in Chapter 7). | Measures taken to mitigate the risk to the natural peat swamp forest ecosystem, and the biodiversity it supports, are equivalent to those taken to protect the climate change benefits of the project, summarised above. Activities specifically aimed at reducing hunting pressure on key species include monitoring of hunting impacts to enable sustainable use, creation of alternative livelihoods for those reliant on hunting incomes, and increased protection, patrolling and enforcement to reduce and prevent the exploitation of endangered and/or legally protected species. For further details see Section 2.2 and Chapter 7. |

## 2.4 Measures to Maintain High Conservation Values (G1.11)

High conservation value areas in the project zone are identified in Sub-section 1.3.8. Project activities designed to protect and enhance these values are described in detail above in Sub-section 2.2.1. Further detail of the anticipated impact of these activities on HCV criteria is provided below in Sub-sections 6.1.1 and 7.1.1. The combined outcome of these project activities is expected to provide overwhelmingly positive benefits to HCV areas within the project area and project zone, as demonstrated by the monitoring criteria given in Sub-section 8.1.5.

## 2.5 Project Financing (G1.12, G4.3)

PT RMU and the Katingan Project are financed with secure investment financing and will derive revenue through the sale of verified carbon units (VCUs). These mechanisms will ensure implementation of all described project activities. Audited financial statements and financial forecasts are available to the validators on request.

## 2.6 Employment Opportunities and Worker Safety (G3.9, G3.10, G3.11, G3.12)

The Katingan Project and PT. RMU operate in full compliance of Indonesia's labour law (UU No. 13/2003) and aims to set an example of best practice with respect to employment terms, conditions and practices. All policies relating to such matters have been compiled into the Employee Handbook available to all employees irrespective of their position. The Employee Handbook is available on request to the validators. Three aspects of employment practice are discussed in more details below.

### 2.6.1 Equal employment opportunities (G3.10)

The Katingan Project seeks to invest in people; in particular those who are living within the project zone, the wider region, and Indonesia as a whole. It provides employment opportunities irrespective of gender, age, social class or ethnicity and other factors, although the priority goes to the project-zone communities. Staff or contractors, whether employed on a long-term or short-term basis, are all entitled to employment terms based on similar types of work and working conditions in the area of employment.

### 2.6.2 Training and capacity building (G3.9)

The Katingan Project is committed to investment in training and capacity building, and this commitment extends from project staff, to project-zone communities, to local collaborators (both NGO and government). Such training can take many forms, from work shadowing, internships, *ad hoc* training, to formal classroom style teaching. [Table 9](#) below summarizes some of the main aspects of the project's training and capacity building program, focusing on those aspects that incorporate local communities.

**Table 9. Capacity building and training**

| Topic                           | Target                                                         | Description                                                                                                                                         | Outcomes                                                                                                                          |
|---------------------------------|----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|
| Carbon MRV                      | Project-zone communities, employees                            | Field and classroom based<br>Provide training and equipment for the monitoring of peat depth, biomass and water level.                              | MRV team formed and necessary equipment and facilities provided                                                                   |
| Fire prevention and suppression | Project-zone communities, local governments, employees         | Field and classroom based training on organizational management, strategy, equipment use, resource mobilization, risk assessment and communication. | Firefighting team formed, monitoring facility and firefighting equipment in place with proper resources and communication network |
| Silviculture / reforestation    | Project-zone communities, employees                            | Field based training on nursery establishment and operation, planting and maintenance                                                               | Nursery facilities developed and operational, tree planting underway                                                              |
| Peat hydrology / rewetting      | Project-zone communities, local government, employees          | Field and classroom based training to share and transfer skills regarding managing water levels, canal blocking and peat rewetting                  | Major canals blocked, and monitoring team (i.e., water level) formed                                                              |
| Participatory planning          | Project-zone communities, local/village governments, employees | Training on participatory land-use mapping and village planning                                                                                     | Community maps digitalized and village plans endorsed by the local governments and communities                                    |
| Basic skills                    | Project-zone communities, employees                            | Classroom and on-the-job training on administration, finance, project management, leadership and foreign languages                                  | Management team established, and project activities properly and effectively managed                                              |
| Conflict mediation              | Project-zone communities, local governments, employees         | Classroom and on-the-job training provide training on formal conflict mitigation and resolution processes                                           | Conflict resolution mechanism in place and understood by community stakeholders                                                   |
| Biodiversity survey methods     | Employees and project-zone communities                         | Field based training on flora and fauna survey, phenology, identification and data recording.                                                       | Biodiversity survey team established and activities run effectively                                                               |
| Data and information management | Employees                                                      | Provide training on data collection, storage and analysis                                                                                           | Data and information properly managed and easily accessed                                                                         |

### 2.6.3 Worker safety (G3.12)

Worker safety is the priority of the Katingan Project and will be ensured with respect to the labour law, UU No. 13/2003. Occupational safety and health are stipulated in the company safety regulation (available to validators upon request) and include:

- Providing workers with a first aid kit including anti-venom cream and insect repellent;
- Providing navigation and communication equipment such as GPS, compass and handheld transceivers;
- Enforcing a buddy system (minimum two persons in a group) for all field activities;
- Providing standard safety equipment such as microfiber mask, rubber boots, heavy-duty gloves, uniform, hat, harness, survival kit, portable water bottles/bags, and life jacket;
- Providing additional logistics such as fuel, propeller for a boat, and water and meals enough for three extra days; and
- Providing proper training on safety procedures, evacuation, communication, equipment use, and shelter making in order to ensure worker safety and mitigate potential risks inherent to certain field activities such as fire suppression and surveys.

In line with the company safety regulation, PT. RMU is currently developing and evaluating a formal risk assessment and management process. This is subject to periodical review and will be accommodated in its adaptive management plan.

## 2.7 Stakeholders (G3)

### 2.7.1 Stakeholder identification (G1.5, G1.6)

Stakeholder identification was based on social baseline surveys conducted using the following procedures:

#### A) Data collection

Data was collected through participatory rural appraisals (PRAs), transect walks, informal discussions, visits to schools, clinics, vendors and social gatherings, as well as semi-structured focus group discussions (FGDs), using standard questionnaires. Each FGD consisted of men and women from different community groups and with different age groups and social status. The Katingan Project also used a unique participatory approach brought by Photovoices International in order to reach out to community groups and document their livelihoods, socio-economic conditions, social dynamics, and relationships to the surroundings through pictures, and stories about the pictures collected by local village photographers.

#### B) Triangulation

The crosschecking of information obtained through PRAs and FGDs was conducted by interviewing different people who did not participate in the formal discussions. This was done through casual dialogues and village walks with community members.

#### C) Data analysis

Data collected through field surveys were analysed with reference to literature, relevant Indonesian regulations and village census in order to identify communities, community groups and other stakeholders in and around the project zone.

#### D) Results

[Table 10](#) below shows a list of all stakeholders likely to be impacted by and/or involved in the implementation of the Katingan Project. Local communities are further classified by livelihoods, as these are the most common unit of alliance in the local social context. The majority of community group

members engage in multiple livelihood activities rather than depending on a single source of income, and thus typically belong to more than one group.

**Table 10. Stakeholders in the project zone**

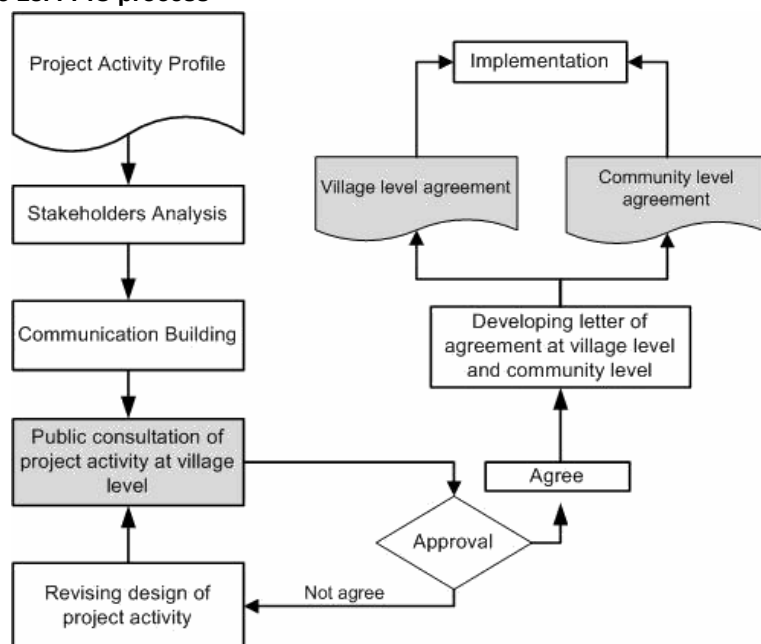
| Category           | Stakeholder                                 | Description                                                                                                                                                                                                                                                       |
|--------------------|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Communities        | Project-zone village residents              | All groups of people who live in the 34 project-zone villages located adjacent to the project area, and derive income, livelihood or cultural values from the project area. These groups of people are collectively referred as <i>project-zone communities</i> . |
| Groups             | Farmers                                     | Groups of people making a living from traditional farming (e.g. vegetables, rice), fruit gardens and agroforestry (e.g. cultivating and collecting rubber, rattan and/or jelutong).                                                                               |
|                    | Fishermen                                   | Groups of people making a living from traditional fisheries and/or aquaculture.                                                                                                                                                                                   |
|                    | Non-timber forest product (NTFP) collectors | Groups of people making a living from collecting non-timber forest products such as gemor, damar resin, rattan, jelutong and meranti saps, honey.                                                                                                                 |
|                    | Loggers                                     | Groups of people making a living from the extraction of commercial timber and selling logs to middlemen or sawmills.                                                                                                                                              |
|                    | Sawmill operators                           | Groups of people processing timber into construction materials                                                                                                                                                                                                    |
|                    | Miners                                      | Groups of people making a living from excavating gold and/or zircon.                                                                                                                                                                                              |
|                    | Water taxi ( <i>kelotok</i> ) operators     | Individuals or groups of people providing water transportation services for people in the project zone.                                                                                                                                                           |
|                    | Middlemen / Traders                         | Groups of people purchasing products (e.g. household goods, handicrafts, jelutong and rubber saps, raw or half-finished rattan, fish and other agricultural crops) from farmers and fishermen and selling them at markets.                                        |
|                    | Hunters                                     | Individuals or groups of people who hunt wild animals (e.g. birds, deer, pig) for commercial purposes.                                                                                                                                                            |
|                    | Craftsmen                                   | Individuals or groups of people processing wood, rattan, purun and other natural fiber into handicrafts, woven baskets, hats and mats.                                                                                                                            |
|                    | Women's KSM groups                          | Female groups who manage cooperatives and microfinance institutions                                                                                                                                                                                               |
| Other Stakeholders | PT. Sampit                                  | A large company located in the city of Sampit, Kotawaringin Timur district, purchasing jelutong, rubber saps, rattan, and gemor from farmers, NTFP collectors, and middlemen.                                                                                     |
|                    | PT. Arjuna Utama Sawit                      | An oil palm plantation company holding a concession located adjacent to the project zone.                                                                                                                                                                         |
|                    | PT. Ceria Karya Pranawa                     | A timber plantation company holding a concession located near to the project zone.                                                                                                                                                                                |
|                    | District government                         | Governments of Kotawaringin Timur and Katingan districts, having authorities in district-level policies and regulations.                                                                                                                                          |
|                    | Sub-district government                     | Governments having authorities in sub-district-level policies and regulations.                                                                                                                                                                                    |
|                    | Offsite residents and transmigrants         | All groups of people living in villages and cities outside the project zone who derive income and livelihoods from the project area.                                                                                                                              |
|                    | Sebangau National Park                      | National park located adjacent to the project zone.                                                                                                                                                                                                               |

## 2.7.2 Free, prior and informed consent (FPIC) (G3.2)

The Katingan Project adopts FPIC principles in all community consultation processes (see [Figure 13](#)). This approach will also be maintained throughout the life of the project. It allows local people to critically consider potential impacts of the project and to negotiate based on mutual consensus without being

forced or manipulated. The FPIC approach is also used for stakeholder consultations and communications, and further details of this in practice are given in the next sections.

**Figure 13. FPIC process**



## 2.7.3 Stakeholder consultations and community involvement (G3.4, G3.5, G3.6, G3.7)

### 2.7.3.1 Stakeholder consultations

Since 2007, the Katingan Project has conducted a series of stakeholder consultations at different levels – national, provincial, district, sub-district and village. Through this process, the project has disseminated information on the ecosystem restoration concession concept, planned activities, expected impacts from the project, management plans and project boundary setting processes, and has adapted feedback from the stakeholders into agreed plans and legal approval as presented in Sub-section 3.1.2. [Table 11](#) provides a list of formal stakeholder consultations which were conducted by PT. RMU. Furthermore, a number of community meetings have also been conducted as part of stakeholder consultations. They are omitted from this list, but meeting minutes and attendance sheets are available upon request.

**Table 11. Summary of stakeholder consultations**

| Consultation type                                    | Stakeholder                                                                                                                                     | Jurisdiction                                | Date                         |
|------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|------------------------------|
| Ecosystem restoration socialization and consultation | Village government and community members (Kampung Melayu, Tewang Kampung and Seranau); Forest Agency at the district level; district government | District (Kota Waringin Timur and Katingan) | January 15 – April 15, 2009  |
| Ecosystem restoration socialization and consultation | Village government and community members (Seranau, Bapinang hulu, Bapinang hilir, Kampung Melayu, tewang kampung)                               | District (Kota Waringin Timur and Katingan) | 18, 19, 23, 27 October, 2009 |
| UKL–UPL socialization and public consultation        | Community members, sub-district government, district government                                                                                 | District (Kotawaringin timur)               | 27 January 2010              |

| Consultation type                                                                                 | Stakeholder                                                                     | Jurisdiction                                           | Date                                                                                                                              |
|---------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|--------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|
| UKL–UPL socialization and public consultation                                                     | Sub-district government, village government                                     | Sub-district (Tasik Payawan, Kamipang, mendawai)       | 19 – 21 December 2011                                                                                                             |
| Ecosystem restoration socialization and consultation                                              | Sub-district government, village government, and community members              | Sub district (Mendawai)                                | 1st – 3rd May 2012                                                                                                                |
| Ecosystem restoration socialization and consultation                                              | Sub-district government, village government, and community members              | Sub district (Kamipang)                                | 3rd – 7th May 2012                                                                                                                |
| Ecosystem restoration socialization and consultation                                              | Sub district and village government                                             | Sub district, village (Seranau sub-district)           | 13th – 15th March 2013                                                                                                            |
| Ecosystem restoration socialization and consultation                                              | Sub-district government, village government and community members               | Distirct (Kotawaringin timur)                          | 25 – 26 February 2014                                                                                                             |
| Ecosystem restoration concession (IUPHHK-RE SK.734/Menhut-II/2013) socialization and consultation | District, sub-district government, village government and community members     | Sub-district (Kamipang, Mendawai), district (Katingan) | 5-6 February 2014 at the sub-district level; 23 February – 3 March 2014 at the village level; and 4 March at the provincial level |
| IUPHHK-RE SK.734/Menhut-II/2013 socialization                                                     | Provincial government, District government, university, national and local NGOs | Province (Palangka Raya)                               | March 4th 2014                                                                                                                    |

#### 2.7.3.2 Community involvement during project design and implementation

As described above Sub-section 2.2.1–G), the vast majority of the Katingan Project's activities are both designed and implemented in close consultation and collaboration with local communities. This is key to achieving the long-term sustainability of the initiatives, without need for further external interventions. The consultation processes are ongoing. Regular meetings will be organized to evaluate the progress of each initiative and adapt initiatives to changing needs and conditions. The Katingan Project conforms to all relevant Indonesian laws and regulations throughout its lifetime, and thus will not be involved in or complicit in any form of discrimination or sexual harassment during the process of project design and implementation (also see Section 2.6).

#### 2.7.4 Procedure to publicize project documentation and monitoring plans (G3.1, G3.3, CM4.3, B4.3)

The Katingan Project will publicize a variety of project documentation and monitoring plans in both Indonesian and English languages through appropriate means by which local communities and stakeholders can have the opportunity to provide comments. They include a combination of media such as newsletters, workshops, meetings, and the project website. Furthermore, PT. RMU plans to place a community message board in the central location of all 34 project-zone villages in order to reach all community members when sharing important project information such as socialization announcement and project document dissemination.

PT. RMU will also take measures to communicate the project's validation and verification process to the project-zone communities and other stakeholders. In addition to posting this project design document (PDD) on the VCS-CCB website for a 30-day public comment period, a summary of the PDD has been prepared in the Indonesian language and will be disseminated to the local stakeholders for their comments. PT. RMU will conduct stakeholder meetings to collect their feedback following the submission of the PDD.

### 2.7.5 Feedback and grievance redress procedure (G3.8)

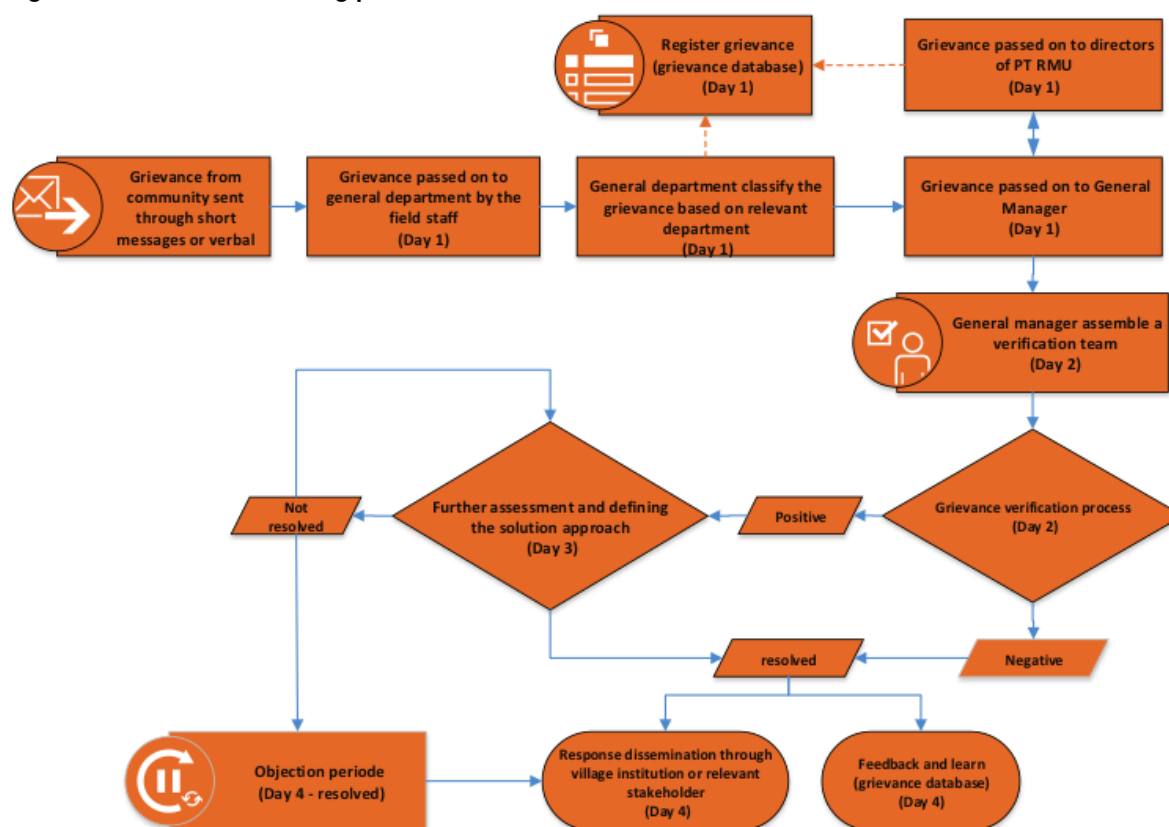
The Katingan Project will adopt a formal grievance and redress procedure to prevent and handle any conflicts with and among communities and other stakeholders which may arise during the implementation of project activities.

One of the most important elements of the grievance redress procedure is to prevent potential conflicts before they arise. Such precautionary approaches include the implementation of FPIC-based community consultations, participatory planning and regular communication. This helps to identifying underlying grievances well in advance and allow them to be addressed. The formal village level planning processes also helps to strengthen the bargaining position of project-zone communities when dealing with other stakeholders.

If any grievances occur and are reported from the project-zone communities and/or other relevant stakeholders in the form of letters, short messages or verbal communication, PT. RMU will quickly respond to them by following the formal handling process as shown in [Figure 14](#). All reported cases will be assessed to identify and verify the cause, actors and scale of grievances, and PT. RMU's verification team will recommend resolution options based on the feedback from the stakeholders. The degree of intervention and process will depend on the nature of disputes, and PT. RMU will continue to monitor the cases.

In case where a grievance is not amicably resolved after this process, it will be submitted to an unbiased third party for a formal mediation and arbitration process, and subject to a hearing at which both disputing parties have the opportunity to testify. All cases will be referred and examined to the extent allowed by Indonesian laws and regulations of the relevant jurisdiction before decisions are made, and both parties are bound to satisfy the result of arbitration.

**Figure 14. Grievance handling process**



## 2.8 Commercially Sensitive Information

The following information is commercially sensitive and is not publically available:

- **Financial projections** – Detailed 30-year financial projections for the project which include all project-related costs and ex-ante carbon estimates
- **Computer model code for the hydrological model**
- **Electronic shape files of project areas, proxy areas and buffer zones** – GIS boundary shape files used to delineate the project area, proxy areas and buffer zones
- **Classified satellite imagery** – Used to determine land-use classes and forest strata within the project area and proxy area
- **Original data from biomass inventories and social assessments** – Hard copies and electronic copies of data sheets used to record field data for biomass inventories, social assessments and meeting minutes
- **Agreements between implementing, technical partners, communities and government** – All agreements between project proponents and other implementing partners governing the implementation of project activities
- **Models used to create carbon calculations** – Computer models to generate carbon estimates from all field data and remote sensing data
- **Project workplans and budgets** – Detailed implementation workplans

## 3 LEGAL STATUS

### 3.1 Compliance with Laws, Statues, Property Rights and Other Regulatory Frameworks (G5)

#### 3.1.1 Compliance with laws and regulations (G5.6)

##### 3.1.1.1 National and local laws and regulations

The Katingan Project is designed and implemented in full compliance with both national and regional laws of the Republic of Indonesia. This includes laws and regulations governing aspects of carbon emissions offsets, REDD+ and ecosystem restoration concession (ERC). In addition the project falls into line with the REDD+ National Strategy developed by the Government of Indonesia.

Relevant laws and regulations on land use, forestry, REDD+ and climate include:

- Law No. 6/1994 concerning the Ratification of United Nations Framework Convention on Climate Change
- Law No. 41/1999 concerning Forestry
- Law No. 5/1997 concerning Biodiversity
- Law No. 17/2003 concerning State Finances
- Law No. 17/2004 concerning the Ratification of Kyoto Protocol on the UN Framework Convention on Climate Change
- Law No. 25/2004 concerning National Development Planning System
- Law No. 17/2005 concerning Medium and Long Term National Development Plan (RPJP) 2005-2025
- Law No. 31/2009 concerning Meteorology, Climatology and Geophysics
- Law No. 32/ 2009 concerning Environmental Protection and Management
- Law No. 41/2009 concerning Sustainable Food Land Protection
- Government Regulation No. 6/2007 and its amendment No. 3/2008 concerning Forest Arrangement and Formulation of Forest Management Plan as well as Forest Exploitation

- Government Regulation No. 26/2008 concerning National Spatial Plan
- Government Regulation No. 10/2010 concerning Method of Change of Forest Area Allocation and Function
- Government Regulation No. 15/2010 concerning Implementation of Spatial Structuring
- Government Regulation No. 24/2010 concerning the Use of Forest Area
- Presidential Decree No. 5/2010 concerning National Medium Term Development Plan (RPJMN) of 2010-2014
- Ministry of Forestry Regulation P.68/2009 concerning Organization of Demonstration Activities for Reducing Emissions from Deforestation and Degradation
- Ministry of Forestry Regulation P.30/2009 concerning Mechanisms for Reducing Emissions from Deforestation and Degradation
- Presidential Decree No. 61/2011 regarding the National Action Plan for Reducing Green House Gas Emission
- Ministry of Environment Regulation No. 13/2010 regarding Environmental Management and Monitoring Effort
- Ministry of Environment Regulation No. 16/2012 regarding the Guidelines on the Development of Environmental Document

Relevant laws and regulations on Ecosystem Restoration Concession management include:

- Ministry of Forestry Regulation No. P.20/Menhut-II/2007 regarding Provision and Expansion of Business Licenses for Forest Timber Utilization in Natural Forest, Business Licenses for Ecosystem Restoration and Business License for Forest Plantation in Production Forest, revised by No. P.61/2008, No. P.50/2010, No. P.26/2012, and No P.31/Menhut-II/2014
- Ministry of Forestry Regulation No. P.56/Menhut-II/2009 regarding Business Planning for Ecosystem Restoration Licence, updated by No. P.24/Menhut-II/2011
- Ministry of Forestry Regulation No. P.8/Menhut-II/2014 regarding Limitation for the Allocation of the Concession Area for Business Licenses for Forest Timber Utilization in Natural Forest, Business Licenses for Ecosystem Restoration and Business License for Forest Plantation in Production Forest
- Ministry of Forestry Regulation No. P.64/Menhut-II/2014 regarding Application of Silviculture Techniques within the Ecosystem Restoration Concession License in Production Forest
- Ministry of Forestry Regulation No. P.66/Menhut-II/2014 regarding the Procedures for Periodical Forest Inventory and Work Plan in Ecosystem Restoration Concession License

As the majority of the project area is forested and situated on peatland, the Katingan Project must also comply with various regulations on the management of forest and peatland, including:

- Presidential Instruction INPRES No. 10/2011 regarding Suspension on the Issuance of New Licenses and Improved Management of Primary Forest and Peatlands”, renewed by INPRES No. 6/2013 and No. 8/2015
- Government Regulation PP No. 71/2014 regarding Protection and Management of Peatland Ecosystem

While there are no laws specifically requiring FPIC in Indonesia, the Katingan Project has adopted the FPIC standard *Prinsip Persetujuan atas Dasar Informasi Awal tanpa Paksaan (PADIATAPA)* and the social safeguard standard called *Prinsip Kriteria dan Indikator Safeguards Indonesia (PRISAI)*, which were developed by the Indonesian REDD+ Agency. The Katingan Project is among the first REDD+ projects in Indonesia which have adopted these standards in the process of project design and implementation. Indeed, PT. RMU and its project implementation partner, Yayasan Puter Indonesia contributed substantially to the development of *PRISAI* standards since 2010; providing input to their design and conducting a series of public consultations to test the standards at the Katingan Project site.

This helped the Government of Indonesia integrate important safeguard standards in its national REDD+ policy framework development.

### 3.1.1.2 International treaties

In addition to complying with national and local laws, the Katingan Project will also comply with the requirements of international treaties and agreements. Treaties that are or may become relevant to the project include the following:

- Ramsar Convention on Wetlands of International Importance, 1971
- Convention on International Trade in Endangered Species (CITES) 1973
- Rio Declaration on Environment and Development 1992
- United Nations Framework Convention on Climate Change (UNFCCC) 1992
- Convention on Biological Diversity in 1992 and enactment 1993
- United Nations Convention against Corruption (UNCAC) 2003
- Kyoto Protocol in 1997 and enactment 2005
- Cartagena Protocol on Biosafety to the Convention on Biological Diversity 2004
- Bali Action Plan (COP 13) 2007
- Nagoya Protocol on Genetic Resources Access and Equal and Fair Benefit Sharing from the Utilization of the Biodiversity Convention 2013

### 3.1.2 Documentation of legal approval (G5.1, G5.2, G5.7, G5.8)

#### 3.1.2.1 Legal approval from the national, provincial and district authorities

The Katingan Project has secured approval from the appropriate authorities to develop and implement project activities in the concession area. [Table 12](#) is the list of legal approval and consensus documentation in relation to the project, and each copy is available to validators on request, and a copy of the concession (SK.734/Menhut-II/2013) is provided in Appendix 3.

**Table 12. List of decrees and legal approvals**

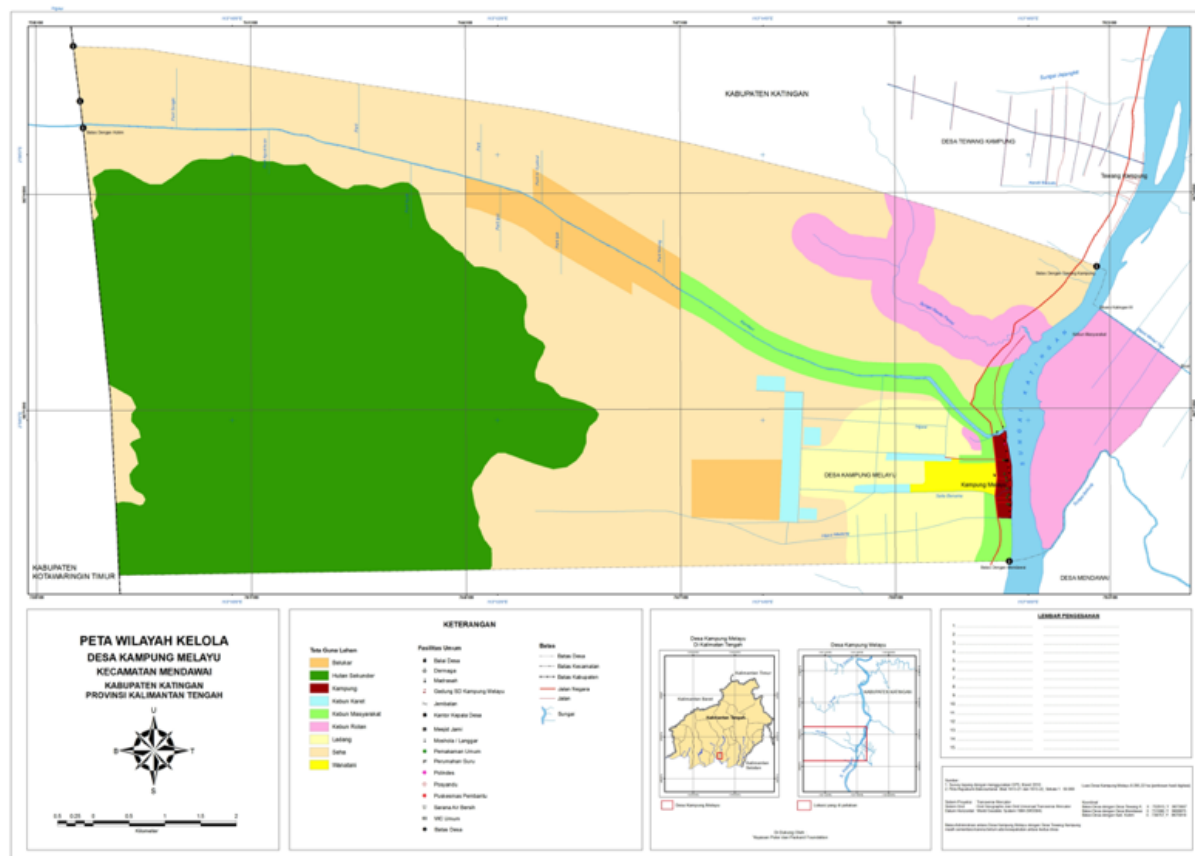
| Decree / Approval No.       | Description                                                                            | Approval from                                                              | Date of issuance  |
|-----------------------------|----------------------------------------------------------------------------------------|----------------------------------------------------------------------------|-------------------|
| 08/RMU/XI/2008              | Application letter from PT. RMU for IUPHHK-RE                                          | N/A                                                                        | November 10, 2008 |
| S.442/Menhut-VI/2009        | First order letter to do UKL-UPL (SP-1)                                                | Minister of Forestry                                                       | June 12, 2009     |
| 522/185/Ek.                 | Legal support from The Governor of Central Kalimantan for PT RMU IUPHHK-RE             | Governor of Central Kalimantan                                             | February 17, 2010 |
| 660/89/II/BLH/2012          | Approval of UKL-UPL and recommendation to proceed with the IUPHHK-RE licensing process | Environmental Agency, Central Kalimantan Province                          | February 13, 2012 |
| S. 104/Menhut-VI/BRPUK/2012 | Instruction to produce a working area map (SP-2)                                       | Ministry of Forestry Directorate General of Forest Production Development  | February 17, 2012 |
| S. 320/VII-WP3H/2012        | Issuance of working area map for PT. RMU's IUPHHK-RE concession                        | Ministry of Forestry, Forestry Planning Agency                             | March 15, 2012    |
| S.295/VI-BRPUK/2012         | Draft Concept Concession Decree for PT. RMU's IUPHHK-RE                                | Ministry of Forestry, Directorate General of Forest Production Development | April 27, 2012    |

| Decree / Approval No.        | Description                                                                                                                   | Approval from                                             | Date of issuance        |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|-------------------------|
| <b>SK.734/Menhut-II/2013</b> | <b>Issuance of IUPHHK-RE License to PT RMU for an area of 108,225 ha in District of Katingan, Central Kalimantan Province</b> | <b>Ministry of Forestry</b>                               | <b>October 25, 2013</b> |
| 522.1.200/2156/Dishut        | Technical Consideration for IUPHHK-RE for PT RMU                                                                              | Forestry Provincial Office of Central Kalimantan Province | October 16, 2014        |
| No. 522/0212/PTSP            | Letter of Recommendation for PT RMU for IUPHHK-RE for an area of 49,497,9 ha                                                  | Governor of Central Kalimantan                            | March 2, 2015           |

### 3.1.2.2 Respect for rights to lands, territories and resources

The Katingan Project designs and implements all project activities in participation with project-zone communities and based on full consultation and FPIC principles (see Sub-sections 2.7.2 and 2.7.3). This includes the creation of agreed spatially accurate maps that define the agreed extent of village land and the agreed boundary of the project area, as well as recognition of other spatially explicit landscape features. These maps also allow the project-zone communities to understand their spatial positions in relation to the project area, and to be able to plan their future land use within their village boundaries without disputing other village territories or the project area. This tenure-based approach ensures that rights of the project-zone communities to lands, territories and natural resources are respected and protected. An example of community maps is provided in Map 7, and community maps of other villages are available to the validators on request.

**Map 7. Example of the community map of Kampung Melayu village**



### 3.1.2.3 Consensus and approval from village authorities

Mutual understanding of the goals and objectives of the Katingan Project between PT. RMU and the project-zone communities is crucial for long-term success. To this end, and as part of the company's commitment to FPIC and outreach activities having been conducted since 2010, PT. RMU has agreed, and now signed a memorandum of understanding (MoU) with each of 13 village authorities in the project zone (see [Table 13](#); copy of each MoU is available to validators upon request). More villages are expected to follow in due course as agreements are negotiated and finalized. Each MoU is initially for a three-year period with opportunity for extension after review and evaluation by the village.

**Table 13. List of community agreement and approval with the Katingan Project**

| Village        | MoU No.          | Partnership agreement No. | Date of agreement |
|----------------|------------------|---------------------------|-------------------|
| Mendawai       | 081/RMU-I/V/2015 | 082/RMU-I/V/2015          | May 22, 2015      |
| Kampung Melayu | 079/RMU-I/V/2015 | 080/RMU-I/V/2015          | May 22, 2015      |
| Tewang Kampung | 077/RMU-I/V/2015 | 078/RMU-I/V/2015          | June 4, 2015      |
| Galinggang     | 073/RMU-I/V/2015 | 074/RMU-I/V/2015          | May 21, 2015      |
| Tumbang Bulan  | 075/RMU-I/V/2015 | 076/RMU-I/V/2015          | May 21, 2015      |
| Tampelas       | 071/RMU-I/V/2015 | 072/RMU-I/V/2015          | May 20, 2015      |
| Telaga         | 069/RMU-I/V/2015 | 070/RMU-I/V/2015          | May 20, 2015      |
| Perupuk        | 067/RMU-I/V/2015 | 068/RMU-I/V/2015          | May 20, 2015      |
| Tumbang Runen  | 061/RMU-I/V/2015 | 062/RMU-I/V/2015          | May 19, 2015      |
| Karuing        | 065/RMU-I/V/2015 | 066/RMU-I/V/2015          | May 19, 2015      |
| Jahanjang      | 063/RMU-I/V/2015 | 064/RMU-I/V/2015          | May 19, 2015      |
| Bahun Bango    | 059/RMU-I/V/2015 | 060/RMU-I/V/2015          | May 18, 2015      |
| Asem Kumbang   | 057/RMU-I/V/2015 | 058/RMU-I/V/2015          | May 18, 2015      |

In addition to the MoUs, PT. RMU and the project-zone communities have developed cooperation arrangements through a partnership agreement (*Kesepakatan Kerjasama*). This agreement describes specific support which PT. RMU seeks to provide to the communities, and the communities propose priority activities to reach the objectives. The agreement is valid for one year, and will be evaluated and revised every year thereafter. The partnership agreements are a binding document which explains PT. RMU's commitment to ensuring net positive impacts and benefit sharing for the project-zone communities.

## 3.2 Evidence of Right of Use (G5.8)

The right of use over the project area is demonstrated, as set forth by VCS Standard Version 3.5, through "A right of use arising or granted under statute, regulation or decree by a competent authority."

PT RMU controls over the entire project area as the sole concession holder under Minister of Forestry Decree SK 734/Menhut-II/2013. This license grants a range of rights and responsibilities, of which is included the right to generate and sell carbon offset credits derived from forest and peatland protection and restoration. A copy of the license is provided in Appendix 3.

## 3.3 Emissions Trading Programs and Other Binding Limits (G5.9)

Activities carried out by the project are not covered by any emission trading programs or other binding limits in relation to GHG emissions.

## 3.4 Participation under Other GHG Programs (G5.9)

The Katingan Project has not been registered under any emissions trading programs, but may seek to do so in the future. In this case applicable requirements in the VCS Standard, AFOLU Requirements,

and the Registration and Issuance process will be followed. The project will not claim credit for the same GHG emission reduction or removal under the VCS Program and another GHG program.

### 3.5 Other Forms of Environmental Credit (G5.9)

The Katingan Project currently only seeks carbon credits under the VCS program, and has not received other forms of environmental credits from its activities.

### 3.6 Projects Rejected by Other GHG Programs (G5.9)

The Katingan Project has not applied for or been rejected by any other GHG programs.

### 3.7 Respect for Rights and No Involuntary Relocation (G5.3)

The Katingan Project will undertake no involuntary relocations. The current project area contains no permanent human settlements.

### 3.8 Illegal Activities and Project Benefits (G5.4)

Illegal activities, including logging or mining within protected forests, hunting of protected species, or making use of fire for land clearing have been historically practiced in parts of the project zone. The Katingan Project aims to reduce and put an end to these activities by a combination of protection and enforcement, education and incentive, including strengthening tenure rights and providing sustainable livelihood options and employment opportunities (see Sub-section 2.2.1).

The Katingan Project will derive no benefits from illegal activities.

## 4 APPLICATION OF METHODOLOGY

### 4.1 Title and Reference of Methodology

The Katingan Project applies the latest version of approved VCS methodology VM0007 (version 1.5) [13], including all applicable modules as detailed in Section 4.2.

### 4.2 Applicability of Methodology

As detailed below [Table 14](#), all applicability conditions of methodology VM0007 and its associated modules are met.

**Table 14. Summary of applicability conditions**

| No. | Module                 | Applicability Condition                                                                                                                  | Comment                                                                                                                                                                                                                                                        |
|-----|------------------------|------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1   | REDD+-MF, 4.2.1 - REDD | Land in the project area has qualified as forest (following the definition used by VCS) at least 10 years before the project start date. | Condition met. Land-use records indicate that all land subject to REDD project activities in the project area is covered by tropical forest on peatland and has qualified as such under the applicable definition for at least 10 years (see Section 4.4.1.2). |
| 2   | REDD+-MF, 4.2.1 - REDD | If land within the project area is peatland and emissions from the soil carbon pool are deemed significant, the relevant WRC             | Condition met. All relevant WRC modules have been applied to estimate emissions from peat soils.                                                                                                                                                               |

| No. | Module                 | Applicability Condition                                                                                                                                                                                                                                                                                                                                                                                     | Comment                                                                                                                                                                                                                                                                                                                                                                                                               |
|-----|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|     |                        | modules (see Table 1) must be applied alongside other relevant modules.                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 3   | REDD+-MF, 4.2.1 - REDD | Baseline deforestation and forest degradation in the project area fall within one or more of the following categories: <ul style="list-style-type: none"> <li>• Unplanned deforestation (VCS category AUDD);</li> <li>• Planned deforestation/degradation (VCS category APD);</li> <li>• Degradation through extraction of wood for fuel (fuelwood and charcoal production) (VCS category AUDD).</li> </ul> | Condition met. Baseline deforestation falls in the category of APD. See Section 2.2.1                                                                                                                                                                                                                                                                                                                                 |
| 4   | REDD+-MF, 4.2.1 - REDD | Leakage avoidance activities must not include: <ul style="list-style-type: none"> <li>• Agricultural lands that are flooded to increase production (e.g., paddy rice);</li> <li>• Intensifying livestock production through use of “feed-lots” and/or manure lagoons.</li> </ul>                                                                                                                            | Condition met. The project does not promote either establishment of agriculture on flooded land or intensification of livestock production. See Section 2.2.1                                                                                                                                                                                                                                                         |
| 5   | REDD+-MF, 4.2.3 - APD  | Conversion of forest lands to a deforested condition must be legally permitted                                                                                                                                                                                                                                                                                                                              | Condition met. See Section 4.5                                                                                                                                                                                                                                                                                                                                                                                        |
| 6   | REDD+-MF, 4.3 - ARR    | Where exclusion of project activities on wetlands exist in the applicability conditions of methodologies and tools, these can be neglected for the purpose of their use within this Methodology Framework, as accounting procedures for the peat soil are provided in BL-PEAT and M-PEAT                                                                                                                    | Condition met. The project applies modules BL-PEAT and M-PEAT alongside all modules related to ARR.                                                                                                                                                                                                                                                                                                                   |
| 7   | REDD+-MF, 4.3 - ARR    | The project area is non-forest land or with degraded forest.                                                                                                                                                                                                                                                                                                                                                | Condition met. See Section 4.4.1 and 4.5                                                                                                                                                                                                                                                                                                                                                                              |
| 8   | REDD+-MF, 4.3 - ARR    | The project scenario does not involve the harvesting of trees. Therefore, procedures for the estimation of long-term average carbon stocks are not provided                                                                                                                                                                                                                                                 | Condition met. The project does not involve harvesting of trees or other vegetation. See Section 2.2                                                                                                                                                                                                                                                                                                                  |
| 9   | REDD+-MF, 4.3 - ARR    | The project scenario does not involve the application of nitrogen fertilizers                                                                                                                                                                                                                                                                                                                               | Condition met. The project does not involve application of fertilizers of any kind. See Section 2.2.1                                                                                                                                                                                                                                                                                                                 |
| 10  | REDD+-MF, 4.4 - WRC    | This methodology is applicable to RDP and CUPP activities on project areas that meet the VCS definition for peatland. The scope of this methodology is limited to domed peatlands in the tropical climate zone.                                                                                                                                                                                             | Condition met. The project area contains peatland according to the VCS definition (see Section 4.4.1.2) which would be drained in the baseline and which will be conserved and restored in the project scenario. The project therefore falls in the category of RDP and CUPP. The project meets the definition of domed peatlands (see Section 4.4.1.2) and is located in the tropical climate zone (see Section 1.2) |
| 11  | REDD+-MF, 4.4 - WRC    | Fire reduction projects on peatland that exclude rewetting as part of the project activity are not eligible                                                                                                                                                                                                                                                                                                 | Condition met. The project includes an extensive rewetting program (see Section C) in connection with REDD and ARR activities.                                                                                                                                                                                                                                                                                        |
| 12  | REDD+-MF, 4.4 - WRC    | Rewetting of drained peatland and conservation of undrained or partially drained peatland may be implemented in combination with REDD project activities.                                                                                                                                                                                                                                                   | Condition met. The project includes a combination of REDD, ARR, and WRC. REDD activities are related entirely to conservation/restoration and do not increase drainage (see Section 2.2.1)                                                                                                                                                                                                                            |

| No. | Module              | Applicability Condition                                                                                                                                                                                                                                                                                                                                                                                                                                                | Comment                                                                                                                                                                                       |
|-----|---------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|     |                     | REDD project activities on peatland must not increase drainage                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                               |
| 13  | REDD+-MF, 4.4 - WRC | Rewetting of drained peatland may be implemented as a separate activity or in combination with ARR project activities. ARR activities must not enhance peat oxidation and therefore this activity requires at least some degree of rewetting                                                                                                                                                                                                                           | Condition met. The project includes a combination of WRC and ARR. ARR activities are related entirely to restoration and are combined with an extensive rewetting program (see Section 2.2.1) |
| 14  | BL-PEAT             | This module is applicable to RDP and CUPP activities on project areas that meet the VCS definition for peatland. The scope of this module is limited to domed peatlands in the tropical climate zone                                                                                                                                                                                                                                                                   | Condition met. See #10 above.                                                                                                                                                                 |
| 15  | BL-PEAT             | It must be demonstrated by using the latest version of the CDM A/R methodological tool: "Tool for testing significance of GHG emissions in A/R CDM project activities" (T-SIG) that N <sub>2</sub> O emissions in the project scenario are not significant, or it must be demonstrated that N <sub>2</sub> O emissions will not increase in the project scenario compared to the baseline scenario, and therefore N <sub>2</sub> O emissions need not be accounted for | Condition met. The project does not cause increases in N <sub>2</sub> O emissions.                                                                                                            |
| 16  | BL-PEAT             | In the baseline scenario the peatland must be (partially) drained. At project start the peatland may still be undrained                                                                                                                                                                                                                                                                                                                                                | Condition met. See Section 4.5                                                                                                                                                                |
| 17  | BL-ARR              | The applicability conditions provided in A/R CDM consolidated methodology AR-ACM0003 (Afforestation and reforestation of lands except wetlands) and associated tools.                                                                                                                                                                                                                                                                                                  | See #20-21 below.                                                                                                                                                                             |
| 18  | BL-ARR              | Where exclusion of project activities on wetlands exist in the applicability conditions of methodologies and tools, these can be neglected for the purpose of their use in this module, as accounting procedures for the peat soil are provided in Module BL-PEAT                                                                                                                                                                                                      | Condition met. See #6 above.                                                                                                                                                                  |
| 19  | BL-ARR              | Where the ARR project activity is implemented on peatland, the peatland must be degraded in the baseline scenario as identified by the presence of drainage infrastructure (ditches, canals) and associated lowered water tables below the surface. In case of forested peatland, degradation may be identified by the removal or degradation of the tree cover before the project start date                                                                          | Condition met. ARR project activities are only implemented on already degraded land which would be further degraded in the baseline as demonstrated in Sections 4.5 and 2.2.1.                |

| No. | Module  | Applicability Condition                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Comment                                                                                                                                                                                                                                                                                                                                                                                   |
|-----|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 20  | ACM0003 | <p>This methodology is applicable under the following conditions:</p> <p>(a) The land subject to the project activity does not fall in wetland category;</p> <p>(b) Soil disturbance attributable to the project activity does not cover more than 10 per cent of area in each of the following types of land, when these lands are included within the project boundary:</p> <p>(i) Land containing organic soils;</p> <p>(ii) Land which, in the baseline, is subjected to land-use and management practices and receives inputs listed in appendices 1 and 2 to this methodology</p> | <p>Per #18 above, condition (a) can be neglected, as the project applies relevant wetland procedures.</p> <p>Condition (b) is not relevant, as the project does not cause soil disturbance.</p>                                                                                                                                                                                           |
| 21  | ACM0003 | A project activity applying this methodology shall also comply with the applicability conditions of the tools contained within the methodology and applied by the project activity                                                                                                                                                                                                                                                                                                                                                                                                      | Condition met. This table lists all relevant applicability conditions and describes how they are fulfilled.                                                                                                                                                                                                                                                                               |
| 22  | BL-ARR  | The project scenario does not involve the harvesting of trees. Therefore, procedures for the estimation of long-term average carbon stocks are not provided                                                                                                                                                                                                                                                                                                                                                                                                                             | Condition met. See #8 above.                                                                                                                                                                                                                                                                                                                                                              |
| 23  | X-STR   | Any module referencing strata i must be used in combination with this module                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Condition met. All modules using parameter <i>i</i> refer to module X-STR.                                                                                                                                                                                                                                                                                                                |
| 24  | X-STR   | In case of REDD, above-ground biomass stratification is only used for pre-deforestation forest classes, and strata are the same in the baseline and the project scenario. Post-deforestation land uses are not stratified. Instead, average post-deforestation stock values (e.g. "Simple" or "Historical area-weighted" approaches are used, as per Module BL-UP).                                                                                                                                                                                                                     | Condition met. See application of X-STR in Section 4.4.1. Post deforestation carbon stocks are taken into account as estimated in Section 5.3.3.                                                                                                                                                                                                                                          |
| 25  | X-STR   | For peatland rewetting and conservation project activities this module must be used to delineate non-peat versus peat and to stratify the peat according to peat depth and soil emission characteristics, unless it can be demonstrated that the expected emissions from the soil organic carbon pool or change in the soil organic carbon pool in the project scenario is de minimis                                                                                                                                                                                                   | Condition met. See application of X-STR in Sections 4.4.1.2 and 4.4.1.3.                                                                                                                                                                                                                                                                                                                  |
| 26  | X-STR   | In the case of peatland rewetting and conservation project activities, the project boundary must be designed such that the negative effect of drainage activities that occur outside the project area on the project GHG benefits are minimized                                                                                                                                                                                                                                                                                                                                         | Condition met. The project is taking significant steps to maintain the intactness of hydrology in the project area and to restore hydrology in areas which have been disturbed by existing drainage. The project is monitoring areas outside the project area which could be under threat of disturbance in order to minimize potential impacts in terms of drainage. See Section 3.1.2.3 |

| No. | Module | Applicability Condition                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Comment                                                                                                                                                                                                                                              |
|-----|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 27  | X-UNC  | <p>The module is mandatory when using VCS methodology VM0007. It is applicable for estimating the uncertainty of estimates of emissions and removals of CO<sub>2</sub>-e generated from REDD and WRC project activities. The module focuses on the following sources of uncertainty:</p> <ul style="list-style-type: none"> <li>• Determination of rates of deforestation and degradation</li> <li>• Uncertainty associated with estimation of stocks in carbon pools and changes in carbon stocks</li> <li>• Uncertainty associated with estimation of peat emissions</li> <li>• Uncertainty in assessment of project emissions</li> </ul> | Condition met. X-UNC has been used throughout to estimate uncertainties associated with this project. See Section 5.6.1                                                                                                                              |
| 28  | X-UNC  | Where an uncertainty value is not known or cannot be simply calculated, then a project must justify that it is using an indisputably conservative number and an uncertainty of 0% may be used for this component.                                                                                                                                                                                                                                                                                                                                                                                                                           | Condition met. In all cases where an uncertainty value is not known or cannot be simply calculated, the project provides a justification that the value used is indisputably conservative number (or an IPCC default value as instructed by VM0007). |
| 29  | X-UNC  | Guidance on uncertainty – a precision target of a 95% confidence interval half-width equal to or less than 15% of the recorded value shall be targeted. This is especially important in terms of project planning for measurement of carbon stocks; sufficient measurement plots should be included to achieve this precision level across the measured stocks.                                                                                                                                                                                                                                                                             | Condition met. Uncertainty requirements have been taken into account in project planning and carbon stock calculations as per Sub-section 5.6.1.                                                                                                     |
| 30  | E-BPB  | This module is applicable to Avoiding Unplanned Deforestation or Degradation, Avoiding Planned Deforestation, and Avoiding Degradation, whether or not situated on peatland                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Condition met. The project falls in the category of APD.                                                                                                                                                                                             |
| 31  | LK-ARR | <p>This module is applicable under the following conditions:</p> <ul style="list-style-type: none"> <li>• Applicability conditions are provided in A/R CDM consolidated methodology AR-ACM0003 (Afforestation and reforestation of lands except wetlands) and associated tools.</li> <li>• Where exclusion of project activities on wetlands exist in the applicability conditions of methodologies and tools, these can be neglected for the purpose of their use in this module.</li> </ul>                                                                                                                                               | Condition met. See #17 and #18 above.                                                                                                                                                                                                                |

| No. | Module | Applicability Condition                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Comment                                                                                                                    |
|-----|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| 32  | LK-ASP | The module is mandatory if Module BL-PL has been used to define the baseline and the applicability criteria in Module BL-PL must be complied with in full.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Condition met. The project has used module BL-PL and per this table complies with all associated applicability conditions. |
| 33  | LK-ASP | The module is applicable for estimating the leakage emissions due to activity shifting from forest lands that are legally authorized and documented to be converted to non-forest land, including activity shifting to forested peatland that is drained as a consequence of project implementation. This tool must be used in countries where planned deforestation happens on forested peatlands regardless of the absence of peatland within the project boundaries. Under this situation, displacement of baseline activities can be controlled and measured directly by monitoring the baseline deforestation agents or class of agents. | Condition met. See Section 5.5                                                                                             |
| 34  | LK-ECO | This module is applicable under the following condition:<br><ul style="list-style-type: none"> <li>• Leakage caused by hydrological connectivity is avoided by project design and site selection, as outlined in Chapter 5 (Procedures).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                           | Condition met. Ecological Leakage does not occur in the project. See application of LK-ECO in Section 5.5.3                |
| 36  | M-ARR  | This module is applicable under the following conditions:<br><ul style="list-style-type: none"> <li>• The applicability conditions provided in A/R CDM consolidated methodology AR-ACM0003 (Afforestation and reforestation of lands except wetlands) and associated tools.</li> <li>• Where exclusion of project activities on wetlands exist in the applicability conditions of methodologies and tools, these can be neglected for the purpose of their use in this module, as accounting procedures for the peat soil are provided in Module M-PEAT.</li> </ul>                                                                           | Condition met. See #17 and #18 above.                                                                                      |
| 37  | M-PEAT | This module is applicable to RDP and CUPP activities as defined in VCS AFOLU Requirements.<br><br>The project area must meet the VCS definition for peatland. This module is limited to domed peatlands in the tropical climate zone.                                                                                                                                                                                                                                                                                                                                                                                                         | Condition met. See #14 above.                                                                                              |

| No. | Module | Applicability Condition                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Comment                                                                                                                                                                                                                                                             |
|-----|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 38  | M-PEAT | <p>Furthermore, the following applicability conditions apply:</p> <ul style="list-style-type: none"> <li>• It must be demonstrated by using the latest version of the CDM A/R methodological tool: “Tool for testing significance of GHG emissions in A/R CDM project activities” (T-SIG) that N<sub>2</sub>O emissions in the project scenario are not significant, or it must be demonstrated that N<sub>2</sub>O emissions will not increase in the project scenario compared to the baseline scenario, and therefore N<sub>2</sub>O emissions need not be accounted for.</li> <li>• In the baseline scenario the peatland must be (partially) drained. At project start the peatland may still be undrained.</li> <li>• The Fire Reduction Premium approach is only applicable if human-induced peat fires do not occur in the project scenario. The use of fire as a management tool (non-catastrophic fires or human induced fires) in the project scenario is not allowed in the case that the Fire Reduction Premium approach is used to estimate emissions from peat fire.</li> <li>• Ecological leakage (see LK-ECO) must not occur.</li> </ul> | <p>Condition met. See #15 and #16 above.</p> <p>The Fire Reduction Premium is not claimed by the project.</p> <p>Per Section 5.5.3 Ecological Leakage does not occur in this project and all measures have been taken to ensure Ecological Leakage remains = 0.</p> |
| 39  | BL-PL  | The module is applicable for estimating the baseline emissions on forest lands (usually privately or government owned) that are legally authorized and documented to be converted to non-forest land.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Condition met. See Section 4.5                                                                                                                                                                                                                                      |
| 40  | BL-PL  | Where, pre-project, unsustainable fuelwood collection is occurring within the project boundaries modules BL-DFW and LK-DFW shall be used to determine potential leakage                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Condition not applicable. The project does not avoid unsustainable fuelwood collection.                                                                                                                                                                             |
| 41  | M-MON  | Strata as defined in the relevant baseline modules are fixed and may not be changed without baseline revision.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Condition met. Strata are fixed according to Section 5.3. Strata may be revised upon baseline adjustment at year 10.                                                                                                                                                |
| 42  | M-MON  | The module is always mandatory. Without application of this module the methodology shall not be used                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Condition met. The module is applied per the requirement.                                                                                                                                                                                                           |

| No. | Module | Applicability Condition                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Comment                                                                                                                                                                                         |
|-----|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 43  | M-MON  | <p>Where selective logging is taking place in the project case:</p> <ul style="list-style-type: none"> <li>• Emissions from logging may be omitted if it can be demonstrated the emissions are de minimis using T-SIG.</li> <li>• If emissions from logging are not omitted as de minimis, logging may only take place within forest management areas that possess and maintain a Forest Stewardship Council (FSC) certificate for the years when the selective logging occurs.</li> <li>• Logging operations may only conduct selective logging that maintains a land cover that meets the definition of forest within the project boundary.</li> <li>• All trees cut for timber extraction during logging operations must have a DBH greater than 30 cm.</li> <li>• During logging operations, only the bole/log of the felled tree may be removed. The top/crown of the tree must remain within the forested area.</li> <li>• The logging practices cannot include the piling and/or burning of logging slash</li> <li>• Volume of timber harvested must be measured and monitored.</li> </ul> | Condition not applicable. The project does not involve timber harvest.                                                                                                                          |
| 44  | CP-AB  | This module is applicable to all forest types and age classes. Inclusion of the aboveground tree biomass pool as part of the project boundary is mandatory as per the framework module REDD-MF.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Condition met. The module is applied per the requirement.                                                                                                                                       |
| 45  | CP-AB  | <p>Non-tree aboveground biomass must be included as part of the project boundary if the following applicability criteria are met (per framework module REDD-MF):</p> <ul style="list-style-type: none"> <li>• Stocks of non-tree aboveground biomass are greater in the baseline than in the project scenario, and</li> <li>• Non-tree aboveground biomass is determined to be significant (using the T-SIG module).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Condition met. Non-tree above ground biomass is excluded. It is greater in the project than in the baseline scenario.                                                                           |
| 46  | CP-AB  | Belowground (tree and non-tree) biomass are not required for inclusion in the project boundary because omission is conservative.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Condition met. See section 5.1.1. of module BL-PEAT. BGB is included in the peat component in areas subject to REDD+WRC and conservatively excluded in area subject to ARR+WRC.                 |
| 47  | T-ADD  | <p>The tool is applicable under the following conditions:</p> <ul style="list-style-type: none"> <li>• Forestation of the land within the proposed project boundary performed with or without being registered as the A/R CDM project activity shall not lead to violation of any applicable law even if the law is not enforced.</li> <li>• This tool is not applicable to small - scale afforestation and reforestation project activities.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Condition met. Reforestation activities do not violate any applicable laws indeed they are required under the project scenario. The reforestation activities are not classified as small scale. |

| No. | Module | Applicability Condition                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Comment                                                                                                                                                                                                    |
|-----|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 48  | T-SIG  | <p>The tool shall be used in the application of an A/R CDM approved methodology to an A/R CDM project activity:</p> <p>a) To determine which decreases in carbon pool and increases in emissions of the greenhouse gases measured in CO<sub>2</sub> equivalents that results from the implementation of the A/R project activity, are insignificant and can be neglected</p> <p>b) To ensure that it is valid to neglect decreases in carbon pools and increases GHG emission by source stated as being insignificant in the applicability conditions of an A/R CDM methodology</p> | <p>Condition met. T-SIG was used, however no significance calculations needed to be performed as carbon pools and sources of GHG emissions were only neglected where it was demonstrably conservative.</p> |

### 4.3 Methodology Deviations

The project does not involve deviations from the methodology.

### 4.4 Project Boundary

#### 4.4.1 Spatial boundary of the project area (G1.4)

The project area was stratified into discrete units of land that have relatively homogeneous emission and/or carbon stock characteristics (per VCS methodology VM0007 Module X-STR). This includes stratification by:

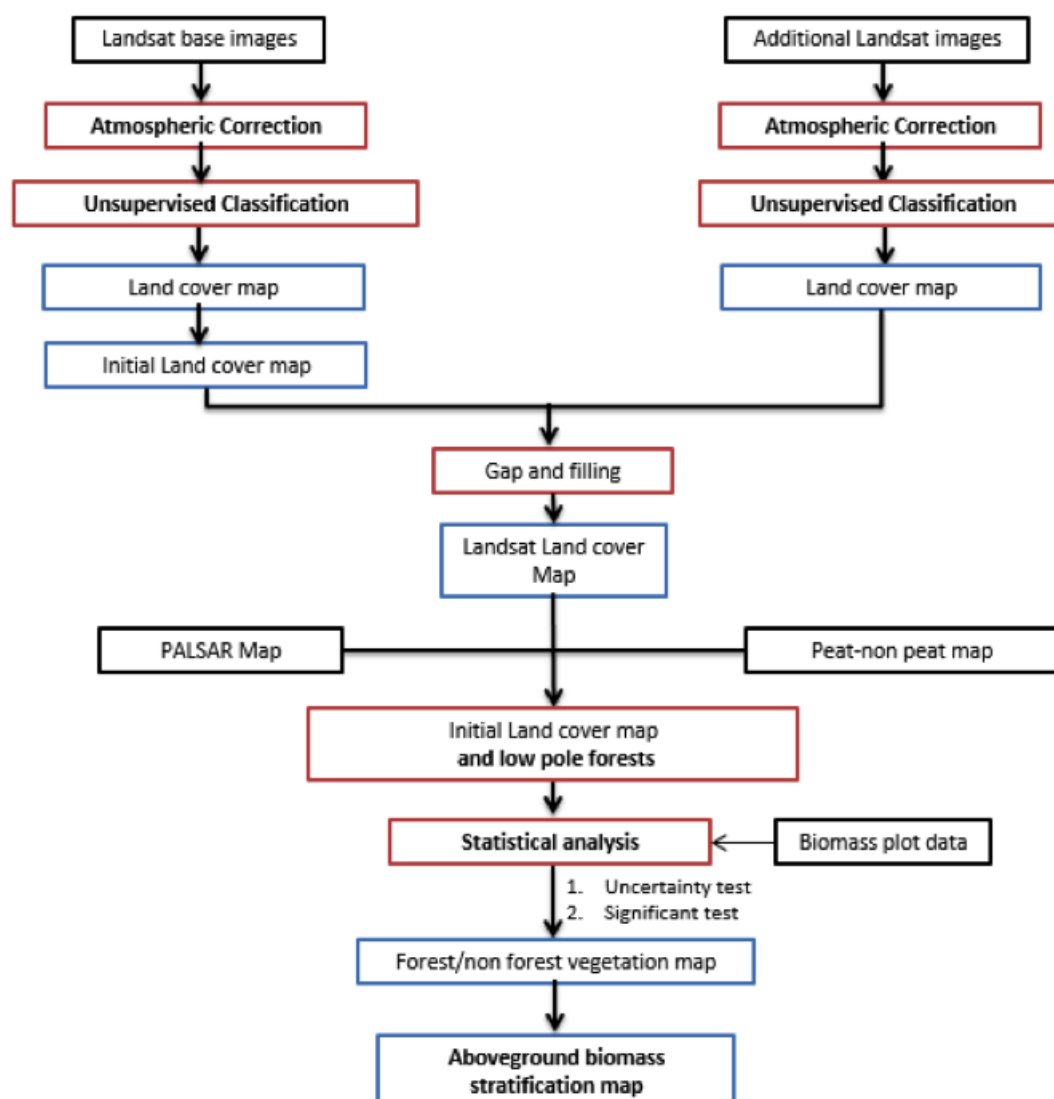
- Aboveground biomass (AGB) & vegetation types
- Soil types (peat or non-peat soils)
- Peat thickness and peat depletion time (PDT)
- Carbon stock
- Eligible area for crediting

Sub-subsections 4.4.1.1 through 4.4.1.7 describe the spatial boundary of the project area in more detail.

##### 4.4.1.1 Aboveground biomass (AGB) stratification

The project area was stratified into homogeneous classes based on their aboveground carbon stock. Satellite imagery was used to delineate the project area based on vegetation types and structures as well as land cover features. Field data was used to quantify aboveground biomass (AGB) and carbon (C) in each stratum. The remote sensing and field data were subsequently cross-checked and calibrated where necessary. [Figure 15](#) shows the process of AGB stratification.

Figure 15. Aboveground stratification process



Spectral data from 2010 Landsat imagery, downloaded from the USGS online database<sup>4</sup>, was used to map the land cover classes. Due to significant data gaps caused by the Landsat 7 ETM+'s Scan Line Corrector's failure and cloud cover, additional 2010 imagery was used to fill the gaps. Additional remaining gaps were subsequently filled using imagery from 2009. The data acquisition, pre-processing, classification and accuracy assessment methods followed the steps outlined in Sub-section 5.3.2.

In addition to the Landsat imagery, the project also acquired two fully polarimetric ALOS PALSAR datasets from 28/04/2010 and 15/05/2010. These have a 25m spatial resolution as well as a Fine Beam Double (FBD) Polarization dataset from 05/07/2010 with a 12.5m spatial resolution (all processed to level 4.1 products). The microwaves emitted by the ALOS PALSAR system interact differently with the earth's surface depending on their polarization [14] which makes them ideal for mapping forest characteristics such as vegetation structure. Both PALSAR datasets were classified using the entropy, representing the randomness of the signal's scattering, and the alpha angle, which is indicative for the dominant scattering mechanism. Given the FBD's limited polarimetric data, the fully polarimetric dataset

<sup>4</sup> <http://earthexplorer.usgs.gov>

produced more accurate classification results and was used to map the vegetation structure characteristics of the forest. This analysis identified a significant area of low pole forest in the center of the project area, which was subsequently added to the Landsat based AGB stratification. This analysis also identified small areas of freshwater swamp forest inside the project area.

Satellite images used for the stratification analyses are provided in [Table 15](#). The result of the stratification based on the Landsat and PALSAR analyses is provided in [Map 8](#) and [Table 16](#).

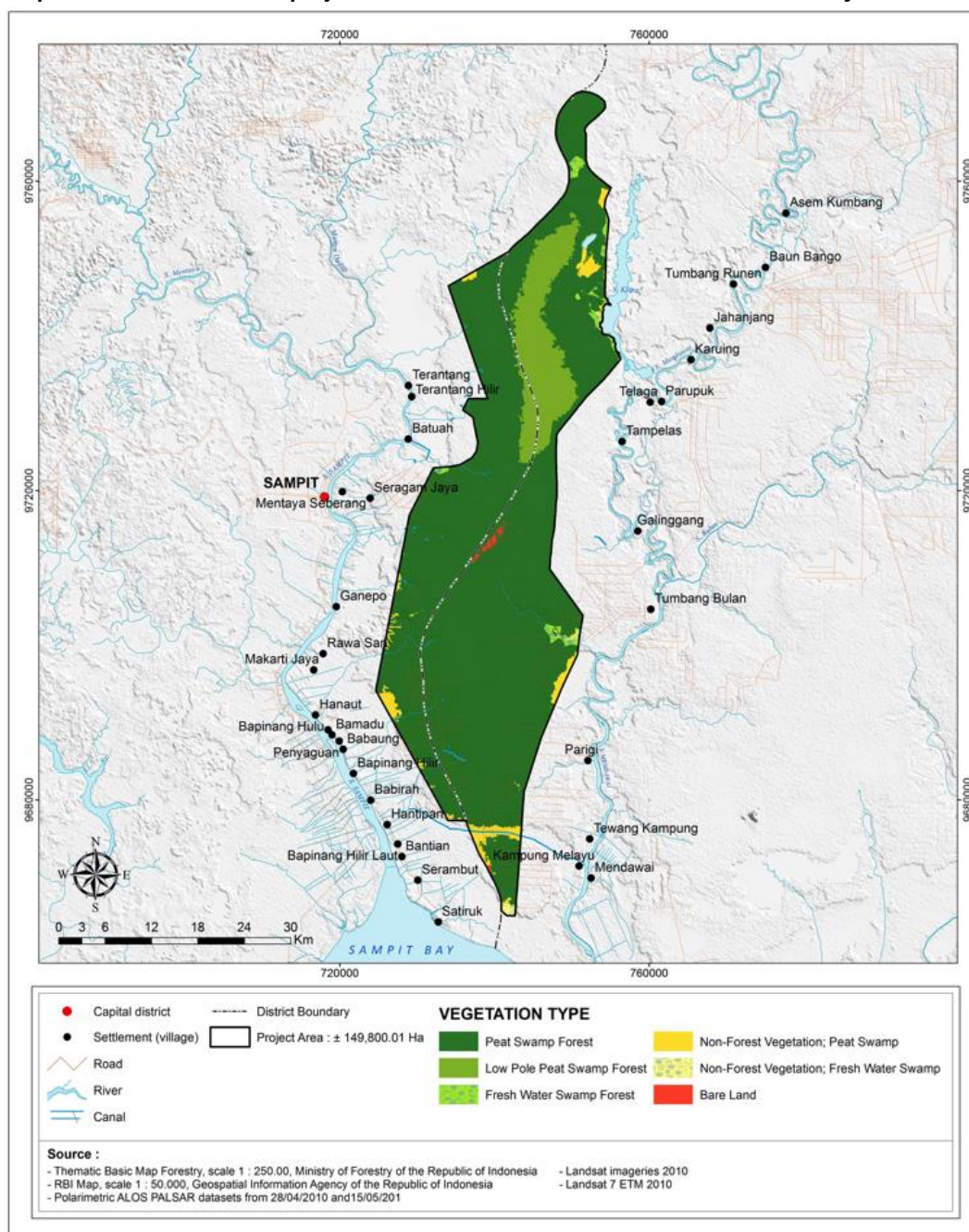
**Table 15. Satellite images used for stratification**

| No | Satellite sensor       | ID                                    | Dated      |
|----|------------------------|---------------------------------------|------------|
| A  | Main images            |                                       |            |
| 1  | Landsat 5 TM           | LT51180622010041BKT00                 | 10-02-2010 |
| 2  | Landsat 5 TM           | LT51190612010016BKT00                 | 16-01-2010 |
| 3  | Landsat 5 TM           | LT51190622010016BKT00                 | 16-01-2010 |
| B  | Images for gap filling |                                       |            |
| 1  | Landsat 7 ETM +        | LE71190622008019EDC00                 | 10-02-2010 |
| 2  | Landsat 7 ETM +        | LE71190622009213EDC01                 | 16-01-2010 |
| 3  | Landsat7 ETM +         | LE71190612010040EDC01                 | 16-01-2010 |
| 4  | Landsat 7 ETM +        | LE71190612010152EDC01                 | 01-06-2010 |
| C  | ALOS PALSAR Images     |                                       |            |
| 1  | ALOS PALSAR            | Full Polarimetry Mode dataset         | 28/04/2010 |
| 2  | ALOS PALSAR            | Full Polarimetry Mode dataset         | 15/05/2010 |
| 3  | ALOS PALSAR            | Fine Beam Double Polarization dataset | 05/07/2010 |

**Table 16. Land cover of the project area based on the Landsat and PALSAR analyses**

| No    | Vegetation type                         | Hectares | %      |
|-------|-----------------------------------------|----------|--------|
| 1     | Peat swamp forest                       | 128,584  | 85.84  |
| 2     | Low pole peat swamp forest              | 14,510   | 9.69   |
| 3     | Freshwater swamp forest                 | 1,683    | 1.12   |
| 4     | Non-forest vegetation: freshwater swamp | 469      | 0.31   |
| 5     | Non-forest vegetation: peat swamp       | 4,189    | 2.80   |
| 6     | Bare land                               | 362      | 0.24   |
| TOTAL |                                         | 149,800  | 100.00 |

**Map 8. Stratification of the project area based on the Landsat and PALSAR analyses**

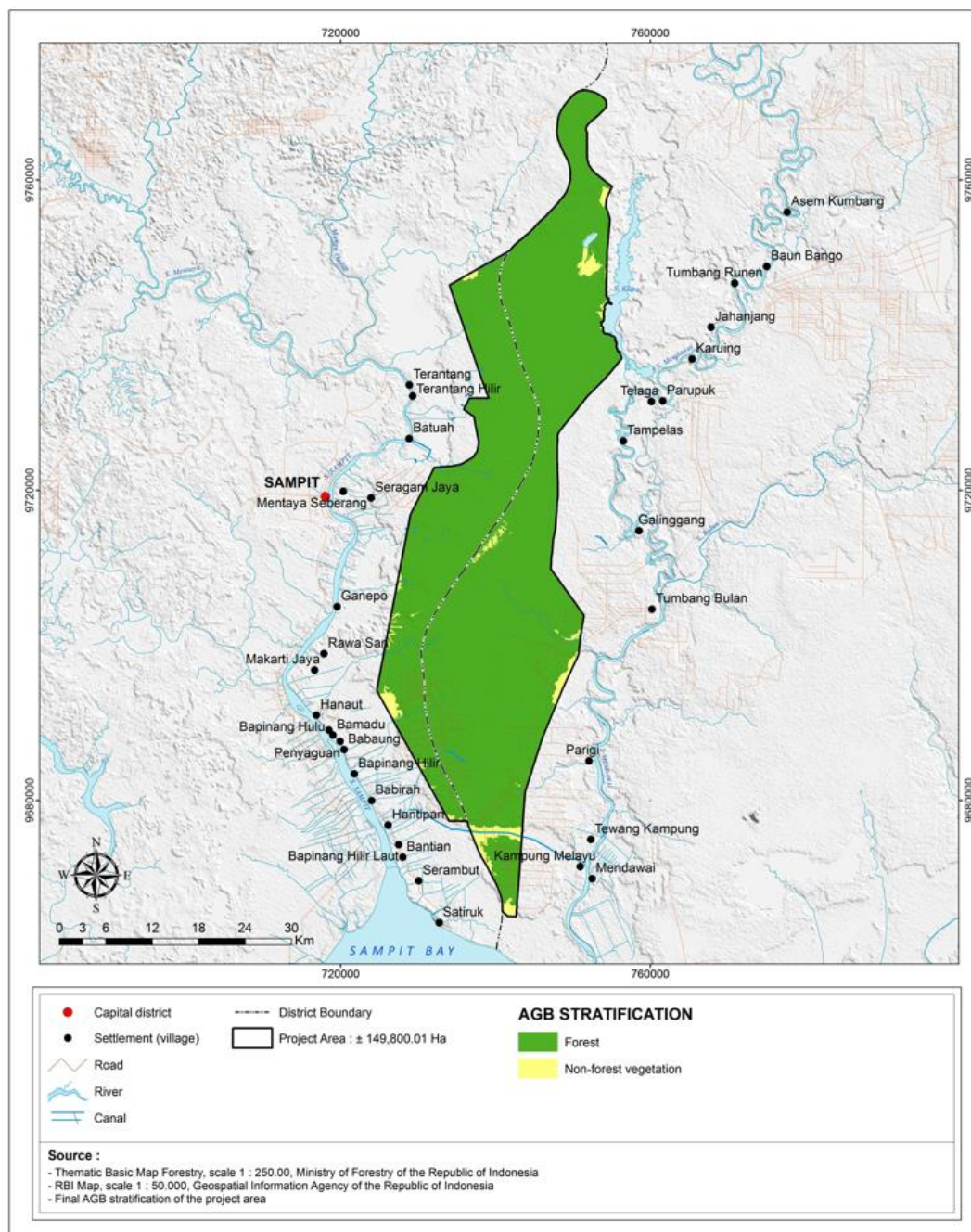


Above ground biomass was sampled using 91 sampling plots distributed across the project area (both randomly and systematically along two transects crossing the project area). The plot data were used to calculate the mean AGB for each stratum. Per VCS methodology VM0007 Module X-STR, all strata with means within 20% of each other were merged into single strata, resulting in the peat swamp forest and low-pole peat swamp forest strata being combined. Since the Landsat and PALSAR data did not identify any difference in land cover and forest structures between the freshwater swamp forest and the surrounding peat swamp forest areas, these two classes were also combined. Furthermore, the non-forest vegetation strata was conservatively combined with the bare land strata, resulting in a final AGB stratification map consisting of forest and non-forest vegetation strata (see Map 9 and [Table 17](#)).

**Table 17. Final AGB stratification summary of the project area**

|       | Vegetation type       | Hectares   | %     |
|-------|-----------------------|------------|-------|
| 1     | Forest                | 144,778.26 | 96.65 |
| 2     | Non-forest vegetation | 5,021.75   | 3.35  |
| TOTAL |                       | 149,800.01 | 100   |

**Map 9. Final AGB stratification of the project area**



As mandated in VCS methodology VM0007 module M-MON, the classification accuracy must be at least 90%. By applying a basic binary confusion matrix, the stratification map was estimated to have an accuracy level of 98.5%. This level of accuracy is also acceptable under the IPCC Good Practice Guidance 2003 [15]. An uncertainty analysis was carried out by using the VCS methodology VM0007

module X-UNC 'estimation of uncertainty for REDD project activities'. The uncertainty level was found to be 10.61%, which meets requirements of VSC methodology VM0007 module X-UNC.

#### 4.4.1.2 Stratification of peatland and non-peatland

Mapping the peatland area and the peat thickness within the project area followed three general steps. The first step was to identify the general area of the peat dome in order to determine the 'Initial Estimate of Peatland Borders' (IEPB). This step uses several indicators as listed in [Table 18](#). Once the IEPB was identified, the second step sought to delineate more refined borders following geomorphological and geostatistical analyses, including steps presented in [Figure 16](#) and Annex 7. The third step was to subset (clip) the peatland area within the landscape with reference to the project boundary.

**Table 18. Indicators for the differentiation of peatland from non-peatland**

| Indicators                       | Purpose                                       | Source                                                  |
|----------------------------------|-----------------------------------------------|---------------------------------------------------------|
| Major rivers with mineral levees | Indicator for the absence of peat             | Official BIG <sup>5</sup> river map <sup>6</sup> (2008) |
| Coastline                        | Indicator for the absence of peat             | Official BIG river map (2008)                           |
| Heathland areas                  | Indicator for the absence of peat             | SRTM 2000 (NASA)                                        |
| Soil samplings                   | Indicator for the presence or absence of peat | Field data                                              |
| Information from local people    | Indicator for the presence or absence of peat | Local people                                            |

River networks, coastline and heathland were used as indicators to determine the peatland borders. Katingan and Mentaya rivers, which clearly show the presence of mineral levees, border the peat dome on the east- and western side of the project area respectively. The coastline to the south was used as the southern border.

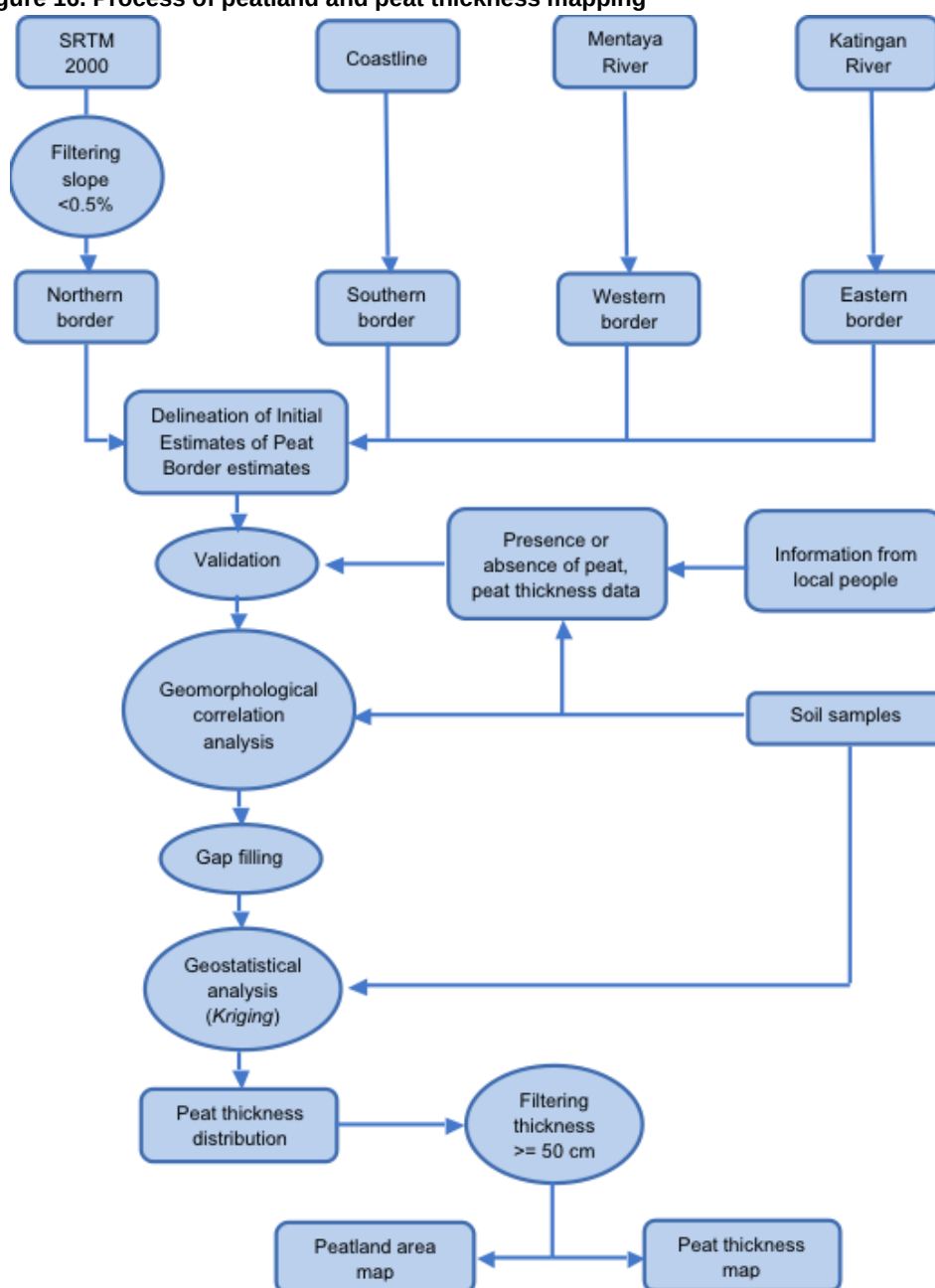
To identify the northern heathland border, a surface slope map of the landscape was generated by using a NASA SRTM 2000 digital elevation dataset<sup>7</sup>. Since tropical coastal peatlands of Indonesia usually show flat surface pattern with less than 0.5 percent slope, filtering the dataset with slope values less than 0.5 percent provides an indication of the heathland boundary. The SRTM 2000 dataset also shows that the heathland features a more undulating surface, a feature which peatlands lack, and which therefore provided a visual confirmation of the northern heathland boundary.

<sup>5</sup> Badan Informasi Geospasial (Geospatial Information Bureau of Indonesia)

<sup>6</sup> This map also includes canal networks. The year of publication is still relevant, as main canals in within project area was constructed before 2000, and no new canals has been constructed post 2008.

<sup>7</sup> Available at: <http://srtm.csi.cgiar.org/SELECTION/inputCoord.asp>

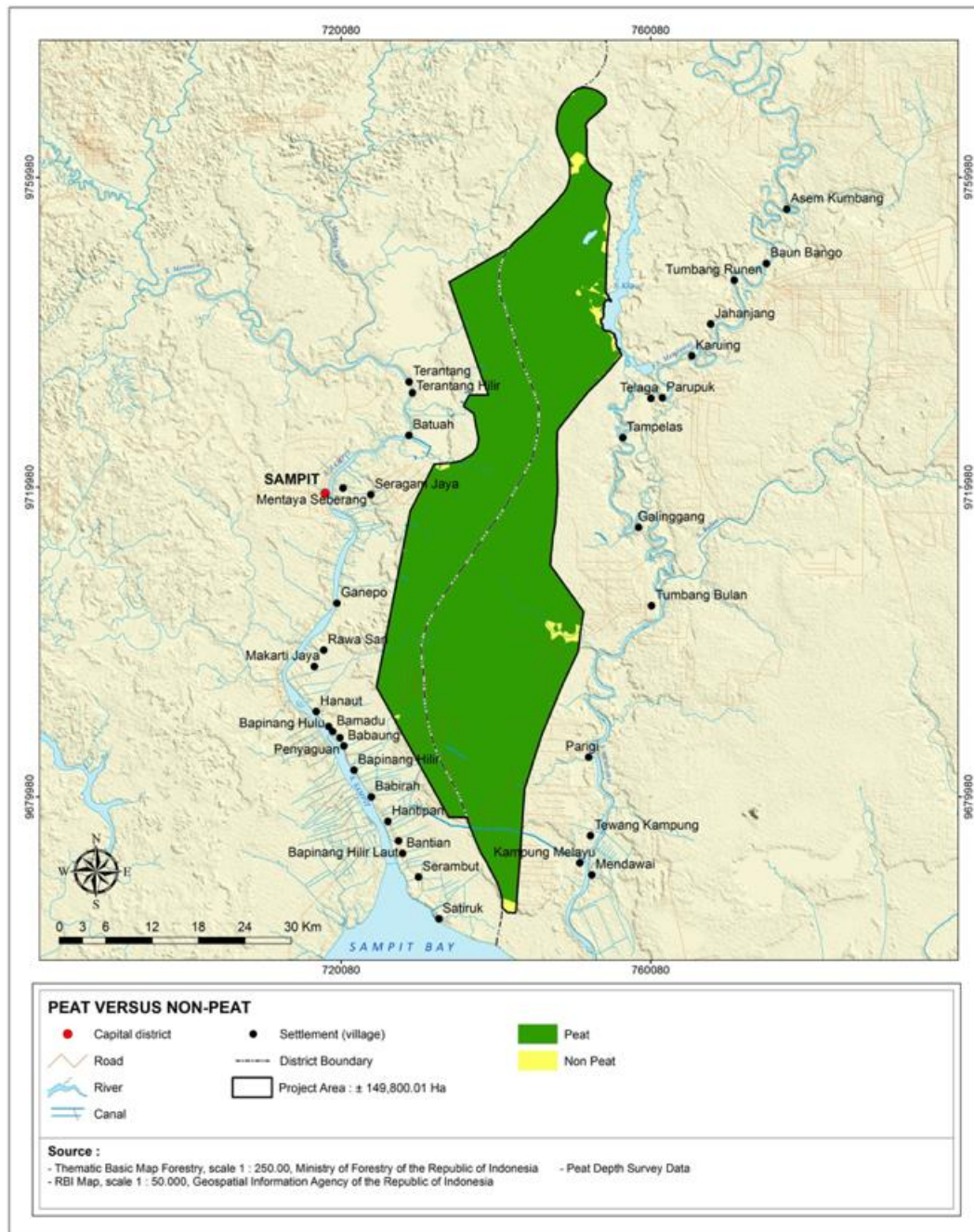
Figure 16. Process of peatland and peat thickness mapping



Additional data was collected in the field for validation of the IEPB including information on river networks with mineral levees other than Mentaya and Katingan rivers, the presence or absence of peat, peat thickness in the visited locations as shown from soil samplings, and information from local people on the presence or absence of peat near their villages. The validated IEPB was stored in ESRI<sup>8</sup> polyline shapefile format, and was used for further processing as described in Sub-subsection 4.4.1.3 (see also Figure 16) to produce a peat thickness distribution map. This map was further processed by filtering peat thickness  $\geq 50$  cm, and was used as the final peatland area map. The resulting peat and non-peat map is shown in Map 10.

<sup>8</sup> A geographic information system company. More information is available online at: <http://www.esri.com>.

**Map 10. Peat versus non-peat areas within the project area boundary**



#### 4.4.1.3 Stratification of peat thickness and PDT

Because drained peat soils are subject to microbial decomposition and (uncontrolled) burning, in the baseline scenario, all peat at some locations in the project area may be depleted before the end of the crediting/project period. The time at which the peat in the project area would have been depleted (peat depletion time; PDT) in the most likely baseline scenario in the project area was calculated based on the following, which are then each considered in more detail below:

- Peat thickness;
- Drainability elevation limit;
- Surface elevation; and
- Subsidence related to microbial decomposition and burning.

#### A) Peat thickness

To determine peat thickness, over 390 peat core samples were taken using peat augers according to the method detailed in Annex 7. Sample locations were selected using a systematic design that included transects perpendicular to water bodies, the peat-non-peat perimeter, and contour lines. This sampling design fulfills the requirements described in the VCS methodology VM0007 modules M-PEAT and X-STR. Peat thickness was then modelled based on spatial interpolation (*Kriging*) of inputs from peat thickness points.

Peat thickness measurement points were plotted in the ArcGIS 10.1 platform<sup>9</sup>. The distances of each point to the nearest IEPB were calculated by using the built-in Euclidean Distance Tool. The IEPB was generated by process as previously described in Sub-subsection 4.4.1.2. Peat thickness data was then paired against distance to IEPB, and the best fit equation was analyzed:

$$P = aX^c \quad (1)$$

Where:

$P$  : Thickness of peat (cm)

$X$  : Distance to the nearest IEPB (m)

$a, c$  : Constants

An array of approximate points were created manually to fill gaps (i.e. areas where peat thickness measurements were absent due to accessibility constraints). The distances of the approximate points to IEPB were also calculated using the same method as used for those of the actual measurement points. Estimated peat thickness at locations of the approximate points were calculated by using the above equation (1).

Actual measurement points and the approximate points were pooled together by using the Merge Tool in ArcGIS 10.1. The resulting points were then used in spatial interpolation (*Kriging*) to produce a peat thickness raster with 1 hectare spatial resolution. The raster was further processed by filtering peat thicknesses  $\geq 50$  cm and the resulting map was used as the final peat thickness map and as the source for peat thickness stratification. The area covered was used as the peatland area map, as outlined in [Figure 16](#). The result shows that peatland with peat thickness  $\geq 50$  cm occupies 146,639 hectares (97.9%) of the project area.

Per VCS module X-STR, our initial analysis indicated that the entire peatland in the project area must be stratified, although stratification by peat thickness at a 50 cm resolution was not necessary (see [Table 19](#)). Therefore, a wider range of peat thickness was used, and the project area was stratified into 5 classes as presented in [Table 20](#) and [Map 11](#).

**Table 19. Decision matrix for peat stratification requirements**

| No | Requirements per VM0007 module X-STR                                                                                                                                                                                                                                                  | Findings                                                                        | Conclusion                                                  |
|----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-------------------------------------------------------------|
| 1  | When in more than 5% of the project area peat is absent or the thickness of the peat is below a threshold value (e.g., 50 cm); the map only needs to distinguish where peat thickness exceeds this threshold. It is conservative to treat shallow peat strata as mineral soil strata. | Peat $\geq 50$ cm occupies more than 95% of the project area.                   | The entire peatland in the project area must be stratified. |
| 2  | When, using a conservative (high) value for subsidence rates, in more than 5% of the project area less or equal peat is available at $t=100$ years in the                                                                                                                             | In 12.56% of the project area, peat that remains in the project scenario equals | The peat thickness map only needs to                        |

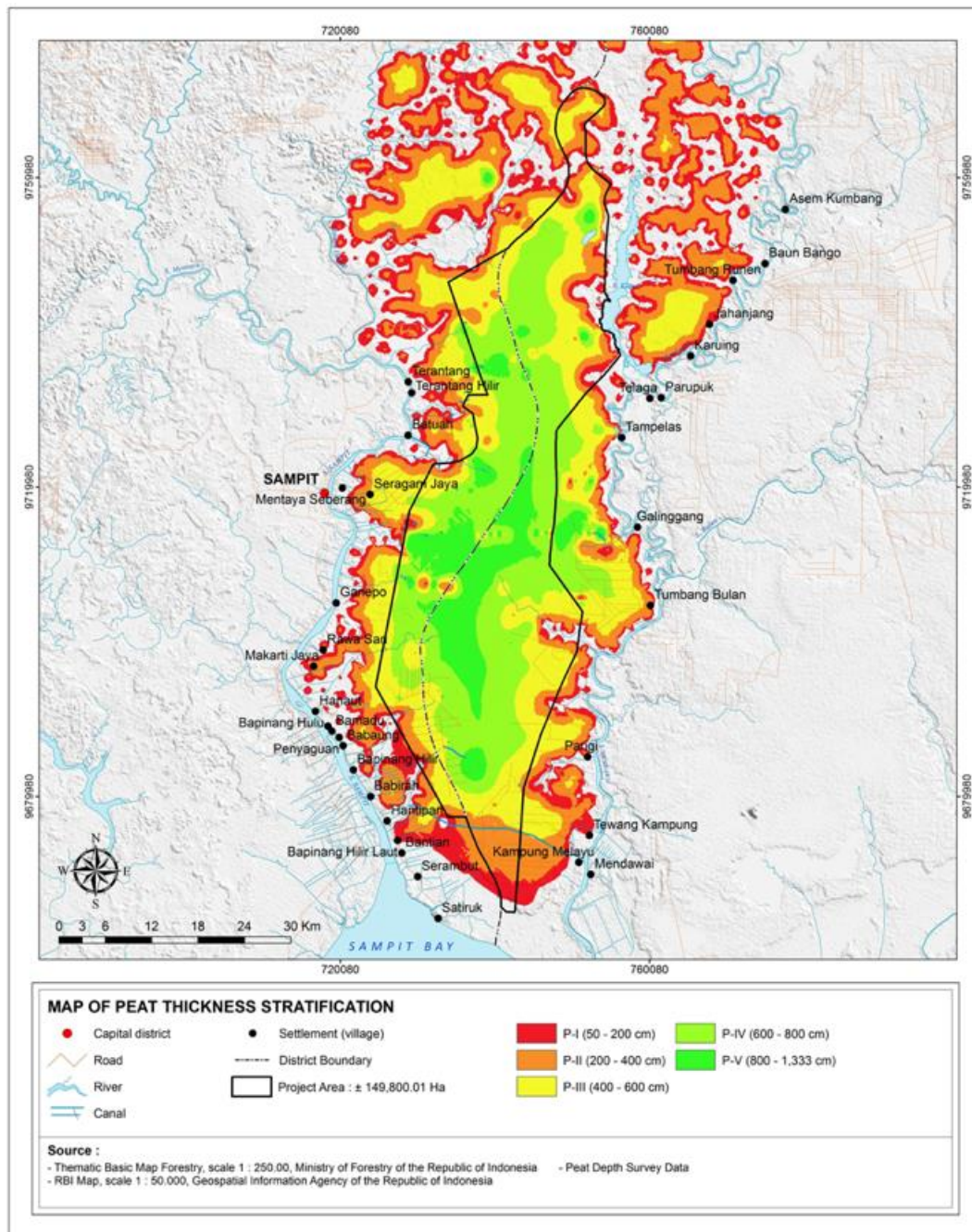
<sup>9</sup> ArcGIS is an integrated geographic information system developed by ESRI.

| No | Requirements per VM0007 module X-STR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Findings                                                                                               | Conclusion                                                                                                                                                   |
|----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    | project scenario than in the same strata in the baseline scenario, the peat thickness map only needs to distinguish these strata                                                                                                                                                                                                                                                                                                                                                                                    | that of the baseline scenario at t =100 years                                                          | distinguish these strata.                                                                                                                                    |
| 3  | When, using a conservative (high) value for subsidence rates, in the baseline scenario in more than 5% of the project area the project crediting period exceeds the peat depletion time (PDT); the peat thickness map must distinguish with a resolution of 50 cm strata where peat will be depleted within the project crediting period. Peat strata that will be depleted can be further stratified according to their peat depletion time. Areas where peat will not be depleted need not be further stratified. | Less than 5% of the project area where project crediting period (60 years) exceeds PDT (see Table 19). | The peat thickness map does not need to be distinguished with a resolution of 50 cm strata, where peat will be depleted within the project crediting period. |

**Table 20. Peat thickness stratification of the project area**

| Thickness Range (centimetres) | Class Symbol | Area (hectares) | % of the project area |
|-------------------------------|--------------|-----------------|-----------------------|
| 50 – 200                      | PI           | 5,365           | 3.6                   |
| 200 – 400                     | PII          | 16,113          | 10.8                  |
| 400 – 600                     | PIII         | 41,508          | 27.7                  |
| 600 – 800                     | PIV          | 61,849          | 41.3                  |
| 800 – 1,333                   | PV           | 21,803          | 14.6                  |
| Total                         |              | 146,638         | 97.9                  |

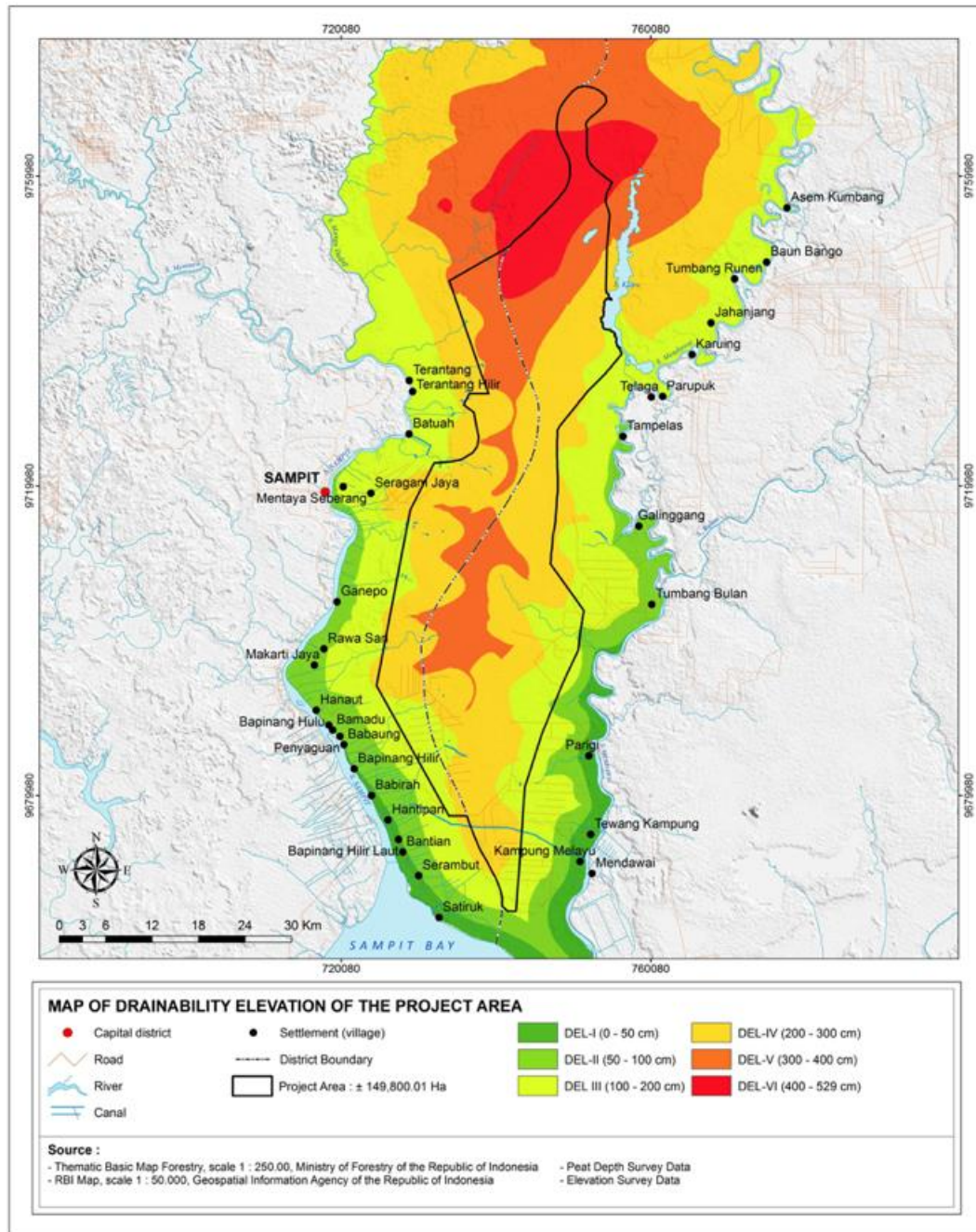
Map 11. Peat thickness stratification of the project area



#### B) Digital elevation model and drainability elevation limit

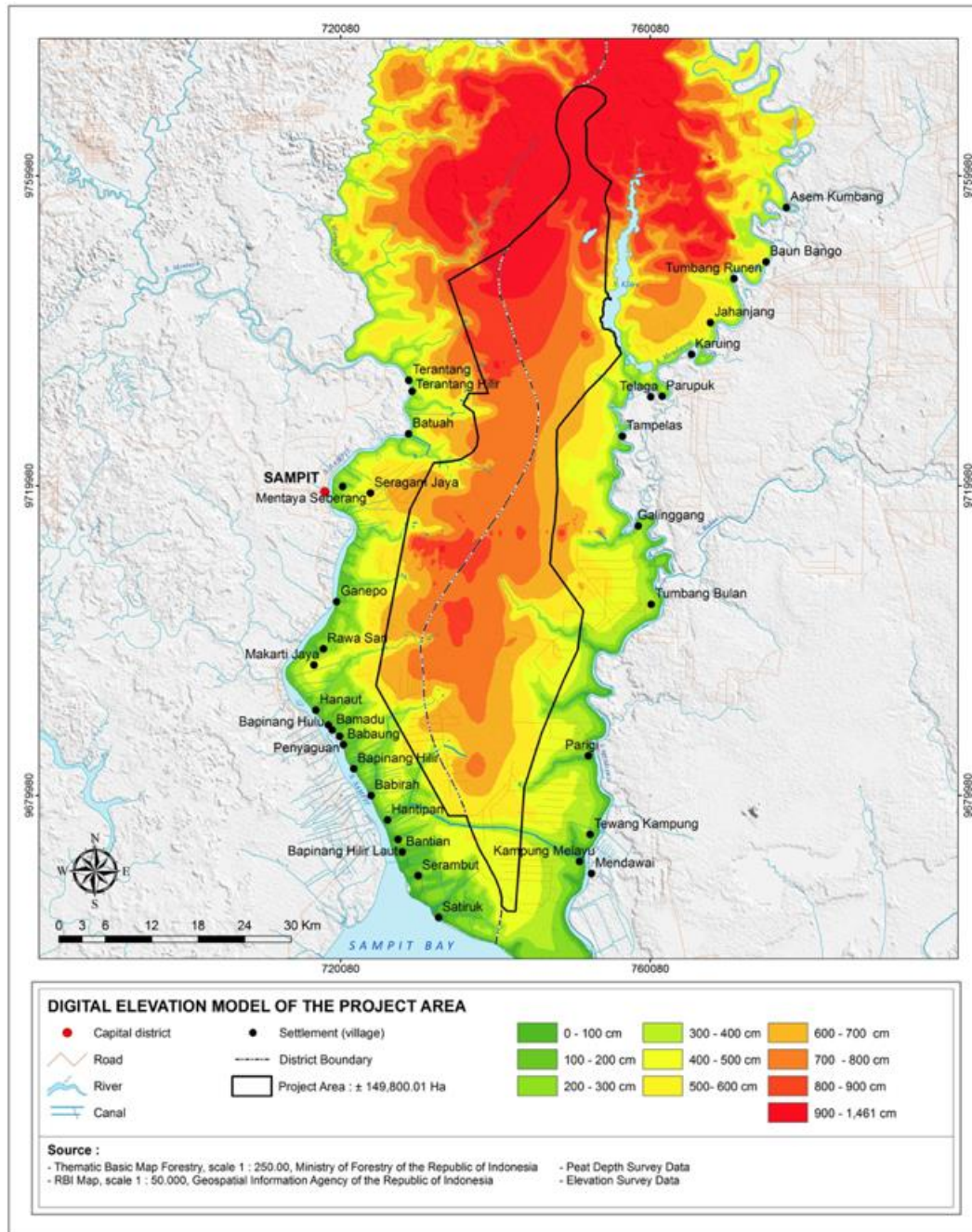
It was conservatively assumed that, in the baseline scenario, the deforestation agents will not practice mechanical pumping. Therefore the thickness of peat that may be lost is restricted by the Drainability Elevation Limit (DEL) – the elevation at which the peat cannot be drained any further without mechanical pumping, defined by the water level in the closest water body. Where, during the course of subsidence, land surfaces reach DEL, further drainage is prevented as the remaining peat layer stays waterlogged. A DEL map (see Map 12) was created by using estimated water levels in rivers and other water bodies in the Katingan landscape. Detailed methods are given in Annex 9.

**Map 12. Drainability elevation limit of the project area**



To create a surface elevation map (Digital Elevation Model, DEM), data was collected through a levelling survey and river bed slope data (see Map 13). This was combined with the application of geomorphological correlation analysis and geostatistical interpolation methods (*Kriging*), as described in Annex 8.

Map 13. Digital elevation model of the project area



Combining these three maps (see Map 11, Map 12 and Map 13) resulted in a map of peatland subject to microbial decomposition and burning (as shown in Map 14), based on the following rules (2) and (3):

$$\text{Peat available for microbial decomposition and burning} = \text{DEM} - \text{DEL} \quad (2)$$

Where:

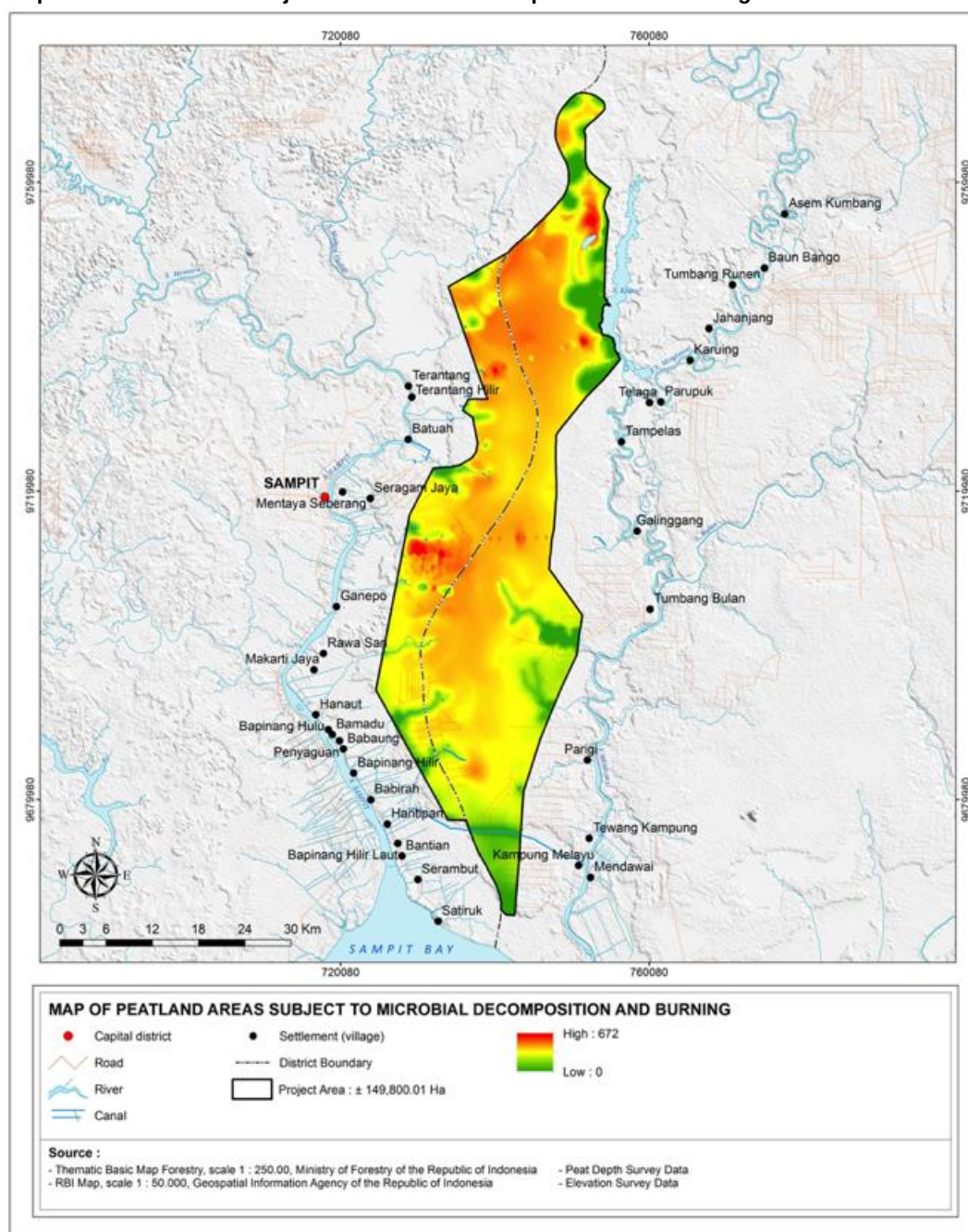
$$\text{DEM} - \text{DEL} \leq \text{Peat Thickness}$$

$$\text{Peat Available for Microbial Decomposition and Burning} = \text{Peat Thickness} \quad (3)$$

Where:

$$\text{DEM} - \text{DEL} > \text{Peat Thickness}$$

Map 14. Peatland area subject to microbial decomposition and burning



### C) Peat depletion time (PDT)

Based on the resulting maps of peat thickness, the DEM and DEL, and the calculated peat subsidence in the baseline scenario (see Section 5.3), a map based on the peat depletion time (PDT) was created (see Map 15) by using the following equation (4). [Table 21](#) presents the calculation of PDT stratification of the project area.

$$t_{PDT-BSL,i} = \text{Depth}_{\text{peat-BSL},i} / \text{Rate}_{\text{peatloss-BSL},i} \quad (4)$$

Where:

$t_{PDT-BSL,i}$  Peat depletion time in the baseline scenario in stratum  $i$  in years elapsed since the project start (yr)

$Depth_{peat-BSL,i}$  Average peat depth in the baseline scenario in stratum  $i$  at project start (m). In this case = peat thickness available for microbial decomposition

$Rate_{peatloss-BSL,i}$  Rate of peat loss due to subsidence and peat burning in the baseline scenario in stratum  $i$ ; (m yr<sup>-1</sup>)

Map 15. PDT of the project area

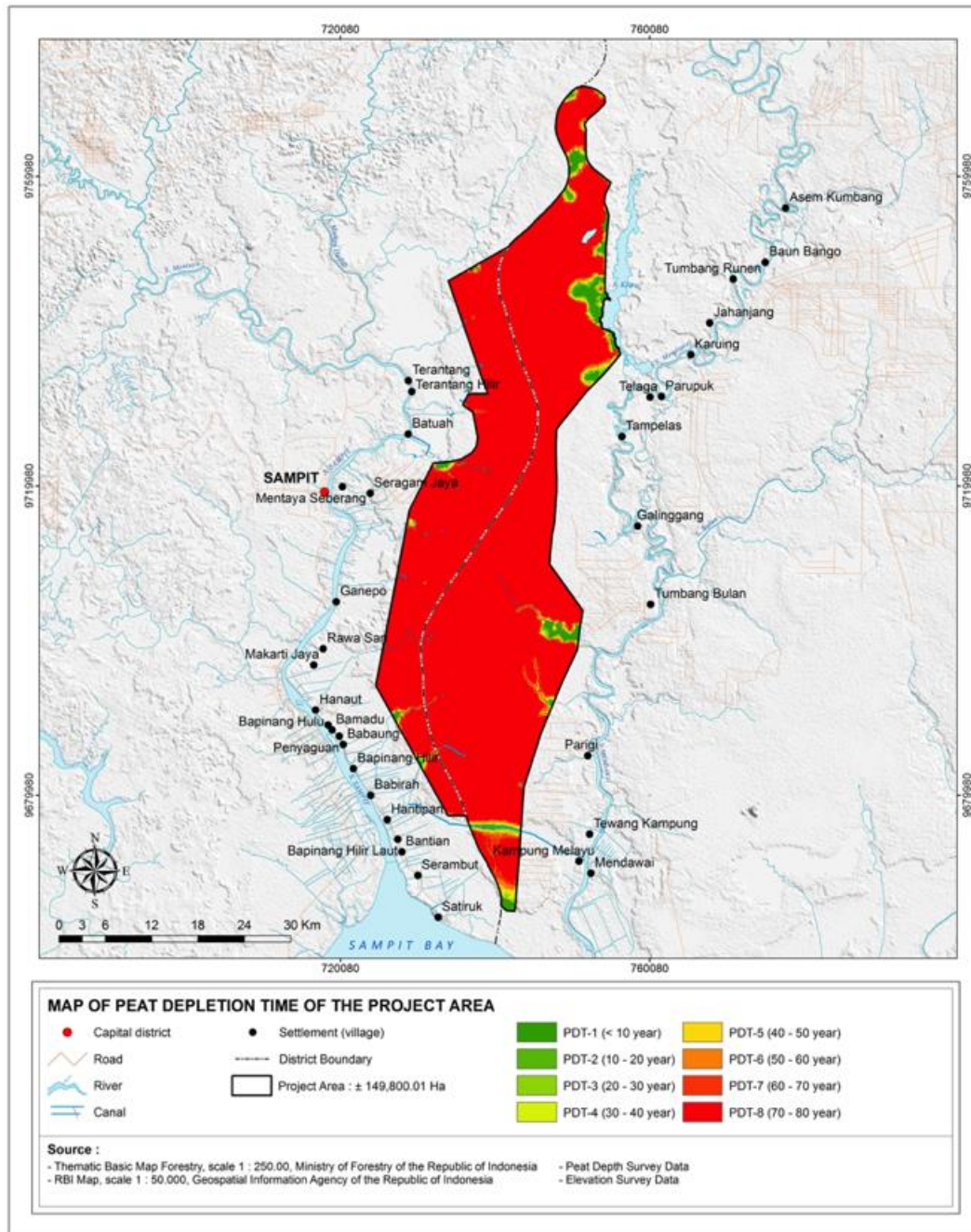


Table 21. Summary of the PDT stratification of the project area

| Class Symbol | PDT Range (years) | Area (ha) | % of the peat area | % of the project area |
|--------------|-------------------|-----------|--------------------|-----------------------|
| PDT-1        | <10               | 121       | 0.1                | 0.1                   |
| PDT-2        | 10 – 20           | 562       | 0.4                | 0.4                   |
| PDT-3        | 20 – 30           | 1,159     | 0.8                | 0.8                   |
| PDT-4        | 30 – 40           | 1,281     | 0.9                | 0.9                   |

| Class Symbol | PDT Range (years) | Area (ha) | % of the peat area | % of the project area |
|--------------|-------------------|-----------|--------------------|-----------------------|
| PDT-5        | 40 – 50           | 1,305     | 0.9                | 0.9                   |
| PDT-6        | 50 – 60           | 1,986     | 1.4                | 1.3                   |
| PDT-7        | 60 – 70           | 2,490     | 1.7                | 1.7                   |
| PDT-8        | 70 – 80           | 3,349     | 2.3                | 2.2                   |
| PDT-9        | 80 – 90           | 3,746     | 2.6                | 2.5                   |
| PDT-10       | 90 – 100          | 5,146     | 3.5                | 3.4                   |
| PDT-11       | >100              | 125,494   | 85.6               | 83.8                  |
| Total        |                   | 146,638   | 100.0              | 97.9                  |

Less than 5% of the peatland in the project area are expected to deplete before reaching the 60-year crediting period, while more than 85% are likely to exceed the peat depletion time of 100 years.

#### 4.4.1.4 Stratification based on carbon stock

##### A) AGB carbon stock

Based on the AGB map of the project area (see Map 9), carbon stock were quantified for each stratum by using the following equations (5).

$$C_{AB} = A_{AB,i} * C_{AB,i} \quad (5)$$

Where:

$C_{AB}$  = Total aboveground biomass carbon stock; tC

$A_{AB,i}$  = Area of stratum  $i$ ; Ha

$C_{AB,i}$  = Mean aboveground biomass carbon stock in stratum  $i$ ; tC.ha<sup>-1</sup>

This ultimately resulted in the AGB density of 98.38 Mg C ha<sup>-1</sup> for the forest stratum and 2.16 Mg C ha<sup>-1</sup> for the non-forest stratum. The final calculation estimated the total AGB carbon stock in project area to be **14,254,599 MgC**, in which 14,243,741 MgC (99.92%) was stored in forest areas and 10,858 MgC (0.08%) in non-forest vegetation. The stratification of AGB carbon stock in the project area at the project start is provided in Map 16, and the calculation based on each stratum is summarized in [Table 22](#).

**Map 16. Stratification of AGB carbon stock**

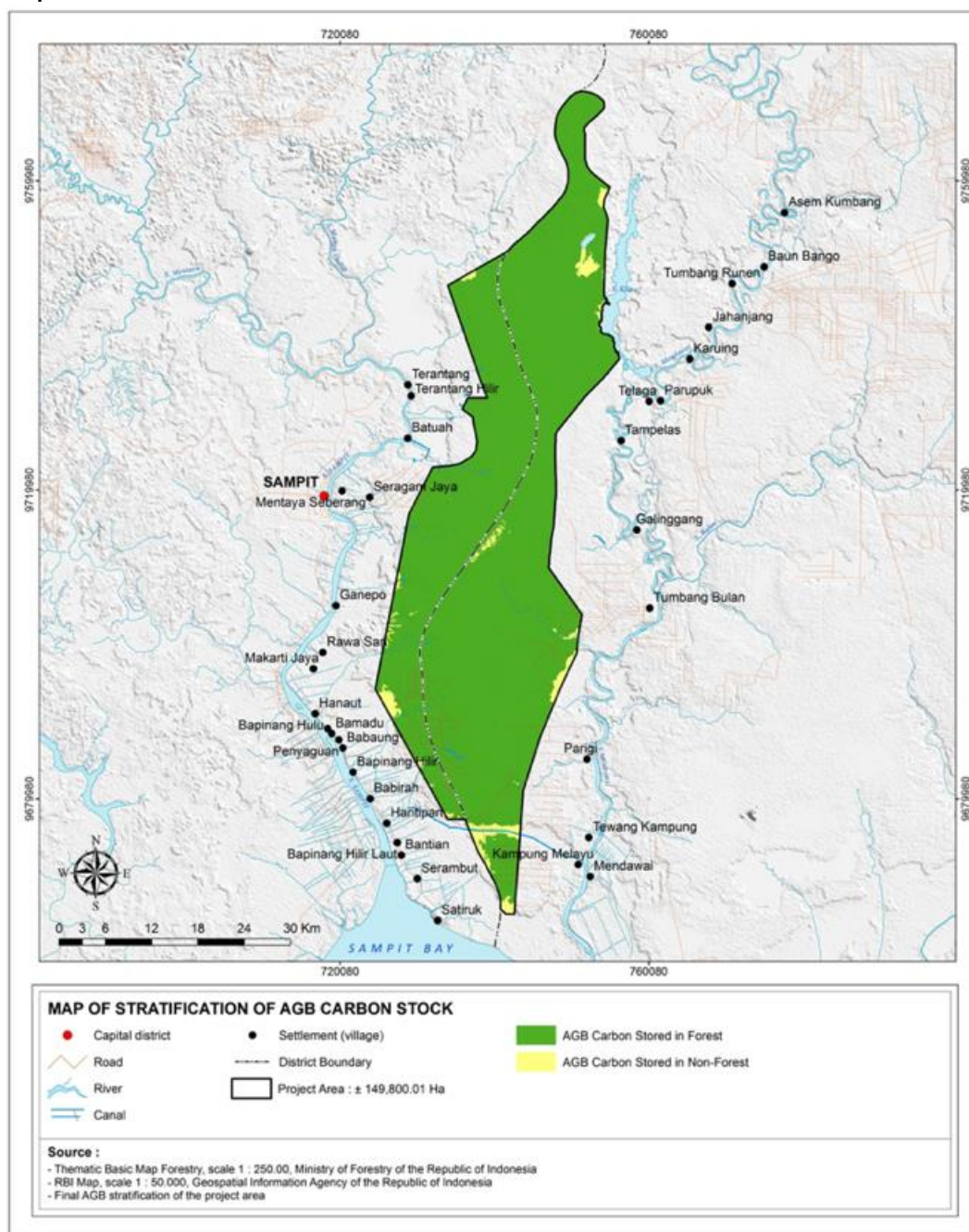


**Table 22. Volume of AGB carbon stock in the project area at the project start**

| Strata | Strata     | Area (ha) | Average AGB C stock (tC.ha <sup>-1</sup> ) | Total AGB C Stock (tC) |
|--------|------------|-----------|--------------------------------------------|------------------------|
| F0     | Forest     | 144,778   | 98.38                                      | 14,243,741             |
| NF0    | Non Forest | 5,021     | 2.16                                       | 10,858                 |
|        | Total      | 149,800   | -                                          | 14,254,599             |

## B) Peat carbon stock

Based on the peat thickness map (see Map 11), the volume of initial peat carbon stock at the project start date has been quantified by using peat bulk density of the project area and conservative carbon content value of 48 kgC.kg<sup>-1</sup> dry mass of peat [16]. The bulk density measured by the project showed no significant variation either across horizontal or vertical directions ( $\mu=127$  kg.m<sup>-3</sup>, SE=3.1 kg.m<sup>-3</sup>, n=197, p=0.05). Details on the measurement methods and analyses are provided in Annex 10. The volume of peat carbon stock across strata in the project area were quantified by using the following formula (6):

$$C_{stock-i,t0} = \frac{48}{100} \times Depth_{peat-i,t0} \times BD_{i,t0} \times 10 \quad (6)$$

Where:

$C_{stock-i,t0}$  Initial carbon stock of stratum  $i$  (at  $t=0$ ) (t C ha<sup>-1</sup>)

$Depth_{peat-i,t0}$  Initial peat thickness of stratum  $i$  (at  $t=0$ ) (m)

$BD_{i,t0}$  Initial bulk density of peat of stratum  $i$  (at  $t=0$ ) (kg.m<sup>-3</sup>)

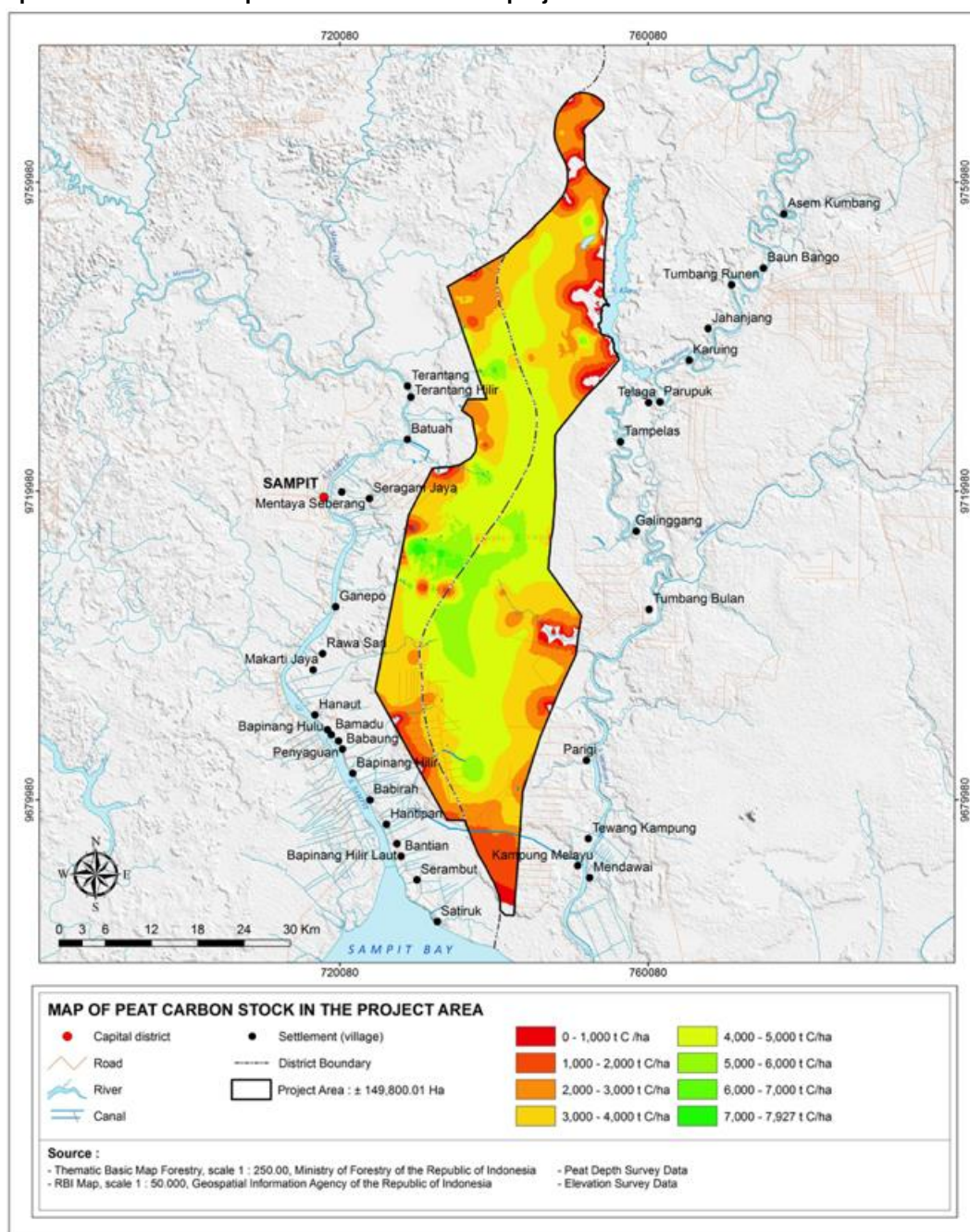
The final calculation estimated the total peat carbon stock in project area to be **546,767,493 MgC**. The stratification of peat carbon stock in the project area at the project start is provided in Map 17, and the calculation based on each stratum is summarized in [Table 23](#).

**Table 23. Volume of peat carbon stock in the project area at the project start**

| Strata           | Area (ha) | Average peat carbon stock (tC.ha <sup>-1</sup> ) | Total peat carbon stock (tC) |
|------------------|-----------|--------------------------------------------------|------------------------------|
| P1L0D0           | 3,172     | 2,597                                            | 8,043,633                    |
| P1L0D1           | 987       | 2,124                                            | 2,078,712                    |
| P1L1D0           | 141,910   | 3,738                                            | 535,294,904                  |
| P1L1D1           | 354       | 2,162                                            | 764,132                      |
| WB               | 216       | 2,685                                            | 586,113                      |
| NP <sup>10</sup> | 3,162     | -                                                | -                            |
| Total            | 149,800   | 2,218                                            | 546,767,493                  |

<sup>10</sup> Non peat-related strata

Map 17. Stratification of peat carbon stock at the project start



#### 4.4.1.5 Stratification based on emission characteristics

Emission characteristics are highly dependent on the present and future land use and the drainage status of the project area under the baseline and project scenarios. Expected significant differences in emissions and carbon stock changes between different types of aboveground biomass and between different drainage statuses determine which strata are separated from others. The baseline and project scenarios as well as associated emissions are further described in Sections 5.3 and 5.4, which serve as a basis for calculating the area eligible for crediting.

#### 4.4.1.6 Eligible area for crediting

The determination of the area eligible for crediting followed VCS rules as set out in VM0007 module X-STR Section 5.4, by using Total Stock Approach.

#### A) REDD and ARR project activities

The eligible area for REDD projects is the area of forest designated to be deforested. With acacia plantations as most likely baseline scenario, the eligible area refers to all area that is available for the developments of acacia plantations (69%), infrastructure area (2.2%), and community crops (5.3%). While for ARR projects, the area eligible for crediting is all non forest areas where the project would carry out reforestation within the project area (2.8 %). Based on the spatial analysis, **the area eligible for crediting from REDD and ARR activities is 114,689.64 ha and 4,227.72 ha respectively**. Map 18 indicates the REDD and ARR eligible area within the project area, and [Table 24](#) is the summary of the area.

**Map 18. Eligible areas for crediting from REDD-ARR project activities**

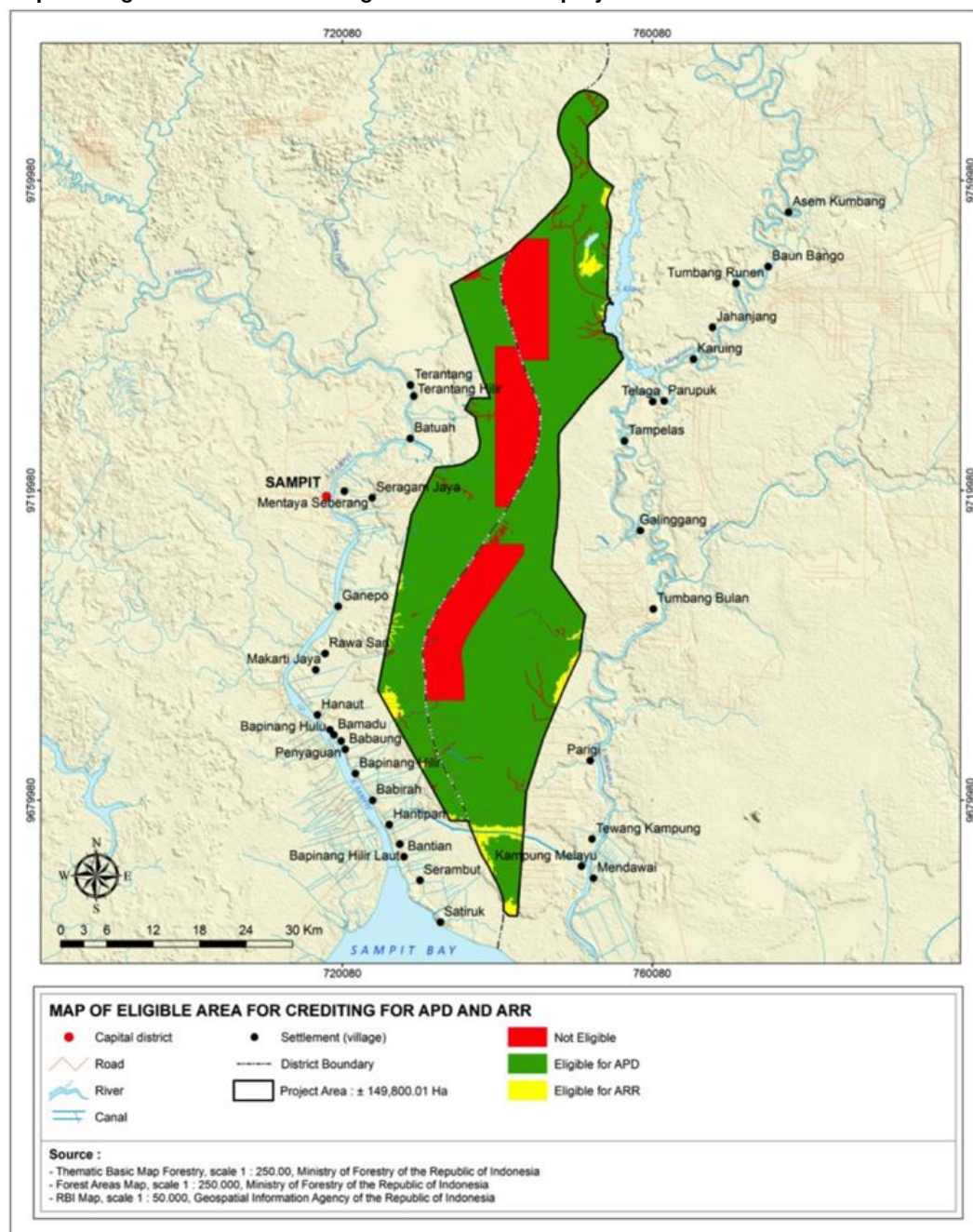


**Table 24. Summary of the area eligible for crediting from REDD and ARR activities**

| Description                          | Area (hectares) | Area (percent) |
|--------------------------------------|-----------------|----------------|
| Project area                         | 149,800.01      | 100            |
| Eligible area for crediting for REDD | 114,689.64      | 76.56          |
| Eligible area for crediting for ARR  | 4,227.72        | 2.82           |
| Area not eligible for crediting      | 30,882.65       | 20.62          |

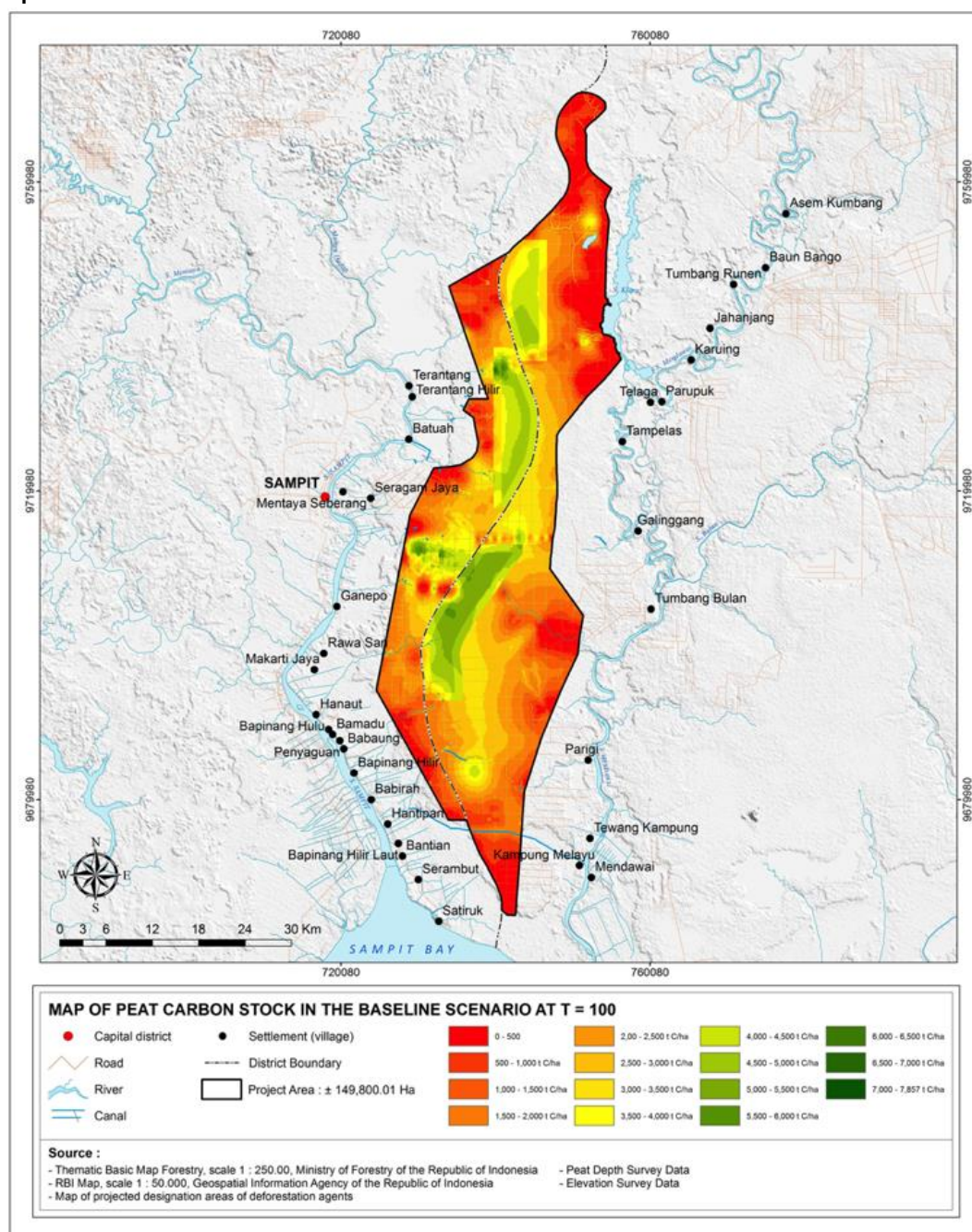
#### B) WRC project activities

For WRC activities on peatlands, the area eligible for crediting is based on the PDT assessment for the baseline and based on the assessment of ‘not successful’ conservation of the peat layer (and thus peat depletion) in the project scenario. The eligible area for crediting is in close relation with the eligible project crediting period (the time for which GHG emission reductions or removals generated by the project are eligible for crediting with the VCS program).

Delineation of eligible area for crediting involved three steps as follows (also defined in more detail in VCS methodology VM0007 module X-STR, Section 5.4).

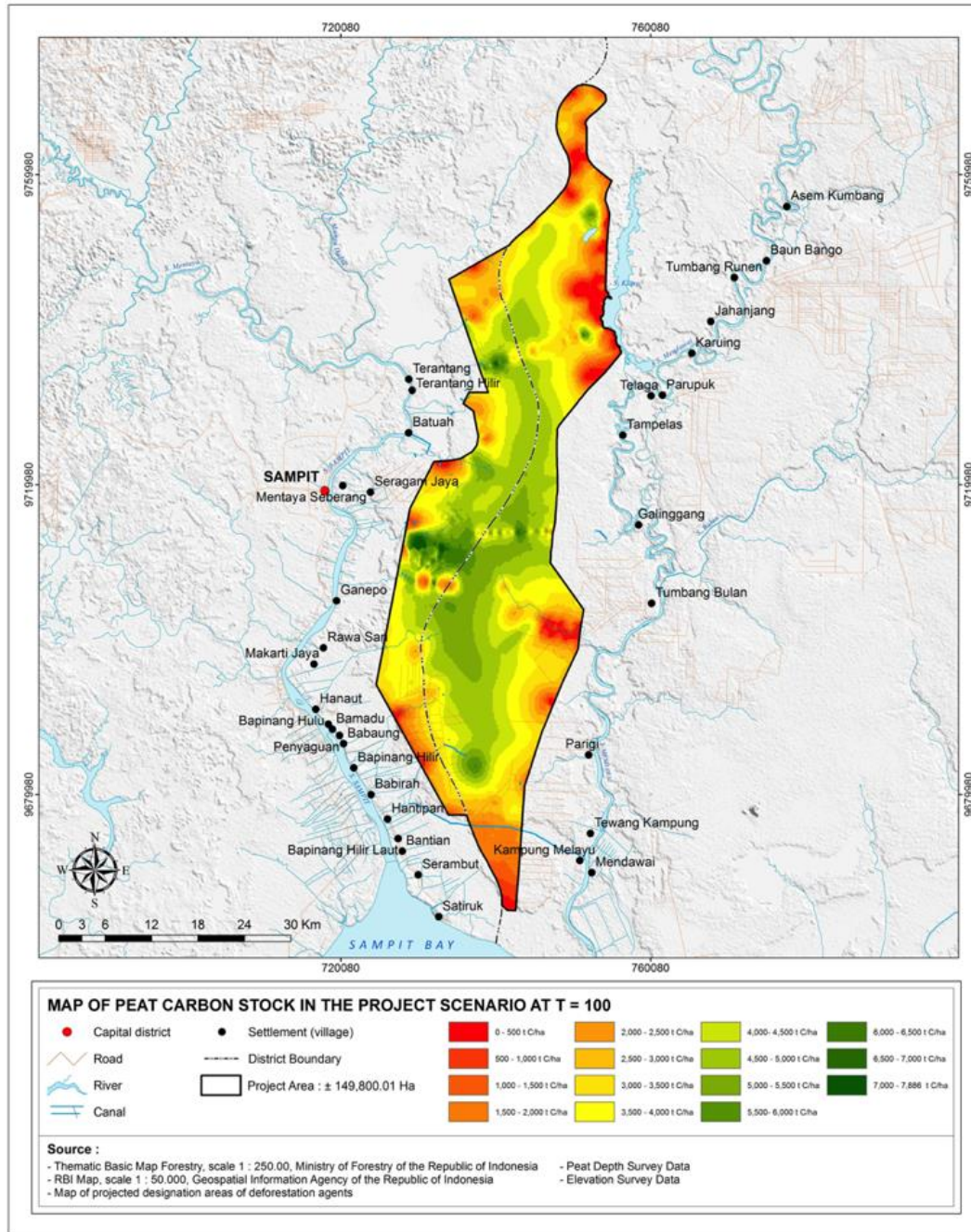
*Step 1.* Under the baseline scenario, successive changes of peat carbon stock within each stratum were calculated over 100 years. The remaining carbon stocks at  $t=100$  were then mapped (see Map 19). The method for calculating dynamics of carbon stock over time under the baseline scenario is given in Section 5.3.

Map 19. Peat carbon stock in the baseline scenario at t = 100



Step 2. Under the project scenario, successive changes of peat carbon stock within each stratum were calculated over 100 years. The remaining carbon stocks at t=100 were then mapped (see Map 20). The method for calculating dynamics of carbon stock over time under the project scenario is given in Section 5.4.

Map 20. Peat carbon stock in the project scenario at t = 100



Step 3. All areas that show a positive peat carbon stock difference between the baseline and project scenarios at t=100 were delineated as the area eligible for crediting (see Map 21). Such differences were estimated using the following equations (7) – (11):

$$C_{WPS-BSL,t100} = \sum_{i=0}^{M_{WPS}} (C_{WPS,i,t100} \times A_{WPS,i}) - \sum_{i=0}^{M_{BSL}} (C_{BSL,i,t100} \times A_{BSL,i}) \quad (7)$$

$$C_{WPS,i,t100} = Depth_{peat-WPS,i,t100} \times C_{vol\_lower,WPS} \times 10 \quad (8)$$

$$C_{BSL,i,t100} = Depth_{peat-BSL,i,t100} \times C_{vol\_lower,BSL} \times 10 \quad (9)$$

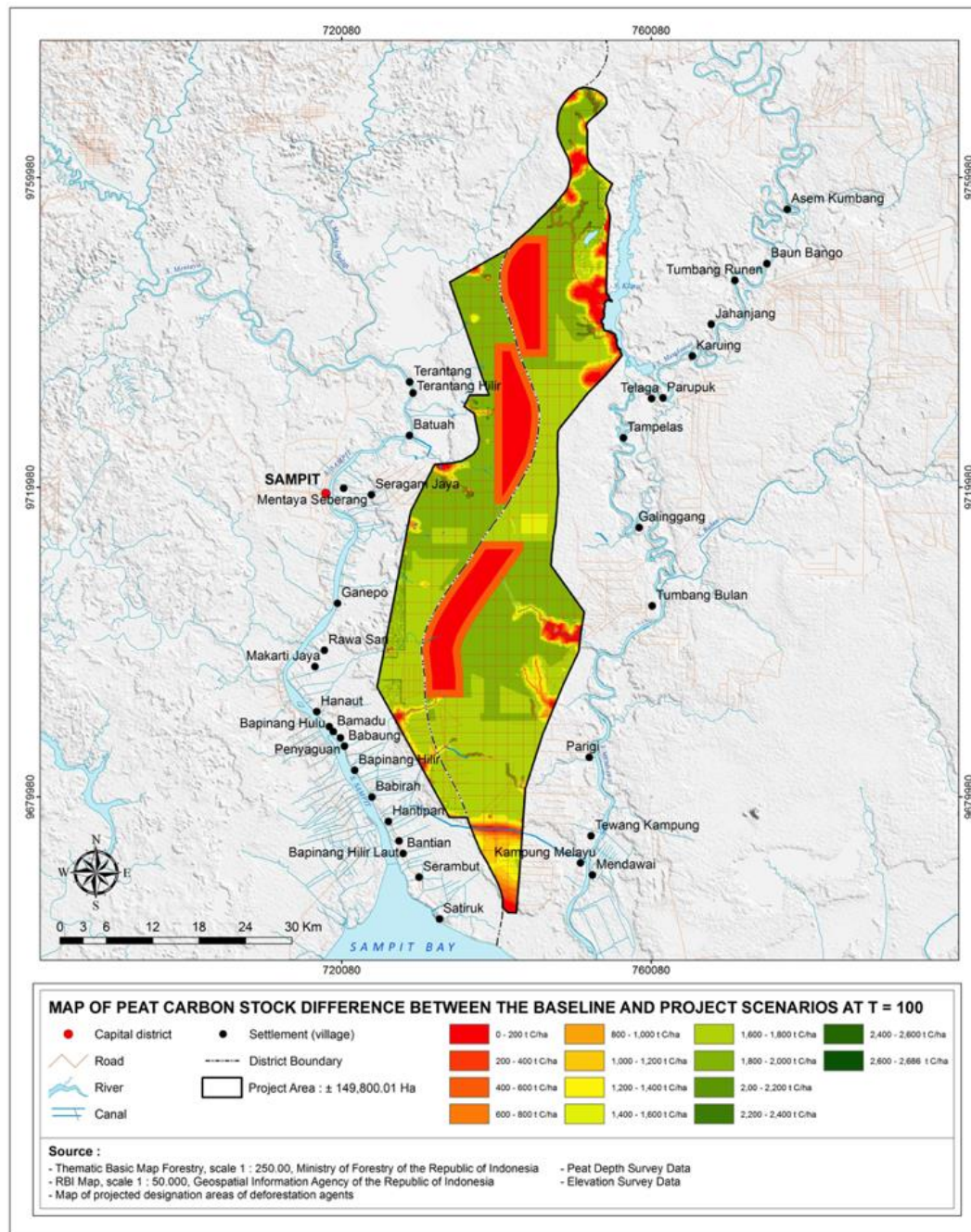
$$Depth_{peat-BSL,i,t100} = Depth_{peat-BSL,i,t0} - Sub_{initial+BSL,i} - \sum_{t=1}^{t=100} Rate_{peatloss-BSL,i,t} \quad (10)$$

$$Depth_{peat-WPS,i,t100} = Depth_{peat-WPS,i,t0} - \sum_{t=1}^{t=100} Rate_{peatloss-WPS,i,t} \quad (11)$$

Where:

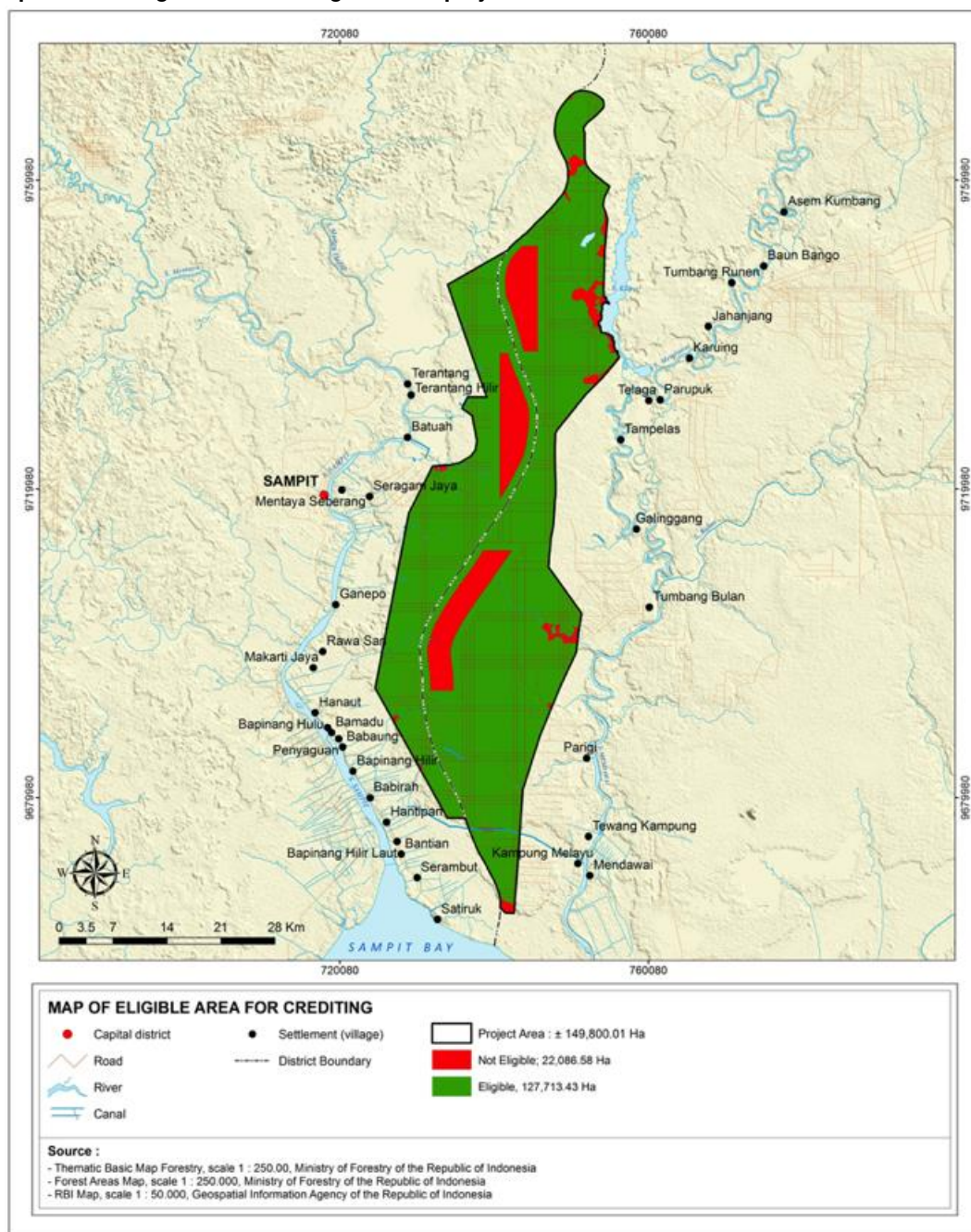
|                           |                                                                                                                                                                                                                                                                                  |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| $C_{WPS-BSL,i,t100}$      | Difference between peat carbon stock in the project scenario and baseline scenario in peat depth stratum $i$ at $t=100$ (t C ha <sup>-1</sup> )                                                                                                                                  |
| $C_{WPS,i,t100}$          | Peat carbon stock in the project scenario in peat depth stratum $i$ at $t=100$ (t C ha <sup>-1</sup> )                                                                                                                                                                           |
| $C_{BSL,i,t100}$          | Peat carbon stock in the baseline scenario in peat depth stratum $i$ at $t=100$ (t C ha <sup>-1</sup> )                                                                                                                                                                          |
| $A_{WPS,i}$               | Area of project stratum $i$ (ha)                                                                                                                                                                                                                                                 |
| $A_{BSL,i}$               | Area of baseline stratum $i$ (ha)                                                                                                                                                                                                                                                |
| $Depth_{peat-BSL,i,t100}$ | Average peat depth in the baseline scenario in stratum $i$ at $t=100$ (m)                                                                                                                                                                                                        |
| $Depth_{peat-WPS,i,t100}$ | Average peat depth in the project scenario in stratum $i$ at $t=100$ (m)                                                                                                                                                                                                         |
| $Depth_{peat-BSL,i,t0}$   | Average peat depth in the baseline scenario in stratum $i$ at project start (m)                                                                                                                                                                                                  |
| $Depth_{peat-WPS,i,t0}$   | Average peat depth in the project scenario in stratum $i$ at project start (m)                                                                                                                                                                                                   |
| $Sub_{initial-BSL,i}$     | Subsidence in the initial years after drainage in stratum $i$ , deemed 0 for RDP projects (m)                                                                                                                                                                                    |
| $Rate_{peatloss-BSL,i,t}$ | Rate of peat loss due to subsidence and fire in the baseline scenario in stratum $i$ in year $t$ ; a conservative (high) value may be applied that remains constant over time; Subsidence in the initial years after drainage is not included in this rate (m yr <sup>-1</sup> ) |
| $Rate_{peatloss-WPS,i,t}$ | Rate of peat loss due to subsidence and fire in the project scenario in stratum $i$ in year $t$ ; alternatively, a conservative (low) value may be applied that remains constant over time (m yr <sup>-1</sup> )                                                                 |
| $C_{vol\_lower,WPS}$      | Volumetric carbon content of the peat below the water table in the project scenario; in case of RDP projects, this is the same as $C_{vol\_lower,BSL}$ (kg C m <sup>-3</sup> )                                                                                                   |
| $C_{vol\_lower,BSL}$      | Volumetric carbon content of the peat below the water table in the baseline scenario (kg C m <sup>-3</sup> )                                                                                                                                                                     |
| $t_{100}$                 | 100 years since project start                                                                                                                                                                                                                                                    |
| 10                        | Conversion from kg m <sup>-2</sup> to t ha <sup>-1</sup>                                                                                                                                                                                                                         |

Map 21. Carbon stock difference between the baseline and project scenarios at t = 100



Based on the spatial analysis, **the area eligible for crediting from WRC activities is 127,713 ha or 85.3%**. Furthermore, as Sub-subsection 4.4.1.3 describes, the PDT over 125,951 ha (84%) of the project area is expected to exceed the maximum project crediting period of 60 years. For the rest of the project area, the approximate years in which the peat layers would be depleted (i.e., eligible period for crediting) were determined (see Table 19 and Map 15), and beyond these years, no accounting will be carried out. Map 22 indicates the WRC eligible area within the project area, and [Table 25](#) is the summary of the area.

**Map 22. Area eligible for crediting for WRC project activities**



For the project scenario, few parts the project area will be affected by the drainage located outside the project area. Buffer zone agreements with the surrounding stakeholders have been established to ensure that drainage outside the project area would not cause significant hydrological impacts inside the project area or the area eligible for crediting. The effectiveness of these agreements will be monitored by the project.

**Table 25. Summary of the area eligible for crediting from WRC activities**

| Description                               | Area (hectares) | Area (percent) |
|-------------------------------------------|-----------------|----------------|
| Project area                              | 149,800         | 100            |
| Peatland area within the project boundary | 146,638         | 97.9           |
| Area eligible for crediting               | 127,713         | 85.3           |
| Area not eligible for crediting           | 22,087          | 14.7           |

#### 4.4.2 Temporal boundary (G1.9, CL1)

The temporal boundaries of the Katingan Project are as follows.

- Historical reference period: August 22, 2000 to October 31, 2010
- Project crediting period: November 1, 2010 to October 31, 2070 (60 years)
- Baseline update period: Every 10 years

#### 4.4.3 Carbon pools

##### 4.4.3.1 Carbon pools included in the project

[Table 26](#) describes carbon pools included in the Katingan Project.

**Table 26. Summary of carbon pools**

| Carbon pool                  | In/excluded                                             | Justification                                                                                                                                                                                                  |
|------------------------------|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Aboveground tree biomass     | Included                                                | Mandatory pool in ARR and REDD project activities                                                                                                                                                              |
| Aboveground non-tree biomass | Excluded                                                | Non-tree biomass carbon pool is expected to increase in the project scenario compared to the baseline, and therefore can be conservatively omitted.                                                            |
| Belowground biomass          | Excluded (as accounted for in the peat component below) | Belowground biomass is not distinguished from the soil pool in WRC procedures.                                                                                                                                 |
| Litter on mineral soil       | Excluded                                                | It is conservatively excluded. However, litter carbon pools and their stock changes may be monitored in the future.                                                                                            |
| Litter on peatland           | Excluded                                                | This pool is not mandatory for peatland. As the litter carbon pool is expected to increase in the project scenario compared to the baseline, it is therefore conservatively omitted.                           |
| Dead wood                    | Excluded                                                | This pool is not mandatory for either mineral soil or peatland. As the dead wood carbon pool is expected to increase in the project scenario compared to the baseline, it is therefore conservatively omitted. |
| Mineral soil carbon pool     | Excluded                                                | Carbon stock in this pool is expected to increase more or decrease less due to the implementation of project activities relative to the baseline, and thus conservatively omitted.                             |
| Peat carbon pool             | Included                                                | Carbon stock in this pool is expected to increase in the project scenario compared to the baseline.                                                                                                            |
| Wood products                | Excluded                                                | This pool is mandatory only where the process of deforestation involves timber harvesting for commercial markets.                                                                                              |

##### 4.4.3.2 Carbon pool significance

No significance tests were necessary since, as described in the above Sub-subsection 4.4.3.1, all carbon pools not included in the baseline and project scenario have been shown either to increase more or decrease less in the project relative to the baseline scenario, or been conservatively excluded. All

mandatory pools have been included and all sources of GHG emissions have either been included or conservatively excluded.

#### 4.4.4 Sources of GHG emissions

Table 27, Table 28 and Table 29 describe sources of GHG emissions included in the Katingan Project.

**Table 27. GHG sources included in the REDD project boundary**

|                   | Source                     | Gas              | Included? | Justification/explanation                                                                                                                               |
|-------------------|----------------------------|------------------|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| Baseline scenario | Deforestation              | CO <sub>2</sub>  | Yes       | Aboveground biomass losses as a result of deforestation are included                                                                                    |
|                   | Biomass burning            | CO <sub>2</sub>  | No        | Aboveground biomass losses as a result of fire are conservatively assumed zero                                                                          |
|                   |                            | CH <sub>4</sub>  | No        | Aboveground biomass losses as a result of fire are conservatively assumed zero                                                                          |
|                   |                            | N <sub>2</sub> O | No        | Above ground biomass losses as a result of fire are conservatively assumed zero                                                                         |
|                   | Combustion of fossil fuels | CO <sub>2</sub>  | No        | Conservatively omitted.                                                                                                                                 |
|                   |                            | CH <sub>4</sub>  | No        | Conservatively omitted.                                                                                                                                 |
|                   |                            | N <sub>2</sub> O | No        | Conservatively omitted.                                                                                                                                 |
|                   | Use of fertilisers         | CO <sub>2</sub>  | No        | Fertiliser application is higher in the baseline scenario compared to the project scenario. Therefore, it is conservatively omitted.                    |
|                   |                            | CH <sub>4</sub>  | No        | Fertiliser application is higher in the baseline scenario compared to the project scenario. Therefore, conservatively omitted.                          |
|                   |                            | N <sub>2</sub> O | No        | Fertiliser application is higher in the baseline scenario compared to the project scenario. Therefore, it is conservatively omitted.                    |
| Project scenario  | Biomass burning            | CO <sub>2</sub>  | No        | Per VM0007 REDD-MF, CO <sub>2</sub> emissions are excluded but carbon stock decreases due to biomass burning are accounted for as carbon stock changes. |
|                   |                            | CH <sub>4</sub>  | Yes       | If burning occurs in the project scenario it will be accounted for. IPCC combustion factors for CH <sub>4</sub> will be used.                           |
|                   |                            | N <sub>2</sub> O | Yes       | If burning occurs in the project scenario it will be accounted for. IPCC combustion factors for N <sub>2</sub> O will be used.                          |
|                   | Deforestation              | CO <sub>2</sub>  | Yes       | If deforestation occurs in the project scenario, it will be accounted for. Values will be calculated using deforestation emission factors.              |
|                   | Forest degradation         | CO <sub>2</sub>  | Yes       | If forest degradation occurs in the project scenario, it will be accounted for. Values will be calculated using forest degradation emission factors.    |
|                   | Combustion of fossil fuels | CO <sub>2</sub>  | No        | Can be neglected if excluded from baseline accounting.                                                                                                  |
|                   |                            | CH <sub>4</sub>  | No        | Can be neglected if excluded from baseline accounting.                                                                                                  |
|                   |                            | N <sub>2</sub> O | No        | Can be neglected if excluded from baseline accounting.                                                                                                  |
|                   | Use of fertilisers         | CO <sub>2</sub>  | No        | Fertiliser application is higher in the baseline scenario compared to the project scenario. Therefore it is conservatively being omitted.               |
|                   |                            | CH <sub>4</sub>  | No        | Fertiliser application is higher in the baseline scenario compared to the project scenario. Therefore it is conservatively being omitted.               |
|                   |                            | N <sub>2</sub> O | No        | Fertiliser application is higher in the baseline scenario compared to the project scenario. Therefore it is conservatively being omitted.               |

**Table 28. GHG sources included in the ARR project boundary**

| Source            |                          | Gas              | Included? | Justification/explanation                                                                                                             |
|-------------------|--------------------------|------------------|-----------|---------------------------------------------------------------------------------------------------------------------------------------|
| Baseline scenario | Burning of woody biomass | CO <sub>2</sub>  | No        | Above ground biomass losses as a result of fire are assumed zero.                                                                     |
|                   |                          | CH <sub>4</sub>  | No        | Above ground biomass losses as a result of fire are assumed zero.                                                                     |
|                   |                          | N <sub>2</sub> O | No        | Above ground biomass losses as a result of fire are assumed zero.                                                                     |
| Project scenario  | Burning of woody biomass | CO <sub>2</sub>  | No        | Per REDD-MF, CO <sub>2</sub> emissions are excluded but carbon stock decreases due to burning are accounted as a carbon stock change. |
|                   |                          | CH <sub>4</sub>  | Yes       | If burning occurs in the project scenario it will be accounted for. IPCC combustion factors for CH <sub>4</sub> will be used.         |
|                   |                          | N <sub>2</sub> O | Yes       | If burning occurs in the project scenario, it will be accounted for. IPCC combustion factors for N <sub>2</sub> O will be used.       |

**Table 29. GHG sources included in the WRC project boundary**

| Source                      |                         | Gas              | Included? | Justification/explanation                                                                                                                                                                                                                                                                                                                                                                    |
|-----------------------------|-------------------------|------------------|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Baseline / Project scenario | Microbial decomposition | CO <sub>2</sub>  | Yes       | Initially TIER 1 methods (IPCC defaults) will be used for the baseline and project to estimate emissions, later in the project measurements will be performed to develop site-specific emission models, and if needed, in the reference regions for the baseline.                                                                                                                            |
|                             |                         | CH <sub>4</sub>  | Yes       | Required unless <i>de minimis</i> or conservatively omitted. In this project TIER 1 (IPCC defaults) will be used to estimate CH <sub>4</sub> emissions in the baseline and project.                                                                                                                                                                                                          |
|                             |                         | N <sub>2</sub> O | No        | Excluded as per applicability condition in module BL-PEAT                                                                                                                                                                                                                                                                                                                                    |
|                             | Water bodies            | CO <sub>2</sub>  | Yes       | Water bodies comprise about 5% of the drained peatland landscape. DOC values for 'drained' and 'undrained' peatlands (IPCC) are used to calculate the differences in carbon losses between baseline and project. These carbon losses will be expressed in CO <sub>2</sub> -equivalents, and conservatively assumed that all dissolved organic carbon (DOC) will be lost as CO <sub>2</sub> . |
|                             |                         | CH <sub>4</sub>  | No        | It will be conservatively assumed that all dissolved organic carbon (DOC) will be lost as CO <sub>2</sub> and that no CH <sub>4</sub> is being released. Over the long-term, the project will develop a site-specific model to quantify emissions from water bodies based on site specific measurements performed.                                                                           |
|                             |                         | N <sub>2</sub> O | No        | Conservatively omitted.                                                                                                                                                                                                                                                                                                                                                                      |
|                             | Peat combustion         | CO <sub>2</sub>  | Yes       | Procedures provided in module E-BPB using IPCC combustion factors for both baseline and project scenario. If peat combustion occurs in the project scenario it will be accounted for.                                                                                                                                                                                                        |
|                             |                         | CH <sub>4</sub>  | Yes       | Procedures provided in module E-BPB, using IPCC combustion factors for both baseline and project scenario. If peat combustion occurs in the project scenario it will be accounted for.                                                                                                                                                                                                       |

| Source                     | Gas              | Included? | Justification/explanation                                                                                                                                                              |
|----------------------------|------------------|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                            | N <sub>2</sub> O | Yes       | Procedures provided in module E-BPB, using IPCC combustion factors for both baseline and project scenario. If peat combustion occurs in the project scenario it will be accounted for. |
| Combustion of fossil fuels | CO <sub>2</sub>  | No        | Can be neglected if excluded from baseline accounting.                                                                                                                                 |
|                            | CH <sub>4</sub>  | No        | Potential emissions are negligible.                                                                                                                                                    |
|                            | N <sub>2</sub> O | No        | Potential emissions are negligible.                                                                                                                                                    |
|                            | CO <sub>2</sub>  | No        | Fertiliser application is higher in the baseline scenario compared to the project scenario. Therefore, it is conservatively omitted.                                                   |
|                            | CH <sub>4</sub>  | No        | Fertiliser application is higher in the baseline scenario compared to the project scenario. Therefore, it is conservatively omitted.                                                   |
|                            | N <sub>2</sub> O | No        | Fertiliser application is higher in the baseline scenario compared to the project scenario. Therefore, it is conservatively omitted.                                                   |

## 4.5 Baseline Scenario and Additionality (G2.1, G2.2)

This section identifies the project's baseline and demonstrates the project's additionality using the "combined tool to identify the baseline scenario and demonstrate additionality in A/R CDM project activities: Version 1" [17]. Following this, the project passes preliminary screening ('Step 0').

### 4.5.1 Justification of baseline scenario and additionality

#### 4.5.1.1 Alternative land use scenarios to the proposed project activity

##### *Sub-step 1a. Identify credible alternative land use scenarios to the proposed project activity*

The range of realistic and credible alternative land use scenarios that would have occurred on the land within the project boundary in the absence of the project are shown in [Table 30](#). These seven scenarios were derived from the analysis of current land use across the lowlands peatlands of Central Kalimantan together with an analysis of land use trends within other similar regions of Indonesia; in particular the lowland peatlands of Sumatra which along with southern Borneo represents the two largest tracts of lowland peatland in Indonesia.

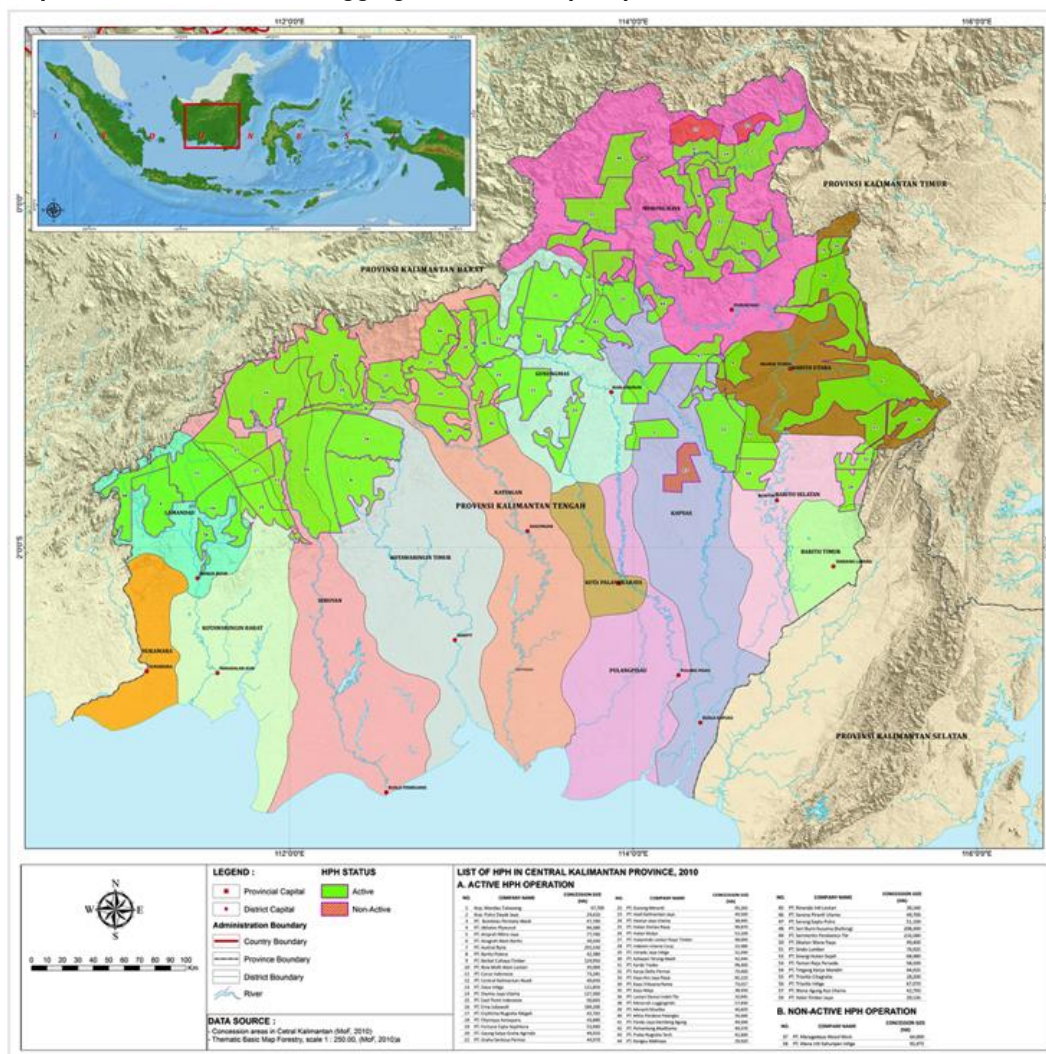
**Table 30. Description of the major alternative land use scenarios for the project area**

| Land use scenario            | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Industrial acacia plantation | Fast growing <i>Acacia crassicaarpa</i> is among the most common industrial land uses of lowland peatlands in Indonesia [18]. Grown in 5-6 year fast rotations, the harvested wood is used for paper and pulp wood products. Commercial growing requires continuous drainage of the peat to below 70cm depth [19]. The area of industrial acacia plantation has grown rapidly in Indonesia over the past decade and further development is targeted in Ministry of Forestry development plans: from 10 million ha in 2010, to 13 million ha in 2014 [20]. Acacia plantations have already been established in peat forest areas of Central Kalimantan to the east of the project site in Pulang Pisau and Gunung Mas districts and to the West in Kubu Raya district of West Kalimantan, while applications for establishment have been lodged in many other nearby areas, including the project area itself (see below). The rapid expansion of industrial acacia plantations across Indonesia has already led to drainage and conversion of vast areas of peatland forest, providing a vision of the future for the project region. |

| Land use scenario                     | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|---------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Industrial oil palm plantation        | Oil palm is also one of the most common non-forest commodity industrial land uses of lowland peatlands in Indonesia [21], despite the fact that peat soils are not ideal for its cultivation [13]. Grown in 25-35 year rotations, and commercially harvestable after 4-5 years, oil palm's fruit is processed to produce oil. Commercial growing requires continuous drainage of the peat to below 70cm depth [13]. The area of oil palm plantations in Indonesia has increased dramatically over the past decade [22], including in Central Kalimantan, although almost exclusively in areas legally outside of the forest estate (designated as <i>APL</i> or Other Land Utilization) or within the forest estate in areas ear-marked for conversion (designated <i>HPK</i> or Conversion Forest), these legal land use distinctions are expanded upon in the next section. Currently there are two pending oil palm plantation applications adjacent to the east of project area, including areas of forested peatland.                                                                                                                                             |
| Forest <i>with</i> commercial logging | Much of the forested peatlands of Central Kalimantan were commercially logged in the 70's, 80's and 90's using selective cutting approach, including the majority of the project area (see below). However, none of the production forest on peatland in Central Kalimantan is subject to active commercial logging today. Historically activities were generally conducted on a large scale utilizing rail haulage systems to remove timber, rather than canals. At that time concession holding companies were not required to implement long-term management of the areas, and so following the initial harvest of the most commercially valuable trees, the operations were all closed. A resumption of commercial logging within production forest areas remains a legal possibility, albeit it an unlikely practice now, due to the low remaining timber potential within allowable diameter size. Most commercial logging operations in Central Kalimantan have now moved to the non-peat areas in the north of the province where primary forests still exist (see Map 23), while in the south the commercial focus has switched to conversion to plantations. |
| Unprotected Forest (status quo)       | Unexploited and unprotected forests exist in Indonesia, but generally only as a transitional state; existing only between phases of commercial or local exploitation (see above and below). Neglected, unprotected forest areas tend to become rapidly degraded, which in turn reinforces the neglect. They rapidly lose all commercial value from standing timber and so become targeted for conversion. This progression can clearly be seen in the adjacent district of Pulang Pisau.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Protected Forest                      | Forest can be deliberately retained through the creation of a protected area. Over the past 10-20 years in Central Kalimantan, a number of former logging concession areas have been converted to protection forest, including Sebangau National Park and a number of areas of Watershed Protection forest ( <i>Hutan Lindung</i> ). The possibility of protection without exploitation is considered in more detail below.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Smallholder agriculture               | Smallholder-managed agricultural land only occupies around 10% of the peatland area of Central Kalimantan, and only 3% of the districts in which the project lies [23] [24]. This figure is low relative to other parts of Indonesia due to the generally low population density and the unsuitability of peat soils for agriculture without drainage. Currently none of the project area is subject to smallholder agriculture, although it does exist within the wider project zone (see Sub-section 1.3.2). It typically exists closer to the rivers and villages where sand ridges allow more productive agriculture, including a variety of tree and non-tree crops, including rubber, cassava, pineapple, rice and oil palm (see Annex 2). Smallholder agriculture is not considered a likely land use for the project area, however it is considered here due to its prevalence in Indonesia generally.                                                                                                                                                                                                                                                         |
| Mining                                | To the north of the project area, open-cast and strip mining is a common land use. Such mining targets both gold and zircon. It is considered here due to its existence in the wider landscape, however it is not considered a likely land use for the project                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

| Land use scenario | Description                                                                                    |
|-------------------|------------------------------------------------------------------------------------------------|
|                   | area as it exists almost entirely on non-peat areas and mostly operates illegally (see below). |

Map 23. Active commercial logging concessions (HPH) in Central Kalimantan as of 2010



In addition to these seven major land use scenarios, a number of smaller or minority land use were also considered, including, infrastructure development and industrial aquaculture. However all were considered to either lack sufficient credibility or precedence to be included in this analysis.

#### Sub-step 1b. Consistency of credible alternative land use scenarios with enforced mandatory applicable laws and regulations

The seven major land use scenarios identified under Sub-step 1a were next considered in the context of mandatory laws and regulations in Indonesia. The key consideration in this analysis is the legal designation of the project area as 100% 'Production Forest' or '*Hutan Produksi*' (see Sub-section 1.3.2). The results of this analysis are shown in [Table 31](#).

**Table 31. Consistency of alternative land use scenarios with laws and regulations**

| Land use scenario                     | Legality                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|---------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Industrial acacia plantation          | This land use scenario is legally permissible, as regulated principally by the Forestry Laws No. 41/1999, 19/2004 and later by Ministry of Forestry decree No. 31/2014 and supporting regulations.                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Industrial oil palm plantation        | This land use is <i>not</i> legally permissible. Oil palm cannot legally be established on land designated as production forest. It can only be established legally by first excising the area from the forest estate as regulated under Government Decree PP No. 60/2012. However, this is only possible in forest areas designated as <i>Conversion Production Forest (Hutan Produksi Konversi</i> or HPK). As can be seen from the map of the project area (see Map 3), the area does not include any forest areas designated as HPK, as a result the scenario of commercial conversion to oil palm is not considered a legally viable scenario.             |
| Forest <i>with</i> commercial logging | This form of land use is legally permissible, as regulated principally by the Forestry Laws No. 41/1999 and No. 19/2004, and later by Ministry of Forestry decree No. 31/2014 and supporting regulations.                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Unprotected Forest                    | Legally, a number of routes exist by which the site could remain to be unexploited forest. The first is simply neglect: the area could remain designated as production forest but not be subject to any license application for logging or conversion. Secondly, the site could be subject to an application for management as an ecosystem restoration concession, a form of logging concession permissible on production forest land as regulated and later by Ministry of Forestry decree No. 31/2014.                                                                                                                                                       |
| Protected Forest                      | Forest land could be legally converted to some form of protection or conservation forest. This is a complex process, governed and regulated by a range of laws (see below).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Smallholder agriculture               | As production forest, the project area is not legally permissible for conversion to smallholder agriculture (based on the same legal regulations referenced above). Despite this, however, neglected forest land (which is not subject to an active concession licence or commercial exploitation) is often targeted by smallholders. If no commercial licence is issued, such smallholders can attempt to claim a title to the occupied land via a number of legal routes. These are considered in more detail below.                                                                                                                                          |
| Mining                                | Mining is not legally permissible within the project area without an appropriate licence. Such licences are governed by a complex set of laws that restrict the area that can be mined and which outline the compensation arrangements which must be paid to the concession holder (if there is one) and the state. Such licences are only granted to legally registered mining companies. The bulk of the mining activity to the north of the project area is small-scale, unregistered and probably illegal. As with smallholder agriculture, this may be tacitly permitted within neglected forest areas, and so is retained here for further consideration. |

In conclusion, we reject industrial oil palm plantation as a credible alternative land use scenario as it is not legally permissible. Of those scenarios retained, smallholder agriculture and mining are retained despite their illegality, as both remain commonplace across much of Indonesia and so merit further consideration.

#### 4.5.1.2 Barrier analysis

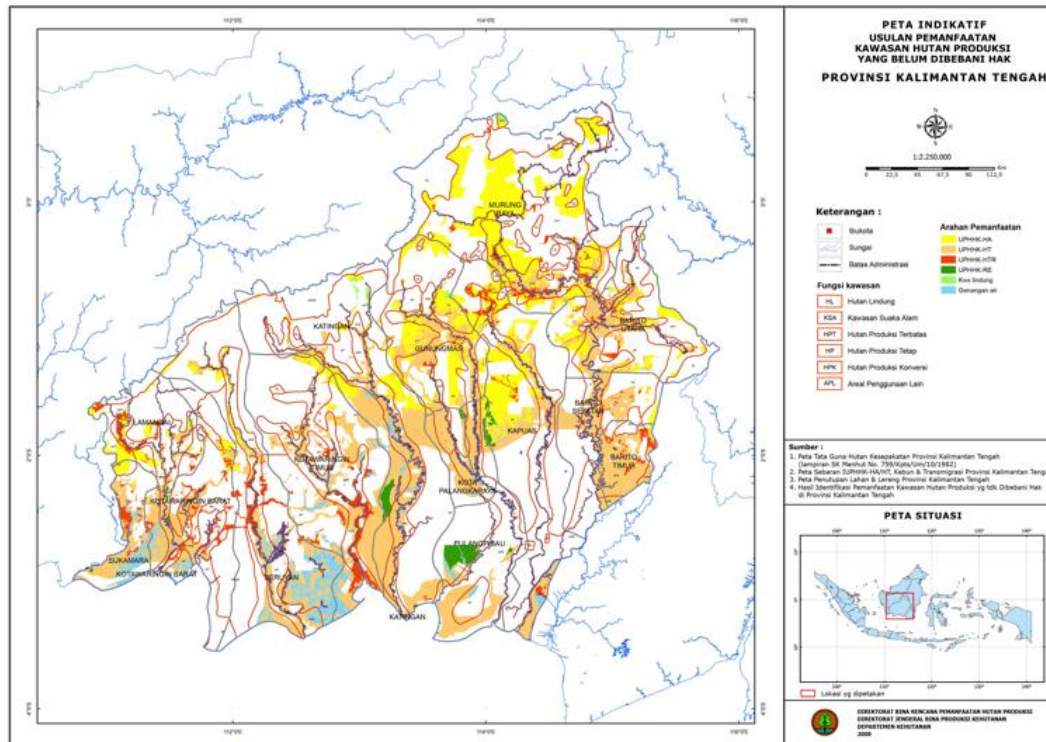
*Sub-step 2a. Identification of barriers that would prevent the implementation of at least one alternative land use scenarios*

In this section, we consider each of the six remaining scenarios in turn with respect to barriers that would prevent realization of that scenario (following the listed barriers in A/R CDM project activities: Version 1" [17]. The results of this analysis are shown in [Table 32](#).

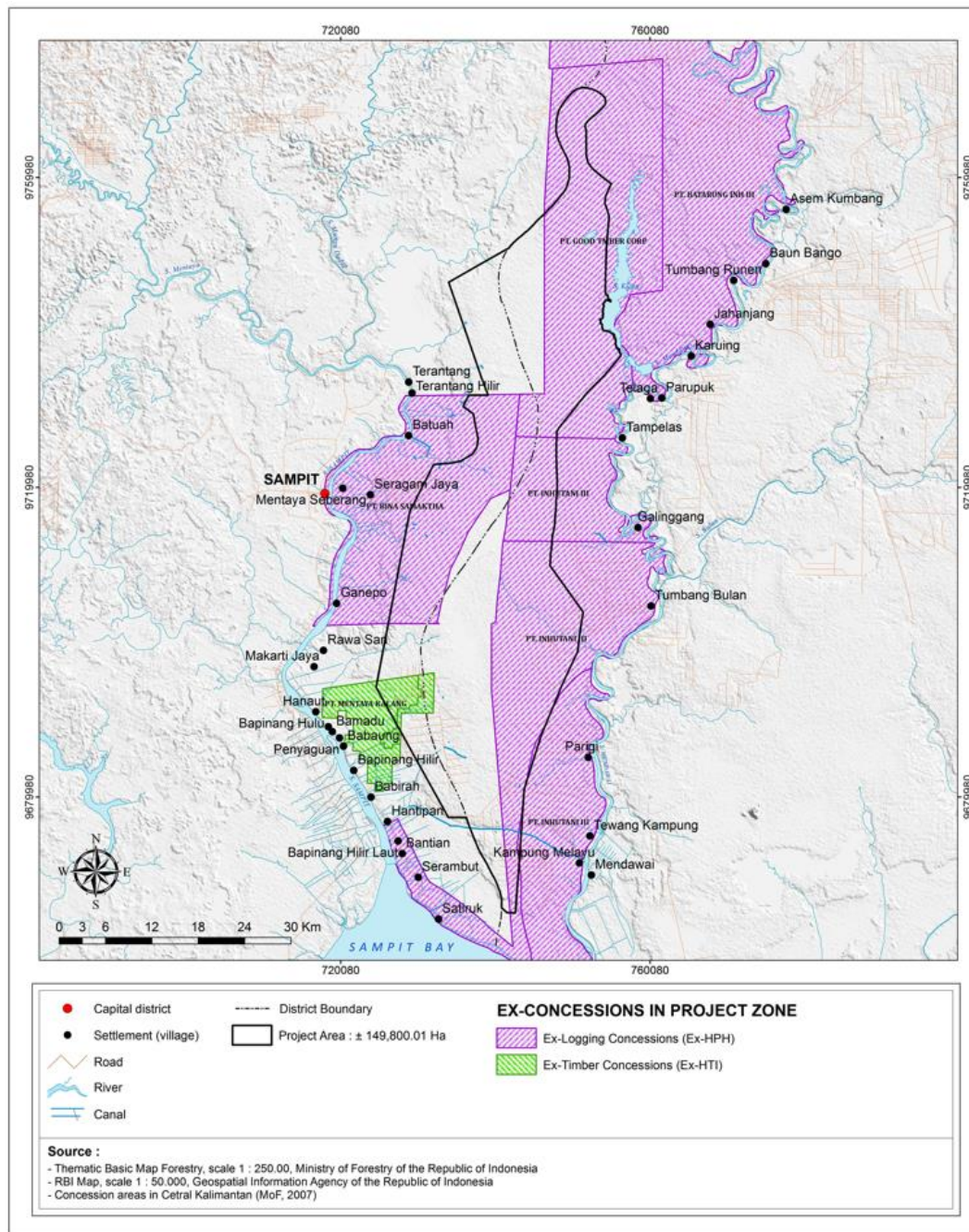
**Table 32. Identification of barriers that would prevent the implementation of each scenario**

| Land use scenario                     | Barriers                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|---------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Industrial acacia plantation          | There are no barriers for this land use. At the time of the project's initiation, the area was both legally eligible for plantation establishment, and designated as such in the Ministry of Forestry's indicative maps (which indicate areas targeted for different uses, akin to development plans; see Map 24). Furthermore, in 2008, an application for the establishment of a 50,000-ha acacia plantation within the project area was filed by PT. Natural Wood Kencana with the Ministry of Forestry (i.e., Letter No. 04/TOR/CEO/X/2008 dated October 23, 2008).                                                                                                                                                                                                                                                                                                                                                          |
| Forest <i>with</i> commercial logging | The principal barriers are both ecological and economic, and result from the paucity of commercial-sized timber due to the majority of the site having been logged between 1970-2002 based on licences issued in the 70's. At this time, most of the peatlands in southern Central Kalimantan were also logged, and subsequent to that period there has been no resumption of commercial logging in any of these peatland areas. In addition to the lack of high value commercial timber, the economics of commercial logging have changed. When first logged, tax collecting regimes were far more lax, allowing companies to operate more marginal sites profitably, labour was cheaper (and labour laws were more lax). Timber prices were high and markets very open. High value export markets are now difficult to access without accreditation, and this would be very difficult to obtain on a site-based on peat soils. |
| Unprotected Forest                    | Without the prospect of revenue from carbon offset sales, there exist numerous barriers to the forest remaining intact, principally economic and institutional, but also related to prevailing practice and local traditions of exploitation. The land is <i>politically</i> as well as <i>legally</i> designated for production. <i>De facto</i> protection through neglect (or through deliberately refusing to issue any licences) is not tenable as the area would generate no revenues, either to state coffers or to local communities. The experience across Kalimantan, and indeed across Indonesia, is that unprotected forest does not often remain intact for long.                                                                                                                                                                                                                                                   |
| Protected Forest                      | As described above, legal conversion of the land status to become fully protected would not generate political support locally, as this would place an additional financial management burden and obligation on the local government while adding no additional state revenue.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Smallholder Agriculture               | Barriers exist to prevent the expansion of smallholder agriculture in the project area. These include physical barriers such as the general unsuitability of peat soils for growing crops (which accounts for the very low levels of smallholder agriculture within peat areas of Central Kalimantan generally), but principally the fact that the expansion of smallholder agriculture with areas designated as production forest relies almost entirely on legal neglect of such areas. As no barriers exist to prevent the establishment of commercial plantations on the project area the possibility of an expansion of smallholder agriculture is negated.                                                                                                                                                                                                                                                                 |
| Mining                                | The main barrier to the expansion of mining within the project area is the lack of suitable mineral deposits and the peat overburden. These combine to render the vast majority of the site, with the small exception of some marginal areas in the north, unsuitable for mining. This is confirmed by absence of any commercial mining exploitation permits for the area. In addition, as above, any expansion of small-scale mining relies on legal neglect of the project area, which is not considered a likely scenario.                                                                                                                                                                                                                                                                                                                                                                                                    |

**Map 24. Ministry of Forestry indicative map 2009**



**Map 25. Logging concessions previously existing in the project zone**



In conclusion, significant barriers prevent the realization of all but a single credible land use scenario: industrial acacia plantation.

#### 4.5.1.3 Investment analysis

Because a single credible land use scenario was identified through the analytical steps above, a detailed investment analysis is not required by the A/R CDM additionality tool [17]. However, as part of the analytical preparation for the project, such an analysis was independently commissioned and is available to download [25]. This study supported the identification of Industrial acacia plantation as being the most profitable and likely land use on areas legally classified as production forest, while conversion to oil palm would be the most profitable land use within areas designated as conversion forest within the wider project zone.

#### 4.5.1.4 Common practice analysis

Maintenance of intact forest on land designated for production is not common practice in Indonesia. Outside of legally designated protected areas, and without the prospect of revenues from carbon finance, few examples exist. Those that do tend to be small projects backed by stable philanthropic donors, and even in these cases, the projects often lead to conflict with local government or communities as the areas are perceived as making no financial contribution to local coffers, despite being designated for production. Other examples include offset projects whereby large corporates are paying management costs of the site as reparations for areas damaged as part of their operations elsewhere. These are rare and typically very small in extent.

#### 4.5.1.5 Conclusion

The project is considered additional, with the most likely and plausible business-as-usual scenario being conversion to **industrial acacia plantation**.

### 4.5.2 Description of acacia plantations as the baseline scenario

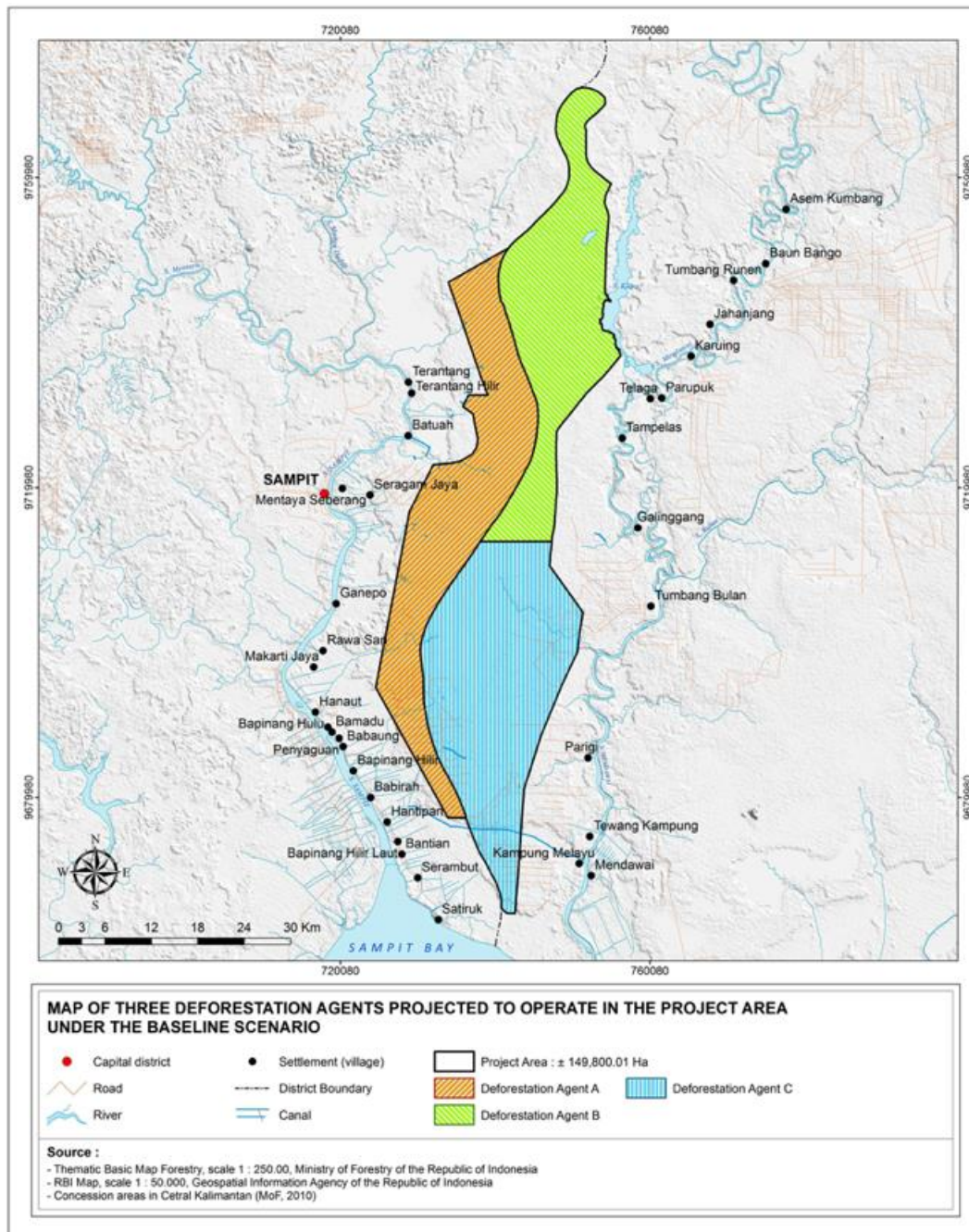
Historical data on industrial acacia plantation concessions [26] exhibit a pattern in the period of 2000 to 2010 of vast areas of peatlands (peatdomes) being split up and licensed to a range of companies producing similar commodities and each managing an area on average <70,000 ha. This pattern can be clearly observed in Kampar Peninsula in Riau Province and Merang in South Sumatra where three or more plantation companies have been operating on the same peat dome. Given this pattern, and the size of the project area, it is reasonable to suggest that in the absence of the project the project area would have been granted to and managed as industrial acacia plantations by a total of three companies (designated here as deforestation agents A, B and C).

In 2008, PT. Natural Wood Kencana (deforestation agent A) applied for an industrial acacia plantation concession in the project area covering 50,000ha. Without the Katingan Project, this company would have successfully obtained the concession in 2010. Given the fact that the area was zoned for plantation establishment and that pulp and paper industry was on the rise, additional operators would have applied for concessions in the adjacent areas within the project area. Two additional agents (B and C) were therefore projected to apply for concessions in 2010, receive reservation letters in 2011 and eventually obtain the concessions in 2012. A spatial analysis based on the administrative territory and the location of previous logging concessions in the project area, these three companies were assumed to have received licenses for 47,309 ha, 44,837 ha and 57,654 ha within the project area, respectively (see Map 26 and [Table 33](#)).

**Table 33. Summary of the concessions granted to the projected deforestation agents**

| Deforestation agent | Area (Ha)  | District           | License year |
|---------------------|------------|--------------------|--------------|
| Agent A             | 47,308.62  | Kotawaringin Timur | 2010         |
| Agent B             | 44,837.19  | Katingan           | 2012         |
| Agent C             | 57,654.20  | Katingan           | 2012         |
| TOTAL               | 149,800.01 |                    |              |

**Map 26. Three deforestation agents projected to operate in the project area under the baseline scenario**



According to the national regulation, Minister's decree No. 70/1999, deforestation agents are mandated to set aside certain areas of concession sites into the following five different land use purposes: 1) Plantation area, 2) Protected area, 3) Native tree area, 4) Community buffer area, and 5) Infrastructural development area. In line with the regulations, these designations should be based on the existence of communities, previous concession boundary in the same area, and natural and administrative borders, and are projected in Map 27 and [Table 34](#) below. Regulations state that land designated as protected areas must prioritize intact forest situated far away from the community land. In the Sections 5.3 and 5.4, 'community buffer area' is further referred to as 'community crop area', 'protected forest' is referred to as 'conservation forest', 'native tree species area' is included in the 'forest' and 'river buffer' categories, and infrastructure is referred to as 'canals and ground facilities such as yards, stations, nursery, roads and other 'bare' land' or 'non-vegetated land' used for infrastructure.

Map 27. The projected land use within the concession areas of the deforestation agents

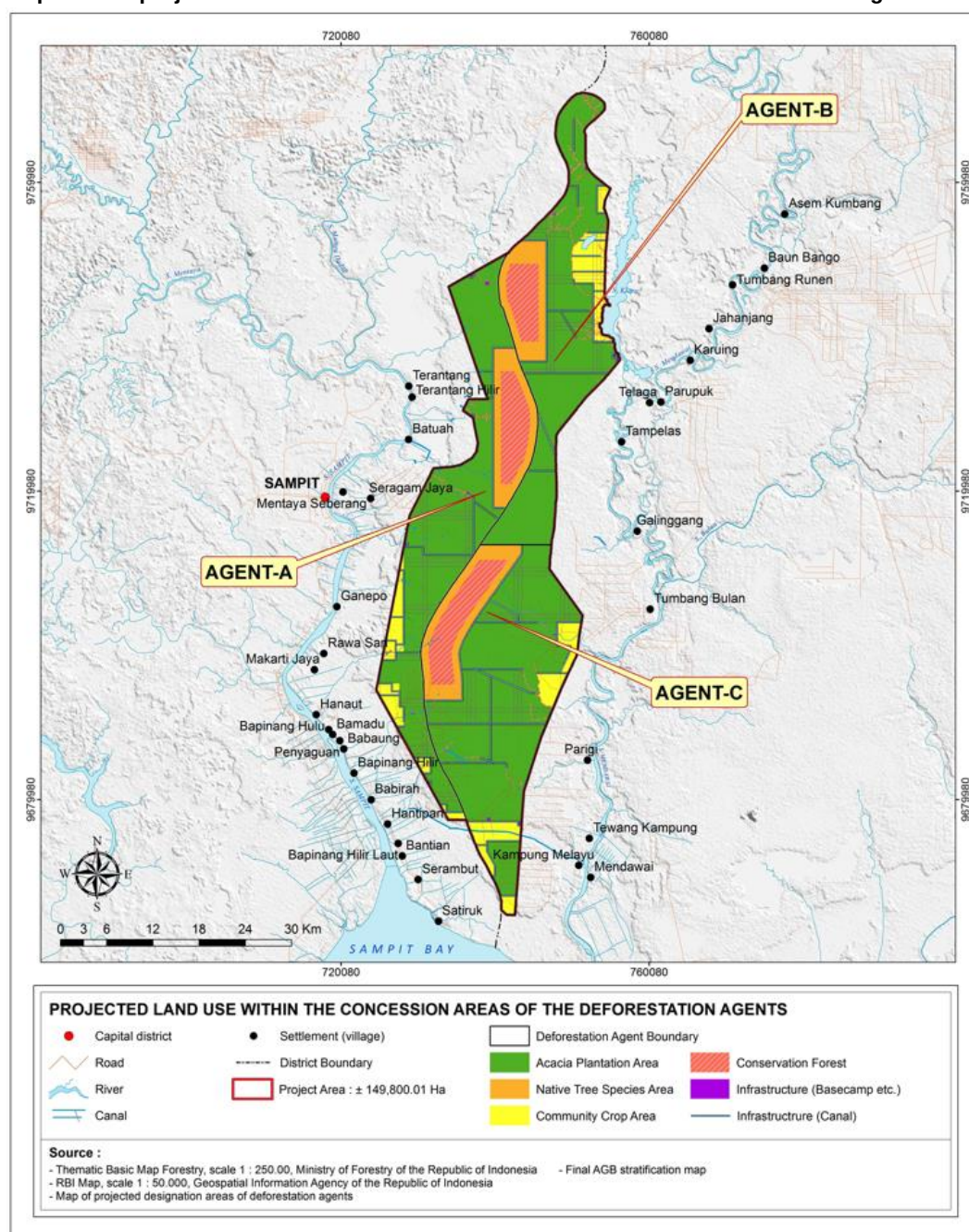


Table 34. Projected land use within the concession areas of the deforestation agents

| Land use                 | Agent A (ha) | Agent B (ha) | Agent C (ha) | Total (ha) | %      |
|--------------------------|--------------|--------------|--------------|------------|--------|
| Acacia plantation area   | 32,950.58    | 30,965.14    | 39,799.82    | 103,715.55 | 69.24% |
| Native tree species area | 4,789.20     | 4,505.47     | 5,803.52     | 15,098.19  | 10.08% |
| Community crop area      | 3,566.79     | 3,799.06     | 4,842.25     | 12,208.10  | 8.15%  |
| Conservation forest      | 4,787.91     | 4,529.49     | 5,928.45     | 15,245.85  | 10.18% |
| Infrastructure           | 1,214.13     | 1,038.03     | 1,280.16     | 3,532.32   | 2.36%  |
| TOTAL                    | 47,308.62    | 44,837.19    | 57,654.20    | 149,800.01 | 100%   |

### 4.5.3 Estimated impacts of the baseline scenario on communities and biodiversity

Predicted impacts of the selected baseline on community and biodiversity objectives are described below in Chapters 6 and 7 respectively.

## 5 QUANTIFICATION OF GHG EMISSION REDUCTIONS AND REMOVALS

### 5.1 Project Scale and Estimated GHG Emission Reductions or Removals (CL2.2)

Estimated GHG emission reductions and removals are shown below [Table 35](#). The project is categorized as a large project.

**Table 35. Project scale and estimated GHG emission reductions or removals**

|               |     |
|---------------|-----|
| Project       | No  |
| Large project | Yes |

| Years | Estimated GHG emission reductions or removals (tCO <sub>2</sub> e) |
|-------|--------------------------------------------------------------------|
| 2011  | 1,404,330                                                          |
| 2012  | 1,398,752                                                          |
| 2013  | 3,950,285                                                          |
| 2014  | 4,037,205                                                          |
| 2015  | 4,424,832                                                          |
| 2016  | 4,640,182                                                          |
| 2017  | 5,239,509                                                          |
| 2018  | 5,515,287                                                          |
| 2019  | 5,892,227                                                          |
| 2020  | 6,219,617                                                          |
| 2021  | 6,666,469                                                          |
| 2022  | 6,823,628                                                          |
| 2023  | 7,275,262                                                          |
| 2024  | 7,462,232                                                          |
| 2025  | 7,896,374                                                          |
| 2026  | 8,094,746                                                          |
| 2027  | 8,509,039                                                          |
| 2028  | 8,727,679                                                          |
| 2029  | 9,285,238                                                          |
| 2030  | 9,423,876                                                          |
| 2031  | 9,096,606                                                          |
| 2032  | 9,425,608                                                          |
| 2033  | 8,351,267                                                          |
| 2034  | 8,300,658                                                          |
| 2035  | 8,258,380                                                          |
| 2036  | 8,259,888                                                          |
| 2037  | 8,254,357                                                          |
| 2038  | 8,208,700                                                          |
| 2039  | 8,233,633                                                          |
| 2040  | 8,196,342                                                          |
| 2041  | 8,226,215                                                          |
| 2042  | 8,149,872                                                          |
| 2043  | 8,132,722                                                          |
| 2044  | 8,155,212                                                          |
| 2045  | 8,100,459                                                          |

| Years                                  | Estimated GHG emission reductions or removals (tCO <sub>2</sub> e) |
|----------------------------------------|--------------------------------------------------------------------|
| 2046                                   | 8,097,548                                                          |
| 2047                                   | 8,114,120                                                          |
| 2048                                   | 8,112,153                                                          |
| 2049                                   | 8,079,863                                                          |
| 2050                                   | 8,080,873                                                          |
| 2051                                   | 8,037,521                                                          |
| 2052                                   | 8,046,742                                                          |
| 2053                                   | 8,029,369                                                          |
| 2054                                   | 8,017,338                                                          |
| 2055                                   | 7,978,032                                                          |
| 2056                                   | 7,973,987                                                          |
| 2057                                   | 7,974,344                                                          |
| 2058                                   | 7,943,670                                                          |
| 2059                                   | 7,923,838                                                          |
| 2060                                   | 7,911,214                                                          |
| 2061                                   | 7,909,534                                                          |
| 2062                                   | 7,895,543                                                          |
| 2063                                   | 7,903,288                                                          |
| 2064                                   | 7,882,187                                                          |
| 2065                                   | 7,846,179                                                          |
| 2066                                   | 7,878,557                                                          |
| 2067                                   | 7,842,378                                                          |
| 2068                                   | 7,806,442                                                          |
| 2069                                   | 7,823,664                                                          |
| 2070                                   | 7,765,710                                                          |
| <b>Total estimated ERs</b>             | <b>447,110,780</b>                                                 |
| <b>Total number of crediting years</b> | 60                                                                 |
| <b>Average annual ERs</b>              | <b>7,451,846</b>                                                   |

## 5.2 Leakage Management (CL3.2)

The project will take steps to proactively reduce and/or remove the threat of leakage, in particular the threat of leakage from the displacement of planned deforestation activities (see Section 5.5). Since 2007, the Katingan Project and its partners (in particular Wetlands International, working in collaboration with other NGOs such as Greenpeace, WWF, Rainforest Action Network, WALHI and Sawit Watch) have been proactively engaging the government of Indonesia, as well as key industry players, to drive systemic change in industrial land-use for oil palm and acacia plantations across the country and to stop to expansion of plantations in peatlands. For further details of leakage and leakage management see Section 5.5 below.

## 5.3 Baseline Emissions (CL1)

This section describes baseline emissions based on the VCS methodology VM0007 REDD+ MF and its modules BL-PL, BL-ARR, AR ACM 003, and BL-PEAT.

### 5.3.1 General procedures and assumptions

Baseline emissions and changes in baseline emissions and carbon stocks were determined based on analyses of the most likely baseline scenario as described in Sub-section 5.3.2.

Emissions that are accounted result from:

- Above ground biomass stock changes due to conversion to plantations
- Peat microbial decompositions
- Peat burning
- Dissolved Organic Carbon from Water bodies

It is assumed that no non-human induced rewetting (e.g. collapse of dikes or canals that would have naturally closed over time, progressive subsidence leading to raising relative water table depths, increasingly thinner aerobic layers and reduced CO<sub>2</sub> emission rates) will occur in the baseline scenario. For peatland areas that were abandoned before the project started, this assumption was based on expert judgment taking account of verifiable local experience and/or studies and/or scientific literature in a conservative way.

It is assumed that the baseline agents perform regular maintenance of canals for drainage and transportation purposes. Due to limitations of available information on volume and frequency of dredging of the baseline agents, emissions from dredging (emissions from peat exposed to aerobic decomposition by spreading or piling following the establishment or maintenance of canals) is conservatively omitted in the baseline calculations. Note that the omission of this source of GHG emissions is very conservative, resulting in lower emission estimates in the baseline water body stratum compared to strata at the same location in the project scenario, since emissions from water bodies are lower than emissions resulting from peat microbial decomposition.

CO<sub>2</sub> and CH<sub>4</sub> are accounted for in the baseline, while N<sub>2</sub>O emissions were conservatively omitted. It was assumed that uncontrolled burning of peat occurs only in part of the deforested project area, these emissions are accounted for since the loss is significant. GHG emissions from biomass burning in the baseline were conservatively omitted.

Baseline changes in land cover classes and drainage status during the project life-time determines (changes in) emissions of CO<sub>2</sub> and CH<sub>4</sub>. Baseline emissions therefore have been calculated on an annual basis. (see Map 31, [Table 38](#) and Appendix 4).

## 5.3.2 Proxy area analysis

### 5.3.2.1 Proxy area selection

Since the project area does not have a verifiable plan for the rate of deforestation, per module BL-PL, a minimum of 6 proxy areas are required to determine the baseline rate of deforestation, as well as 5 proxy areas to demonstrate the risk of abandonment. According to the methodology, all proxy areas must meet the following criteria:

- Land conversion practices shall be the same as those used by the baseline agent or class of agent;
- The post-deforestation land use shall be the same in the reference regions as expected in the project area under business as usual;
- The reference regions shall have the same management and land use rights type as the proposed project area under business as usual;
- If suitable sites exist they shall be in the immediate area of the project; if an insufficient number of sites exists in the immediate area of the project, sites shall be identified elsewhere in the same country as the project; if an insufficient number of sites exists in the country, sites shall be identified in neighbouring countries;
- Agents of deforestation in reference regions must have deforested their land under the same criteria that the project lands must follow (legally permissible and suitable for conversion);

- Deforestation in the reference region shall have occurred within the 10 years prior to the baseline period; and
- The three following conditions shall be met:
  - The forest types surrounding the reference region or in the reference region prior to deforestation shall be in the same proportion as in the project area ( $\pm 20\%$ ).
  - Soil types that are suitable for the land-use practice used by the agent of deforestation in the project area must be present in the reference region in the same proportion as the project area ( $\pm 20\%$ ). The ratio of slope classes “gentle” (slope  $< 15\%$ ) to “steep” (slope  $\geq 15\%$ ) in the reference regions shall be ( $\pm 20\%$ ) the same of the ratio in the project area.
  - Elevation classes (500m classes) in the reference region shall be in the same proportion as in the project area ( $\pm 20\%$ ).

Suitable reference regions were identified using a database, provided by the Indonesian Ministry of Forestry<sup>11</sup>, of pulp and paper concessions in Indonesia whose licenses were granted between 2000 and 2010. Using peat distribution geospatial data for Indonesia, obtained from Wetlands International Indonesia [27], the pulp and paper concessions with similar peat proportions as the project area were identified. Next, NASA Shuttle Radar Topography Mission's (SRTM) 90m Digital Elevation Model (DEM) data, downloaded via the Consultative Group on International Agricultural Research's online database<sup>12</sup>, was analysed to identify the concessions that met the slope and elevation requirements. To determine which of the remaining concessions met the forest type and forest cover percentage criteria, medium-resolution satellite imagery was used. [Table 36](#) shows proxy area requirements based on the project area's land cover.

**Table 36. Reference region selection criteria**

| Project area                                       | Reference region Requirement                           |
|----------------------------------------------------|--------------------------------------------------------|
| 96.65% forest cover                                | At least 77.32% forest cover                           |
| 97.44% peat                                        | At least 77.95% peat                                   |
| 100% of area in the 0-500m class                   | At least 80% of the area must fall in the 0-500m class |
| 100% of area has “gentle” (slope $< 15\%$ ) slopes | At least 80% of the area must have “gentle” slopes     |

#### 5.3.2.2 Satellite imagery analysis

##### A) Data acquisition

For each concession, Landsat 5 Thematic Mapper (TM), Landsat 7 Enhanced Thematic Mapper Plus (ETM+) or Landsat 8 Operational Land Imager (OLI) data was downloaded from the United States Geological Survey's online database<sup>13</sup>. All Landsat Level 1 data provided by USGS is geometrically corrected, using precision ground control points and SRTM DEM data, orthorectified and meets all standards laid out by the GOCF-GOLD 2013 handbook. For the first time-step, imagery from the concession grant date was downloaded. Due to Landsat's long revisit time and the high level of cloud cover in Indonesia, a compromise had to be made between cloud cover and the imagery acquisition date's proximity to the concession grant date.

##### B) Landsat pre-processing

All Landsat data was atmospherically corrected using the ATCOR2 for IMAGINE software. For optimal results, the radiometric rescaling values from each Landsat scene's metadata were used to create the scene's calibration file. Landsat 7 imagery acquired after 31/05/2003, when the sensor's Scan Line

<sup>11</sup> Ministry of Forestry (2010), downloaded from Global Forest Watch Commodities (<http://commodities.globalforestwatch.org/#v=home>)

<sup>12</sup> Available at <http://srtm.csi.cgiar.org/SELECTION/inputCoord.asp>

<sup>13</sup> Available at <http://earthexplorer.usgs.gov>

Corrector (SLC) failed, were also masked using the Landsat 7 gap-mask layer to remove all pixels affected by the scan line error.

### C) Landsat classification

To increase the classification's accuracy, the concession shapefile data was used to subset the Landsat scene in order to remove all spectral data outside of the area of interest. The Unsupervised Classification ISODATA algorithm, with the standard clustering parameters, was then used to classify all concessions into forest and non-forest classes. The clouds, cloud shadows and scan line error gaps were masked out for all images and cross-applied to both time-steps to ensure only data available in both time-steps was used to calculate deforestation rates. When necessary, additional imagery from the same calendar year was processed and used to fill in cloud gaps to reduce overall cloud cover below 10%. All images were further processed with a 3\*3 majority filter to remove noise and improve the classification accuracy. Lastly, an accuracy assessment was run on each map to ensure the overall classification accuracy was at least 90%. 100 points, with a 50-meter buffer between points, were randomly created for both forest and non-forest classes and compared with the unprocessed Landsat data and high-resolution imagery from Google Earth (when available). The accuracy was then calculated using the equation (12).

$$\text{Overall Classification Accuracy} = \frac{\text{Number of Pixels Classified Correctly}}{\text{Total Number of Classified Pixels}} \quad (12)$$

All maps had a satisfactory overall accuracy with the lowest accuracy being 91%.

### 5.3.2.3 Area of deforestation

Using the module BL-PL, a total of 7 suitable proxy areas were identified (see [Table 37](#) and [Map 28](#)).

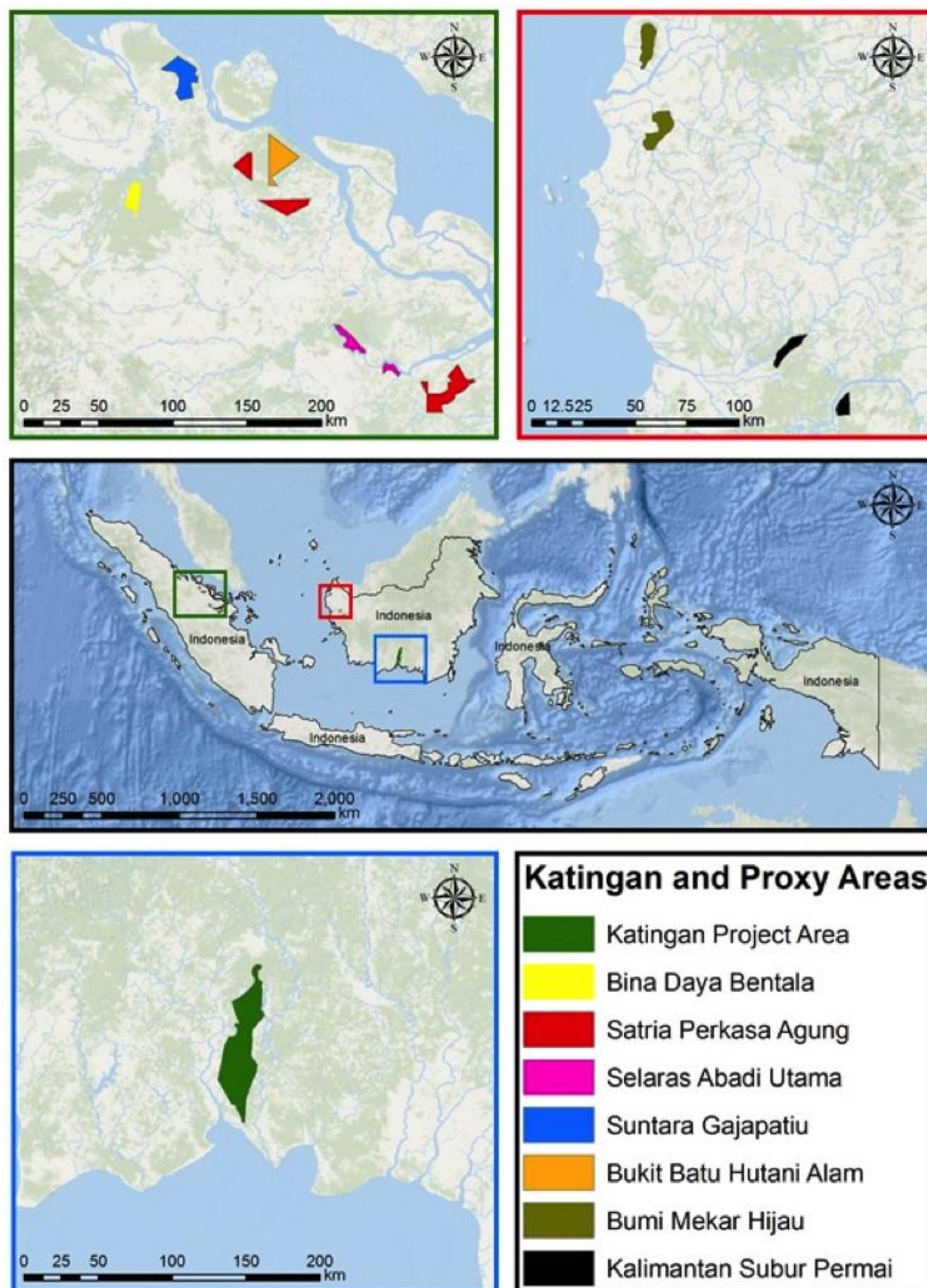
**Table 37. Summary of suitable reference regions**

| Reference region                     | Deforestation Rate | Area in Ha | Province        | Concession Grant Date | Peat %  | Timestep 1 date                                                                                                                     | Forest % at Timestep 1 | Timestep 2 date                                                                                          | Forest % at Timestep 2 | Cloud Gap |
|--------------------------------------|--------------------|------------|-----------------|-----------------------|---------|-------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------------------------------------------------------------------------------------|------------------------|-----------|
| Satria Perkasa Agung full concession | 7.31%              | 97533.25   | Riau            | 22/08/2000            | 88.31 % | 26/04/2000 <sup>a</sup><br>21/05/2000 <sup>b</sup><br>23/02/2000 <sup>c</sup><br>06/12/2000 <sup>d</sup><br>01/09/2000 <sup>d</sup> | 84.50%                 | 09/10/2005 <sup>a</sup><br>15/02/2009 <sup>b</sup><br>01/05/2007 <sup>c</sup><br>19/06/2005 <sup>d</sup> | 42.55%                 | 3.04%     |
| Suntara Gajapatiu                    | 6.42%              | 34258.30   | Riau            | 15/03/2001            | 100%    | 20/09/2001                                                                                                                          | 92.26%                 | 28/08/2010                                                                                               | 34.48%                 | 8.30%     |
| Bukit Batu Hutani Alam               | 14.31%             | 33030.50   | Riau            | 30/10/2003            | 100%    | 21/05/2000                                                                                                                          | 88.07%                 | 09/10/2005                                                                                               | 16.55%                 | 7.85%     |
| Selaras Abadi Utama                  | 8.13%              | 17434.80   | Riau            | 30/12/2002            | 100%    | 02/10/2002                                                                                                                          | 92.40%                 | 15/02/2009                                                                                               | 35.52%                 | 1.47%     |
| Kalimantan Subur Permai              | <b>3.91%</b>       | 13246.02   | West Kalimantan | 04/04/2006            | 92.11 % | 12/08/2005                                                                                                                          | 93.42%                 | 11/05/2009<br>30/07/2009<br>18/10/2009                                                                   | 77.79%                 | 1.42%     |
| Bumi Mekar Hijau                     | 4.40%              | 25118.70   | West Kalimantan | 01/05/2007            | 85.93 % | 05/07/2006<br>13/07/2006                                                                                                            | 83.88%                 | 12/10/2010<br>15/12/2010                                                                                 | 66.27%                 | 7.38%     |
| Bina Daya Bentala                    | 10.63%             | 14124.76   | Riau            | 22/12/2006            | 100%    | 03/08/2004                                                                                                                          | 77.55%                 | 15/10/2010<br>13/09/2010                                                                                 | 13.76%                 | 1.86%     |

a. Plot 1 of the Satria Perkasa Agung concession; b. Plot 2 of the Satria Perkasa Agung concession; c. Plot 3 of the Satria Perkasa Agung concession

d. Plot 4 of the Satria Perkasa Agung concession

Map 28. Geographic location of the Katingan Project and reference regions for the baseline deforestation rate calculation



The baseline deforestation rate was calculated using the equation (13).

$$D\%_{planned,t} = \left( \sum_{p=1}^n \left( D\%_{p,t} / Y_{rs,p} \right) \right) / n \quad (13)$$

Where:

|                     |                                                                                                                                                                                                        |
|---------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| $D\%_{planned,i,t}$ | Projected annual proportion of land that will be deforested in stratum $I$ during year $t$ . If actual annual proportion is known and documented (e.g. 25% per year for 4 years), set to proportion; % |
| $D\%_{pn}$          | Percent of deforestation in land parcel $pn$ etc of a reference region as a result of planned deforestation as defined in this module; %                                                               |
| $Yrs_{pn}$          | Number of years over which deforestation occurred in land parcel $pn$ in reference region; years                                                                                                       |
| $n$                 | Total number of land parcels examined                                                                                                                                                                  |
| $pn$                | 1, 2, 3, ... $n$ land parcels examined in reference region                                                                                                                                             |
| $i$                 | 1, 2, 3, ... $M$ strata                                                                                                                                                                                |

The average projected annual deforestation rate for these proxy areas was estimated to be 7.82%. However, in order to guarantee that a conservative approach was used, the deforestation rate applied in the baseline emission calculation (subsection 5.3.6) was the lowest rate of the 7 proxy areas, **3.91%** (see [Table 37](#)). Since this approach is unquestionable conservative, the baseline rate of deforestation uncertainty was set to zero.

#### 5.3.2.4 Likelihood of Deforestation

Since all pulpwood plantation concessions are zoned for deforestation, and are not under government control for the duration of the concession license, the likelihood of deforestation (L-D<sub>i</sub>) is assumed to be equal to 100%.

#### 5.3.2.5 Risk of Abandonment

To assess the risk of abandonment, 5 proxy areas with concession grant dates of at least ten years before the project start date were selected using the criteria outlined in Sub-subsection 5.3.2.1. After confirming the elevation, slope and soil criteria were met, Landsat 5 TM, Landsat 7 ETM+ and Landsat 8 OLI imagery was downloaded for three time-steps and visually analysed to determine if any areas were abandoned for forest regrowth. All 5 proxy areas showed clear signs of continued deforestation and plantation activities for all three time-steps, therefore the BL-PL module is applicable to this project.

#### 5.3.2.6 Area of Deforestation

The annual area of deforestation in the baseline is calculated using using equation (14).

$$AA_{planned,i,t} = (A_{planned,i} * D\%_{planned,i,t}) * L - D_i \quad (14)$$

Where:

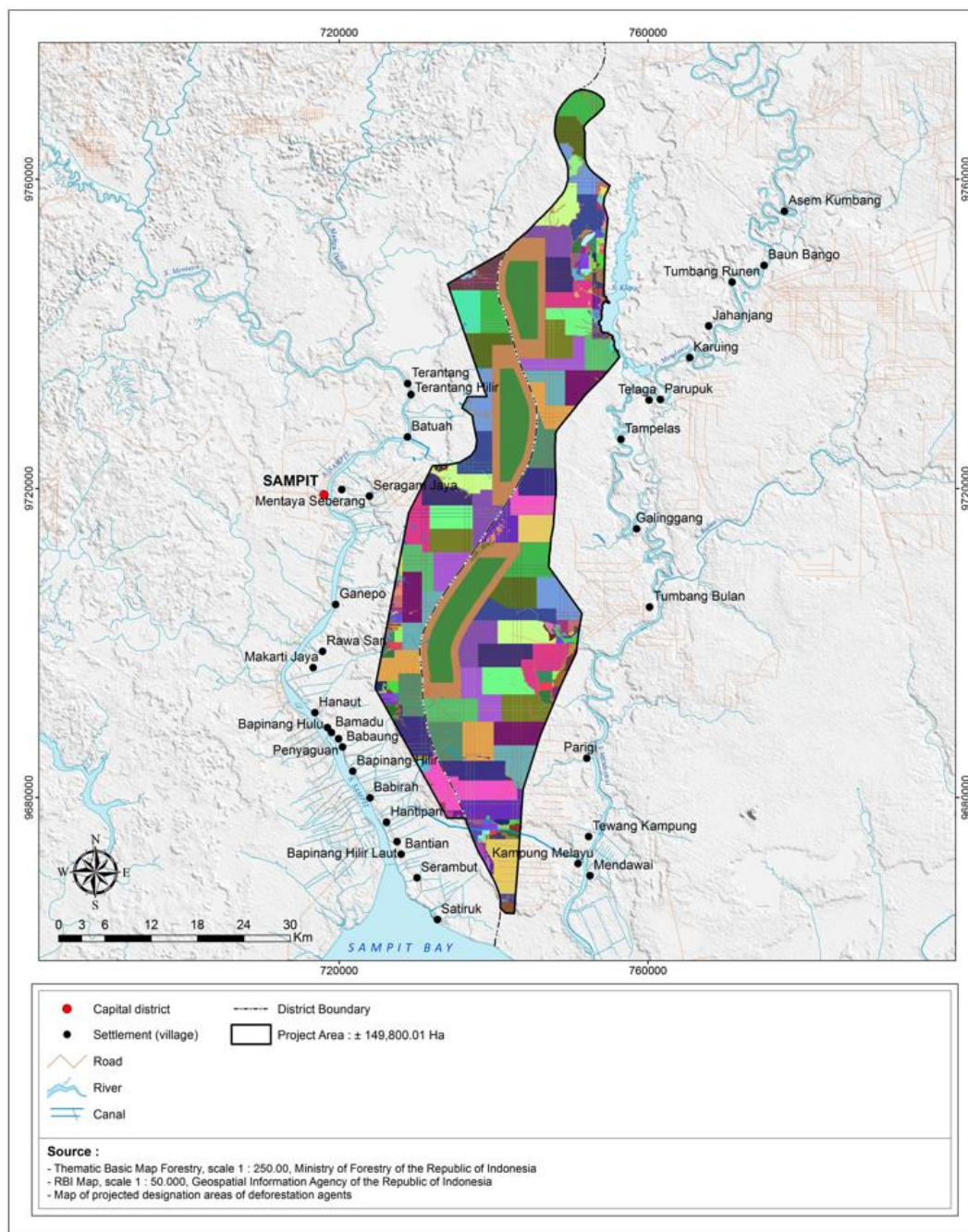
|                     |                                                                                                                                                                        |
|---------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| $AA_{planned,i,t}$  | Annual area of baseline planned deforestation for stratum $I$ at time $t$ ; ha                                                                                         |
| $D\%_{planned,i,t}$ | Projected annual proportion of land that will be deforested in stratum $I$ during year $t$ . If actual annual proportion is known and documented, set to proportion; % |
| $A_{planned,i}$     | Total area of planned deforestation over the baseline period for stratum $I$ ; ha                                                                                      |
| $L-D_i$             | Likelihood of deforestation for stratum $I$ ; %                                                                                                                        |

### 5.3.3 Projection of deforestation under the baseline scenario

Following the determination of the total annual area deforested in the baseline ( $AA_{planned,i,t}$ ), the area was allocated spatially to produce a spatial map of the baseline scenario. The project area was stratified into six strata ([Table 38](#)) based on five land use classes, two drainage statuses and one water body class through a Combination-Elimination process as described in Annex 14. A baseline scenario map is provided in Map 29. The mapping process involved the following steps:

- Delineation of forest and non-forest area at the project start date. This process is described in Sub-subsection 4.4.1.1.
- Delineation of water bodies present at the project start date (rivers and canals)
- Division of the project area into three assumed concession areas, corresponding to different baseline agents. The division is in compliance with historical records that timber plantation license being given is decreasing with size range from 30,000 to 70,000 ha. Strengthened in 2014 by Ministry of Forestry Decree no P.8/Menhut-II/2014 that limits concession sizes in Indonesia to a maximum of 50,000 hectares.
- Division of each concession area into five zones (acacia plantations, conservation areas, indigenous species area, infrastructure, and areas for community crops) in line with specific regulation (see [Table 34](#)).
- Delineation of 50 meters width river buffers (25 meters from both sides of natural rivers). Forest cover inside the buffers are prohibited to log or convert under regulation.
- Drainage canals were laid out in a step wise approach complying with applicable regulations, common practice and hydrotopography of the project area. Primary canals that enclose the concession areas (mandatory by regulation) were delineated first; then secondary canals that act as main outlets for tertiary canals and discharging channels into main canals or natural streams. Considering the hydrotopography of the area, baseline agents were assumed to construct secondary canals perpendicular to elevation contour-lines. Tertiary canals are not necessarily perpendicular to elevation contour-line and act as planting block borders, therefore the delineation was carried out in step 8. All the canals were placed in *Acacia* plantations and community crop zones only.
- Division of the *Acacia* plantation area of each assumed agent's concession into 4 Major Blocks (termed Blok RKT, Rencana Kerja Tahunan), resulting in 12 Major blocks in the project area.
- Division of each Major Blocks into smaller planting blocks (termed Blok Tanam) of 500 by 500 meter square parcels
- Division of all Major Blocks into deforestation/planting zones based on deforestation rate (D%) resulting in analysis of Reference Region. Each planting zone consists of several planting blocks.
- Division of all community crop zones into agriculture planting zones based on deforestation rate (D%) resulting in form the analysis of the proxy area analysis
- Assigning canals' construction years, starting from the closest area to access points, in this case rivers
- Assigning deforestation/planting years to deforestation/planting zones, starting from the closest area to access points, in this case rivers
- Assigning planting years to community crop zones
- Choosing and delineating locations for camps and log yards
- Assigning camps and log yards construction years, starting from the closest area to access points, in this case rivers

**Map 29. Baseline scenario map<sup>14</sup>**



<sup>14</sup> Legend of this map is continued to the box below the map. Numbers preceding alphabet symbols denote year of drainage/deforestation in reference to project start date. Abbreviations: AC=Acacia, CA= Community crops, IF=Ground fascility, IS=Indigenous species area, CF=Conservation area.

| MASTER BASELINE STRATA            |                                   |                                   |                                  |
|-----------------------------------|-----------------------------------|-----------------------------------|----------------------------------|
| 1 - AC - Forest - Peat            | 14 - CA - Non - Forest - Peat     | 19 - WB - Non - Forest - Peat     | 5 - AC - Forest - Peat           |
| 1 - AC - Non - Forest - Non Peat  | 15 - AC - Forest - Non Peat       | 2 - AC - Forest - Peat            | 5 - CA - Forest - Non Peat       |
| 1 - AC - Non - Forest - Peat      | 15 - AC - Forest - Peat           | 2 - CA - Forest - Peat            | 5 - CA - Forest - Peat           |
| 1 - CA - Forest - Non Peat        | 15 - AC - Non - Forest - Peat     | 2 - CA - Non - Forest - Peat      | 5 - CA - Non - Forest - Non Peat |
| 1 - CA - Forest - Peat            | 15 - CA - Forest - Non Peat       | 20 - AC - Forest - Peat           | 5 - CA - Non - Forest - Peat     |
| 1 - CA - Non - Forest - Peat      | 15 - CA - Forest - Peat           | 20 - AC - Non - Forest - Peat     | 5 - IF - Forest - Peat           |
| 1 - IF - Forest - Peat            | 15 - CA - Non - Forest - Peat     | 20 - CA - Forest - Non Peat       | 5 - WB - Forest - Non Peat       |
| 1 - IF - Non - Forest - Non Peat  | 15 - IF - Forest - Peat           | 20 - CA - Forest - Peat           | 5 - WB - Forest - Peat           |
| 1 - IF - Non - Forest - Peat      | 15 - WB - Forest - Non Peat       | 20 - CA - Non - Forest - Non Peat | 5 - WB - Non - Forest - Peat     |
| 1 - WB - Forest - Non Peat        | 15 - WB - Forest - Peat           | 20 - CA - Non - Forest - Peat     | 6 - AC - Forest - Non Peat       |
| 1 - WB - Forest - Peat            | 15 - WB - Non - Forest - Peat     | 21 - AC - Forest - Peat           | 6 - AC - Forest - Peat           |
| 1 - WB - Non - Forest - Non Peat  | 16 - AC - Forest - Peat           | 21 - AC - Non - Forest - Peat     | 6 - AC - Non - Forest - Peat     |
| 1 - WB - Non - Forest - Peat      | 16 - AC - Non - Forest - Peat     | 21 - CA - Forest - Non Peat       | 6 - CA - Forest - Non Peat       |
| 10 - AC - Forest - Non Peat       | 16 - CA - Forest - Non Peat       | 21 - CA - Forest - Peat           | 6 - CA - Forest - Peat           |
| 10 - AC - Forest - Peat           | 16 - CA - Forest - Peat           | 21 - CA - Non - Forest - Non Peat | 6 - CA - Non - Forest - Peat     |
| 10 - CA - Forest - Non Peat       | 16 - CA - Non - Forest - Non Peat | 21 - CA - Non - Forest - Peat     | 7 - AC - Forest - Non Peat       |
| 10 - CA - Forest - Peat           | 16 - CA - Non - Forest - Peat     | 22 - AC - Forest - Peat           | 7 - AC - Forest - Peat           |
| 10 - CA - Non - Forest - Peat     | 17 - AC - Forest - Peat           | 22 - AC - Non - Forest - Peat     | 7 - CA - Forest - Non Peat       |
| 11 - AC - Forest - Non Peat       | 17 - CA - Forest - Peat           | 22 - CA - Forest - Non Peat       | 7 - CA - Forest - Peat           |
| 11 - AC - Forest - Peat           | 17 - CA - Non - Forest - Non Peat | 22 - CA - Forest - Peat           | 7 - CA - Non - Forest - Non Peat |
| 11 - CA - Forest - Peat           | 17 - CA - Non - Forest - Peat     | 22 - CA - Non - Forest - Non Peat | 7 - CA - Non - Forest - Peat     |
| 11 - CA - Non - Forest - Peat     | 17 - IF - Forest - Peat           | 22 - CA - Non - Forest - Peat     | 7 - IF - Forest - Non Peat       |
| 11 - IF - Forest - Peat           | 17 - IF - Non - Forest - Peat     | 3 - AC - Forest - Non Peat        | 7 - IF - Forest - Peat           |
| 11 - WB - Forest - Non Peat       | 17 - WB - Forest - Peat           | 3 - AC - Forest - Peat            | 7 - WB - Forest - Non Peat       |
| 11 - WB - Forest - Peat           | 17 - WB - Non - Forest - Peat     | 3 - CA - Forest - Non Peat        | 7 - WB - Forest - Peat           |
| 11 - WB - Non - Forest - Peat     | 18 - AC - Forest - Peat           | 3 - CA - Forest - Peat            | 7 - WB - Non - Forest - Peat     |
| 12 - AC - Forest - Non Peat       | 18 - AC - Non - Forest - Peat     | 3 - CA - Non - Forest - Non Peat  | 8 - AC - Forest - Peat           |
| 12 - AC - Forest - Peat           | 18 - CA - Forest - Non Peat       | 3 - CA - Non - Forest - Peat      | 8 - CA - Forest - Peat           |
| 12 - CA - Forest - Peat           | 18 - CA - Forest - Peat           | 3 - IF - Forest - Non Peat        | 8 - CA - Non - Forest - Peat     |
| 12 - CA - Non - Forest - Peat     | 18 - CA - Non - Forest - Peat     | 3 - IF - Forest - Peat            | 9 - AC - Forest - Peat           |
| 13 - AC - Forest - Peat           | 19 - AC - Forest - Non Peat       | 3 - WB - Forest - Non Peat        | 9 - CA - Forest - Peat           |
| 13 - CA - Forest - Peat           | 19 - AC - Forest - Peat           | 3 - WB - Forest - Peat            | 9 - CA - Non - Forest - Peat     |
| 13 - CA - Non - Forest - Peat     | 19 - AC - Non - Forest - Peat     | 3 - WB - Non - Forest - Non Peat  | 9 - IF - Forest - Peat           |
| 13 - IF - Forest - Peat           | 19 - CA - Forest - Non Peat       | 3 - WB - Non - Forest - Peat      | 9 - WB - Forest - Peat           |
| 13 - WB - Forest - Non Peat       | 19 - CA - Forest - Peat           | 4 - AC - Forest - Non Peat        | 9 - WB - Non - Forest - Peat     |
| 13 - WB - Forest - Peat           | 19 - CA - Non - Forest - Non Peat | 4 - AC - Forest - Peat            | CF - Forest - Peat               |
| 13 - WB - Non - Forest - Non Peat | 19 - CA - Non - Forest - Peat     | 4 - CA - Forest - Non Peat        | IS - Forest - Non Peat           |
| 13 - WB - Non - Forest - Peat     | 19 - IF - Forest - Peat           | 4 - CA - Forest - Peat            | IS - Forest - Peat               |
| 14 - AC - Forest - Non Peat       | 19 - WB - Forest - Non Peat       | 4 - CA - Non - Forest - Non Peat  | IS - Non - Forest - Non Peat     |
| 14 - AC - Forest - Peat           | 19 - WB - Forest - Peat           | 4 - CA - Non - Forest - Peat      | IS - Non - Forest - Peat         |
| 14 - CA - Forest - Peat           | 19 - WB - Non - Forest - Non Peat | 5 - AC - Forest - Non Peat        | WB - Non - Forest - Non Peat     |
|                                   |                                   |                                   | WB - Non - Forest - Peat         |

### 5.3.4 Emission characteristics in the baseline scenario

#### 5.3.4.1 Stratification of emission characteristics for CUPP activities under the baseline scenario

Baseline strata of relative homogeneous emission characteristics were mapped on the basis of the Master Baseline Scenario Map (see Map 29) by taking into account (1) Coverage of land use / cover / drainage status; (2) Timing of land use change / drainage status under the assumed baseline; and (3) the delineation of peat. The stratification map of emission characteristics presents the following information:

- Land use (vegetation cover, water bodies, etc.) and the related emission factors: different land uses translate into different emission factors.
- Timing of deforestation or conversion / *Acacia* plantings / other agriculture plantings and canal constructions. Temporal variability of these activities and the different drainage status translate into different emissions. For example, if a peatland parcel belongs to the acacia stratum (forest

planned to be drained in year 3 and to be deforested and converted to acacia in year 6) and was initially undrained and forested, then the Emission Factor (EF) of undrained peatland forest will be used for year 1 – 2, the EF for drained peatland forest for year 3 – 5, and finally the EF for acacia for year 6 onwards.

- Area of peatland, outside which peat-related emissions are absent

In the baseline scenario, the six strata that significantly differ in peat GHG emission characteristics are summarized in [Table 38](#) and Map 30. A summary of dynamics of these strata is presented in Map 31 and Appendix 4.

**Map 30. Baseline stratification of the project area for CUPP activities**

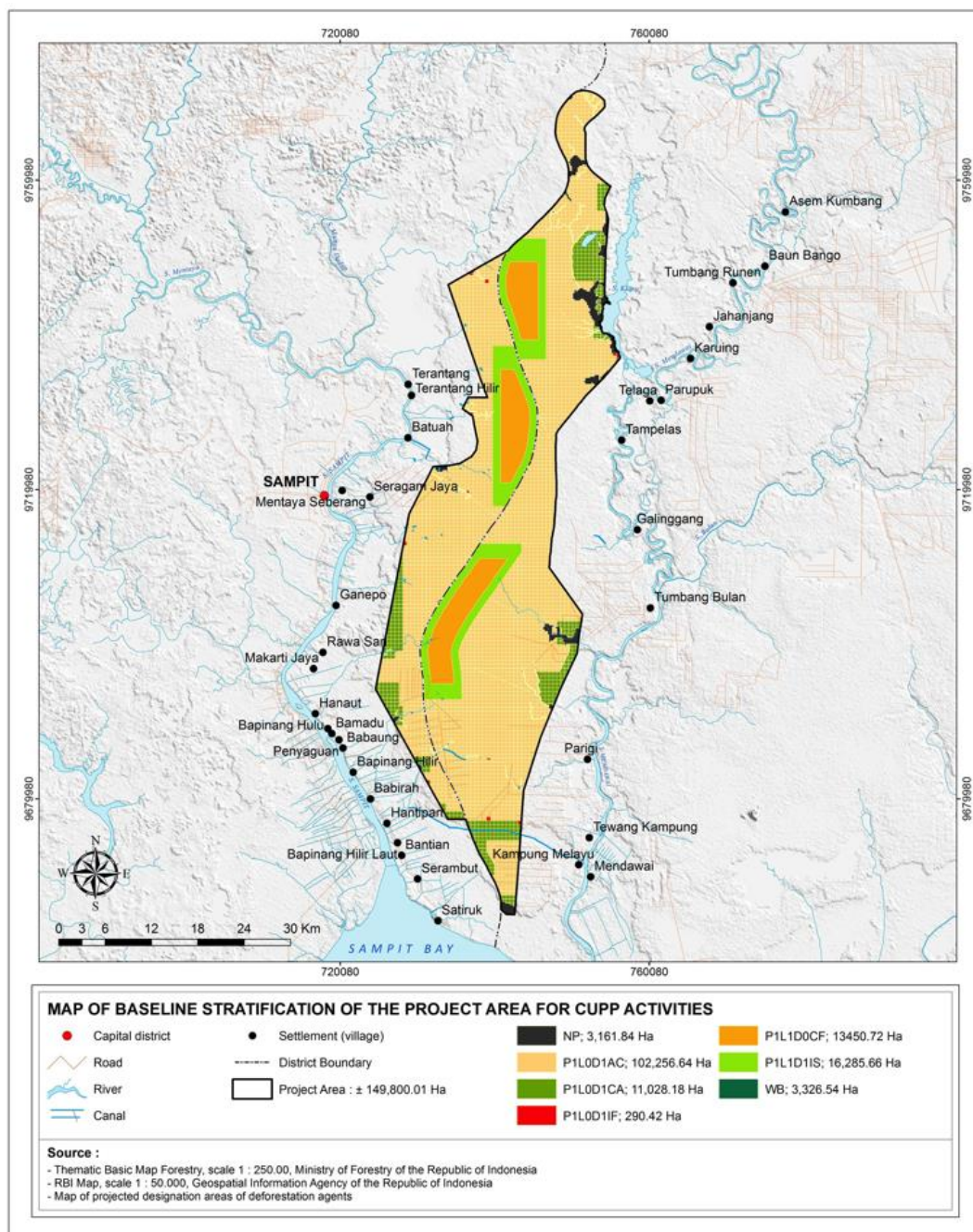
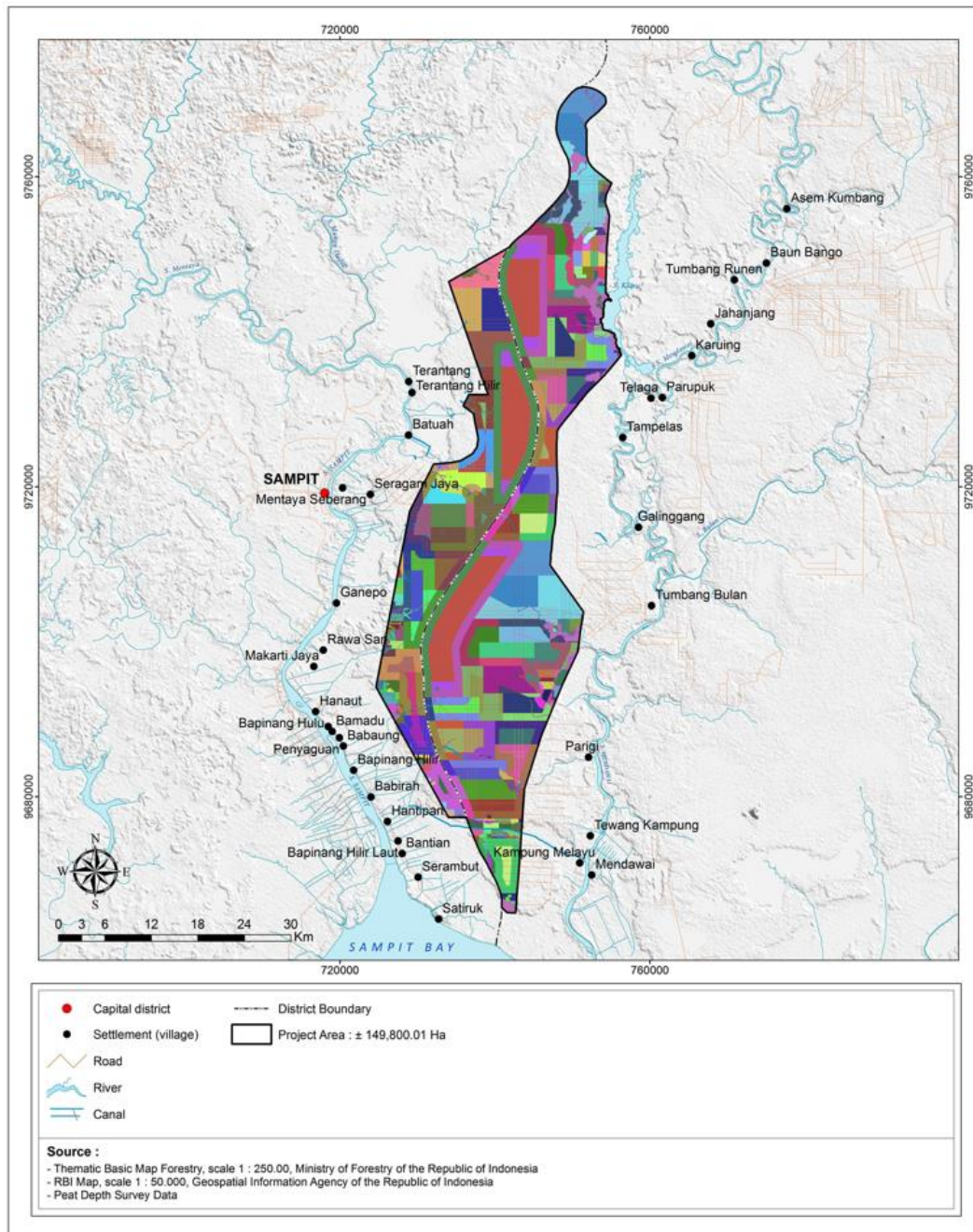


**Table 38. Baseline stratification of peatlands and water bodies based on relative homogeneous emission characteristics**

| Strata   | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Area (ha) | Percentage of Project Area | Assumed water table depth (cm-ss) |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----------------------------|-----------------------------------|
| P1L0D1AC | Acacia Plantation on drained peatland. This stratum represents typical acacia plantations on peatland in Indonesia. For this stratum, drainage is required and forest covers are removed if present. Acacia planting starts in the same year as deforestation. The development of drainage constructions is assumed to happen just before- or at the same year as the deforestation/planting (details are provided in Map 31 and Appendix 4).                                                                                                                                                                                                               | 102,257   | 68.3                       | 80                                |
| P1L1D0CF | Conservation Forest (undrained peatland forest). This stratum represents peatlands where forest covers are not removed and drainage is absent. This stratum remains unchanged since the project start date. The locations of these strata have been selected and positioned in areas where forest cover and peat were present at the project start date                                                                                                                                                                                                                                                                                                     | 13,451    | 9.0                        | 20                                |
| P1L0D1CA | Community crops on drained peatland. This stratum represents areas nearby community villages that are or will be utilized for agriculture crops. The locations of these strata have been selected in or near deforested areas and with sufficient transportation access, in this project, rivers.                                                                                                                                                                                                                                                                                                                                                           | 11,028    | 7.4                        | 80                                |
| P1L0D1IF | Infrastructures on drained peatland. This stratum represents lands within acacia plantations planting that would be used for company operation supports, such as base camps, station camps and log yards. Infrastructure areas are usually drained (when on peatland) and barren. The locations have been selected as close as possible to transportation access (rivers).                                                                                                                                                                                                                                                                                  | 290       | 0.2                        | 80                                |
| P1L1D1IS | Native Tree species area and river buffer (drained peatland forest). This stratum consists of 2 types of drained forested peatlands in the project area. The indigenous species areas were positioned as c.a. 1 km buffer zone around each conservation area (stratum P1L1D0CF). Peatlands in this stratum are assumed to experience drainage impacts from the surrounding drained areas, but the forest cover remains unchanged during the project duration. Boundary canals are also constructed along the periphery of the indigenous species area. River buffers were positioned as a 50 m belt extending from both sides of rivers in the project area | 16,286    | 10.9                       | 50                                |
| WB       | Water bodies. This stratum represents rivers and drainage canals on peatlands. Rivers remain unchanged during the project period, while drainage canals coverage gradually expands following the assumed yearly operation of the baseline agents.                                                                                                                                                                                                                                                                                                                                                                                                           | 3,327     | 2.2                        | NA                                |
| Total    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 146,638   | 97.9                       |                                   |

**Map 31. Stratification changes in the baseline scenario for CUPP activities<sup>15</sup>**



<sup>15</sup> Legend of this map is extended to the box below.

[illegible]

5.3.4.2 Stratification based on the emission characteristics for REDD under the baseline scenario Carbon stock changes and emissions regarding aboveground biomass under the baseline scenario are driven by land cover changes before, during and after the occurrences of deforestation. In the project area, GHG emissions as a result of deforestation occurred over 114,694 ha of forest land designated as acacia plantations, community crops, and infrastructure. Ministry of Forestry regulation [28] mandates that 30,348 ha of forest land must be set aside, of which 15,123 ha designated as conservation forest and 14,966 ha designated as native tree species area. These areas were therefore excluded from emission calculations. Given that no land cover change would occur in these areas, they are referred as non relevant strata and therefore excluded from emission calculations.

A total 114,778 ha of the forest in the project area is planned to be deforested in the baseline scenario, of which 103,364 ha will be transformed into areas designated as acacia plantation areas. In areas

designated as 'community crops', 7,980 ha of forested area will be deforested and replaced by rubber tree plantations. While in areas designated as 'infrastructure area', 3,346 ha of forest area will be deforested and converted into canals, drainage ditches and other infrastructures. Given relatively small impacts (compared to peat/belowground), the carbon loss of AGB due to uncontrolled burning under the baseline scenario is excluded in the calculation.

In the baseline scenario, the stratification of AGB and land cover changes which significantly differ in GHG emission characteristics were estimated and summarized as summarized in [Map 32](#) and [Table 39](#). The dynamics of strata changes are provided in more detail in Appendix 5.

**Map 32. Stratification of aboveground biomass in the baseline scenario for REDD**

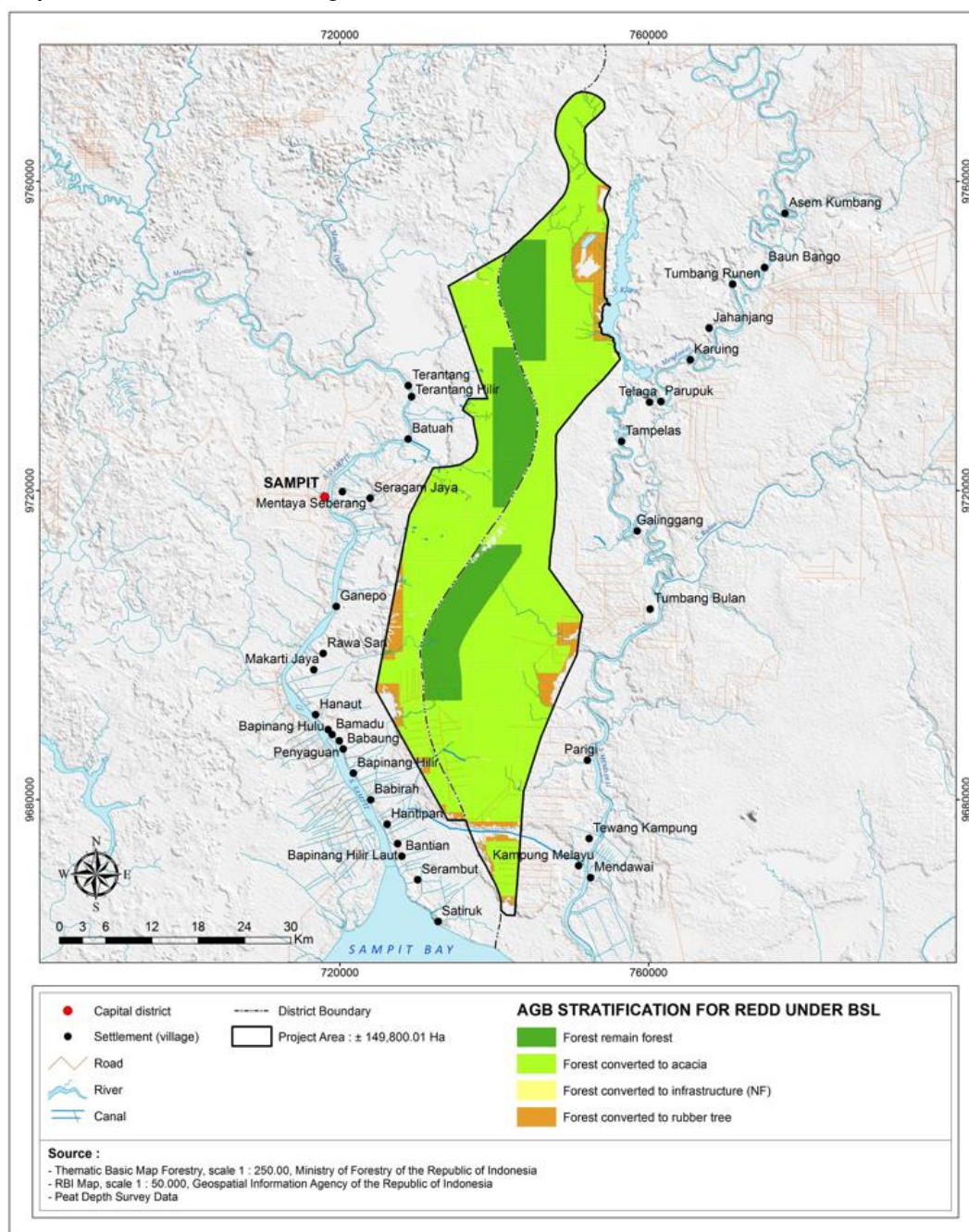


**Table 39. Land cover changes strata in the baseline scenario for REDD**

| Strata | Description                        | Land use               | Area (ha)  | Proportion |
|--------|------------------------------------|------------------------|------------|------------|
| F0F1*  | Forest to forest                   | Protected area         | 15,122.82  | 10.45%     |
| F0F1*  | Forest to forest                   | Native tree area       | 14,965.81  | 10.34%     |
| F0Ac1  | Forest to <i>Acacia</i> plantation | Acacia plantation area | 103,363.53 | 71.39%     |
| F0Rbr1 | Forest to rubber tree plantation   | Community crops        | 7,980.38   | 5.51%      |
| F0NF1  | Forest to Non-forest               | Infrastructure         | 3,345.73   | 2.31%      |
| Total  |                                    |                        | 144,778.26 | 100.00%    |

\*Non relevant strata as there is no land cover change in baseline scenario

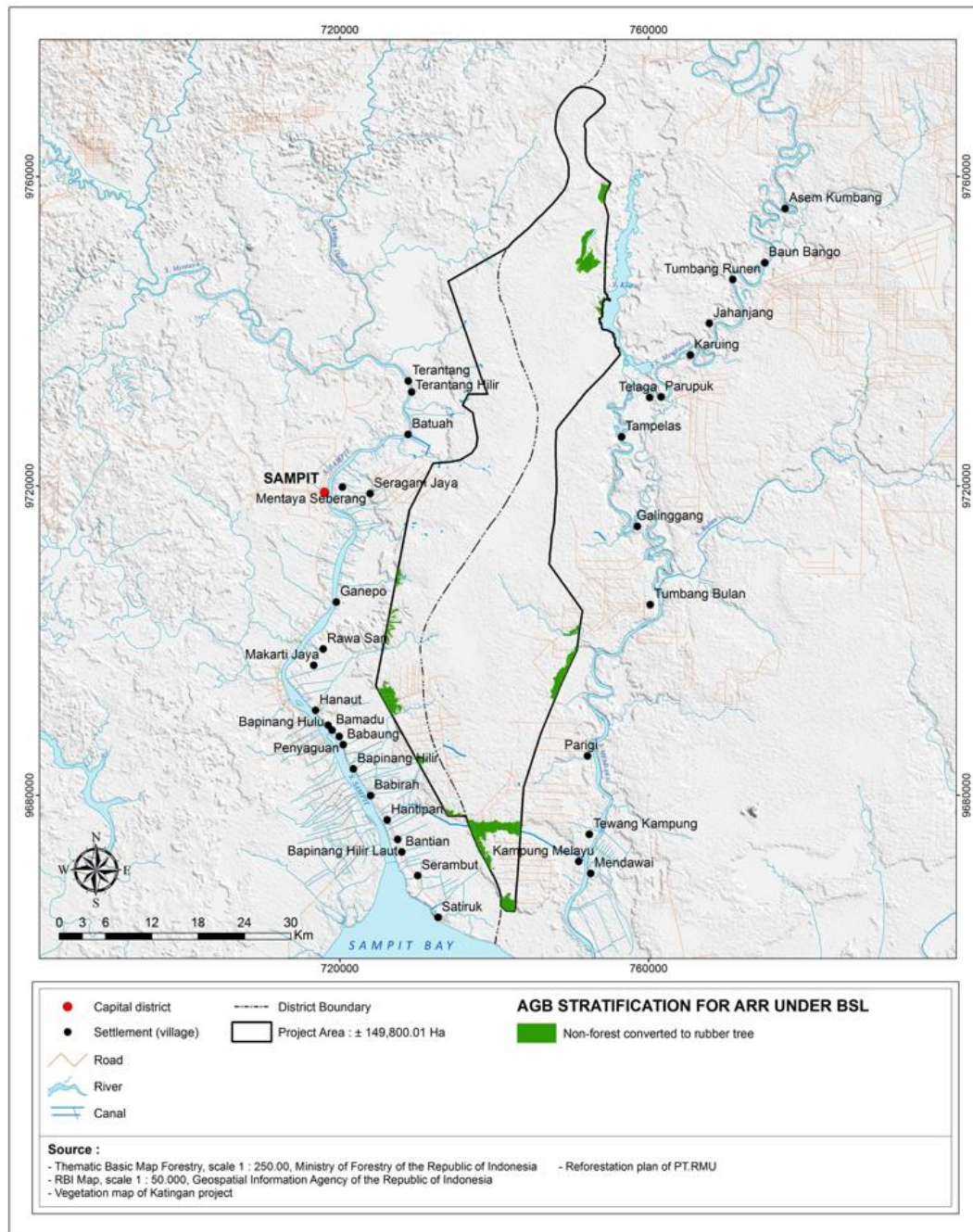
#### 5.3.4.3 Stratification of emission characteristics for ARR activities under the baseline scenario

Replanting under the ARR activities in the areas designated for 'community crops' in the baseline will increase carbon stocks and will therefore be subtracted from the emissions resulting from other baseline activities such as deforestation and forest degradation. Spatial analysis showed that 4,227.72 ha of non-forest area would be transformed to rubber tree plantation (as an ARR activity). A rubber plantation is harvested and renewed every 25 year. Map 33 shows the stratification map of ARR activities under the baseline scenario. The dynamics of changes in the rubber plantation strata are presented in [Table 40](#).

**Table 40. Land cover changes strata in the baseline scenario for ARR**

| Strata  | Planting Agent | Land use        | Area (Ha) | Planting Start year |
|---------|----------------|-----------------|-----------|---------------------|
| NF0Rbr1 | Agent A        | Community crops | 1,004.37  | 2010                |
|         | Agent B        | Community crops | 1,018.52  | 2012                |
|         | Agent C        | Community crops | 2,204.82  | 2012                |
| Total   |                |                 | 4,227.72  |                     |

**Map 33. Stratification of aboveground biomass in the baseline scenario for ARR**



### 5.3.5 Baseline emissions from microbial decompositions of peat, peat burnings and water bodies in peatlands

#### 5.3.5.1 Spatial and temporal variability

Quantification of GHG emissions from microbial decompositions of peat, peat burnings and water bodies in peatlands has been carried out by using a spatially and temporally explicit approach. Each baseline stratum as set out in [Table 38](#) and Sub-subsection 5.3.4.1 was discretized into parcels of the smallest land or water body unit with relatively uniform combinations of spatial variables as given in [Table 41](#). Temporal discretization has been used by sequencing the calculation into 1 year time-step, while temporal variables determine the sequence of strata changes, temporal variability of GHG emission parameters and temporal restrictions to GHG emissions as given in [Table 41](#). The schematization

provides an assurance of the proper use of GHG emission parameters at the correct spatial location and the correct time.

**Table 41. Variables used in the schematization of quantification of GHG emissions from microbial decompositions of peat, peat burnings and dissolved organic carbon from water bodies in peatlands in the baseline scenario.**

| Variables                                                                       | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|---------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>(A) Spatial Variables</b>                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| (A1) Soil Type                                                                  | Distinction between peat or non-peat. This is used to exclude all non peat parcels from GHG calculation                                                                                                                                                                                                                                                                                                                                                                                    |
| (A2) Initial peat thickness available for microbial decompositions and burnings | Derived from DEM, DEL and Peat Thickness maps as described in Section 4.4.1.3. These maps are used to determine the initial condition for subsequent calculations of the remaining peat layer available for microbial decompositions and burnings.                                                                                                                                                                                                                                         |
| (A3) Initial stratum                                                            | Stratum of the corresponding parcel at the project start date (as derived in Annex 14 and Section 5.4.2.1) before conversion into baseline stratum takes effect. This is used to determine the correct Emission Factor for the corresponding parcel for the duration before B1 and B2 (in this table, below) take effect.                                                                                                                                                                  |
| (A4) Peat burning tag                                                           | This is used to identify whether the corresponding parcel has been marked as possible area for peat burning (PBA <sub>BSL</sub> ). All parcels without tag are excluded from peat burning calculation.                                                                                                                                                                                                                                                                                     |
| <b>(B) Temporal Variables</b>                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| (B1) Year of drainage                                                           | Determines the onset of conversion from initial stratum to drained stratum and sets all the drainage related parameters/variables accordingly, such as initial consolidations, bulk density changes, etc. This does not take effect if the initial stratum of the parcel is already a drained stratum. Together with B2 this is used to determine the correct Emission Factor for the corresponding parcel                                                                                 |
| (B2) Year of deforestation/ planting of the baseline land cover                 | Determines the onset of conversion of initial stratum to deforested/planted stratum. Together with B1 this is used to determine the correct Emission Factor for the corresponding parcel                                                                                                                                                                                                                                                                                                   |
| (B3) PDT                                                                        | The PDT is the period of time that it takes to deplete the remaining peat layer by microbial decomposition and burning (conservatively will be assumed that PDT is reached once the remaining peat layer has reached 20 cm). Once the PDT is reached in a given stratum all GHG emissions in that stratum are set to zero.                                                                                                                                                                 |
| (B4) Year tag for burning                                                       | Determines whether the corresponding parcel has been marked to catch peat burning for the corresponding year, and counting the number of burn scars (and any repetitions) of the parcel since year 1. This is used to set the correct burn scar depth and other related burning parameters for the corresponding parcel accordingly.                                                                                                                                                       |
| (B5) Burning restriction                                                        | If the corresponding parcel has been marked for burning in the corresponding year (as being checked in B4), this restriction further checks whether GHG emissions from burning would still be possible based on variables: B1 (Year of drainage ), B2 (Year of deforestation/planting) and B3 (Remaining peat thickness available for microbial decomposition and burning). Only drained-deforested parcels with >20 cm peat is categorized as available and would emit GHGs from burning. |

#### 5.3.5.2 Emissions calculations

Taking into account the spatial and temporal variability described in Section 5.3.4.1 and Appendix 4, the net CO<sub>2</sub>-equivalent emissions from the peat (microbial decomposition and burning) and water bodies

were estimated following equation (15) from module BL-PEAT:

$$GHG_{BSL-WRC} = \sum_{t=1}^{t^*} \sum_{i=1}^M (E_{peatsoil-BSL,i,t} + E_{peatditch-BSL,i,t} + E_{peatburn-BSL,i,t}) \quad (15)$$

Where:

|                         |                                                                                                                                                          |
|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| $GHG_{BSL-WRC}$         | Net GHG emissions in the CUPP baseline scenario up to year $t^*$ (t CO <sub>2</sub> e)                                                                   |
| $E_{peatsoil-BSL,i,t}$  | GHG emissions from the peat soil within the project boundary in the baseline scenario in stratum $i$ at year $t$ (t CO <sub>2</sub> e yr <sup>-1</sup> ) |
| $E_{peatditch-BSL,i,t}$ | GHG emissions from water bodies in the baseline scenario in stratum $i$ at year $t$ (t CO <sub>2</sub> e yr <sup>-1</sup> )                              |
| $E_{peatburn-BSL,i,t}$  | GHG emissions from burning of peat in the base line scenario in stratum $i$ at year $t$ (t CO <sub>2</sub> -e yr <sup>-1</sup> )                         |
| $i$                     | 1, 2, 3 ... $M$ strata in the baseline scenario (unitless)                                                                                               |
| $t$                     | 1, 2, 3, ... $t^*$ times elapsed since the project start (yr)                                                                                            |

For all strata  $i$  where the project duration exceeds the peat depletion time (PDT or  $t_{PDT}$ ), for  $t > t_{PDT-BSL,i}$  the following equations (16), (17), (18) apply:

$$E_{peatsoil-BSL,i,t} = 0 \quad (16)$$

$$E_{peatditch-BSL,i,t} = 0 \quad (17)$$

$$E_{peatburn-BSL,i,t} = 0 \quad (18)$$

Where:

|                         |                                                                                                                                                          |
|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| $t_{PDT-BSL,i}$         | Peat Depletion Time in the baseline scenario in stratum $i$ in years elapsed since the project start (yr)                                                |
| $E_{peatsoil-BSL,i,t}$  | GHG emissions from the peat soil within the project boundary in the baseline scenario in stratum $i$ at year $t$ (t CO <sub>2</sub> e yr <sup>-1</sup> ) |
| $E_{peatditch-BSL,i,t}$ | GHG emissions from water bodies at year $t$ (t CO <sub>2</sub> e yr <sup>-1</sup> )                                                                      |
| $E_{peatburn-BSL,i,t}$  | GHG emissions from burning of peat in the base line scenario in stratum $i$ at year $t$ (t CO <sub>2</sub> e yr <sup>-1</sup> )                          |
| $i$                     | 1, 2, 3 ... $M_{BSL}$ strata in the baseline scenario (unitless)                                                                                         |
| $t$                     | 1, 2, 3, ... $t^*$ time elapsed since the project start (yr)                                                                                             |

GHG emissions from peat soils comprise GHG emission as CO<sub>2</sub> and CH<sub>4</sub>. Were calculated using the following equation (19) :

$$E_{peatsoil-BSL,i,t} = E_{CO2-BSL,i,t} + E_{CH4-BSL,i,t} \quad (19)$$

Where:

|                   |                                                                                                                                                                      |
|-------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| $E_{CO2-BSL,i,t}$ | CO <sub>2</sub> emissions from the peat soil within the project boundary in the baseline scenario in stratum $i$ at year $t$ (t CO <sub>2</sub> e yr <sup>-1</sup> ) |
| $E_{CH4-BSL,i,t}$ | CH <sub>4</sub> emissions from the peat soil within the project boundary in the baseline scenario in stratum $i$ at year $t$ (t CO <sub>2</sub> e yr <sup>-1</sup> ) |

#### 5.3.5.3 Subsidence related to initial compression, microbial decomposition and burning of peat

The initial peat thickness in the baseline scenario is assumed equal to the initial peat thickness as mapped at the project start date (Section 4.4.1.3) minus the initial thickness loss due to compression resulting from initial drainage (see Annex 13). GHG emissions from peat soils comprise GHG emission as CO<sub>2</sub> and CH<sub>4</sub>. Were calculated using the following equation (20):

$$E_{\text{peatsoil-BSL},i,t} = E_{\text{CO}_2\text{-BSL},i,t} + E_{\text{CH}_4\text{-BSL},i,t} \quad (20)$$

Where:

$E_{\text{CO}_2\text{-BSL},i,t}$  CO<sub>2</sub> emissions from the peat soil within the project boundary in the baseline scenario in stratum  $i$  at year  $t$  (t CO<sub>2</sub>e yr<sup>-1</sup>)  
 $E_{\text{CH}_4\text{-BSL},i,t}$  CH<sub>4</sub> emissions from the peat soil within the project boundary in the baseline scenario in stratum  $i$  at year  $t$  (t CO<sub>2</sub>e yr<sup>-1</sup>)

On peatlands that were undrained and which would remain undrained during the project period (stratum P1L1D0CF) and peatlands that are already drained at the project start date (strata P1L1D1, P1L0D1) the compression is assumed to be absent, therefore  $Depth_{\text{peatloss-BSL-comp}} = 0$ .

As a result of the initial compression, the bulk density of peat increases proportionally with associated thickness loss. This is taken into account when quantifying peat carbon stock dynamics.

To maintain consistency between annual net CO<sub>2</sub>-equivalent emissions and remaining peat carbon stock, annual rates of peat and carbon stock loss in the baseline scenario were quantified annually based on the rate of emissions from microbial decompositions of peat (CO<sub>2</sub> and CH<sub>4</sub> decomposition), burn scar depths (for areas where peat burning was projected to occur), bulk density of peat above water table, and a conservative carbon content value (48 kg.kg<sup>-1</sup> dry mass) as calculated using equation (21) as follows:

$$\begin{aligned} Rate_{\text{peatloss-BSL},i,t} &= D_{\text{peatburn-BSL},i,t} + \left( \frac{12}{44} \times \frac{EF_{\text{CO}_2,i,t}}{BD_{\text{BSL},i,t} \times C_c \times 10} \right) \\ &+ \left( \frac{1}{GWP_{\text{CH}_4}} \times \frac{12}{16} \times \frac{EF_{\text{CH}_4,i,t}}{BD_{\text{BSL},i,t} \times C_c \times 10} \right) \end{aligned} \quad (21)$$

Where:

$Rate_{\text{peatloss-BSL},i,t}$  Rate of peatloss due to microbial decompositions and burning in baseline scenario of stratum  $i$  at year  $t$  (m.y<sup>-1</sup>)  
 $D_{\text{peatburn-BSL},i,t}$  Burn scar depth under baseline scenario in stratum  $i$  at year  $t$  (m)  
 $BD_{\text{BSL},i,t}$  Bulk density of peat soil above water table in baseline scenario in stratum  $i$  at year  $t$  (kg.m<sup>-3</sup>)  
 $EF_{\text{CO}_2,i,t}$  CO<sub>2</sub> emissions from microbial decomposition of peat in baseline scenario in stratum  $i$  at year  $t$  (tCO<sub>2</sub>.ha<sup>-1</sup>.y<sup>-1</sup>). Equals CO<sub>2</sub> emission factor when peat available for decomposition > 20 cm, otherwise zero  
 $EF_{\text{CH}_4,i,t}$  CH<sub>4</sub> emissions from microbial decomposition of peat in baseline scenario in stratum  $i$  at year  $t$  (tCO<sub>2</sub>.ha<sup>-1</sup>.y<sup>-1</sup>). Equals CH<sub>4</sub> emission factor when peat available for decomposition > 20 cm, otherwise zero  
 $GWP_{\text{CH}_4}$  Global Warming Potential of CH<sub>4</sub>  
 $C_c$  Carbon content of peat soil (kg.kg<sup>-1</sup>)

Remaining peat thickness was assessed annually for the project crediting period based on the rate of peat loss due to microbial decompositions of and burning incidents using equation (22) as follow:

$$Depth_{\text{peat-BSL},i,t} = Depth_{\text{peat-BSL},i,t0} - \sum_{t=1}^{t=t^*} Rate_{\text{peatloss-BSL},i,t} \quad (22)$$

Where:

- $Depth_{peat-BSL,i,t}$  Remaining peat thickness in the baseline scenario in stratum  $i$  at year  $t^*$  (m)  
 $Depth_{peat-BSL,i,t0}$  Peat thickness at the baseline scenario in stratum  $i$  at year  $t0$  = project start date (initial peat thickness) (m)  
 $Rate_{peatloss-BSL,i,t}$  Rate of peat loss due (subsidence) due to microbial decomposition of peat and peat burning in the baseline scenario in stratum  $i$  in year  $t$  (m yr<sup>-1</sup>)  
 $i$  Strata

Peat carbon stock and its annual changes were calculated using equation (23) following annual peat carbon loss due to microbial decompositions and burning.

$$C_{stock-BSL,i,t} = C_{stock-BSL,i,t-1} - C_{loss-BSL,i,t-1} \quad (23)$$

Where:

- $C_{stock-BSL,i,t}$  Remaining peat carbon stock in baseline scenario in stratum  $i$  at year  $t$  (t C.ha<sup>-1</sup>)  
 $C_{stock-BSL,i,t-1}$  Remaining peat carbon stock in baseline scenario in stratum  $i$  at previous year (t C.ha<sup>-1</sup>)  
 $C_{loss-BSL,i,t-1}$  Equivalent carbon stock loss from microbial decomposition of peat and peat burning in baseline scenario in stratum  $i$  at previous year (t C.ha<sup>-1</sup>)

By tracking annual peat carbon stock and peat thickness in the baseline scenario it has been assured that there is no GHG emissions has been accounted for within any parcel of each stratum once available carbon stock/peat has been depleted. Conservatively, peat is assumed depleted once peat thickness available for decompositions and burning has been reduced to 20 cm.

A summary of the quantified GHG emissions from peat microbial decomposition, uncontrolled peat burning and water bodies under the baseline scenario are presented in [Table 42](#), and the next Sub-sections 5.3.6.3, 5.3.6.4 and 5.3.6.5 describe how [Table 42](#) has been calculated.

**Table 42. A summary of the annual GHG emissions from peat microbial decomposition, uncontrolled peat burning and water bodies in the Project area under the baseline scenario (tCO<sub>2</sub>e.y<sup>-1</sup>) since the start of the project in 2010**

| Year | CO <sub>2</sub> from peat microbial decomposition | CH <sub>4</sub> from peat microbial decomposition | CO <sub>2</sub> from peat burning | CH <sub>4</sub> from peat burning | CO <sub>2</sub> from DOC | Total     |
|------|---------------------------------------------------|---------------------------------------------------|-----------------------------------|-----------------------------------|--------------------------|-----------|
| 2011 | 872,262                                           | 80,618                                            | 113,627                           | 13,693                            | 2,779                    | 1,082,979 |
| 2012 | 966,973                                           | 80,528                                            | 127,390                           | 15,351                            | 2,779                    | 1,193,020 |
| 2013 | 2,292,138                                         | 49,284                                            | 205,515                           | 24,766                            | 6,052                    | 2,577,755 |
| 2014 | 2,588,966                                         | 48,998                                            | 251,623                           | 30,322                            | 6,052                    | 2,925,961 |
| 2015 | 2,910,708                                         | 47,418                                            | 244,700                           | 29,488                            | 6,314                    | 3,238,629 |
| 2016 | 3,204,660                                         | 47,144                                            | 269,703                           | 32,501                            | 6,314                    | 3,560,321 |
| 2017 | 3,628,150                                         | 42,686                                            | 313,518                           | 37,781                            | 7,012                    | 4,029,146 |
| 2018 | 3,932,268                                         | 42,398                                            | 338,149                           | 40,749                            | 7,012                    | 4,360,576 |
| 2019 | 4,307,185                                         | 39,805                                            | 349,520                           | 42,119                            | 7,370                    | 4,746,000 |
| 2020 | 4,584,724                                         | 39,541                                            | 404,301                           | 48,721                            | 7,370                    | 5,084,656 |
| 2021 | 4,973,666                                         | 36,356                                            | 382,934                           | 46,146                            | 7,965                    | 5,447,067 |
| 2022 | 5,268,302                                         | 36,073                                            | 386,441                           | 46,569                            | 7,965                    | 5,745,349 |
| 2023 | 5,631,354                                         | 34,002                                            | 403,044                           | 48,569                            | 8,275                    | 6,125,244 |
| 2024 | 5,923,395                                         | 33,720                                            | 379,011                           | 45,673                            | 8,275                    | 6,390,075 |

| Year | CO <sub>2</sub> from peat microbial decomposition | CH <sub>4</sub> from peat microbial decomposition | CO <sub>2</sub> from peat burning | CH <sub>4</sub> from peat burning | CO <sub>2</sub> from DOC | Total     |
|------|---------------------------------------------------|---------------------------------------------------|-----------------------------------|-----------------------------------|--------------------------|-----------|
| 2025 | 6,308,103                                         | 29,970                                            | 388,991                           | 46,876                            | 8,890                    | 6,782,830 |
| 2026 | 6,585,466                                         | 29,681                                            | 373,954                           | 45,064                            | 8,890                    | 7,043,055 |
| 2027 | 6,906,267                                         | 28,391                                            | 411,579                           | 49,598                            | 9,127                    | 7,404,961 |
| 2028 | 7,189,341                                         | 28,092                                            | 417,025                           | 50,254                            | 9,127                    | 7,693,839 |
| 2029 | 7,614,737                                         | 23,607                                            | 423,444                           | 51,028                            | 9,821                    | 8,122,636 |
| 2030 | 7,894,864                                         | 23,301                                            | 400,032                           | 48,206                            | 9,821                    | 8,376,224 |
| 2031 | 8,081,433                                         | 23,087                                            | 379,649                           | 45,750                            | 9,821                    | 8,539,740 |
| 2032 | 8,286,789                                         | 22,849                                            | 390,765                           | 47,090                            | 9,821                    | 8,757,313 |
| 2033 | 8,278,593                                         | 22,832                                            | 387,157                           | 46,655                            | 9,821                    | 8,745,058 |
| 2034 | 8,268,410                                         | 22,812                                            | 346,079                           | 41,705                            | 9,821                    | 8,688,826 |
| 2035 | 8,262,373                                         | 22,797                                            | 309,556                           | 37,303                            | 9,821                    | 8,641,850 |
| 2036 | 8,255,644                                         | 22,783                                            | 310,482                           | 37,415                            | 9,821                    | 8,636,144 |
| 2037 | 8,248,377                                         | 22,766                                            | 310,670                           | 37,438                            | 9,821                    | 8,629,072 |
| 2038 | 8,241,859                                         | 22,752                                            | 255,033                           | 30,733                            | 9,821                    | 8,560,198 |
| 2039 | 8,234,741                                         | 22,737                                            | 288,620                           | 34,781                            | 9,821                    | 8,590,699 |
| 2040 | 8,225,122                                         | 22,720                                            | 274,839                           | 33,120                            | 9,821                    | 8,565,622 |
| 2041 | 8,217,806                                         | 22,704                                            | 276,610                           | 33,333                            | 9,821                    | 8,560,273 |
| 2042 | 8,209,559                                         | 22,682                                            | 216,776                           | 26,123                            | 9,821                    | 8,484,961 |
| 2043 | 8,202,803                                         | 22,667                                            | 228,318                           | 27,514                            | 9,821                    | 8,491,122 |
| 2044 | 8,193,613                                         | 22,650                                            | 232,271                           | 27,990                            | 9,821                    | 8,486,345 |
| 2045 | 8,185,905                                         | 22,633                                            | 214,734                           | 25,877                            | 9,821                    | 8,458,970 |
| 2046 | 8,178,125                                         | 22,617                                            | 196,918                           | 23,730                            | 9,821                    | 8,431,210 |
| 2047 | 8,170,001                                         | 22,598                                            | 202,848                           | 24,444                            | 9,821                    | 8,429,712 |
| 2048 | 8,161,601                                         | 22,583                                            | 190,877                           | 23,002                            | 9,821                    | 8,407,884 |
| 2049 | 8,154,522                                         | 22,567                                            | 176,446                           | 21,263                            | 9,821                    | 8,384,618 |
| 2050 | 8,145,756                                         | 22,550                                            | 190,277                           | 22,930                            | 9,821                    | 8,391,334 |
| 2051 | 8,138,962                                         | 22,537                                            | 183,798                           | 22,149                            | 9,821                    | 8,377,267 |
| 2052 | 8,131,369                                         | 22,520                                            | 171,602                           | 20,679                            | 9,821                    | 8,355,991 |
| 2053 | 8,123,480                                         | 22,506                                            | 170,305                           | 20,523                            | 9,821                    | 8,346,635 |
| 2054 | 8,113,478                                         | 22,490                                            | 167,613                           | 20,198                            | 9,821                    | 8,333,601 |
| 2055 | 8,105,756                                         | 22,477                                            | 149,992                           | 18,075                            | 9,821                    | 8,306,120 |
| 2056 | 8,096,914                                         | 22,461                                            | 159,279                           | 19,194                            | 9,821                    | 8,307,668 |
| 2057 | 8,086,643                                         | 22,444                                            | 150,819                           | 18,175                            | 9,821                    | 8,287,901 |
| 2058 | 8,079,669                                         | 22,431                                            | 160,835                           | 19,382                            | 9,821                    | 8,292,137 |
| 2059 | 8,069,217                                         | 22,414                                            | 150,511                           | 18,137                            | 9,821                    | 8,270,101 |
| 2060 | 8,053,640                                         | 22,384                                            | 151,922                           | 18,308                            | 9,821                    | 8,256,074 |
| 2061 | 8,041,789                                         | 22,367                                            | 154,261                           | 18,589                            | 9,821                    | 8,246,826 |
| 2062 | 8,030,326                                         | 22,348                                            | 149,805                           | 18,052                            | 9,821                    | 8,230,353 |
| 2063 | 8,017,565                                         | 22,326                                            | 152,702                           | 18,402                            | 9,821                    | 8,220,815 |
| 2064 | 8,005,012                                         | 22,307                                            | 145,495                           | 17,533                            | 9,821                    | 8,200,168 |
| 2065 | 7,993,522                                         | 22,289                                            | 134,659                           | 16,227                            | 9,821                    | 8,176,517 |
| 2066 | 7,980,530                                         | 22,269                                            | 143,981                           | 17,351                            | 9,821                    | 8,173,951 |
| 2067 | 7,965,650                                         | 22,246                                            | 130,055                           | 15,672                            | 9,821                    | 8,143,443 |

| Year | CO <sub>2</sub> from peat microbial decomposition | CH <sub>4</sub> from peat microbial decomposition | CO <sub>2</sub> from peat burning | CH <sub>4</sub> from peat burning | CO <sub>2</sub> from DOC | Total     |
|------|---------------------------------------------------|---------------------------------------------------|-----------------------------------|-----------------------------------|--------------------------|-----------|
| 2068 | 7,949,145                                         | 22,218                                            | 131,385                           | 15,833                            | 9,821                    | 8,128,402 |
| 2069 | 7,936,436                                         | 22,197                                            | 133,213                           | 16,053                            | 9,821                    | 8,117,720 |
| 2070 | 7,922,493                                         | 22,175                                            | 128,773                           | 15,518                            | 9,821                    | 8,098,779 |

#### 5.3.5.4 Emissions from peat microbial decomposition

It is assumed that the rate of conversion of undrained peatland to drained peatland in the baseline scenario is based on the rate of conversion of the forest by the deforestation agents as outlined in Sub-subsection 5.3.4.2 and Appendix 4. The temporal variability of the emissions from peat microbial decompositions are therefore directly related to the land use and land use changes in the baseline. [Table 43](#) below and [Table 38](#) in Sub-subsection 5.3.4.1 provide details on the WRC related baseline stratification that is used and the area (ha) per stratum. Based on this data, the baseline GHG emissions for the different 'emission strata' were calculated using conservative and scientifically robust (TIER 1) IPCC default emission factors for each stratum  $i$  and proceeded using equations (24), (25) and (26) defined by the VCS methodology VM0007 module BL-PEAT:

$$E_{\text{peatsoil-BSL},i,t} = E_{\text{peatsoil-BSL},\text{CO}_2,i,t} + E_{\text{peatsoil-BSL},\text{CH}_4,i,t} \quad (24)$$

Where:

|                                           |                                                                                                                                                                      |
|-------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| $E_{\text{peatsoil-BSL},i,t}$             | GHG emissions from the peat soil within the project boundary in the baseline scenario in stratum $i$ at year $t$ (t CO <sub>2</sub> e yr <sup>-1</sup> )             |
| $E_{\text{peatsoil-BSL},\text{CO}_2,i,t}$ | CO <sub>2</sub> emissions from the peat soil within the project boundary in the baseline scenario in stratum $i$ at year $t$ (t CO <sub>2</sub> e yr <sup>-1</sup> ) |
| $E_{\text{peatsoil-BSL},\text{CH}_4,i,t}$ | CH <sub>4</sub> emissions from the peat soil within the project boundary in the baseline scenario in stratum $i$ at year $t$ (t CO <sub>2</sub> e yr <sup>-1</sup> ) |
| $i$                                       | 1, 2, 3 ... $M_{\text{BSL}}$ strata in the baseline scenario (unitless)                                                                                              |
| $t$                                       | 1, 2, 3, ... $t^*$ time elapsed since the project start (yr)                                                                                                         |

For each stratum, the CO<sub>2</sub> emissions from microbial decomposition of the peat within the project boundary were estimated as follows:

$$E_{\text{peatsoil-BSL},\text{CO}_2,i,t} = A_{i,t} \times EF_{\text{CO}_2,i,t} \quad (25)$$

Where:

|                                           |                                                                                                                                                                      |
|-------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| $E_{\text{peatsoil-BSL},\text{CO}_2,i,t}$ | CO <sub>2</sub> emissions from the peat soil within the project boundary in the baseline scenario in stratum $i$ at year $t$ (t CO <sub>2</sub> e yr <sup>-1</sup> ) |
| $EF_{\text{CO}_2,i,t}$                    | Emission factor for CO <sub>2</sub> emissions corresponds to each stratum $i$ , as provided by IPCC (t CO <sub>2</sub> e ha <sup>-1</sup> yr <sup>-1</sup> )         |
| $A_{i,t}$                                 | Area of stratum $i$ at time $t$ (ha)                                                                                                                                 |
| $i$                                       | 1, 2, 3 ... $M_{\text{BSL}}$ strata in the baseline scenario (unitless)                                                                                              |
| $t$                                       | 1, 2, 3, ... $t^*$ time elapsed since the project start (yr)                                                                                                         |

For each stratum, the CH<sub>4</sub> emission from the peat soil within the project boundary were estimated as follows:

$$E_{\text{peatsoil-BSL},\text{CH}_4,i,t} = A_{i,t} \times GWP_{\text{CH}_4} \times EF_{\text{CH}_4,i,t} \quad (26)$$

Where:

|                                           |                                                                                          |
|-------------------------------------------|------------------------------------------------------------------------------------------|
| $E_{\text{peatsoil-BSL},\text{CH}_4,i,t}$ | CH <sub>4</sub> emissions from the peat soil within the project boundary in the baseline |
|-------------------------------------------|------------------------------------------------------------------------------------------|

|                 |                                                                                                                                                              |
|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                 | scenario in stratum $i$ at year $t$ (t CO <sub>2</sub> e yr <sup>-1</sup> )                                                                                  |
| $EF_{CH_4,t,t}$ | Emission factor for CH <sub>4</sub> emissions corresponds to each stratum $i$ , as provided by IPCC (t CO <sub>2</sub> e ha <sup>-1</sup> yr <sup>-1</sup> ) |
| $A_{i,t}$       | Area of stratum $i$ at time $t$ (ha)                                                                                                                         |
| $GWP_{CH_4}$    | Global Warming Potential for CH <sub>4</sub>                                                                                                                 |
| $i$             | 1, 2, 3 ... $M_{BSL}$ strata in the baseline scenario (unitless)                                                                                             |
| $t$             | 1, 2, 3, ... $t^*$ time elapsed since the project start (yr)                                                                                                 |

**Table 43. The stratification used for the calculation of GHG emissions per stratum, the area (ha) per each stratum and the CO<sub>2</sub> and CH<sub>4</sub> default factors used for the specific land use**

| Strata           | Description                                                        | Area (ha) | IPCC default emission factor for CO <sub>2</sub> (t CO <sub>2</sub> -eq ha-1 yr-1) | IPCC default emission factor for CH <sub>4</sub> (t CO <sub>2</sub> -eq ha-1 yr-1) | IPCC default emission factor for Δ DOC (t CO <sub>2</sub> -eq ha-1 yr-1) |
|------------------|--------------------------------------------------------------------|-----------|------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|--------------------------------------------------------------------------|
| Initial          |                                                                    |           |                                                                                    |                                                                                    |                                                                          |
| P1L0D0           | Undrained deforested peatland                                      | 3,172     | 1.5                                                                                | 0.20                                                                               |                                                                          |
| P1L0D1           | Drained deforested peatland                                        | 987       | 19.43                                                                              | 0.14                                                                               |                                                                          |
| P1L1D0           | Undrained forested peatland                                        | 141,910   | 0                                                                                  | 0.72                                                                               |                                                                          |
| P1L1D1           | Drained deforested peatland                                        | 354       | 19.43                                                                              | 0.14                                                                               |                                                                          |
| WB               | Water bodies (rivers and canals) present at the project start date | 216       |                                                                                    |                                                                                    | 2.09                                                                     |
| After conversion |                                                                    |           |                                                                                    |                                                                                    |                                                                          |
| P1L0D1AC         | Acacia on drained peatland                                         | 102,257   | 73.33                                                                              | 0.08                                                                               |                                                                          |
| P1L1D0CF         | Conservation area (undrained peatland forest)                      | 13,451    | 0                                                                                  | 0.72                                                                               |                                                                          |
| P1L0D1CA         | Community crops on drained peatland                                | 11,028    | 51.33                                                                              | 0.20                                                                               |                                                                          |
| P1L0D1IF         | Ground facilities on drained peatland                              | 290       | 19.43                                                                              | 0.14                                                                               |                                                                          |
| P1L1D1IS         | Indigenous species area and river buffer (drained peatland forest) | 16,286    | 19.43                                                                              | 0.14                                                                               |                                                                          |
| WB               | Water bodies (rivers and canals)                                   | 3,327     |                                                                                    |                                                                                    | 3.01                                                                     |

Note: Appendix 6 provides more details on the emission factors used and the references.

Calculated annual GHG emissions from microbial decompositions of peat in the baseline scenario is presented in [Table 44](#).

**Table 44. GHG emissions from microbial decompositions of peat in the baseline scenario in tCO<sub>2</sub>-e.y<sup>-1</sup>.**

| Year | CO <sub>2</sub> from peat microbial decomposition | CH <sub>4</sub> from peat microbial decomposition | Total     |
|------|---------------------------------------------------|---------------------------------------------------|-----------|
| 2011 | 872,262                                           | 80,618                                            | 952,880   |
| 2012 | 966,973                                           | 80,528                                            | 1,047,500 |
| 2013 | 2,292,138                                         | 49,284                                            | 2,341,422 |
| 2014 | 2,588,966                                         | 48,998                                            | 2,637,964 |
| 2015 | 2,910,708                                         | 47,418                                            | 2,958,127 |
| 2016 | 3,204,660                                         | 47,144                                            | 3,251,804 |
| 2017 | 3,628,150                                         | 42,686                                            | 3,670,836 |
| 2018 | 3,932,268                                         | 42,398                                            | 3,974,666 |
| 2019 | 4,307,185                                         | 39,805                                            | 4,346,990 |

| Year | CO <sub>2</sub> from peat microbial decomposition | CH <sub>4</sub> from peat microbial decomposition | Total     |
|------|---------------------------------------------------|---------------------------------------------------|-----------|
| 2020 | 4,584,724                                         | 39,541                                            | 4,624,265 |
| 2021 | 4,973,666                                         | 36,356                                            | 5,010,022 |
| 2022 | 5,268,302                                         | 36,073                                            | 5,304,374 |
| 2023 | 5,631,354                                         | 34,002                                            | 5,665,356 |
| 2024 | 5,923,395                                         | 33,720                                            | 5,957,115 |
| 2025 | 6,308,103                                         | 29,970                                            | 6,338,073 |
| 2026 | 6,585,466                                         | 29,681                                            | 6,615,147 |
| 2027 | 6,906,267                                         | 28,391                                            | 6,934,658 |
| 2028 | 7,189,341                                         | 28,092                                            | 7,217,433 |
| 2029 | 7,614,737                                         | 23,607                                            | 7,638,344 |
| 2030 | 7,894,864                                         | 23,301                                            | 7,918,165 |
| 2031 | 8,081,433                                         | 23,087                                            | 8,104,520 |
| 2032 | 8,286,789                                         | 22,849                                            | 8,309,637 |
| 2033 | 8,278,593                                         | 22,832                                            | 8,301,426 |
| 2034 | 8,268,410                                         | 22,812                                            | 8,291,222 |
| 2035 | 8,262,373                                         | 22,797                                            | 8,285,170 |
| 2036 | 8,255,644                                         | 22,783                                            | 8,278,427 |
| 2037 | 8,248,377                                         | 22,766                                            | 8,271,143 |
| 2038 | 8,241,859                                         | 22,752                                            | 8,264,611 |
| 2039 | 8,234,741                                         | 22,737                                            | 8,257,478 |
| 2040 | 8,225,122                                         | 22,720                                            | 8,247,843 |
| 2041 | 8,217,806                                         | 22,704                                            | 8,240,510 |
| 2042 | 8,209,559                                         | 22,682                                            | 8,232,242 |
| 2043 | 8,202,803                                         | 22,667                                            | 8,225,470 |
| 2044 | 8,193,613                                         | 22,650                                            | 8,216,263 |
| 2045 | 8,185,905                                         | 22,633                                            | 8,208,538 |
| 2046 | 8,178,125                                         | 22,617                                            | 8,200,742 |
| 2047 | 8,170,001                                         | 22,598                                            | 8,192,599 |
| 2048 | 8,161,601                                         | 22,583                                            | 8,184,185 |
| 2049 | 8,154,522                                         | 22,567                                            | 8,177,089 |
| 2050 | 8,145,756                                         | 22,550                                            | 8,168,306 |
| 2051 | 8,138,962                                         | 22,537                                            | 8,161,499 |
| 2052 | 8,131,369                                         | 22,520                                            | 8,153,889 |
| 2053 | 8,123,480                                         | 22,506                                            | 8,145,987 |
| 2054 | 8,113,478                                         | 22,490                                            | 8,135,968 |
| 2055 | 8,105,756                                         | 22,477                                            | 8,128,233 |
| 2056 | 8,096,914                                         | 22,461                                            | 8,119,375 |
| 2057 | 8,086,643                                         | 22,444                                            | 8,109,087 |
| 2058 | 8,079,669                                         | 22,431                                            | 8,102,100 |
| 2059 | 8,069,217                                         | 22,414                                            | 8,091,632 |
| 2060 | 8,053,640                                         | 22,384                                            | 8,076,024 |
| 2061 | 8,041,789                                         | 22,367                                            | 8,064,155 |
| 2062 | 8,030,326                                         | 22,348                                            | 8,052,674 |
| 2063 | 8,017,565                                         | 22,326                                            | 8,039,891 |

| Year | CO <sub>2</sub> from peat microbial decomposition | CH <sub>4</sub> from peat microbial decomposition | Total     |
|------|---------------------------------------------------|---------------------------------------------------|-----------|
| 2064 | 8,005,012                                         | 22,307                                            | 8,027,319 |
| 2065 | 7,993,522                                         | 22,289                                            | 8,015,810 |
| 2066 | 7,980,530                                         | 22,269                                            | 8,002,798 |
| 2067 | 7,965,650                                         | 22,246                                            | 7,987,896 |
| 2068 | 7,949,145                                         | 22,218                                            | 7,971,363 |
| 2069 | 7,936,436                                         | 22,197                                            | 7,958,633 |
| 2070 | 7,922,493                                         | 22,175                                            | 7,944,667 |

#### 5.3.5.5 Emissions from peat burning

This section explains in more detail how the numbers for peat burning in the Project area in Table 39 have been calculated.

Peatland fires in Indonesia are widely known as human induced events. Based on this fact it can be inferred that the probability of peat burning events increases according to the decrease in distance to human activity (roads, rivers, agriculture area, etc). It is common in Kalimantan that local communities use rivers and canals extensively as transportation means. Observations in the project area showed that most burnings occur along the Hantipan canal where human activity is high. Burnt area in this location extended to about 1 km from the canal sides.

Per module E-BPB, GHG emissions from biomass burning can result from:

- Conversion of forest land to non-forest land using fire
- Periodical burning of grassland or agricultural land after deforestation
- Controlled burning in forest land remaining forest land
- Uncontrolled fire in drained peat swamp forest
- Uncontrolled peat burning in (abandoned) drained peat sites

Since it is illegal to clear forests on Acacia plantation it is assumed that the deforestation agents do not perform controlled peat burning during site preparation or (rotational) clearance for plantation/crop establishment. Therefore, only emissions from unintentional/uncontrolled burnings are accounted for in the baseline scenario. Furthermore, above ground biomass lost by combustion is conservatively omitted.

Procedures for quantification of GHG emissions from uncontrolled peat burnings follow the VCS methodology VM0007 module E-BPB using the following equation (27):

$$E_{\text{peatburn-BSL},i,t} = \sum_{g=1}^G (((A_{\text{peatburn-BSL},i,t} \times P_{\text{BSL},i,t} \times G_{g,i}) \times 10^{-3}) \times GWP_g) \quad (27)$$

Where:

|                               |                                                                                                                                                                                      |
|-------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| $E_{\text{peatburn-BSL},i,t}$ | Greenhouse emissions due to peat burning under baseline scenario in stratum $i$ in year $t$ of each GHG (CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O) (t CO <sub>2</sub> e) |
| $A_{\text{peatburn-BSL},i,t}$ | Area peat burnt under baseline scenario in stratum $i$ in year $t$ (ha)                                                                                                              |
| $P_{\text{BSL},i,t}$          | Average mass of peat burnt under baseline scenario in stratum $i$ , year $t$ (t d.m. ha <sup>-1</sup> )                                                                              |
| $G_{g,i}$                     | Emission factor in stratum $i$ for gas $g$ (kg t <sup>-1</sup> d.m. burnt)                                                                                                           |
| $GWP_g$                       | Global warming potential for gas $g$ (t CO <sub>2</sub> /t $g$ )                                                                                                                     |
| $g$                           | 1, 2, 3 ... $G$ greenhouse gases including carbon dioxide, methane and nitrous oxide (unitless)                                                                                      |

|     |                                                                              |
|-----|------------------------------------------------------------------------------|
| $i$ | 1, 2, 3 ... $M$ strata (unitless)                                            |
| $t$ | 1, 2, 3, ... $t$ time elapsed since the start of the project activity (year) |

The average mass of peat burnt for a particular stratum is estimated using the equation (28):

$$P_{BSL,i,t} = D_{peatburn-BSL,i,t} \times BD_{upper} \times 10^{-4} \quad (28)$$

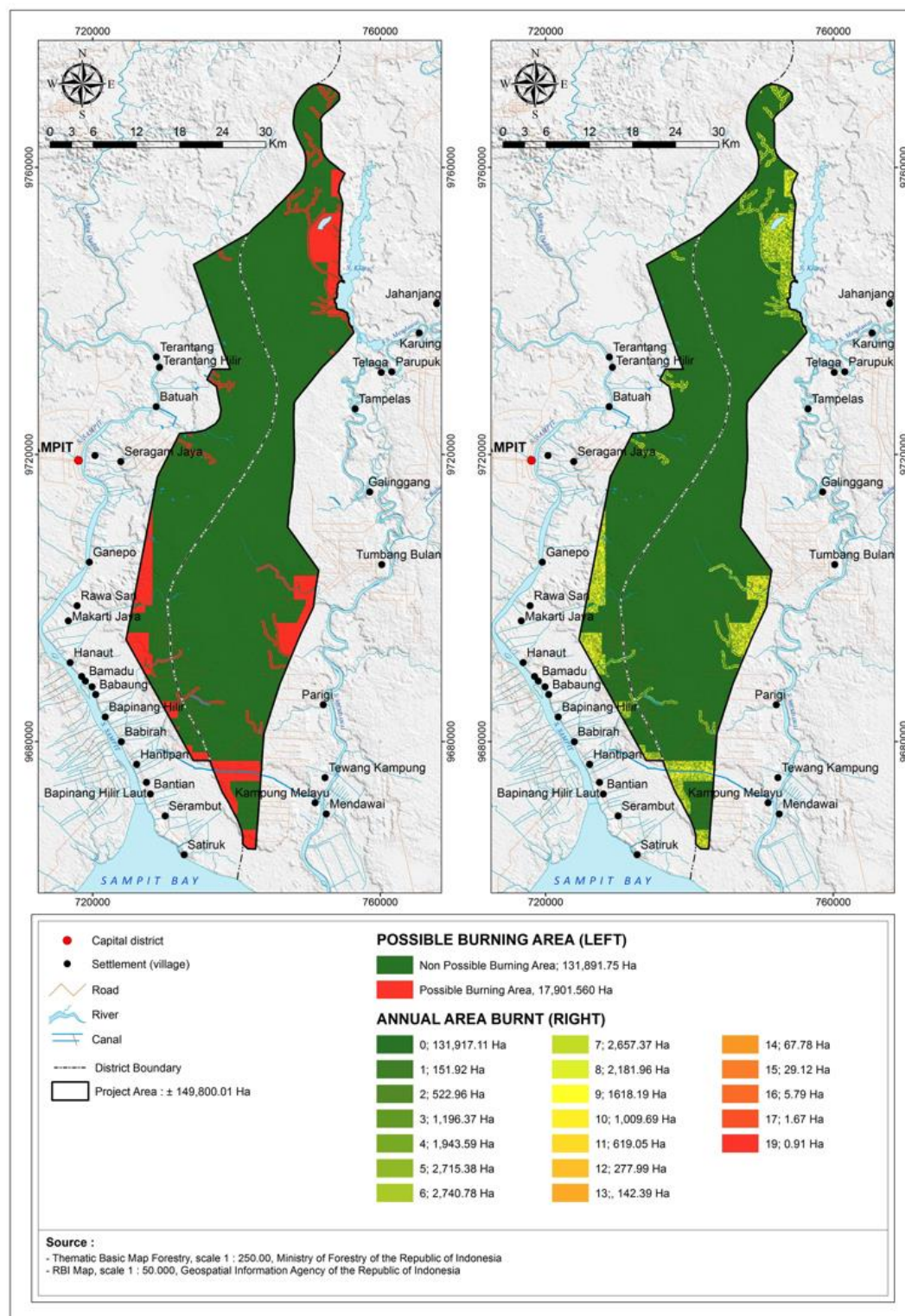
Where:

|                        |                                                                                                         |
|------------------------|---------------------------------------------------------------------------------------------------------|
| $P_{BSL,i,t}$          | Average mass of peat burnt under baseline scenario in stratum $i$ , year $t$ (t d.m. ha <sup>-1</sup> ) |
| $D_{peatburn-BSL,i,t}$ | Average burn scar depth under baseline scenario in stratum $i$ in year $t$ (m)                          |
| $BD_{upper,i}$         | Bulk density of the upper peat in stratum $i$ (g cm <sup>-3</sup> )                                     |
| $i$                    | 1, 2, 3 ... $M$ strata                                                                                  |
| $t$                    | 1, 2, 3, ... $t$ time elapsed since the start of the project activity (years)                           |

Emissions from peat burning in the baseline are thus calculated from the mass of peat lost by combustion and emission factors from scientific literature (see Appendix 6 for the default values that were used for the calculations of baseline carbon losses and emissions from burning).

Uncontrolled burnings in peatlands were assumed to repeat randomly on places that are 'high risk' areas. To determine where the 'high risk areas' are in the baseline of the project area, a hotspot intensity analysis was performed, and the spatial position of burning within the project boundary in the baseline scenario was simulated (details provided in Annex 12). A water body network map from BIG 2008 (rivers and canals) was used to represent human activity variable. NOAA and NASA MODIS Fire hotspot data from 1997-2010 for Kalimantan were plotted on ArcGIS 10.1 and the distances to the nearest human activities (using rivers and canals as proxy) were calculated. Histogram analysis showed that the closer an area to human activity the higher the probability is for a peat fire. Plotting percentages of hotspot numbers against distances to human activity resulted in a Burning Probability Density (BPD) model with an  $R^2 > 0.9$  (Annex 12). The resulted BPD model was used in creating a proportionally scaled down "Possible Burning Area" ( $PBA_{BSL}$ ) map (Map 34) that shows the area with the highest burning probability (95 percent probability threshold) in the project baseline. This map does not show the "actual area burnt" in the baseline scenario, rather showing possible locations where peat burning can be expected to occur randomly.

Map 34. Map of possible burning area (left) and annual area burnt (right) in the baseline scenario.



To assess the frequency and extent of uncontrolled peat fires in the baseline scenario, remote sensing data of the proxy areas was used, per VCS methodology VM0007 module BL-PEAT (see Annex 12). MODIS fire pixels, which are recorded daily, were downloaded for the seven proxy areas and filtered as to only include the pixels with 100% confidence of the presence of a fire. To identify fires that occurred on bare soil all available Landsat data was subsequently downloaded for the 2000-2010 period, only selected data collected after the individual concession grant dates. When no cloud-free data was

available within 2 months prior to the fire pixel acquisition date it was conservatively excluded. Each fire occurring on bare soil was conservatively assumed to have burnt 0.49 km<sup>2</sup> (Giglio, L., et al, 2006). Based on this data the average percentage of burnt area per proxy area was determined to be 1.44% per year. This value was used as a parameter in estimating “Annual Area Burnt Threshold” in the baseline scenario (AABT<sub>BSL</sub>), according to the following equation (29):

$$AABT_{BSL} = 1.44\%.y^{-1} \times A_{Project} = 2,157 \text{ ha}.y^{-1} \quad (29)$$

Where:

$A_{Project}$  Project area size (149,800 hectares)

The coverage of the Annual Area Burnt for each baseline stratum (AAB<sub>BSL,i,t</sub>) was simulated as a subset of PBA<sub>BSL</sub> by randomly selecting parcels in PBA<sub>BSL</sub> annually over 100 years in such a way that the annual average area of the selected parcels approximately equals (but does not exceed) the area of AABT<sub>BSL</sub>. Once a parcel was selected randomly in the first year the parcel is marked as “catching the 1<sup>st</sup> burning”. If it was randomly selected again for the second year it is marked as “catching the 2<sup>nd</sup> burning”, and so forth.

Given the random nature of the AAB<sub>BSL,i,t</sub> selection, and due to gradual land use change in the baseline scenario, AAB<sub>BSL,i,t</sub> varies by strata and year with increasing trend following land use change (Figure 17, Table 45). The project has assured that not every burning event would result in peat GHG emissions. At every burning event during the calculation, for the GHG emissions from peat burning to take effect, the corresponding “burnt parcel” must have been drained and deforested first, and that available peat for decomposition and burning exceed 20 cm. By applying these restrictions, net annual area burnt with positive net GHG emissions from peat burning has been calculated as given in Figure 18.

Figure 17. Annual area burnt in baseline scenario

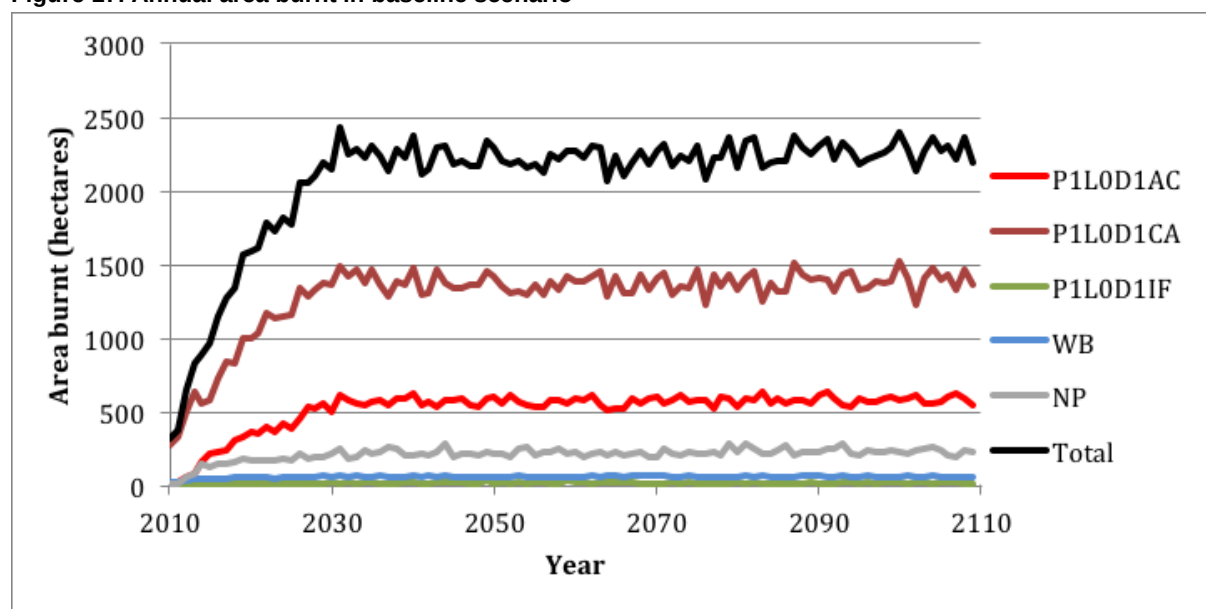


Figure 18. Annual area burnt with positive net GHG emissions from peat burning in baseline scenario

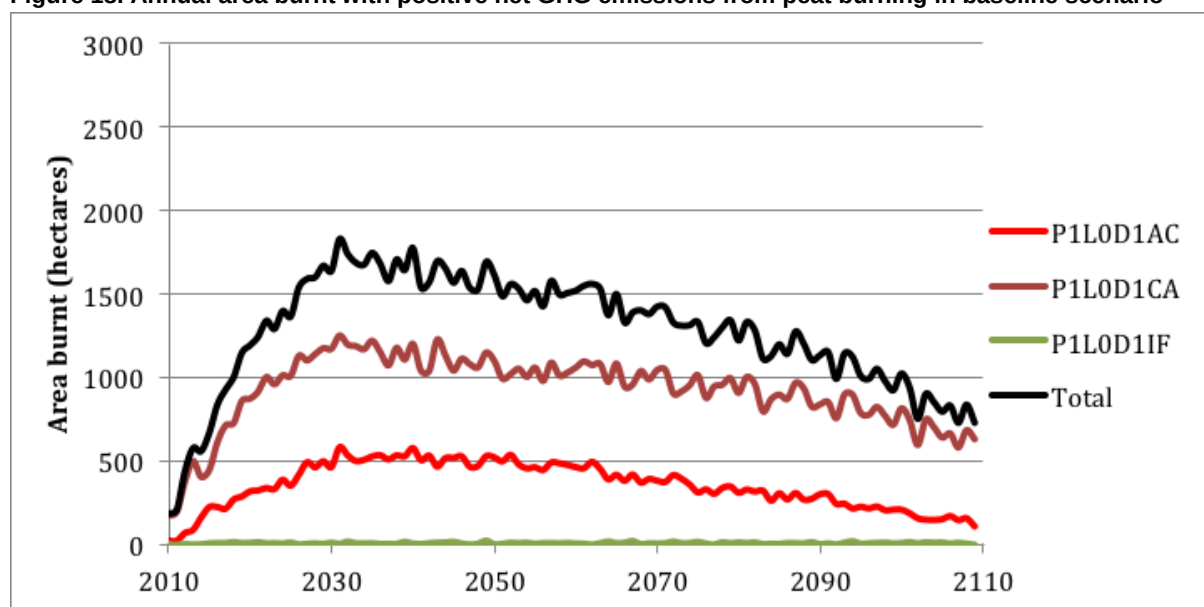


Table 45. GHG emissions from peat burning per stratum and per (repeated) burning

| Strata   | Strata Area | Total Area Burnt in 60 years | Average Burnt area in 60 years | GHG Emissions from peat burning in 60 years (tCO <sub>2</sub> e) |                         |                          |            |
|----------|-------------|------------------------------|--------------------------------|------------------------------------------------------------------|-------------------------|--------------------------|------------|
|          |             |                              |                                | 1 <sup>st</sup> burning                                          | 2 <sup>nd</sup> burning | ≥3 <sup>rd</sup> burning | Total      |
| P1L0D1AC | 102,257     | 28,631                       | 477.2                          | 1,865,786                                                        | 1,101,649               | 1,600,247                | 4,567,683  |
| P1L0D1CA | 11,028      | 73,039                       | 1,217.3                        | 4,242,612                                                        | 2,484,608               | 3,946,775                | 10,673,995 |
| P1L0D1IF | 290         | 626                          | 10.4                           | 40,996                                                           | 24,101                  | 36,479                   | 101,575.4  |
| P1L1D0CF | 13,451      | -                            | -                              | -                                                                | -                       | -                        | -          |
| P1L1D1IS | 16,286      | -                            | -                              | -                                                                | -                       | -                        | -          |
| WB       | 3,327       | 3,205                        | 53.4                           | -                                                                | -                       | -                        | -          |
| NP       | 3,162       | 11,321                       | 188.7                          | -                                                                | -                       | -                        | -          |
| Total    | 149,800     | 116,821                      | 1,947                          | 6,149,395                                                        | 3,610,358               | 5,583,501                | 15,343,253 |

\*See Appendix 6 for the defaults used.

Given the fact that there is a difference in burn scar depths between 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> burnings, calculations took into account the repetition of burnings. Burn scar depths of 18, 11 and 4 cm were assumed for the first, 2<sup>nd</sup> and 3<sup>rd</sup> burning respectively [29] (see Appendix 6 for more details).

The peat burning baseline will be re-assessed every 10 years based on observations of burning frequency and extent in reference region and/or based on the latest scientific findings of 'repeated burnings' pattern.

Calculated annual GHG emissions from uncontrolled peat burning are presented in [Table 46](#).

Table 46. GHG emissions from peat burning in the baseline scenario in tCO<sub>2</sub>-e.y<sup>-1</sup>.

| Year | CO <sub>2</sub> from peat burning | CH <sub>4</sub> from peat burning | Total   |
|------|-----------------------------------|-----------------------------------|---------|
| 2011 | 113,627                           | 13,693                            | 127,320 |
| 2012 | 127,390                           | 15,351                            | 142,741 |
| 2013 | 205,515                           | 24,766                            | 230,281 |

| Year | CO <sub>2</sub> from peat burning | CH <sub>4</sub> from peat burning | Total   |
|------|-----------------------------------|-----------------------------------|---------|
| 2014 | 251,623                           | 30,322                            | 281,945 |
| 2015 | 244,700                           | 29,488                            | 274,188 |
| 2016 | 269,703                           | 32,501                            | 302,204 |
| 2017 | 313,518                           | 37,781                            | 351,299 |
| 2018 | 338,149                           | 40,749                            | 378,898 |
| 2019 | 349,520                           | 42,119                            | 391,640 |
| 2020 | 404,301                           | 48,721                            | 453,021 |
| 2021 | 382,934                           | 46,146                            | 429,080 |
| 2022 | 386,441                           | 46,569                            | 433,009 |
| 2023 | 403,044                           | 48,569                            | 451,613 |
| 2024 | 379,011                           | 45,673                            | 424,685 |
| 2025 | 388,991                           | 46,876                            | 435,867 |
| 2026 | 373,954                           | 45,064                            | 419,018 |
| 2027 | 411,579                           | 49,598                            | 461,177 |
| 2028 | 417,025                           | 50,254                            | 467,279 |
| 2029 | 423,444                           | 51,028                            | 474,472 |
| 2030 | 400,032                           | 48,206                            | 448,239 |
| 2031 | 379,649                           | 45,750                            | 425,399 |
| 2032 | 390,765                           | 47,090                            | 437,855 |
| 2033 | 387,157                           | 46,655                            | 433,812 |
| 2034 | 346,079                           | 41,705                            | 387,784 |
| 2035 | 309,556                           | 37,303                            | 346,859 |
| 2036 | 310,482                           | 37,415                            | 347,897 |
| 2037 | 310,670                           | 37,438                            | 348,108 |
| 2038 | 255,033                           | 30,733                            | 285,767 |
| 2039 | 288,620                           | 34,781                            | 323,400 |
| 2040 | 274,839                           | 33,120                            | 307,959 |
| 2041 | 276,610                           | 33,333                            | 309,943 |
| 2042 | 216,776                           | 26,123                            | 242,898 |
| 2043 | 228,318                           | 27,514                            | 255,831 |
| 2044 | 232,271                           | 27,990                            | 260,261 |
| 2045 | 214,734                           | 25,877                            | 240,611 |
| 2046 | 196,918                           | 23,730                            | 220,648 |
| 2047 | 202,848                           | 24,444                            | 227,292 |
| 2048 | 190,877                           | 23,002                            | 213,879 |
| 2049 | 176,446                           | 21,263                            | 197,709 |
| 2050 | 190,277                           | 22,930                            | 213,207 |
| 2051 | 183,798                           | 22,149                            | 205,947 |
| 2052 | 171,602                           | 20,679                            | 192,281 |
| 2053 | 170,305                           | 20,523                            | 190,828 |
| 2054 | 167,613                           | 20,198                            | 187,812 |
| 2055 | 149,992                           | 18,075                            | 168,067 |
| 2056 | 159,279                           | 19,194                            | 178,473 |
| 2057 | 150,819                           | 18,175                            | 168,994 |

| Year | CO <sub>2</sub> from peat burning | CH <sub>4</sub> from peat burning | Total   |
|------|-----------------------------------|-----------------------------------|---------|
| 2058 | 160,835                           | 19,382                            | 180,216 |
| 2059 | 150,511                           | 18,137                            | 168,648 |
| 2060 | 151,922                           | 18,308                            | 170,229 |
| 2061 | 154,261                           | 18,589                            | 172,850 |
| 2062 | 149,805                           | 18,052                            | 167,858 |
| 2063 | 152,702                           | 18,402                            | 171,103 |
| 2064 | 145,495                           | 17,533                            | 163,028 |
| 2065 | 134,659                           | 16,227                            | 150,886 |
| 2066 | 143,981                           | 17,351                            | 161,332 |
| 2067 | 130,055                           | 15,672                            | 145,727 |
| 2068 | 131,385                           | 15,833                            | 147,218 |
| 2069 | 133,213                           | 16,053                            | 149,266 |
| 2070 | 128,773                           | 15,518                            | 144,291 |

#### 5.3.5.6 Emissions from water bodies in peatlands

This section explains in more detail how the numbers for emissions from water bodies in the project area in [Table 42](#) have been calculated.

Except for drainage canals, it is assumed that the baseline agents do not create open water such as ponds and lakes. Hence the only type of open water body present in the baseline scenario are rivers and drainage canals. The area of canals in the baseline scenario is determined based on the rate of conversion, topography characteristics and common practice, as set out in Sub-sections 5.3.3 and 5.3.4. In the baseline stratification, all area that is-, or would be, water body during the project-life falls into the WB stratum.

Temporal stratification is being applied to this stratum by separating water bodies present at the project start date and drainage canals that would be constructed in later phases by the baseline agents during the project period. Therefore, part of the WB stratum would remain land before the conversion is completed. This situation has been taken into account by using a spatially and temporally explicit quantification approach, as set out in Sub-section 5.3.5. In total 3,327 ha of the peatland area falls into the stratum WB in the baseline scenario. Details on area and sequence of changes from land strata to WB is given in [Table 71](#) and Appendix 4.

No default emission factors are yet provided by IPCC for CO<sub>2</sub> and CH<sub>4</sub> from water bodies. Therefore, IPCC default values for Dissolved Organic Carbon ( $\Delta$  DOC) were used to calculate the difference in carbon losses between the project scenario and the baseline scenario.

From DOC values it cannot be explained 'how' this carbon will be lost: either transported to the sea, lost as CO<sub>2</sub> within or outside the project area, or lost as CH<sub>4</sub> in- or outside the area (which will be a considerable part). The 'carbon loss' can be calculated, but not the exact proportion of the GHG species CH<sub>4</sub> and CO<sub>2</sub>, and therefore all carbon will be assumed to be lost as CO<sub>2</sub> which makes the approach conservative and any double counting will be avoided. Canals and rivers are treated similarly in the use of DOC values. The TIER 1 (IPCC) default annual values for DOC are 0.57 and 0.82 ton C per hectare, for natural and drained peatland respectively. Conservatively, the Hantipan canal (that presents at the project start date) is treated as of producing the same DOC value as that of a natural river despite being man-made water body. Default values used for calculations are given in Appendix 6.

For the quantification procedure, the project used the approach as set out in the VCS methodology

VM0007 module BL-PEAT by using the equation (30). ( $E_{peatditch-CO_2,i,t} + E_{peatditch-CH_4,i,t}$ ) found in the equation 7 in the module BL-PEAT was replaced with DOC emission, translated into CO<sub>2</sub>-equivalents.

$$E_{peatditch-BSL,i,t} = A_{ditch-BSL,i,t} \times EF_{DOC-BSL} \quad (30)$$

Where:

|                         |                                                                                                                                                        |
|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| $E_{peatditch-BSL,i,t}$ | GHG emissions from canals and other open water stratum $i$ at year $t$ in the baseline scenario (t CO <sub>2</sub> e yr <sup>-1</sup> )                |
| $A_{ditch-BSL,i,t}$     | Total area of canals and other open water stratum $i$ at year $t$ in the baseline scenario (ha)                                                        |
| $EF_{DOC-BSL}$          | IPCC emission factor of Dissolved Organic Carbon from canal and open in the baseline scenario (t CO <sub>2</sub> e ha <sup>-1</sup> yr <sup>-1</sup> ) |
| $i$                     | 1, 2, 3 ... $M_{BSL}$ strata in the baseline scenario (unitless)                                                                                       |
| $t$                     | 1, 2, 3, ... $t$ time elapsed since the project start (yr)                                                                                             |

Projected annual GHG emissions from Dissolved Organic Carbon in water bodies in baseline scenario is presented in [Table 47](#).

**Table 47. GHG emissions from Dissolved Organic Carbon in water bodies in the baseline scenario in tCO<sub>2</sub>-e.y<sup>-1</sup>.**

| Year | CO <sub>2</sub> from DOC |
|------|--------------------------|
| 2011 | 2,779                    |
| 2012 | 2,779                    |
| 2013 | 6,052                    |
| 2014 | 6,052                    |
| 2015 | 6,314                    |
| 2016 | 6,314                    |
| 2017 | 7,012                    |
| 2018 | 7,012                    |
| 2019 | 7,370                    |
| 2020 | 7,370                    |
| 2021 | 7,965                    |
| 2022 | 7,965                    |
| 2023 | 8,275                    |
| 2024 | 8,275                    |
| 2025 | 8,890                    |
| 2026 | 8,890                    |
| 2027 | 9,127                    |
| 2028 | 9,127                    |
| 2029 | 9,821                    |
| 2030 | 9,821                    |
| 2031 | 9,821                    |
| 2032 | 9,821                    |
| 2033 | 9,821                    |
| 2034 | 9,821                    |
| 2035 | 9,821                    |
| 2036 | 9,821                    |
| 2037 | 9,821                    |

| Year | CO <sub>2</sub> from DOC |
|------|--------------------------|
| 2038 | 9,821                    |
| 2039 | 9,821                    |
| 2040 | 9,821                    |
| 2041 | 9,821                    |
| 2042 | 9,821                    |
| 2043 | 9,821                    |
| 2044 | 9,821                    |
| 2045 | 9,821                    |
| 2046 | 9,821                    |
| 2047 | 9,821                    |
| 2048 | 9,821                    |
| 2049 | 9,821                    |
| 2050 | 9,821                    |
| 2051 | 9,821                    |
| 2052 | 9,821                    |
| 2053 | 9,821                    |
| 2054 | 9,821                    |
| 2055 | 9,821                    |
| 2056 | 9,821                    |
| 2057 | 9,821                    |
| 2058 | 9,821                    |
| 2059 | 9,821                    |
| 2060 | 9,821                    |
| 2061 | 9,821                    |
| 2062 | 9,821                    |
| 2063 | 9,821                    |
| 2064 | 9,821                    |
| 2065 | 9,821                    |
| 2066 | 9,821                    |
| 2067 | 9,821                    |
| 2068 | 9,821                    |
| 2069 | 9,821                    |
| 2070 | 9,821                    |

### 5.3.6 Baseline emissions from deforestation

Annual emissions from deforestation are estimated based on the carbon stock losses as a result of conversion of the original forest to acacia plantation area (103,715.55 ha), infrastructure (3,528.26 ha), and rubber tree plantation area (12,208.10 ha) by the three deforestation agents as described in Sub-section 4.5.2. The rate of conversion applied for acacia and rubber plantations is conservatively estimated as the lowest rate of deforestation found in proxy area (3.91%) to determine  $AA_{planned, i, t}$ . GHG dynamics in the acacia baseline are determined based on the changes in land cover, the soil emissions related to these land cover changes, the emissions from drainage canals and emissions resulting from uncontrolled burnings. The changes in carbon stock in AGB are a result of the conversion of forest to acacia or other land uses, the plantings schemes (rotational and year-by-year) that are applied for the establishment of the acacia plantations and forest degradation as a result of various illegal threads such as illegal logging in undeveloped or conservation areas.

The predicted drainage layout and drainage density of each proportion of the converted land is estimated based on the predicted annual deforestation rate, local hydrotopographic conditions, common practice among acacia plantations and existing regulations. Existing regulations require acacia plantation operators to construct main canals along the concession borders. These canals must be constructed at an early stage of the plantation development, collect water from all other canals in the concession area, and discharge it to nearby rivers. Local topographic conditions play a role in the baseline agents' decisions in designing secondary canals which would act as the main outlets for tertiary canals. The canals need to be constructed with minimal flow resistance, hence positioning them perpendicular to general contour line is optimal. Common practice shows that acacia plantation operators do not necessarily layout tertiary canals perpendicular to the contour line, as long as all of them connect to secondary canals.

As a result of the spatial layout of the baseline deforestation activity, the remaining forest in the project area would have been converted as shown in [Table 48](#) below.

**Table 48. Projection of annual forest conversion in project area under the baseline skenario**

| Year | Forest (ha) deforested and converted to |         |         |                |         |         |                        |         |         | TOTAL |
|------|-----------------------------------------|---------|---------|----------------|---------|---------|------------------------|---------|---------|-------|
|      | Acacia plantation                       |         |         | Infrastructure |         |         | Rubber tree plantation |         |         |       |
|      | Agent A                                 | Agent B | Agent C | Agent A        | Agent B | Agent C | Agent A                | Agent B | Agent C |       |
| 2010 | -                                       | -       | -       | -              | -       | -       | -                      | -       | -       | -     |
| 2011 | 1,589                                   | -       | -       | 423            | -       | -       | 133                    | -       | -       | 2,146 |
| 2012 | 1,640                                   | -       | -       | -              | -       | -       | 155                    | -       | -       | 1,795 |
| 2013 | 1,646                                   | 1,527   | 2,052   | -              | 374     | 406     | 181                    | 130     | 213     | 6,529 |
| 2014 | 1,636                                   | 1,527   | 2,041   | -              | -       | -       | 155                    | 88      | 259     | 5,705 |
| 2015 | 1,655                                   | 1,517   | 2,022   | 189            | -       | -       | 150                    | 173     | 255     | 5,961 |
| 2016 | 1,646                                   | 1,619   | 1,930   | -              | -       | -       | 125                    | 77      | 196     | 5,593 |
| 2017 | 1,656                                   | 1,575   | 2,017   | -              | 158     | 207     | 175                    | 207     | 82      | 6,076 |
| 2018 | 1,683                                   | 1,630   | 1,945   | -              | -       | -       | 127                    | 191     | 282     | 5,857 |
| 2019 | 1,719                                   | 1,518   | 1,949   | 189            | -       | -       | 179                    | 75      | 181     | 5,811 |
| 2020 | 1,695                                   | 1,550   | 1,986   | -              | -       | -       | 174                    | 180     | 235     | 5,819 |
| 2021 | 1,650                                   | 1,519   | 1,996   | -              | 145     | 190     | 195                    | 170     | 66      | 5,930 |
| 2022 | 1,649                                   | 1,550   | 1,942   | -              | -       | -       | 141                    | 58      | 117     | 5,456 |
| 2023 | 1,629                                   | 1,666   | 2,097   | 161            | -       | -       | 57                     | 34      | 83      | 5,727 |
| 2024 | 1,624                                   | 1,517   | 2,043   | -              | -       | -       | 10                     | 173     | 92      | 5,459 |
| 2025 | 1,608                                   | 1,540   | 1,819   | -              | 168     | 192     | 24                     | 155     | 81      | 5,585 |
| 2026 | 1,595                                   | 1,515   | 1,844   | -              | -       | -       | 156                    | 178     | 127     | 5,415 |
| 2027 | 1,658                                   | 1,544   | 1,955   | 182            | -       | -       | 92                     | 106     | 60      | 5,598 |
| 2028 | 1,616                                   | 1,566   | 1,916   | -              | -       | -       | 133                    | 135     | -       | 5,367 |

| Year  | Forest (ha) deforested and converted to |         |         |                |         |         |                        |         |         | TOTAL   |
|-------|-----------------------------------------|---------|---------|----------------|---------|---------|------------------------|---------|---------|---------|
|       | Acacia plantation                       |         |         | Infrastructure |         |         | Rubber tree plantation |         |         |         |
|       | Agent A                                 | Agent B | Agent C | Agent A        | Agent B | Agent C | Agent A                | Agent B | Agent C |         |
| 2029  | 1,655                                   | 1,578   | 1,935   | -              | 157     | 204     | 85                     | 158     | 64      | 5,837   |
| 2030  | 1,550                                   | 1,484   | 2,041   | -              | -       | -       | 117                    | 161     | 104     | 5,455   |
| 2031  | -                                       | 1,323   | 1,962   | -              | -       | -       | -                      | 146     | 136     | 3,567   |
| 2032  | -                                       | 1,527   | 2,282   | -              | -       | -       | -                      | 186     | 5       | 4,000   |
| 2033  | -                                       | -       | -       | -              | -       | -       | -                      | -       | -       | -       |
| 2070  | -                                       | -       | -       | -              | -       | -       | -                      | -       | -       | -       |
| TOTAL | 32,798                                  | 30,792  | 39,773  | 1,145          | 1,002   | 1,199   | 2,562                  | 2,781   | 2,637   | 114,690 |
|       | 103,364                                 |         |         | 3,346          |         |         | 7,980                  |         |         |         |

Per BL-PL, net carbon stock changes in the baseline are equal to pre-deforestation stocks minus the long-term average carbon stock in the post-deforestation land-use (acacia and rubber plantation), as defined in the following equation (31).

$$\Delta C_{ABtree,i} = C_{ABtree_{bst},i} - C_{ABtree_{post},i} \quad (31)$$

Where :

$\Delta C_{AB tree,i}$  = Baseline carbon stock change in aboveground tree biomass in stratum  $i$ ; t CO<sub>2</sub>-e ha<sup>-1</sup>

$C_{AB treeBSL,i}$  = Forest carbon stock in aboveground tree biomass in stratum  $i$ ; t CO<sub>2</sub>-e ha<sup>-1</sup>

$\Delta C_{AB tree_{post},i}$  = Post-deforestation carbon stock in aboveground tree biomass in stratum  $i$ ; t CO<sub>2</sub>-e ha<sup>-1</sup>

Pre-deforestation stock is equal to the average carbon density estimated from biomass plots in the project area (98.38 tC/ha). Referring to the baseline stratification (sub section 5.4.3), long-term average carbon stock is dependent on the post deforestation land-use of acacia plantations and rubber tree plantations. For *Acacia crassica*, the long-term average carbon stock is calculated from the biomass dynamics of *Acacia crassica* in plantations with the rotation of 5 year. For rubber tree (*Hevea brasiliensis*) plantations the long-term average carbon stock is estimated from the biomass dynamic of rubber tree plantation with a 25 year rotation cycle based on RSPO default value. Applying the VCS AFOLU guidance<sup>16</sup>, calculation of the long-term average carbon stock of *Acacia crassica* and *Hevea brasiliensis* was calculated as 17.66 tC/ha and 21.09 tC/ha, respectively. Carbon stock change ( $\Delta AB_{tree,i}$  or  $EF$ ) of forest conversion to *Acacia* plantation, rubber tree plantation, and infrastructure is 296.00 tCO<sub>2</sub>-e ha<sup>-1</sup>, 283.41 tCO<sub>2</sub>-e ha<sup>-1</sup>, and 352.81 tCO<sub>2</sub>-e ha<sup>-1</sup>, respectively. [Table 49](#) provides an overview of the carbon stock changes and emissions within the project life time.

It is assumed that 100% of the deforested areas will be converted to plantations in the year of conversion. GHG emissions from fertilizer application and aboveground biomass loss due to fires are conservatively excluded in the baseline.

<sup>16</sup> AFOLU Guidance: example for calculating Long Term Average Carbon Stock for ARR project with harvesting

Stock changes in aboveground biomass is accounted for at the time of deforestation, and is estimated using the following equation (32):

$$\Delta C_{BSL,i,t} = AA_{planned,i,t} * \Delta C_{ABtree,i} \quad (32)$$

Where :

$\Delta C_{BSL,i,t}$  = Sum of the baseline carbon stock change in all pools in stratum  $i$  at time  $t$ , t CO<sub>2</sub>-e

$AA_{planned,i,t}$  = Annual area of baseline planned deforestation for stratum  $i$  at time  $t$ ; ha

$\Delta C_{ABtree,i}$  = Baseline carbon stock change in aboveground tree biomass in stratum  $i$ ; t CO<sub>2</sub>-e ha<sup>-1</sup>

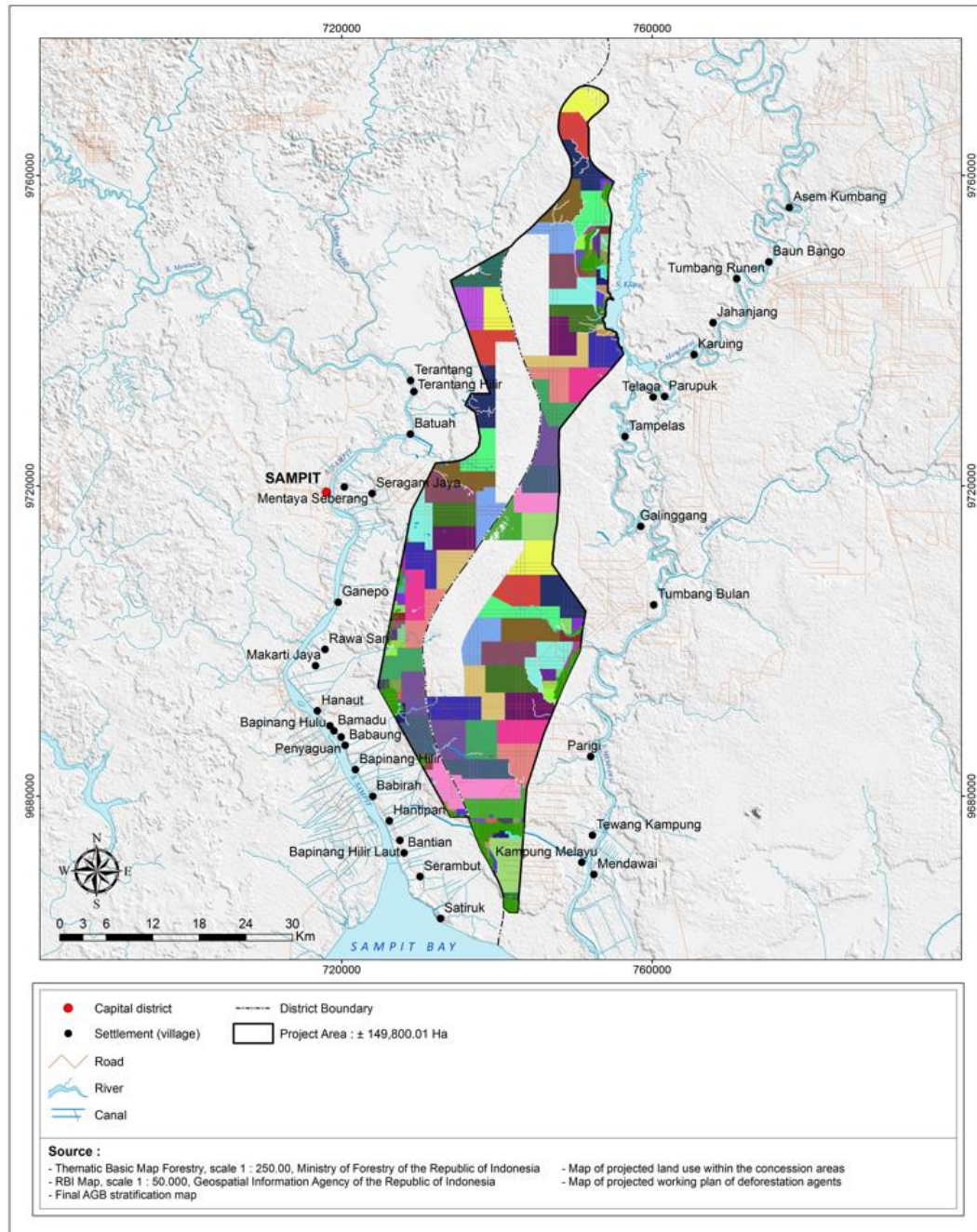
Total emissions from deforestation in the project crediting period are estimated as **34,037,000 tCO<sub>2</sub>** which is released from forest conversion from 2011 to 2031 (see [Table 49](#) and Map 35 below).

**Table 49. Carbon stock changes and emissions from deforestation in project area within project life time.**

| Year | Emission (x1000 tCO2-e) resulted from the conversion from forest to |         |         |                |         |         |                        |         |         | TOTAL |
|------|---------------------------------------------------------------------|---------|---------|----------------|---------|---------|------------------------|---------|---------|-------|
|      | Acacia plantation                                                   |         |         | Infrastructure |         |         | Rubber tree plantation |         |         |       |
|      | Agent A                                                             | Agent B | Agent C | Agent A        | Agent B | Agent C | Agent A                | Agent B | Agent C |       |
| 2011 | 470                                                                 | -       | -       | 149            | -       | -       | 38                     | -       | -       | 657   |
| 2012 | 485                                                                 | -       | -       | -              | -       | -       | 44                     | -       | -       | 529   |
| 2013 | 487                                                                 | 452     | 607     | -              | 132     | 143     | 51                     | 37      | 60      | 1,970 |
| 2014 | 484                                                                 | 452     | 604     | -              | -       | -       | 44                     | 25      | 73      | 1,682 |
| 2015 | 490                                                                 | 449     | 598     | 67             | -       | -       | 43                     | 49      | 72      | 1,768 |
| 2016 | 487                                                                 | 479     | 571     | -              | -       | -       | 35                     | 22      | 56      | 1,651 |
| 2017 | 490                                                                 | 466     | 597     | -              | 56      | 73      | 50                     | 59      | 23      | 1,813 |
| 2018 | 498                                                                 | 482     | 576     | -              | -       | -       | 36                     | 54      | 80      | 1,726 |
| 2019 | 509                                                                 | 449     | 577     | 67             | -       | -       | 51                     | 21      | 51      | 1,725 |
| 2020 | 502                                                                 | 459     | 588     | -              | -       | -       | 49                     | 51      | 67      | 1,715 |
| 2021 | 488                                                                 | 450     | 591     | -              | 51      | 67      | 55                     | 48      | 19      | 1,769 |
| 2022 | 488                                                                 | 459     | 575     | -              | -       | -       | 40                     | 16      | 33      | 1,611 |
| 2023 | 482                                                                 | 493     | 621     | 57             | -       | -       | 16                     | 10      | 24      | 1,702 |
| 2024 | 481                                                                 | 449     | 605     | -              | -       | -       | 3                      | 49      | 26      | 1,612 |
| 2025 | 476                                                                 | 456     | 538     | -              | 59      | 68      | 7                      | 44      | 23      | 1,670 |
| 2026 | 472                                                                 | 448     | 546     | -              | -       | -       | 44                     | 51      | 36      | 1,597 |
| 2027 | 491                                                                 | 457     | 579     | 64             | -       | -       | 26                     | 30      | 17      | 1,664 |
| 2028 | 478                                                                 | 464     | 567     | -              | -       | -       | 38                     | 38      | -       | 1,585 |
| 2029 | 490                                                                 | 467     | 573     | -              | 55      | 72      | 24                     | 45      | 18      | 1,744 |
| 2030 | 459                                                                 | 439     | 604     | -              | -       | -       | 33                     | 46      | 29      | 1,610 |

| Year  | Emission (x1000 tCO2-e) resulted from the conversion from forest to |         |         |                |         |         |                        |         |         | TOTAL  |
|-------|---------------------------------------------------------------------|---------|---------|----------------|---------|---------|------------------------|---------|---------|--------|
|       | Acacia plantation                                                   |         |         | Infrastructure |         |         | Rubber tree plantation |         |         |        |
|       | Agent A                                                             | Agent B | Agent C | Agent A        | Agent B | Agent C | Agent A                | Agent B | Agent C |        |
| 2031  | -                                                                   | 392     | 581     | -              | -       | -       | -                      | 41      | 39      | 1,052  |
| 2032  | -                                                                   | 452     | 676     | -              | -       | -       | -                      | 53      | 1       | 1,181  |
| 2033  | -                                                                   | -       | -       | -              | -       | -       | -                      | -       | -       | -      |
| 2070  | -                                                                   | -       | -       | -              | -       | -       | -                      | -       | -       | -      |
| TOTAL | 9,708                                                               | 9,114   | 11,773  | 404            | 353     | 423     | 726                    | 788     | 747     | 34,037 |
|       | 30,595                                                              |         |         | 1,180          |         |         | 2,262                  |         |         |        |

**Map 35. Projected emissions from deforestation in the project area**



| PROJECTED EMISSIONS FROM DEFORESTATION |                                    |                                 |
|----------------------------------------|------------------------------------|---------------------------------|
| Conversion to Acacia, 2011             | Conversion to Acacia, 2029         | Conversion to Rubber tree, 2015 |
| Conversion to Acacia, 2012             | Conversion to Acacia, 2030         | Conversion to Rubber tree, 2016 |
| Conversion to Acacia, 2013             | Conversion to Acacia, 2031         | Conversion to Rubber tree, 2017 |
| Conversion to Acacia, 2014             | Conversion to Acacia, 2032         | Conversion to Rubber tree, 2018 |
| Conversion to Acacia, 2015             | Conversion to Infrastructure, 2011 | Conversion to Rubber tree, 2019 |
| Conversion to Acacia, 2016             | Conversion to Infrastructure, 2013 | Conversion to Rubber tree, 2020 |
| Conversion to Acacia, 2017             | Conversion to Infrastructure, 2015 | Conversion to Rubber tree, 2021 |
| Conversion to Acacia, 2018             | Conversion to Infrastructure, 2017 | Conversion to Rubber tree, 2022 |
| Conversion to Acacia, 2019             | Conversion to Infrastructure, 2019 | Conversion to Rubber tree, 2023 |
| Conversion to Acacia, 2020             | Conversion to Infrastructure, 2021 | Conversion to Rubber tree, 2024 |
| Conversion to Acacia, 2021             | Conversion to Infrastructure, 2023 | Conversion to Rubber tree, 2025 |
| Conversion to Acacia, 2022             | Conversion to Infrastructure, 2025 | Conversion to Rubber tree, 2026 |
| Conversion to Acacia, 2023             | Conversion to Infrastructure, 2027 | Conversion to Rubber tree, 2027 |
| Conversion to Acacia, 2024             | Conversion to Infrastructure, 2029 | Conversion to Rubber tree, 2028 |
| Conversion to Acacia, 2025             | Conversion to Rubber tree, 2011    | Conversion to Rubber tree, 2029 |
| Conversion to Acacia, 2026             | Conversion to Rubber tree, 2012    | Conversion to Rubber tree, 2030 |
| Conversion to Acacia, 2027             | Conversion to Rubber tree, 2013    | Conversion to Rubber tree, 2031 |
| Conversion to Acacia, 2028             | Conversion to Rubber tree, 2014    | Conversion to Rubber tree, 2032 |

### 5.3.7 Baseline emissions from ARR activities

Under the baseline scenario, ARR activities are carried out in the non-forest community buffer areas of the three deforestation agents (timber plantation companies). Based on spatial analysis, in total 4,227.72 ha will be planted with rubber tree (*Hevea brasiliensis*); 1,004.37 ha by agent A, 1,018.52 ha by agent B, and 2,204.82 ha by agent C.

The annual planting rate is set equal to the deforestation rate that resulted from analyses in the reference region. For rubber, the plantation was assumed to operate on a 25 year rotation (i.e. harvested and replanted every 25 years). We assumed 3 planting times and 2 harvesting times within the project period. Activities and sequences associated with the establishment of rubber tree plantation under baseline scenario are summarized in [Table 50](#) below.

**Table 50. The assumed annual planting and harvesting under ARR activities within the project periode**

| Agent<br>Year/Rotati<br>on | Planting |   |   |         |   |   |         |   |   | Harvesting |   |         |   |         |   |
|----------------------------|----------|---|---|---------|---|---|---------|---|---|------------|---|---------|---|---------|---|
|                            | Agent A  |   |   | Agent B |   |   | Agent C |   |   | Agent A    |   | Agent B |   | Agent C |   |
|                            | 1        | 2 | 3 | 1       | 2 | 3 | 1       | 2 | 3 | 1          | 2 | 1       | 2 | 1       | 2 |
| 2010                       | -        |   |   |         |   |   |         |   |   |            |   |         |   |         |   |
| 2011                       | 44       |   |   |         |   |   |         |   |   |            |   |         |   |         |   |
| 2012                       | 49       |   |   | -       |   |   | -       |   |   |            |   |         |   |         |   |
| 2013                       | -        |   |   | 91      |   |   | 66      |   |   |            |   |         |   |         |   |
| 2014                       | 27       |   |   | 98      |   |   | 14      |   |   |            |   |         |   |         |   |
| 2015                       | 29       |   |   | 3       |   |   | 12      |   |   |            |   |         |   |         |   |
| 2016                       | 47       |   |   | 53      |   |   | 171     |   |   |            |   |         |   |         |   |
| 2017                       | -        |   |   | 1       |   |   | 214     |   |   |            |   |         |   |         |   |
| 2018                       | 58       |   |   | 9       |   |   | 0       |   |   |            |   |         |   |         |   |
| 2019                       | 15       |   |   | 125     |   |   | 103     |   |   |            |   |         |   |         |   |
| 2020                       | 3        |   |   | 0       |   |   | 42      |   |   |            |   |         |   |         |   |
| 2021                       | 30       |   |   | 25      |   |   | 135     |   |   |            |   |         |   |         |   |
| 2022                       | 66       |   |   | 142     |   |   | 100     |   |   |            |   |         |   |         |   |
| 2023                       | 119      |   |   | 166     |   |   | 139     |   |   |            |   |         |   |         |   |
| 2024                       | 158      |   |   | 61      |   |   | 130     |   |   |            |   |         |   |         |   |
| 2025                       | 152      |   |   | 29      |   |   | 134     |   |   |            |   |         |   |         |   |
| 2026                       | 30       |   |   | -       |   |   | 83      |   |   |            |   |         |   |         |   |

| Agent | Planting |    |   |         |     |   |         |     |   | Harvesting |   |         |   |         |   |
|-------|----------|----|---|---------|-----|---|---------|-----|---|------------|---|---------|---|---------|---|
|       | Agent A  |    |   | Agent B |     |   | Agent C |     |   | Agent A    |   | Agent B |   | Agent C |   |
|       | 1        | 2  | 3 | 1       | 2   | 3 | 1       | 2   | 3 | 1          | 2 | 1       | 2 | 1       | 2 |
| 2027  | 65       |    |   | 93      |     |   | 141     |     |   |            |   |         |   |         |   |
| 2028  | 18       |    |   | 36      |     |   | 187     |     |   |            |   |         |   |         |   |
| 2029  | 75       |    |   | 12      |     |   | 152     |     |   |            |   |         |   |         |   |
| 2030  | 22       |    |   | 33      |     |   | 88      |     |   |            |   |         |   |         |   |
| 2031  | -        |    |   | 37      |     |   | 70      |     |   |            |   |         |   |         |   |
| 2032  | -        |    |   | 3       |     |   | 223     |     |   |            |   |         |   |         |   |
| 2033  | -        |    |   | -       |     |   | -       |     |   |            |   |         |   |         |   |
| 2034  | -        |    |   | -       |     |   | -       |     |   |            |   |         |   |         |   |
| 2035  | -        | -  |   | -       |     |   | -       |     |   | -          |   |         |   |         |   |
| 2036  | -        | 44 |   | -       |     |   | -       |     |   | 44         |   |         |   |         |   |
| 2037  | -        | 49 |   | -       | -   |   | -       | -   |   | 49         |   | -       |   | -       |   |
| 2038  | -        | -  |   | -       | 91  |   | -       | 66  |   | -          |   | 91      |   | 66      |   |
| 2039  | -        | 27 |   | -       | 98  |   | -       | 14  |   | 27         |   | 98      |   | 14      |   |
| 2040  | -        | 29 |   | -       | 3   |   | -       | 12  |   | 29         |   | 3       |   | 12      |   |
| 2041  | -        | 47 |   | -       | 53  |   | -       | 171 |   | 47         |   | 53      |   | 171     |   |
| 2042  | -        | -  |   | -       | 1   |   | -       | 214 |   | -          |   | 1       |   | 214     |   |
| 2043  | -        | 58 |   | -       | 9   |   | -       | 0   |   | 58         |   | 9       |   | 0       |   |
| 2044  | -        | 15 |   | -       | 125 |   | -       | 103 |   | 15         |   | 125     |   | 103     |   |

| Agent<br>Year/Rotation | Planting |     |    |         |     |   |         |     |   | Harvesting |    |         |   |         |   |
|------------------------|----------|-----|----|---------|-----|---|---------|-----|---|------------|----|---------|---|---------|---|
|                        | Agent A  |     |    | Agent B |     |   | Agent C |     |   | Agent A    |    | Agent B |   | Agent C |   |
|                        | 1        | 2   | 3  | 1       | 2   | 3 | 1       | 2   | 3 | 1          | 2  | 1       | 2 | 1       | 2 |
| 2045                   | -        | 3   |    | -       | 0   |   | -       | 42  |   | 3          |    | 0       |   | 42      |   |
| 2046                   | -        | 30  |    | -       | 25  |   | -       | 135 |   | 30         |    | 25      |   | 135     |   |
| 2047                   | -        | 66  |    | -       | 142 |   | -       | 100 |   | 66         |    | 142     |   | 100     |   |
| 2048                   | -        | 119 |    | -       | 166 |   | -       | 139 |   | 119        |    | 166     |   | 139     |   |
| 2049                   | -        | 158 |    | -       | 61  |   | -       | 130 |   | 158        |    | 61      |   | 130     |   |
| 2050                   | -        | 152 |    | -       | 29  |   | -       | 134 |   | 152        |    | 29      |   | 134     |   |
| 2051                   | -        | 30  |    | -       | -   |   | -       | 83  |   | 30         |    | -       |   | 83      |   |
| 2052                   | -        | 65  |    | -       | 93  |   | -       | 141 |   | 65         |    | 93      |   | 141     |   |
| 2053                   | -        | 18  |    | -       | 36  |   | -       | 187 |   | 18         |    | 36      |   | 187     |   |
| 2054                   | -        | 75  |    | -       | 12  |   | -       | 152 |   | 75         |    | 12      |   | 152     |   |
| 2055                   | -        | 22  |    | -       | 33  |   | -       | 88  |   | 22         |    | 33      |   | 88      |   |
| 2056                   | -        | -   |    | -       | 37  |   | -       | 70  |   | -          |    | 37      |   | 70      |   |
| 2057                   | -        | -   |    | -       | 3   |   | -       | 223 |   | -          |    | 3       |   | 223     |   |
| 2058                   | -        | -   |    | -       | -   |   | -       | -   |   | -          |    | -       |   | -       |   |
| 2059                   | -        | -   |    | -       | -   |   | -       | -   |   | -          |    | -       |   | -       |   |
| 2060                   | -        | -   | -  | -       | -   |   | -       | -   |   | -          | -  | -       |   | -       |   |
| 2061                   | -        | -   | 44 | -       | -   |   | -       | -   |   | -          | 44 | -       |   | -       |   |
| 2062                   | -        | -   | 49 | -       | -   | - | -       | -   | - | -          | 49 | -       | - | -       | - |

| Agent<br>Year/Rotati<br>on | Planting |       |     |         |       |     |         |       |     | Harvesting |     |         |     |         |     |
|----------------------------|----------|-------|-----|---------|-------|-----|---------|-------|-----|------------|-----|---------|-----|---------|-----|
|                            | Agent A  |       |     | Agent B |       |     | Agent C |       |     | Agent A    |     | Agent B |     | Agent C |     |
|                            | 1        | 2     | 3   | 1       | 2     | 3   | 1       | 2     | 3   | 1          | 2   | 1       | 2   | 1       | 2   |
| 2063                       | -        | -     | -   | -       | -     | 91  | -       | -     | 66  | -          | -   | -       | 91  | -       | 66  |
| 2064                       | -        | -     | 27  | -       | -     | 98  | -       | -     | 14  | -          | 27  | -       | 98  | -       | 14  |
| 2065                       | -        | -     | 29  | -       | -     | 3   | -       | -     | 12  | -          | 29  | -       | 3   | -       | 12  |
| 2066                       | -        | -     | 47  | -       | -     | 53  | -       | -     | 171 | -          | 47  | -       | 53  | -       | 171 |
| 2067                       | -        | -     | -   | -       | -     | 1   | -       | -     | 214 | -          | -   | -       | 1   | -       | 214 |
| 2068                       | -        | -     | 58  | -       | -     | 9   | -       | -     | 0   | -          | 58  | -       | 9   | -       | 0   |
| 2069                       | -        | -     | 15  | -       | -     | 125 | -       | -     | 103 | -          | 15  | -       | 125 | -       | 103 |
| 2070                       | -        | -     | 3   | -       | -     | 0   | -       | -     | 42  | -          | 3   | -       | 0   | -       | 42  |
|                            | 1,004    | 1,004 | 268 | 1,019   | 1,019 | 380 | 2,205   | 2,205 | 580 | 1,004      | 268 | 1,019   | 380 | 2,205   | 580 |

According to module BL-ARR, GHG emissions and removal are estimated using the procedure provided in AR-ACM0003 *Afforestation and reforestation lands except wetlands and associated pool*. Net GHG removals under the ARR baseline scenario up to time  $t^*$ ;  $t$  CO<sub>2</sub>-e ( $\Delta C_{BSL-ARR}$ ) is equal to the summation from  $t=1$  to  $t^*$  of the baseline net GHG removals by sinks in year  $t$ ; ( $\Delta C$ ) in AR-ACM0003, as describe in equation (33):

$$\Delta C_{BSL-ARR} = \sum_{t=1}^{t^*} (\Delta C_{BSL,t,ACM0003}) \quad (33)$$

Where:

- $\Delta C_{BSL-ARR}$  Net GHG removals under the ARR baseline scenario up to time  $t$ ;  $t$  CO<sub>2</sub>-e  
 $\Delta C_{BSL,t,ACM0003}$  Baseline net GHG removal by sinks in year  $t$  (from AR-ACM0003) ( $t$  CO<sub>2</sub>-e)  
 $t = 1, 2, 3, \dots$   $t$  time since project start  
 $C_{TREE,BSL,t}$  Change in carbon stock in tree biomass under baseline scenario, in year  $t$ :  
 $t$  CO<sub>2</sub>-e  
 $t = 1, 2, 3, \dots$   $t$  time since planting start

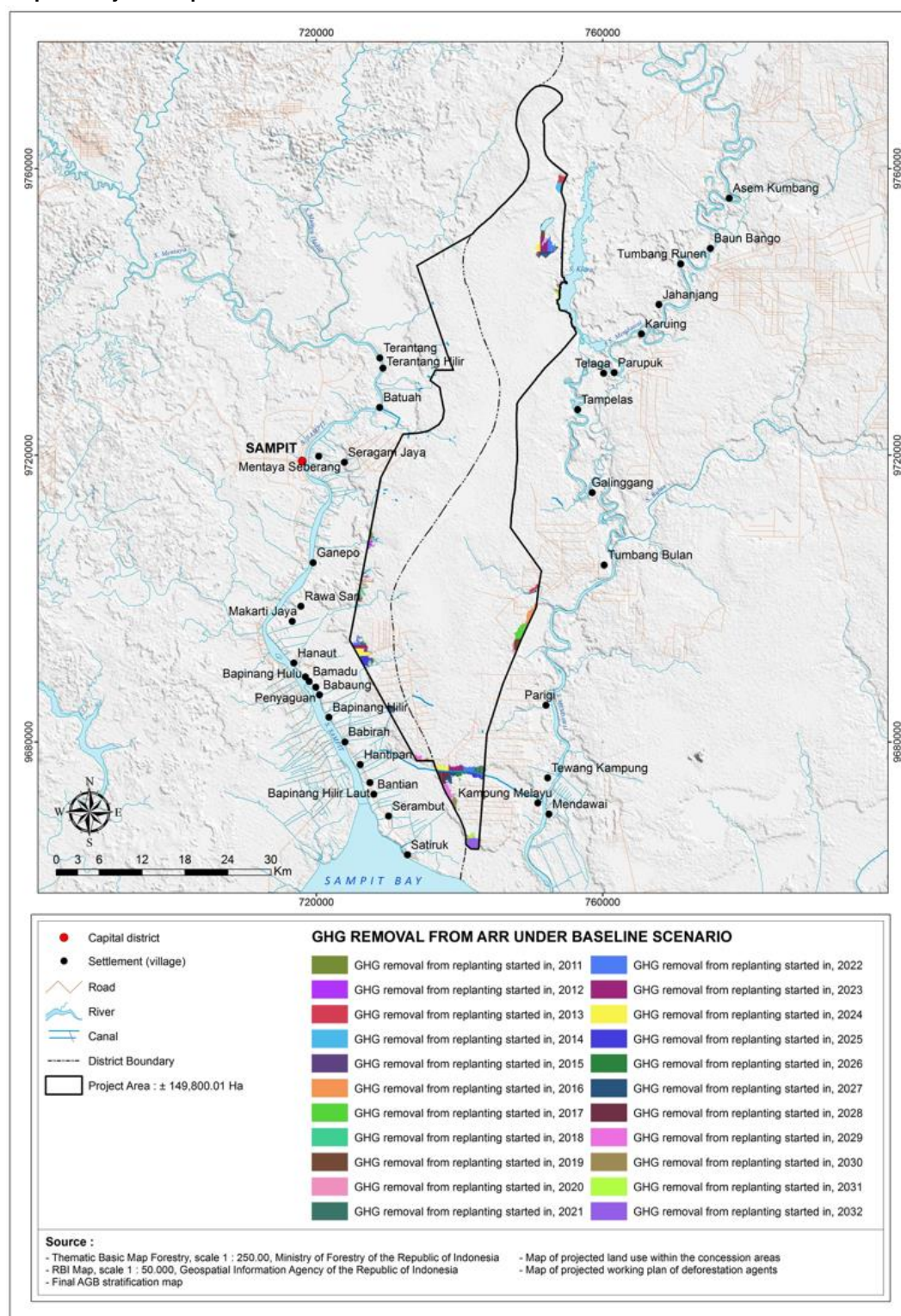
Net GHG removals under the ARR baseline scenario within the project period are estimated at 441,274.71 tCO<sub>2</sub>-e. Annual GHG removals and emissions (carbon losses because of harvesting are subtracted) under ARR are presented in Table 51 below.

**Table 51. Baseline net GHG removal from ARR activities in project area within project periode**

| Year | NET GHG removal from ARR (tCO <sub>2</sub> -e) |          |           |           |
|------|------------------------------------------------|----------|-----------|-----------|
|      | Agent A                                        | Agent B  | Agent C   | Total     |
| 2010 | -                                              | -        | -         | -         |
| 2011 | 295.26                                         | -        | -         | 295.26    |
| 2012 | 627.61                                         | -        | -         | 627.61    |
| 2013 | 627.61                                         | 614.85   | 443.25    | 1,685.71  |
| 2014 | 812.35                                         | 1,279.02 | 540.50    | 2,631.87  |
| 2015 | 1,005.45                                       | 1,297.58 | 620.71    | 2,923.75  |
| 2016 | 1,323.53                                       | 1,653.95 | 1,779.78  | 4,757.26  |
| 2017 | 1,323.53                                       | 1,663.70 | 3,226.08  | 6,213.31  |
| 2018 | 1,713.96                                       | 1,724.03 | 3,226.09  | 6,664.08  |
| 2019 | 1,813.52                                       | 2,567.54 | 3,924.44  | 8,305.51  |
| 2020 | 1,833.52                                       | 2,569.33 | 4,205.61  | 8,608.45  |
| 2021 | 2,033.10                                       | 2,739.54 | 5,119.77  | 9,892.42  |
| 2022 | 2,477.39                                       | 3,701.74 | 5,793.70  | 11,972.83 |
| 2023 | 3,278.98                                       | 4,823.03 | 6,736.93  | 14,838.95 |
| 2024 | 4,347.82                                       | 5,235.67 | 7,617.13  | 17,200.62 |
| 2025 | 5,375.53                                       | 5,432.88 | 8,522.22  | 19,330.64 |
| 2026 | 5,577.71                                       | 5,432.88 | 9,085.99  | 20,096.59 |
| 2027 | 6,017.45                                       | 6,064.77 | 10,041.17 | 22,123.40 |
| 2028 | 6,139.46                                       | 6,306.49 | 11,306.38 | 23,752.33 |
| 2029 | 6,646.71                                       | 6,389.04 | 12,332.16 | 25,367.91 |
| 2030 | 6,793.19                                       | 6,613.50 | 12,929.09 | 26,335.77 |
| 2031 | 6,793.19                                       | 6,865.32 | 13,403.43 | 27,061.94 |
| 2032 | 6,793.19                                       | 6,888.91 | 14,912.58 | 28,594.68 |
| 2033 | 6,793.19                                       | 6,888.91 | 14,912.58 | 28,594.68 |
| 2034 | 6,793.19                                       | 6,888.91 | 14,912.58 | 28,594.68 |

| Year  | NET GHG removal from ARR (tCO <sub>2</sub> -e) |             |             |             |
|-------|------------------------------------------------|-------------|-------------|-------------|
|       | Agent A                                        | Agent B     | Agent C     | Total       |
| 2035  | 6,793.19                                       | 6,888.91    | 14,912.58   | 28,594.68   |
| 2036  | (588.25)                                       | 6,888.91    | 14,912.58   | 21,213.24   |
| 2037  | (1,515.60)                                     | 6,888.91    | 14,912.58   | 20,285.89   |
| 2038  | 6,793.19                                       | (8,482.22)  | 3,831.28    | 2,142.25    |
| 2039  | 2,174.59                                       | (9,715.45)  | 12,481.34   | 4,940.47    |
| 2040  | 1,965.67                                       | 6,424.92    | 12,907.27   | 21,297.86   |
| 2041  | (1,158.68)                                     | (2,020.40)  | (14,064.16) | (17,243.23) |
| 2042  | 6,793.19                                       | 6,635.45    | (21,244.78) | (7,816.14)  |
| 2043  | (2,967.52)                                     | 5,371.00    | 14,912.17   | 17,315.64   |
| 2044  | 4,304.02                                       | (14,208.74) | (2,546.12)  | (12,450.83) |
| 2045  | 6,293.36                                       | 6,834.57    | 7,883.41    | 21,011.34   |
| 2046  | 1,803.53                                       | 2,623.70    | (7,941.44)  | (3,514.20)  |
| 2047  | (4,313.97)                                     | (17,175.85) | (1,935.69)  | (23,425.52) |
| 2048  | (13,246.71)                                    | (21,152.96) | (8,668.17)  | (43,067.84) |
| 2049  | (19,927.74)                                    | (3,436.77)  | (7,092.32)  | (30,456.83) |
| 2050  | (18,899.52)                                    | 1,751.51    | (7,714.86)  | (24,862.86) |
| 2051  | 1,738.68                                       | 6,681.94    | 818.32      | 9,238.94    |
| 2052  | (4,200.38)                                     | (9,115.17)  | (8,966.91)  | (22,282.46) |
| 2053  | 3,742.92                                       | 638.92      | (16,717.48) | (12,335.64) |
| 2054  | (5,887.89)                                     | 4,618.14    | (10,731.98) | (12,001.74) |
| 2055  | 3,131.16                                       | 1,070.53    | (10.63)     | 4,191.07    |
| 2056  | 6,793.19                                       | 386.43      | 3,053.91    | 10,233.52   |
| 2057  | 6,793.19                                       | 6,092.22    | (22,816.09) | (9,930.68)  |
| 2058  | 6,793.19                                       | 6,681.94    | 14,912.58   | 28,387.71   |
| 2059  | 6,793.19                                       | 6,681.94    | 14,912.58   | 28,387.71   |
| 2060  | 6,793.19                                       | 6,681.94    | 14,912.58   | 28,387.71   |
| 2061  | (588.25)                                       | 6,681.94    | 14,912.58   | 21,006.28   |
| 2062  | (1,515.60)                                     | 6,681.94    | 14,912.58   | 20,078.92   |
| 2063  | 6,793.19                                       | (8,689.19)  | 3,831.28    | 1,935.28    |
| 2064  | 2,174.59                                       | (9,922.42)  | 12,481.34   | 4,733.51    |
| 2065  | 1,965.67                                       | 6,217.95    | 12,907.27   | 21,090.89   |
| 2066  | (1,158.68)                                     | (2,227.36)  | (14,064.16) | (17,450.20) |
| 2067  | 6,793.19                                       | 6,691.69    | (21,244.78) | (7,759.90)  |
| 2068  | (2,967.52)                                     | 5,183.53    | 14,912.17   | 17,128.17   |
| 2069  | 4,304.02                                       | (14,446.78) | (2,546.12)  | (12,688.88) |
| 2070  | 6,293.36                                       | 6,594.74    | 7,602.24    | 20,490.34   |
| TOTAL | 116,123.60                                     | 100,941.92  | 224,209.19  | 441,274.71  |

**Map 36. Projected spatial GHG removal from ARR under baseline scenario**



### 5.3.8 Significant sources of baseline emissions

No significance tests were necessary since, as described in section 4.4.3, all carbon pools not included in the baseline and project have either been shown to increase more or decrease less in the project relative to the baseline scenario, or been conservatively excluded. All mandatory pools have been included and all sources of GHG emissions have either been included or conservatively excluded.

## 5.4 Project Emissions (CL2)

### 5.4.1 General procedures and assumptions

Project emissions and changes in project emissions and carbon stocks will in the future partly be determined from site specific data. Until no site specific data is available, calculations will be based on proxy analyses and (IPCC) default emissions factors.

Emissions in the project scenario that are accounted result from:

1. Above ground biomass stock changes due to REDD and ARR activities
2. Peat microbial decompositions
3. Water bodies

The planned project activities related to climate are described in Section 2.2.1 and mainly include 1) rewetting of drained peatland, 2) conservation of existing undrained peat, 3) replanting of vegetation, 4) avoidance of any deforestation and forest degradation, 5) zero burning, fire control and fire prevention.

Since the project is planned to conduct rewetting and fire-prevention activities, uncontrolled burning is assumed to be absent in the project area during the project period hence no GHG emissions are expected to occur. However, the project had a dedicated fire monitoring plan as part of the larger fire management effort and where fires occur, associated emissions will be accounted for during each monitoring event. It is assumed that no non-human induced rewetting will appear in the project scenario.

GHG sources included In or excluded from project emission is listed in Sub-section 4.4.4. The emissions of N<sub>2</sub>O from rewetted organic soils are controlled by the quantity of N available for nitrification and denitrification, and the availability of the oxygen required for these chemical reactions. Oxygen availability is in turn controlled by the depth of the water table. Raising the depth of the water table will cause N<sub>2</sub>O emissions to decrease rapidly, and fall practically to zero if the depth of the water table is less than 20 cm below the surface [30].

During a transient period directly after rewetting, soil CH<sub>4</sub> emissions may be higher before they stabilize to levels in undrained or never-drained sites. In the first-instance, this variability is omitted, and CH<sub>4</sub> emissions from the rewetted strata were quantified by using TIER 1 IPCC defaults for 'rewetted' or 'undrained' organic soils (see Appendix 6). Upon rewetting, post 2017, CH<sub>4</sub> emission from rewetted strata will be directly-monitored and once sufficient data from the site has been collected CH<sub>4</sub> emission will be re-assessed and this variability will be taken into account in GHG emissions quantification by using site-specific data.

### 5.4.2 Emission characteristics in project scenario

For the project scenario, the project area has been stratified into five strata based on two land cover classes (forest and non-forest), two drainage statuses (drained and undrained) and one water body class through a Combination-Elimination process as described in Annex 14. From this stratification, a project scenario map has been developed (see Map 37). The mapping process of the Project Scenario Map involved the following steps:

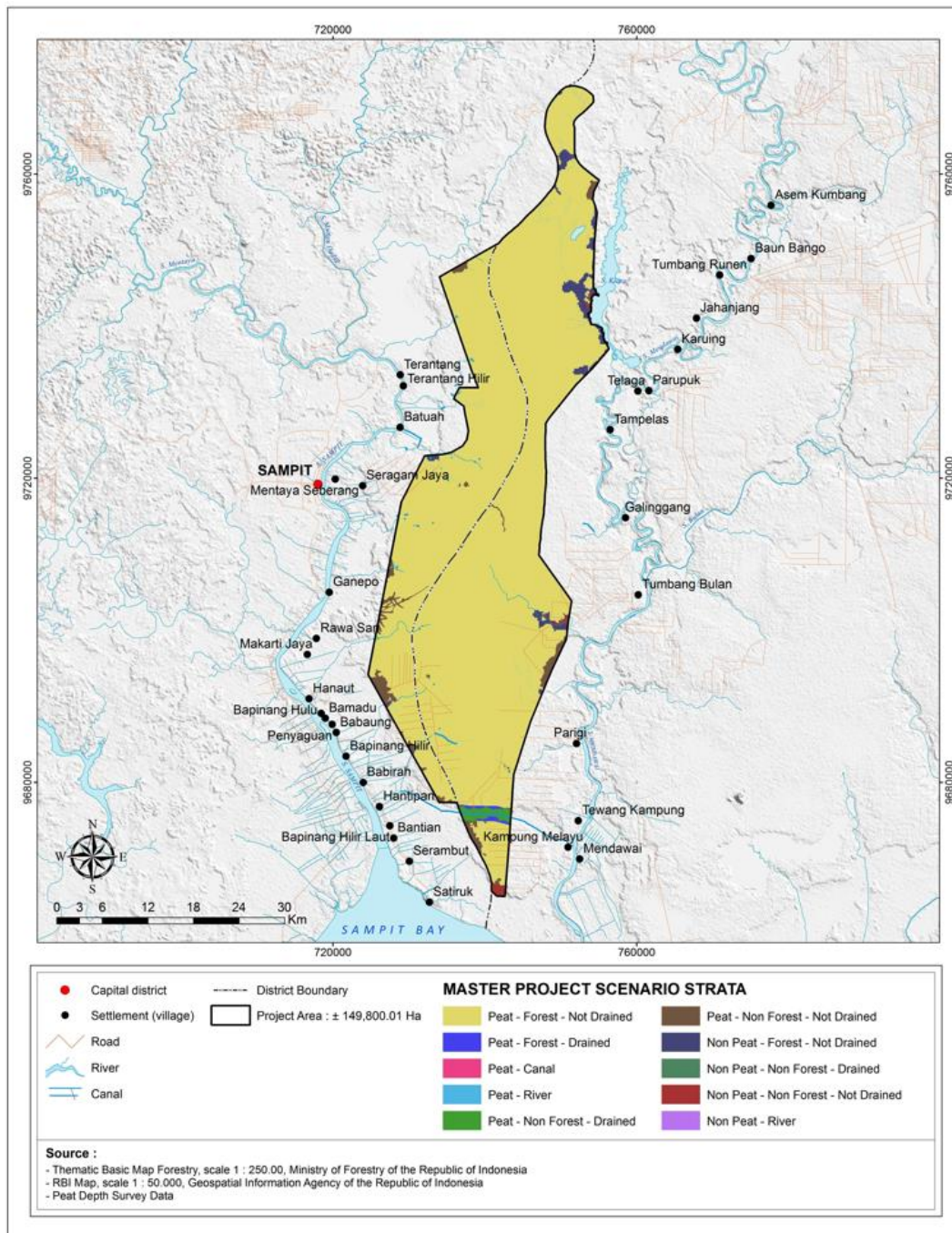
- Delineation of forest and non-forest area at the project start date. This process is described in section 4.4.1.1.
- Delineation of water bodies present at the project start date (rivers and canals)
- Delineation of drained and undrained area at the project start date. Drainage canals in the project area were mapped based on the BIG river map 2008 (that also include canals). Drainage

impacts were assumed to extend 1 km from canal sides. This assumption was made following direct observations on fire impacts along the Hantipan canal where peat burnings have been contained within a belt c.a. 1 km from canal sides. The presence of drainage canals always results in differential lowering of water tables perpendicular to canals (fundamental law of water movement in unconfined aquifer, Remson, Hornberger and Molz, 1971) with diminishing drawdown as the location gets far from the canal. At 1 km from canal water table drops are apparently small enough to keep peat soil moist and resists burning (see Annex 5).

- The overlay of the delineations from above three steps provided the project scenario map as presented in Map 37.

The project scenario map has been translated into project scenario maps relevant to each activity as described in later paragraphs.

Map 37. Master project scenario map



#### 5.4.2.1 Emission characteristic stratification for WRC under project scenario

The locations of WRC activities under the project scenario are chosen based on the project activities described in Map 6 in Sub-section 2.2.1, and were defined and mapped on the basis of the project scenario map (see Map 37) by taking into account (1) Coverage of initial land use / cover / drainage status and (2) Timing of land use change / drainage status under the project scenario based on planned rewetting (3) peatland coverage. The stratification map of emission characteristics for WRC activities presents the following information:

1. Location and coverage area of land use (vegetation cover, water bodies, etc). Spatial distributions of different land use translates into variability of emission factors.

2. Timings of drainage canal blocking (rewetting). Temporal distributions of different drainage status translates into different onsets or sequence of emission factors.
3. Location of peatland (outside which WRC activities are not relevant)

In the project scenario, five strata that significantly differ in characteristics of emissions from peat and water body were assumed as summarized in Table 52 and Map 38. The summary of dynamics of strata changes is presented in Table 53 and Map 39.

**Table 52. Stratification of project area based on relative homogeneous emission characteristics from peat and water body at project start date**

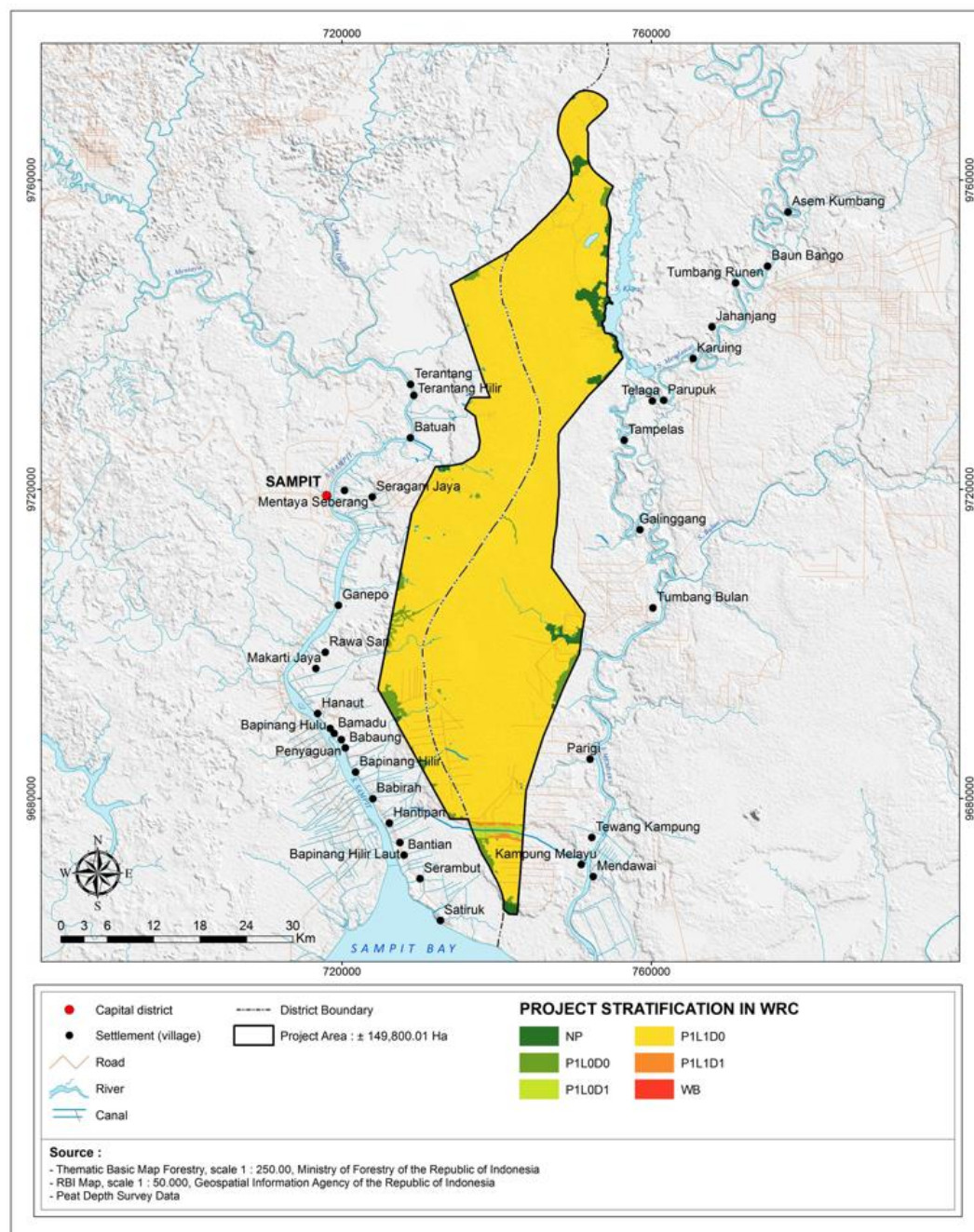
| Strata | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Area (hectares) | Percentage of Project Area |
|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|----------------------------|
| P1L0D0 | Undrained non-forested peatland. This stratum represents peatland where forest cover is absent at project start date, due to burnings and/or logging before project start date; while drainage impact from man-made canals is absent or minimal. Illegal loggers sometimes construct and utilize shallow canals (up to 1 meter depth) to transport timbers from logging locations to nearby rivers in wet season. Once utilized these canals have been abandoned and naturally collapsed and filled with debris. With this consideration wherever this type of canals present in the stratum impact on water table depth is assumed negligible since: (1) canals depth is shallow and discharge in dry season is negligible, (2) natural blocking occurs and further limits water outflow from the peatland. | 3,172           | 2.1                        |
| P1L0D1 | Drained non-forested peatland. This stratum represents peatland where forest cover is absent at project start date, due to burnings and/or logging before project start date; while drainage impact from man-made canals is present. This stratum is located in part of a c.a. 1 km belt along both sides of Hantipan canal, to the south of the project area.                                                                                                                                                                                                                                                                                                                                                                                                                                               | 987             | 0.7                        |
| P1L1D0 | Undrained forested peatland. This stratum represents peatland where forest cover is present at project start date while drainage impact from man-made canals is absent. This stratum covers the most part of the project area.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 141,910         | 94.7                       |
| P1L1D1 | Drained forested peatland. This stratum represents peatland where forest cover is present at project start date while drainage impacts from man-made canals are also present. This stratum is located in part of a c.a. 1 km belt along both sides of Hantipan canal, to the south of the project area.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 354             | 0.2                        |
| WB     | Water body. The water body stratum includes rivers and man-made canals present at the project start date. The only man-made canal, assumed significantly impacting water table depth in the project area is Hantipan canal to the south of the project area.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 216             | 0.1                        |
| Total  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 146,638         | 97.9                       |

**Table 53. Changes in strata based on relative homogeneous emission characteristics from peat and water bodies in the project scenario**

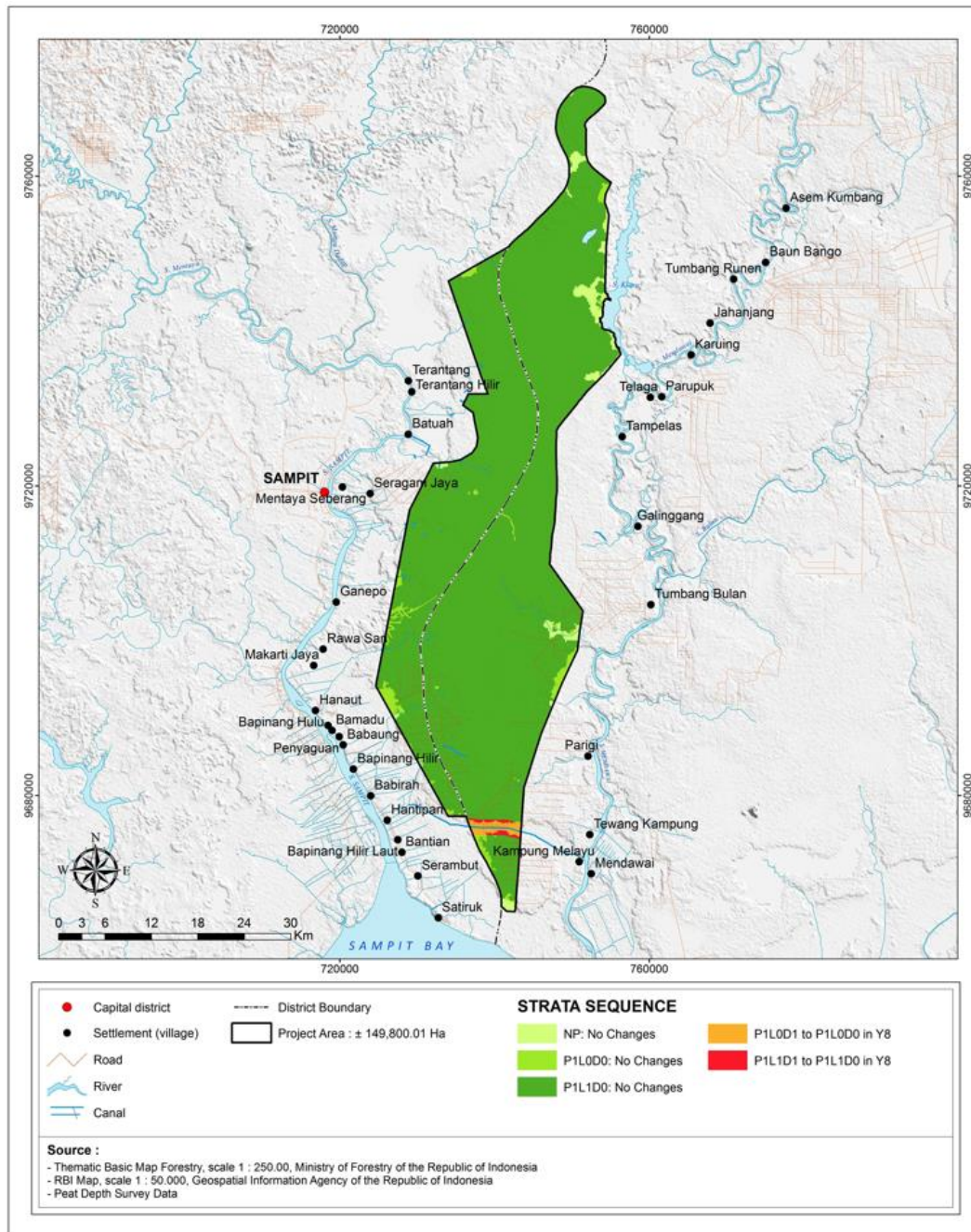
| From Strata | To Strata | Area (hectares) | Year of changes | Description                                                |
|-------------|-----------|-----------------|-----------------|------------------------------------------------------------|
| P1L0D1      | P1L0D0    | 987             | 2017            | Planned rewetting activity expected to take effect in 2017 |
| P1L1D1      | P1L1D0    | 354             |                 |                                                            |
| P1L1D0      | P1L1D0    | 141,910         |                 |                                                            |

| From Strata | To Strata | Area (hectares) | Year of changes | Description                   |
|-------------|-----------|-----------------|-----------------|-------------------------------|
| P1L0D0      | P1L0D0    | 3,172           |                 | No changes in drainage status |
| WB          | WB        | 216             |                 |                               |
| Total       |           | 146,638         |                 |                               |

**Map 38. Stratification based on emission characteristics for WRC**



Map 39. Strata changes in the project scenario



When sufficient direct measurements of peat GHG emissions and hydrological data have been collected, a site-specific proxy will be developed and hydrological modelling will be used to derive spatially and temporally specific estimates of water table depths under the project scenario. Details on hydrological modelling are given in Annex 11 and Annex 6. Together, land cover stratification and site-specific emission proxies will be used to re-stratify non-forest and strata with the most dynamic water table depths (rewetted strata that will undergo changes from P1L1D1 to P1L1D0 and from P1L0D1 to P1L0D0) based on emission characteristics in the project scenario. Strata with less dynamic water table depths (undrained forested stratum at project start date) will not be re-stratified (unless significant changes in emission characteristics have been observed) and GHG quantification method remains unchanged.

#### 5.4.2.2 Emission characteristic stratification for REDD under project scenario

Project emissions and carbon stock changes related to land cover are driven by land cover changes as a result from deforestation and forest degradation. Uncontrolled burning is assumed to be zero after project initiation, given the fire prevention programs.. During the project period, it is expected that 1699,1 ha of the project area is being deforested or degraded. Table 54 below shows the area in which deforestation, and forest degradation is expected. The dynamics of strata due to the expected threads in the project scenario are presented in Table 55.

**Table 54. Land cover changes strata in the baseline scenario for REDD in the project scenario**

| Strata | Description               | GHG emission                         | Area (ha)    |
|--------|---------------------------|--------------------------------------|--------------|
| F0NF1  | Forest to Non Forest      | GHG emission from deforestation      | 199          |
| F0DF1  | Forest to degraded forest | GHG emission from forest degradation | 1,500        |
| Total  |                           |                                      | <b>1,699</b> |

Under the project scenario, carbon enhancement is expected to take place as result from forest regrowth, anticipated to occur in all forested area after project initiation. Biomass accumulation will be measured during regular monitoring events.

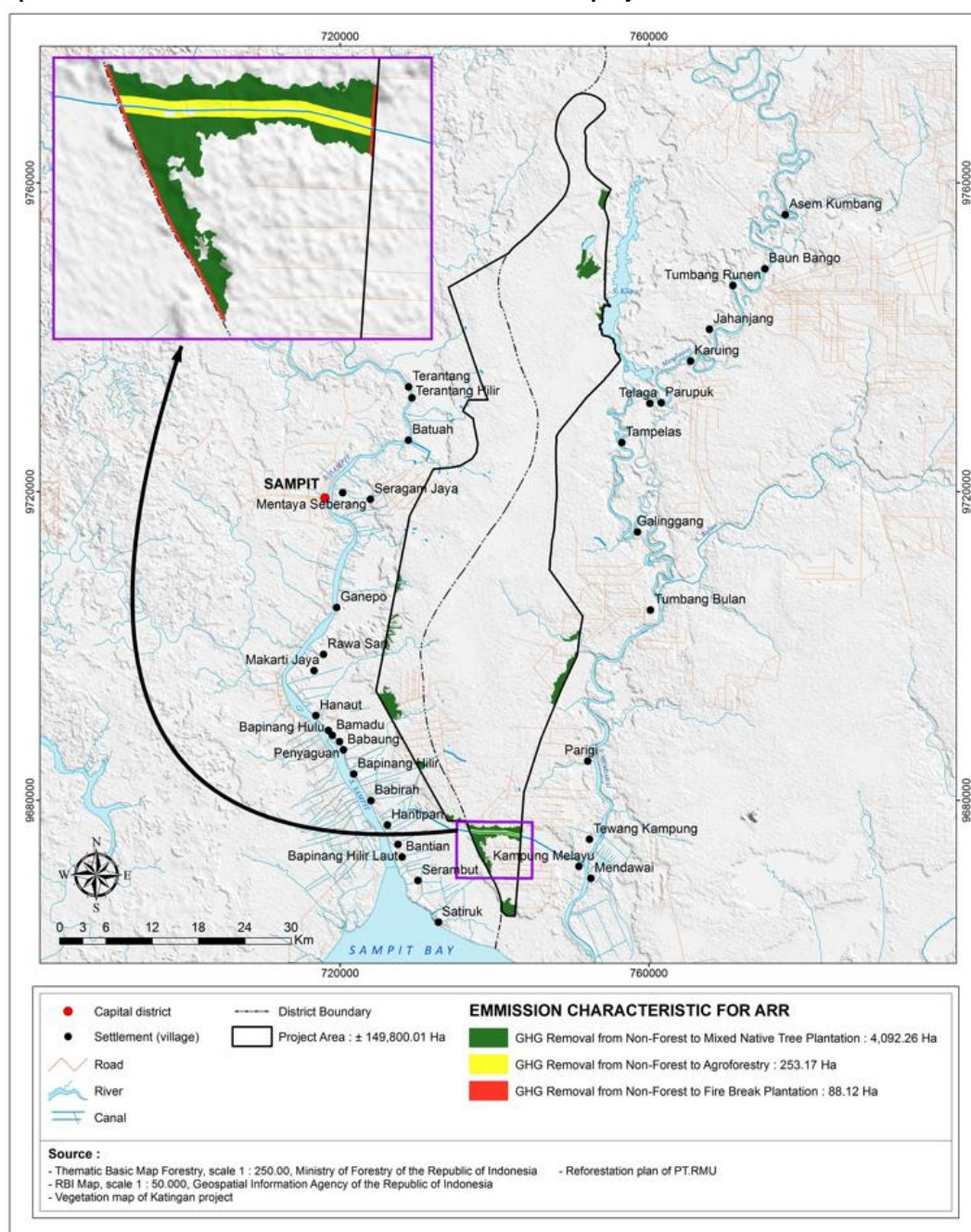
#### 5.4.2.3 Emission characteristic stratification for ARR under project scenario

The main ARR activities in the project will include agroforestry, application of green fire breaks, and intensive reforestation. Based on spatial analysis, ARR activities are expected to be practiced in 4,433.56 ha of non-forest area (Table 52) of which 253.17 ha changes from non forest to mixed local and rubber tree plantation, 253.17 ha changes from non-forest to fire break stands and 4,092.26 ha changes from non-forest to mixed native PSF stands. The stratification map and areas of emission stratification of ARR activities under the project scenario are shown in Map 40 and Table 52 below.

**Table 55. Land cover changes strata in the baseline scenario for ARR in the project scenario**

| Strata       | Description                          | Delineated Areas              | Area (Ha)    |
|--------------|--------------------------------------|-------------------------------|--------------|
| NF0Agr1      | Non forest to agroforestry           | Agroforestry areas            | 253          |
| NF0FB1       | Non forest to fire break plantation  | Green Fire break areas        | 88           |
| NF0Fplt1     | Non Forest to native tree plantation | Intensive reforestation areas | 4,092        |
| <b>TOTAL</b> |                                      |                               | <b>4,434</b> |

Map 40. ARR emission characteristic stratification under project scenario



### 5.4.3 Project emissions from aboveground biomass due to deforestation and forest degradation

#### 5.4.3.1 Emissions from deforestation

Based on the interpretation of landsat images for the period 2000-2010, the historical deforestation rate in the project area was estimated at 66 ha year<sup>-1</sup>. Through project intervention (law enforcement, regular patrol, and communities engagement), it is assumed that the project is able to control deforestation. In the calculation, the historical rate of deforestation is assumed to be reduced by 70% to 19.9 ha year<sup>-1</sup>, and it is assumed that deforestation is totally avoided within 10 year (before 2020).

Per VCS methodology VM0007 module M-MON, the ex-ante net carbon stock change as result of deforestation is estimated by multiplying the deforested area and the net carbon stock by using the following equation (34).

$$\Delta C_{P,DefPA,i,t} = \sum_{u=1}^U A_{DefPA,u,i,t} * \Delta C_{pools,P,Def,u,i,t} \quad (34)$$

Where:

- $\Delta C_{P,DefPA,i,t}$  Net carbon stock change as a result of deforestation in the project case in the project area in stratum  $i$  at time  $t$ ; tCO<sub>2</sub>-e
- $A_{DefPA,u,i,t}$  Area of recorded deforestation in the project area stratum  $i$  converted to land use  $u$  at time  $t$ ; ha
- $\Delta C_{pools, P,Def, u,i,t}$  Net carbon stock change in all pools in the project case in land use  $u$  in stratum  $i$  at the time  $t$ ; tCO<sub>2</sub>-e ha<sup>-1</sup>

Ex-ante GHG emissions as a result of deforestation in the project area within the project period is estimated to be 70,236.74 tCO<sub>2</sub>, concentrated in the first 10 years after project initiation. We assume zero emission from deforestation after 2019, as a result of successful project implementation (Table 56)

**Table 56. Ex-ante Net carbon stock change as a result of deforestation during the project period**

| Year  | Area of recorded deforestation (ha) | Net carbon stock change as a result of deforestation (tCO <sub>2</sub> -e) |
|-------|-------------------------------------|----------------------------------------------------------------------------|
| 2010  |                                     | -                                                                          |
| 2011  | 19.91                               | 7,024                                                                      |
| 2012  | 19.91                               | 7,024                                                                      |
| 2013  | 19.91                               | 7,024                                                                      |
| 2014  | 19.91                               | 7,024                                                                      |
| 2015  | 19.91                               | 7,024                                                                      |
| 2016  | 19.91                               | 7,024                                                                      |
| 2017  | 19.91                               | 7,024                                                                      |
| 2018  | 19.91                               | 7,024                                                                      |
| 2019  | 19.91                               | 7,024                                                                      |
| 2020  | 19.91                               | 7,024                                                                      |
| 2021  |                                     | -                                                                          |
| 2070  |                                     | -                                                                          |
| Total | 199.08                              | 70,237                                                                     |

#### 5.4.3.2 Emissions from forest degradation

Remote Sensing techniques have limitations regarding monitoring of forest degradation, therefore estimates of degradation rates in the project scenario are based on field observation and interviews with communities. The annual forest degradation rate is estimated at 500 ha year<sup>-1</sup>. Through project intervention, it is assumed that the project is able to control degradation. In the calculation, forest degradation is assumed to be reduced by 70% of the historical rate to 150 ha year<sup>-1</sup>, and it is assumed that forest degradation is totally banned within 10 year (before 2020).

Using the VCS methodology VM0007 module M-MON as a basis, ex-ante net carbon stock change as result from forest degradation is estimated by multiplying the extent of degraded forest and Net carbon stock in pools in the project case as described in the equation (35).

$$\Delta C_{P,DegW,i,t} = A_{DegW,i} * C_{DegW,i,t} \quad (35)$$

Where:

|                         |                                                                                                                 |
|-------------------------|-----------------------------------------------------------------------------------------------------------------|
| $\Delta C_{P,DegW,i,t}$ | Net carbon stock change as a result of forest degradation in the project area at time $t$ ; tCO <sub>2</sub> -e |
| $A_{DefPA,u,i,t}$       | Area of recorded forest degradation in stratum $i$ ; ha                                                         |
| $C_{DegW,i,t}$          | Biomass carbon of trees cut and removed through degradation; tCO <sub>2</sub> -e ha <sup>-1</sup>               |

The carbon loss in AGB from degradation activities is assumed to be 70.15 tC ha<sup>-1</sup>, which is calculated by deducting the lowest carbon stock density (28.23 tC ha<sup>-1</sup>) found in the biomass inventory from the average carbon density (98.38 tC ha<sup>-1</sup>) across 88 forest biomass plots distributed in project area.

Assuming for the purpose of this document that a total of 1500 ha of forest will experience degradation within the first ten years of the project period, ex-ante GHG emission as a result from forest degradation are estimated at 385,832.45 tCO<sub>2</sub>-e (Table 57).

**Table 57. Ex ante GHG emission from forest degradation during the project periode**

| Year  | Area of recorded Forest degradation (ha) | Net carbon stock change as a result of forest degradation (tCO <sub>2</sub> -e) |
|-------|------------------------------------------|---------------------------------------------------------------------------------|
| 2011  | 150                                      | 38,583                                                                          |
| 2012  | 150                                      | 38,583                                                                          |
| 2013  | 150                                      | 38,583                                                                          |
| 2014  | 150                                      | 38,583                                                                          |
| 2015  | 150                                      | 38,583                                                                          |
| 2016  | 150                                      | 38,583                                                                          |
| 2017  | 150                                      | 38,583                                                                          |
| 2018  | 150                                      | 38,583                                                                          |
| 2019  | 150                                      | 38,583                                                                          |
| 2020  | 150                                      | 38,583                                                                          |
| 2021  | -                                        | -                                                                               |
| 2070  | -                                        | -                                                                               |
| Total | 1,500                                    | 385,832                                                                         |

Forest degradation will be monitored according to the module M-MON. Associated emissions will be reported at each monitoring event.

#### 5.4.3.3 Emissions from uncontrolled biomass burning

Assuming that the fire prevention program is successfully implemented by the project, it is assumed that no fire incident will occur after the project initiation.

#### 5.4.4 Carbon enhancement from forest growth

Forest that are saved from conversion to plantations have potential for regrowth after project initiation due to historic degradation which occurred in the project area and hence are expected to accumulate biomass, removing CO<sub>2</sub>. Per VMD0015 M-MON, ex-ante net carbon stock changes as a result of forest carbon stock enhancement estimated by multiplying the areas in which carbon stocks are accumulating and the carbon stock difference (between project and baseline case) as outlined by equation (36) below.

$$\Delta C_{P,Enh,i,t} = \sum_{t=1}^t \sum_{i=1}^M ((C_{P,i,t} - C_{BSL,i}) * A_{Enh,PL,i,t}) \quad (36)$$

Where

|                        |                                                                                                                                               |
|------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| $\Delta C_{P,Enh,i,t}$ | Net carbon stock changes as a result of forest carbon stock enhancement in stratum $i$ in the project area at time $t$ ; t CO <sub>2</sub> -e |
| $C_{P,i,t}$            | Carbon stock in all pools in the project case in stratum $i$ at time $t$ ; t CO <sub>2</sub> -e                                               |

|                  |                                                                                                                                                                   |
|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| $C_{BSL,i}$      | Carbon stock in all pools in the baseline in stratum $i$ ; t CO <sub>2</sub> -e ha <sup>-1</sup>                                                                  |
| $A_{Enh,PL,i,t}$ | Project area in stratum $i$ in which carbon stocks are accumulating but that would have undergone planned deforestation in the baseline scenario at time $t$ ; ha |
| $i$ 1, 2, 3 ...  | $M$ strata                                                                                                                                                        |
| $t$ 1, 2, 3, ... | $t^*$ years elapsed since the start of the REDD project activity                                                                                                  |

Carbon stock in the baseline stratum is equal to C stock of forest at project initiation year (98.38 tC/ha). The calculation of carbon stock in the project stratum is estimated by using annual C increment of tropical peat swamp forest in Indonesia (1.56 tC/ha/yr) [31]. The maximum cumulative stock is set to 191.98 tC/ha which refers to the sum up of the average C stock of forest and cumulative C increase within project period. As required by M-REDD, the areas projected to experience C enhancement from forest growth are limited to those that would be deforested in the baseline. Carbon stock enhancement is not accounted for in areas not deforested in the baseline. Following projected deforestation presented in Table 54, ex-ante net carbon stock changes as a result of forest carbon stock enhancement estimated be **30,826,084 tCO<sub>2</sub>-e** within the project period, as presented by Table 58 below.

**Table 58. Ex-ante net carbon stock changes as a result of forest carbon stock enhancement in the project area**

| Year | AA_def (ha) | A_enh,PL (ha) | $\Delta C_{PEnh\_WPS}$ (tCO <sub>2</sub> -e) |
|------|-------------|---------------|----------------------------------------------|
| 2010 | -           | -             | -                                            |
| 2011 | 2,146       | 2,146         | -                                            |
| 2012 | 1,795       | 3,940         | 12,273                                       |
| 2013 | 6,529       | 10,470        | 22,539                                       |
| 2014 | 5,705       | 16,175        | 59,887                                       |
| 2015 | 5,961       | 22,136        | 92,520                                       |
| 2016 | 5,593       | 27,730        | 126,619                                      |
| 2017 | 6,076       | 33,806        | 158,613                                      |
| 2018 | 5,857       | 39,663        | 193,368                                      |
| 2019 | 5,811       | 45,474        | 226,871                                      |
| 2020 | 5,819       | 51,293        | 260,110                                      |
| 2021 | 5,930       | 57,223        | 293,395                                      |
| 2022 | 5,456       | 62,680        | 327,318                                      |
| 2023 | 5,727       | 68,407        | 358,528                                      |
| 2024 | 5,459       | 73,866        | 391,288                                      |
| 2025 | 5,585       | 79,451        | 422,512                                      |
| 2026 | 5,415       | 84,866        | 454,460                                      |
| 2027 | 5,598       | 90,464        | 485,433                                      |
| 2028 | 5,367       | 95,830        | 517,452                                      |
| 2029 | 5,837       | 101,667       | 548,150                                      |
| 2030 | 5,455       | 107,123       | 581,538                                      |
| 2031 | 3,567       | 110,690       | 612,743                                      |
| 2032 | 4,000       | 114,690       | 633,147                                      |
| 2033 | -           | 114,690       | 633,147                                      |
| 2034 | -           | 114,690       | 633,147                                      |
| 2035 | -           | 114,690       | 633,147                                      |
| 2036 | -           | 114,690       | 633,147                                      |
| 2037 | -           | 114,690       | 633,147                                      |
| 2038 | -           | 114,690       | 633,147                                      |
| 2039 | -           | 114,690       | 633,147                                      |
| 2040 | -           | 114,690       | 633,147                                      |
| 2041 | -           | 114,690       | 633,147                                      |
| 2042 | -           | 114,690       | 633,147                                      |

| Year         | AA_def (ha) | A_enh,PL (ha) | ΔC_PEnh_WPS (tCO <sub>2</sub> -e) |
|--------------|-------------|---------------|-----------------------------------|
| 2043         | -           | 114,690       | 633,147                           |
| 2044         | -           | 114,690       | 633,147                           |
| 2045         | -           | 114,690       | 633,147                           |
| 2046         | -           | 114,690       | 633,147                           |
| 2047         | -           | 114,690       | 633,147                           |
| 2048         | -           | 114,690       | 633,147                           |
| 2049         | -           | 114,690       | 633,147                           |
| 2050         | -           | 114,690       | 633,147                           |
| 2051         | -           | 114,690       | 633,147                           |
| 2052         | -           | 114,690       | 633,147                           |
| 2053         | -           | 114,690       | 633,147                           |
| 2054         | -           | 114,690       | 633,147                           |
| 2055         | -           | 114,690       | 633,147                           |
| 2056         | -           | 114,690       | 633,147                           |
| 2057         | -           | 114,690       | 633,147                           |
| 2058         | -           | 114,690       | 633,147                           |
| 2059         | -           | 114,690       | 633,147                           |
| 2060         | -           | 114,690       | 633,147                           |
| 2061         | -           | 114,690       | 633,147                           |
| 2062         | -           | 114,690       | 633,147                           |
| 2063         | -           | 114,690       | 633,147                           |
| 2064         | -           | 114,690       | 633,147                           |
| 2065         | -           | 114,690       | 633,147                           |
| 2066         | -           | 114,690       | 633,147                           |
| 2067         | -           | 114,690       | 633,147                           |
| 2068         | -           | 114,690       | 633,147                           |
| 2069         | -           | 114,690       | 633,147                           |
| 2070         | -           | 114,690       | 620,874                           |
| <b>Total</b> |             |               | <b>30,826,084</b>                 |

Carbon stock enhancement will be monitored according to the VSC methodology VM0007 module M-MON and will be reported at each monitoring event.

#### 5.4.5 Project emissions from peat and water body

2010 land use maps and 2008 official BIG (Indonesian Geospatial Information Agency) river maps are taken as a basis for developing relevant strata for WRC activities (see Table 52 in Sub-subsection 5.4.2.1). The strata that are distinguished in the project scenario based on this analyses are:

- Drained forested peatland
- Undrained forested peatland
- Drained non-forested peatland
- Undrained non-forested peatland, and
- Water body

Quantification of GHG emissions from microbial decompositions of peat and DOC loss through water bodies in peatlands has been performed by using a spatially and temporally explicit approach.

##### A) Spatial and temporal variability

Each stratum in the project scenario as set out in Table 52 was subdivided into parcels of the smallest land or water body unit with relatively uniform combinations of spatial variables as given in Table 59. Temporal variability in project emissions is captured by sequencing the calculations into 1 year time-

steps. Variables that determine the sequence of strata changes, temporal variability of GHG emission parameters and temporal restrictions to GHG emissions are given in Table 59. The schematization provides an assurance of the proper use of GHG emission parameters at the correct spatial location and the correct time.

**Table 59. Variables used in the schematization of quantification of GHG emissions from microbial decompositions of peat and dissolved organic carbon from water bodies in peatlands in the project scenario**

| Variables                                                                         | Description                                                                                                                                                                                                                                                                                       |
|-----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>(A) Spatial Variables</b>                                                      |                                                                                                                                                                                                                                                                                                   |
| (A1) Type of soil                                                                 | Distinction between peat or non-peat. This is used to exclude all non peat parcels from GHG calculation                                                                                                                                                                                           |
| (A2) Initial peat thickness available for microbial decompositions and burnings   | Derived from DEM, DEL and Peat Thickness Map as described in 4.4.1.3. This is used as initial condition for subsequent calculations of the remaining available peat for microbial decompositions                                                                                                  |
| (A3) Initial stratum within the peat area                                         | Stratum of the corresponding parcel at project start date (as derived in 5.4.2.1) before conversion into other (rewetted) stratum takes effect. This is used to determine the correct Emission Factor for the corresponding parcel for the duration before B1 (in this table, below) takes effect |
| <b>(B) Temporal Variables</b>                                                     |                                                                                                                                                                                                                                                                                                   |
| (B1) Year of rewetting                                                            | Determines the onset of conversion from initial stratum to rewetted stratum and sets all the drainage related parameters/variables accordingly, such as Emission Factor for the corresponding parcel                                                                                              |
| (B2) Remaining peat thickness available for microbial decompositions and burnings | Used to determine whether PDT in the project scenario has been reached for the corresponding parcel at the corresponding year. If the remaining peat available for microbial decomposition in a given stratum has been reduced to 20 cm all GHG emissions in that stratum are set to zero.        |

#### B) Emission calculations

Taking into account the spatial and temporal variability given in Table 52 and Table 53, for each parcel within the project strata the net CO<sub>2</sub>-equivalent emissions from the peat microbial decompositions and water bodies were estimated using the same procedures provided in VCS methodology VM0007 module BL-PEAT as set out in module M-PEAT and by eliminating the term  $E_{peatburn-WPS,i,t}$  from the equation (37):

$$GHG_{WPS-WRC} = \sum_{t=1}^{t^*} \sum_{i=1}^M (E_{peatsoil-WPS,i,t} + E_{peatditch-WPS,i,t}) \quad (37)$$

Where:

|                         |                                                                                                                                                                                                   |
|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| $GHG_{WPS-WRC}$         | Net CO <sub>2</sub> equivalent peat GHG emissions in the project scenario up to year $t^*$ (t CO <sub>2</sub> e)                                                                                  |
| $E_{peatsoil-WPS,i,t}$  | GHG emissions from microbial decomposition of the peat soil within the project boundary in the project scenario in stratum $i$ in year $t$ (t CO <sub>2</sub> e yr <sup>-1</sup> )                |
| $E_{peatditch-WPS,i,t}$ | GHG emissions from water bodies within the project boundary in the project scenario in stratum $i$ in year $t$ (t CO <sub>2</sub> e yr <sup>-1</sup> )                                            |
| $E_{peatburn-WPS,i,t}$  | GHG emissions from burning of peat within the project boundary in the project scenario in stratum $i$ in year $t$ (t CO <sub>2</sub> e yr <sup>-1</sup> ). In this project this term equals zero. |
| $i$                     | 1, 2, 3 ... $M$ strata in the project scenario (unitless)                                                                                                                                         |
| $t$                     | 1, 2, 3, ... $t^*$ time elapsed since the project start (years)                                                                                                                                   |

GHG emissions from peat soils comprise GHG emission as CO<sub>2</sub> and CH<sub>4</sub>, as calculated according to the following equation (38):

$$E_{peatsoil-WPS,i,t} = E_{Proxy-CO2,i,t} + E_{Proxy-CH4,i,t} \quad (38)$$

Where:

|                     |                                                                                                                                                                               |
|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| $E_{Proxy-CO2,i,t}$ | CO <sub>2</sub> emissions from the peat soil within the project boundary in the project scenario in stratum <i>i</i> at year <i>t</i> (t CO <sub>2</sub> e yr <sup>-1</sup> ) |
| $E_{Proxy-CH4,i,t}$ | CH <sub>4</sub> emissions from the peat soil within the project boundary in the project scenario in stratum <i>i</i> at year <i>t</i> (t CO <sub>2</sub> e yr <sup>-1</sup> ) |

Procedures for the quantification of dynamics of carbon stock and peat losses are similar to those that apply to the baseline scenario (see Sub-section 5.3.4), with the only difference in the 1) stratification, 2) sequence of strata, and 3) the assumed absence of burning in the project scenario.

#### C) Subsidence related to microbial decomposition of peat

To maintain consistency between annual net CO<sub>2</sub>-equivalent emissions and remaining peat carbon stock, annual rates of peat and carbon stock loss in the project scenario were quantified annually based on the rate of emissions from microbial decompositions of peat (CO<sub>2</sub> and CH<sub>4</sub> decomposition), bulk density of peat above water table, and a conservative carbon content value (48 kg.kg<sup>-1</sup> dry mass) using the equation (39).

$$\begin{aligned} Rate_{peatloss-WPS,i,t} &= \left( \frac{12}{44} \times \frac{E_{Proxy-CO2,i,t}}{BD_{WPS,i,t} \times C_c \times 10} \right) \\ &+ \left( \frac{1}{GWP_{CH4}} \times \frac{12}{16} \times \frac{E_{Proxy-CH4,i,t}}{BD_{WPS,i,t} \times C_c \times 10} \right) \end{aligned} \quad (39)$$

Where:

|                           |                                                                                                                                                                                                                                                                                      |
|---------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| $Rate_{peatloss-WPS,i,t}$ | Rate of peatloss due to microbial decompositions in project scenario of stratum <i>i</i> at year <i>t</i> (m.y <sup>-1</sup> )                                                                                                                                                       |
| $D_{peatburn-WPS,i,t}$    | Burn scar depth under project scenario in stratum <i>i</i> at year <i>t</i> (m)                                                                                                                                                                                                      |
| $BD_{WPS,i,t}$            | Bulk density of peat soil above water table in project scenario in stratum <i>i</i> at year <i>t</i> * (kg.m <sup>-3</sup> )                                                                                                                                                         |
| $E_{Proxy-CO2,i,t}$       | CO <sub>2</sub> emissions from microbial decomposition of peat in project scenario in stratum <i>i</i> at year <i>t</i> (tCO <sub>2</sub> .ha <sup>-1</sup> .y <sup>-1</sup> ). Equals CO <sub>2</sub> emission factor when peat available for decomposition > 20 cm, otherwise zero |
| $E_{Proxy-CH4,i,t}$       | CH <sub>4</sub> emissions from microbial decomposition of peat in project scenario in stratum <i>i</i> at year <i>t</i> (tCO <sub>2</sub> .ha <sup>-1</sup> .y <sup>-1</sup> ). Equals CH <sub>4</sub> emission factor when peat available for decomposition > 20 cm, otherwise zero |
| $GWP_{CH4}$               | Global Warming Potential of CH <sub>4</sub>                                                                                                                                                                                                                                          |
| $C_c$                     | Carbon content of peat soil (kg.kg <sup>-1</sup> )                                                                                                                                                                                                                                   |

Remaining peat thickness was assessed annually for project's life-time based on the rate of peat loss due to microbial decomposition of peat, using equation (40).

$$Depth_{peat-WPS,i,t} = Depth_{peat-WPS,i,t0} - \sum_{t=1}^{t=t*} Rate_{peatloss-WPS,i,t} \quad (40)$$

Where:

|                         |                                                                                                   |
|-------------------------|---------------------------------------------------------------------------------------------------|
| $Depth_{peat-WPS,i,t}$  | Remaining peat thickness in the project scenario in stratum <i>i</i> at year <i>t</i> * (m)       |
| $Depth_{peat-WPS,i,t0}$ | Peat thickness at the project scenario in stratum <i>i</i> at year <i>t0</i> = project start date |

(initial peat thickness) (m)  
 $Rate_{peatloss-WPS,i,t}$  Rate of peat loss due (subsidence) due to microbial decomposition of peat in the project scenario in stratum  $i$  in year  $t$  (m yr<sup>-1</sup>)  
 $i$  Strata

Peat carbon stock and its annual changes were calculated following annual peat carbon loss due to microbial decompositions using equation (41).

$$C_{stock-WPS,i,t} = C_{stock-WPS,i,t-1} - C_{loss-WPS,i,t-1} \quad (41)$$

Where:

$C_{stock-WPS,i,t}$  Remaining peat carbon stock in project scenario in stratum  $i$  at year  $t$  (t C.ha<sup>-1</sup>)  
 $C_{stock-WPS,i,t-1}$  Remaining peat carbon stock in project scenario in stratum  $i$  at previous year (t C.ha<sup>-1</sup>)  
 $C_{loss-WPS,i,t-1}$  Equivalent carbon stock loss from microbial decomposition of peat in project scenario in stratum  $i$  at previous year (t C.ha<sup>-1</sup>)

By tracking annual peat carbon stock and peat thickness in the project scenario it has been assured that there is no GHG emissions has been accounted for within any parcel of each stratum once available carbon stock/peat has been depleted. Conservatively, peat is assumed depleted once peat thickness available for decompositions has been reduced to 20 cm

D) Summary of the projected GHG emissions from peat and water bodies in the project scenario  
A summary of the projected GHG emissions from peat and water bodies in the project scenario are presented in Table 60.

**Table 60. A summary of the annual GHG emissions from peat and water bodies under the project scenario up to 2070, in tCO<sub>2</sub>e.y<sup>-1</sup>.**

| Year | CO <sub>2</sub> from peat decomposition | CH <sub>4</sub> from peat decomposition | CO <sub>2</sub> from DOC | Total   |
|------|-----------------------------------------|-----------------------------------------|--------------------------|---------|
| 2011 | 30,823                                  | 102,908                                 | 452                      | 134,183 |
| 2012 | 30,823                                  | 102,908                                 | 452                      | 134,183 |
| 2013 | 30,823                                  | 102,908                                 | 452                      | 134,183 |
| 2014 | 30,823                                  | 102,908                                 | 452                      | 134,183 |
| 2015 | 30,823                                  | 102,908                                 | 452                      | 134,183 |
| 2016 | 30,823                                  | 102,908                                 | 452                      | 134,183 |
| 2017 | 30,823                                  | 102,908                                 | 452                      | 134,183 |
| 2018 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2019 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2020 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2021 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2022 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2023 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2024 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2025 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2026 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2027 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2028 | 6,238                                   | 103,172                                 | 452                      | 109,862 |

| Year | CO <sub>2</sub> from peat decomposition | CH <sub>4</sub> from peat decomposition | CO <sub>2</sub> from DOC | Total   |
|------|-----------------------------------------|-----------------------------------------|--------------------------|---------|
| 2029 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2030 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2031 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2032 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2033 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2034 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2035 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2036 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2037 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2038 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2039 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2040 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2041 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2042 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2043 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2044 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2045 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2046 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2047 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2048 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2049 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2050 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2051 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2052 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2053 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2054 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2055 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2056 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2057 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2058 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2059 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2060 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2061 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2062 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2063 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2064 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2065 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2066 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2067 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2068 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2069 | 6,238                                   | 103,172                                 | 452                      | 109,862 |
| 2070 | 6,238                                   | 103,172                                 | 452                      | 109,862 |

The estimated project emissions shown in Table 60 are in the first instance based on TIER 1 default emission factors that apply to the various land uses. See Appendix 6 for the default factors used for the

specific land uses. Details regarding the calculations of the emission numbers in Table 60 are provided in the Sub-subsections 5.4.3.1, 5.4.3.2 and 5.4.3.3.

#### 5.4.5.1 Emissions from microbial decomposition of peat

This Section explains in more detail how the numbers for peat microbial decomposition in the project area in Table 60 are calculated.

For each land stratum emissions is calculated using equation (42):

$$E_{\text{peatsoil-WPS},i,t} = E_{\text{proxy-WPS},i,t} \quad (42)$$

Where:

|                               |                                                                                                                                                                                  |
|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| $E_{\text{peatsoil-WPS},i,t}$ | Greenhouse gas emissions from the peat soil within the project boundary in the project scenario in stratum $i$ in year $t$ (t CO <sub>2</sub> e yr <sup>-1</sup> )               |
| $E_{\text{proxy-WPS},i,t}$    | GHG emissions as per the chosen proxy in the project scenario in stratum $i$ in year $t$ , in this project, based on IPCC default values (t CO <sub>2</sub> e yr <sup>-1</sup> ) |
| $i$                           | 1, 2, 3 ... $M_{\text{WPS}}$ strata in the project scenario (unitless)                                                                                                           |
| $t$                           | 1, 2, 3, ... $t^*$ time elapsed since the project start (years)                                                                                                                  |

GHG emissions from the peat soil per stratum in the project scenario are estimated using equation (43):

$$E_{\text{proxy-WPS},i,t} = A_i \times (E_{\text{proxy-CO}_2,i,t} + E_{\text{proxy-CH}_4,i,t}) \quad (43)$$

Where:

|                             |                                                                                                                                                                                                                                   |
|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| $E_{\text{proxy-WPS},i,t}$  | GHG emissions as per the chosen proxy in the project scenario in stratum $i$ in year $t$ (t CO <sub>2</sub> e yr <sup>-1</sup> )                                                                                                  |
| $A_i$                       | Total area of stratum $i$ (ha)                                                                                                                                                                                                    |
| $E_{\text{proxy-CO}_2,i,t}$ | Emission of CO <sub>2</sub> as per the chosen proxy in stratum $i$ in year $t$ , for TIER 1 approach this equals default CO <sub>2</sub> emission factor for stratum $i$ (t CO <sub>2</sub> e ha <sup>-1</sup> yr <sup>-1</sup> ) |
| $E_{\text{proxy-CH}_4,i,t}$ | Emission of CH <sub>4</sub> as per the chosen proxy in stratum $i$ in year $t$ , for TIER 1 approach this equals default CH <sub>4</sub> emission factor for stratum $i$ (t CO <sub>2</sub> e ha <sup>-1</sup> yr <sup>-1</sup> ) |
| $i$                         | 1, 2, 3 ... $M_{\text{WPS}}$ strata <sup>17</sup> in the project scenario (unitless)                                                                                                                                              |
| $t$                         | 1, 2, 3, ... $t^*$ time elapsed since the project start (years)                                                                                                                                                                   |

Table 61 below, Table 38 and Table 52 in Sub-subsection 5.4.2.1 provide details on the WRC related project emission factors and stratification.

<sup>17</sup> Note that different water table classes result in different strata.

**Table 61. The stratification used for the calculation of GHG emissions per stratum, the area (ha) per each stratum and the CO<sub>2</sub> and CH<sub>4</sub> default factors used for the specific land use**

| Strata | Description                                                                | Area (ha) | IPCC default emission factor for CO <sub>2</sub>           | IPCC default emission factor for CH <sub>4</sub>           | IPCC default emission factor for DOC                       |
|--------|----------------------------------------------------------------------------|-----------|------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|
|        |                                                                            |           | (t CO <sub>2</sub> -eq.ha <sup>-1</sup> yr <sup>-1</sup> ) | (t CO <sub>2</sub> -eq.ha <sup>-1</sup> yr <sup>-1</sup> ) | (t CO <sub>2</sub> -eq.ha <sup>-1</sup> yr <sup>-1</sup> ) |
| P1L0D0 | Undrained deforested peatland                                              | 3,172     | 1.50                                                       | 0.20                                                       |                                                            |
| P1L0D1 | Drained deforested peatland                                                | 987       | 19.43                                                      | 0.14                                                       |                                                            |
| P1L1D0 | Undrained peatland forest                                                  | 141,910   | 0                                                          | 0.72                                                       |                                                            |
| P1L1D1 | Drained peatland forest                                                    | 354       | 19.43                                                      | 0.14                                                       |                                                            |
| WB     | Water bodies (rivers and canals) on peatland present at project start date | 216       |                                                            |                                                            | 2.09                                                       |

Note: Appendix 6 provides more details on the emission factors used.

#### A) Current projections for project emissions

At the start of the project, when sufficient long-term, site-specific measurements of peat related emissions have not yet been available for estimating overall emissions, GHG emission factors provided in Table 61 were used as a conservative and scientifically robust approach (TIER 1) IPCC default emission factors). Procedures follow the VCS methodology VM0007 modules BL-PEAT and M-PEAT. The estimation of GHG emissions in rewetted (RDP) or undrained or partially drained peat (CUPP) beyond 2017 follows similar procedures as described in the VCS methodology VM0007 module BL-PEAT. Projected annual GHG emissions from microbial decompositions of peat is presented in Table 62

Table 62.

**Table 62. GHG emissions from microbial decompositions of peat in the project scenario in tCO<sub>2</sub>-e.y<sup>-1</sup>.**

| Year | CO <sub>2</sub> from peat decomposition | CH <sub>4</sub> from peat decomposition | Total   |
|------|-----------------------------------------|-----------------------------------------|---------|
| 2011 | 30,823                                  | 102,908                                 | 133,731 |
| 2012 | 30,823                                  | 102,908                                 | 133,731 |
| 2013 | 30,823                                  | 102,908                                 | 133,731 |
| 2014 | 30,823                                  | 102,908                                 | 133,731 |
| 2015 | 30,823                                  | 102,908                                 | 133,731 |
| 2016 | 30,823                                  | 102,908                                 | 133,731 |
| 2017 | 30,823                                  | 102,908                                 | 109,410 |
| 2018 | 6,238                                   | 103,172                                 | 109,410 |
| 2019 | 6,238                                   | 103,172                                 | 109,410 |
| 2020 | 6,238                                   | 103,172                                 | 109,410 |
| 2021 | 6,238                                   | 103,172                                 | 109,410 |
| 2022 | 6,238                                   | 103,172                                 | 109,410 |
| 2023 | 6,238                                   | 103,172                                 | 109,410 |
| 2024 | 6,238                                   | 103,172                                 | 109,410 |
| 2025 | 6,238                                   | 103,172                                 | 109,410 |
| 2026 | 6,238                                   | 103,172                                 | 109,410 |

| Year | CO <sub>2</sub> from peat decomposition | CH <sub>4</sub> from peat decomposition | Total   |
|------|-----------------------------------------|-----------------------------------------|---------|
| 2027 | 6,238                                   | 103,172                                 | 109,410 |
| 2028 | 6,238                                   | 103,172                                 | 109,410 |
| 2029 | 6,238                                   | 103,172                                 | 109,410 |
| 2030 | 6,238                                   | 103,172                                 | 109,410 |
| 2031 | 6,238                                   | 103,172                                 | 109,410 |
| 2032 | 6,238                                   | 103,172                                 | 109,410 |
| 2033 | 6,238                                   | 103,172                                 | 109,410 |
| 2034 | 6,238                                   | 103,172                                 | 109,410 |
| 2035 | 6,238                                   | 103,172                                 | 109,410 |
| 2036 | 6,238                                   | 103,172                                 | 109,410 |
| 2037 | 6,238                                   | 103,172                                 | 109,410 |
| 2038 | 6,238                                   | 103,172                                 | 109,410 |
| 2039 | 6,238                                   | 103,172                                 | 109,410 |
| 2040 | 6,238                                   | 103,172                                 | 109,410 |
| 2041 | 6,238                                   | 103,172                                 | 109,410 |
| 2042 | 6,238                                   | 103,172                                 | 109,410 |
| 2043 | 6,238                                   | 103,172                                 | 109,410 |
| 2044 | 6,238                                   | 103,172                                 | 109,410 |
| 2045 | 6,238                                   | 103,172                                 | 109,410 |
| 2046 | 6,238                                   | 103,172                                 | 109,410 |
| 2047 | 6,238                                   | 103,172                                 | 109,410 |
| 2048 | 6,238                                   | 103,172                                 | 109,410 |
| 2049 | 6,238                                   | 103,172                                 | 109,410 |
| 2050 | 6,238                                   | 103,172                                 | 109,410 |
| 2051 | 6,238                                   | 103,172                                 | 109,410 |
| 2052 | 6,238                                   | 103,172                                 | 109,410 |
| 2053 | 6,238                                   | 103,172                                 | 109,410 |
| 2054 | 6,238                                   | 103,172                                 | 109,410 |
| 2055 | 6,238                                   | 103,172                                 | 109,410 |
| 2056 | 6,238                                   | 103,172                                 | 109,410 |
| 2057 | 6,238                                   | 103,172                                 | 109,410 |
| 2058 | 6,238                                   | 103,172                                 | 109,410 |
| 2059 | 6,238                                   | 103,172                                 | 109,410 |
| 2060 | 6,238                                   | 103,172                                 | 109,410 |
| 2061 | 6,238                                   | 103,172                                 | 109,410 |
| 2062 | 6,238                                   | 103,172                                 | 109,410 |
| 2063 | 6,238                                   | 103,172                                 | 109,410 |
| 2064 | 6,238                                   | 103,172                                 | 109,410 |
| 2065 | 6,238                                   | 103,172                                 | 109,410 |
| 2066 | 6,238                                   | 103,172                                 | 109,410 |
| 2067 | 6,238                                   | 103,172                                 | 109,410 |
| 2068 | 6,238                                   | 103,172                                 | 109,410 |
| 2069 | 6,238                                   | 103,172                                 | 109,410 |
| 2070 | 6,238                                   | 103,172                                 | 133,731 |

#### B) Future approaches for calculating project emissions

For determining carbon and GHG fluxes from peat microbial decomposition in the project scenario different approaches (TIER 1 – TIER 3) will be used in the future. During the project life time, site-specific measurements (TIER 2 and TIER 3 approaches) will be undertaken and data will be collected to reduce uncertainties in emissions estimates related to water table spatial and temporal variations and to be able to build up a site-specific data set from which project emissions can be quantified for strata with most dynamic water table depths and all non forest strata (P1L0D0, P1L0D1, and P1L1D1). For stratum unaffected by drainage and deforestation (P1L1D0) water table depths are less dynamic, and TIER 1 approach will be used throughout the project life-time, unless significant changes in emission characteristics have been observed.

Beyond 2017, two TIER 3 methods will be applied to estimate project emissions. These methods complement each other and can be used for reducing uncertainty and for cross-checking methods (see also Annex 11):

- Soil subsidence monitoring. In the long term, soil subsidence is a reliable proxy for estimating carbon losses in peat soils.
- Direct emission measurements of CO<sub>2</sub> (and eventually CH<sub>4</sub>). In combination with proxies such as water table depth, soil temperatures and soil moistures, the data will be used to build empirical site- and strata specific models.

Soil subsidence and water table depths are monitored in the project area since 2015, and monitoring will be continued throughout the project period of 60 years ahead.

#### 5.4.5.2 Emissions from water bodies in peatlands

This Section explains in more detail how the numbers for emissions from water bodies in the project area in Table 60 have been calculated.

The water body stratum in the project scenario includes rivers and canals and changes in this stratum will be monitored during the project life-time. Per project rewetting activity plan, not all canals will be closed immediately and blocking of canals may result in additional open water bodies. Any change in the area of open water will be taken into account if it significantly influences project GHG emissions.

(TIER 1) IPCC values for DOC (Table 61) were used in first instance to estimate zero-situation and early project emissions from water bodies. A summary of emissions from Dissolved Organic Carbon in project scenario is given in Table 63. Beyond 2017, site-specific CO<sub>2</sub> and CH<sub>4</sub> or DOC measurements from water bodies will be performed based on which site-specific proxies for water body will be developed (see also Annex 11 for procedures).

Double accounting of water born losses will be avoided by using either DOC values or CO<sub>2</sub> and CH<sub>4</sub> only. GHG emission estimates from water bodies will be re-assessed annually during the project life-time

Calculating emissions from water body follows procedures set out in the VCS methodology VM0007 module M-PEAT for each water body stratum, using the equation (44).

$$E_{peatditch-WPS,i,t} = A_{ditch-WPS,i,t} \times EF_{DOC-WPS} \quad (44)$$

Where:

$E_{peatditch-WPS,i,t}$  GHG emissions from canals and other open water stratum  $i$  in year  $t$  in the project scenario (t CO<sub>2</sub>e yr<sup>-1</sup>)

|                     |                                                                                                                                                       |
|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| $A_{ditch-WPS,i,t}$ | Total area of canal and other open water stratum $i$ in year $t$ in the project scenario (ha)                                                         |
| $EF_{DOC-WPS}$      | IPCC emission factor of Dissolved Organic Carbon from canal and open in the project scenario (t CO <sub>2</sub> e ha <sup>-1</sup> yr <sup>-1</sup> ) |
| $i$                 | 1, 2, 3 ... $M_{WPS}$ strata <sup>18</sup> in the project scenario (unitless)                                                                         |
| $t$                 | 1, 2, 3, ... $t^*$ time elapsed since the project start (years)                                                                                       |

**Table 63. GHG emissions from Dissolved Organic Carbon in water bodies in the project scenario in tCO<sub>2</sub>-e.y<sup>-1</sup>.**

| Year | CO <sub>2</sub> from DOC |
|------|--------------------------|
| 2011 | 452                      |
| 2012 | 452                      |
| 2013 | 452                      |
| 2014 | 452                      |
| 2015 | 452                      |
| 2016 | 452                      |
| 2017 | 452                      |
| 2018 | 452                      |
| 2019 | 452                      |
| 2020 | 452                      |
| 2021 | 452                      |
| 2022 | 452                      |
| 2023 | 452                      |
| 2024 | 452                      |
| 2025 | 452                      |
| 2026 | 452                      |
| 2027 | 452                      |
| 2028 | 452                      |
| 2029 | 452                      |
| 2030 | 452                      |
| 2031 | 452                      |
| 2032 | 452                      |
| 2033 | 452                      |
| 2034 | 452                      |
| 2035 | 452                      |
| 2036 | 452                      |
| 2037 | 452                      |
| 2038 | 452                      |
| 2039 | 452                      |
| 2040 | 452                      |
| 2041 | 452                      |
| 2042 | 452                      |
| 2043 | 452                      |
| 2044 | 452                      |

<sup>18</sup> Note that different proxy classes result in different strata.

| Year | CO <sub>2</sub> from DOC |
|------|--------------------------|
| 2045 | 452                      |
| 2046 | 452                      |
| 2047 | 452                      |
| 2048 | 452                      |
| 2049 | 452                      |
| 2050 | 452                      |
| 2051 | 452                      |
| 2052 | 452                      |
| 2053 | 452                      |
| 2054 | 452                      |
| 2055 | 452                      |
| 2056 | 452                      |
| 2057 | 452                      |
| 2058 | 452                      |
| 2059 | 452                      |
| 2060 | 452                      |
| 2061 | 452                      |
| 2062 | 452                      |
| 2063 | 452                      |
| 2064 | 452                      |
| 2065 | 452                      |
| 2066 | 452                      |
| 2067 | 452                      |
| 2068 | 452                      |
| 2069 | 452                      |
| 2070 | 452                      |

#### 5.4.5.3 Emissions from uncontrolled burning

Peatland rewetting and best-practice fire management (zero burning, fire control and fire prevention measures, as determined by the relevant authorities) are implemented as project activities, and therefore uncontrolled burning is assumed to be absent in the project scenario.

Regular fire-patrol teams are operating since the project start, and an online satellite-based early warning system is planned as part of the project program to detect fire in a very early stage. If uncontrolled burning occurs during the project period, the area of the fire scar and the burn scar depth will be mapped within no later than 3 months after the burning event (see Annex 12). Repetition of burning is determined by tracking historical hotspot and/or direct observation data for the project area coverage, and the maps of the burning area during the project period. Equivalent GHG emissions from uncontrolled burning will be quantified and deducted from emission reductions as per Section 5.6.

GHG emissions resulting from peat burning are calculated from dry mass loss based on burn scar, depths, bulk density of peat, combustion factors and GHG potential of GHG species. GHG emissions from biomass loss from burning are quantified based on land cover type, combustion factors and GHG potential of GHG species. Bulk density of peat is assumed constant throughout the project life-time and was found to be relatively homogeneous throughout horizontal and vertical peat soil profile (Annex 10).

For repeated burns, scar depths of the 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> (plus) burnings are assumed 18, 11 and 4 cm in depth. Detailed parameters for quantifying GHG emissions from uncontrolled burning are given in Appendix 6.

Procedures for quantification of GHG emissions from peat burning follows the VCS methodology VM 0007 module E-BPB, using equation (45):

$$E_{peatburn-WPS,i,t} = \sum_{g=1}^G \left( (A_{peatburn-WPS,i,t} \times (P_{WPS,i,t} + B_{WPS,i,t}) \times G_{g,i}) \times 10^{-3} \right) \times GWP_g \quad (45)$$

Where:

|                        |                                                                                                                                                                                                 |
|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| $E_{peatburn-WPS,i,t}$ | Greenhouse emissions due to peat and biomass burning under project scenario in stratum $i$ in year $t$ of each GHG (CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O) (t CO <sub>2</sub> e) |
| $A_{peatburn-WPS,i,t}$ | Area peat burnt under project scenario in stratum $i$ in year $t$ (ha)                                                                                                                          |
| $P_{WPS,i,t}$          | Average mass of peat burnt under project scenario in stratum $i$ , year $t$ (t d.m. ha <sup>-1</sup> )                                                                                          |
| $B_{WPS,i,t}$          | Average biomass burnt under project scenario in stratum $i$ , year $t$ (t d.m. ha <sup>-1</sup> )                                                                                               |
| $G_{g,i}$              | Emission factor in stratum $i$ for gas $g$ (kg t <sup>-1</sup> d.m. burnt)                                                                                                                      |
| $GWP_g$                | Global warming potential for gas $g$ (t CO <sub>2</sub> /t $g$ )                                                                                                                                |
| $g$                    | 1, 2, 3 .. $G$ greenhouse gases including carbon dioxide, methane and nitrous oxide (unitless)                                                                                                  |
| $i$                    | 1, 2, 3 ... $M$ strata (unitless)                                                                                                                                                               |
| $t$                    | 1, 2, 3, ... $t$ time elapsed since the start of the project activity (year)                                                                                                                    |

The average mass of peat burnt for a particular stratum is estimated using equation (46) as follows:

$$P_{WPS,i,t} = D_{peatburn-WPS,i,t} \times BD_{upper} \times 10^{-4} \quad (46)$$

Where:

|                        |                                                                                                        |
|------------------------|--------------------------------------------------------------------------------------------------------|
| $P_{WPS,i,t}$          | Average mass of peat burnt under project scenario in stratum $i$ , year $t$ (t d.m. ha <sup>-1</sup> ) |
| $D_{peatburn-WPS,i,t}$ | Average fire scar depth under project scenario in stratum $i$ in year $t$ (m)                          |
| $BD_{upper,i}$         | Bulk density of the upper peat in stratum $i$ (g cm <sup>-3</sup> )                                    |
| $i$                    | 1, 2, 3 ... $M$ strata                                                                                 |
| $t$                    | 1, 2, 3, ... $t$ time elapsed since the start of the project activity (years)                          |

#### 5.4.5. Project emissions from ARR activities

Reforestation is planned as a project activity for areas that were deforested already before the project start, or became deforested within the first 10 years of the project. The project does not apply any ARR activity that includes timber harvesting or fertilization. Due to a variety of biophysical characteristics and social conditions in project area three reforestation designs are applied.

*Agroforestry* will be focused in an area of 253.17 ha, situated alongside the Hantipan canal. In this area, *Havea brasiliensis* and *Dyera lowii* will be planted with the spacing of 7 m x 7 m.

*Fire break plantations* will be established in the area around the main canal in the south, and will be mainly concentrated in the areas along the boundary (east and west). These plantations aim to block fire spreading from neighbouring areas. For this purpose, two fire resistant tree species are selected; Cajuput tree (*Melaleuca spp*) and Tumih (*Combretocarpus rotundatus*). They will be planted with a spacing of 3 m x 3 m.

Intensive reforestation will be fully carried out by PT. RMU, targeting almost all of the remaining non-forest area (4,092.26ha). There are at least three main species will be planted including Jelutong (*Dyera lowii*), Belangiran (*Shorea belangeran*), and Pulau (*Alstonia spp.*). Strip planting with the spacing line of 5 m x 10 m will be applied for intensive reforestation. Table 64 describes the technical design of the reforestation program.

**Table 64. Technical design of reforestation program**

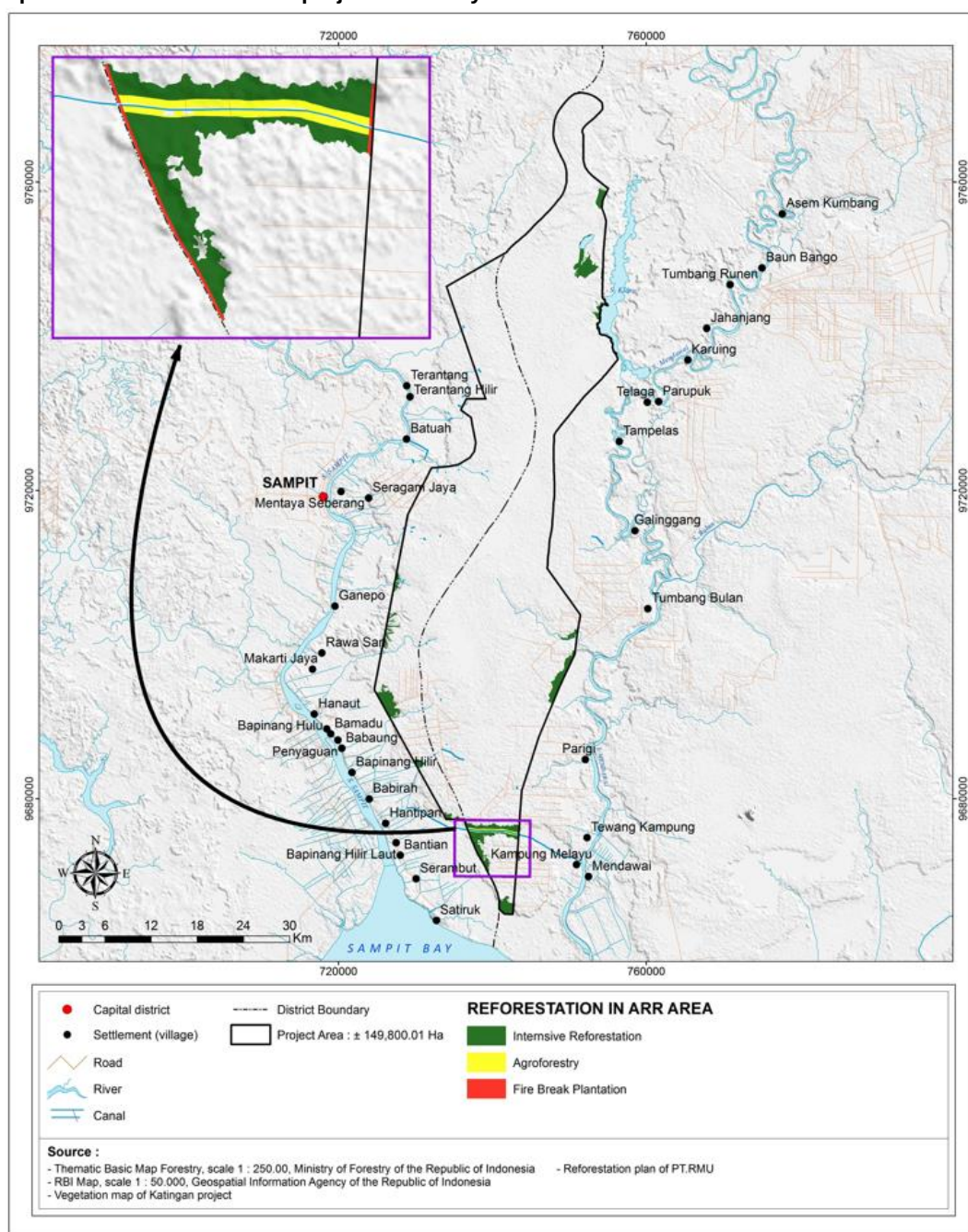
| ARR plan                     | Agroforestry                                                | Fire break plantation                                                | Intensive reforestation                                                                                            |
|------------------------------|-------------------------------------------------------------|----------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|
| Area                         | 253.17 ha, non-forest along canal                           | 88.12 Ha, non forest along the boundary edge in south canal areas    | 4,092.26 Ha, non-forest areas                                                                                      |
| Species                      | 20% : <i>Havea brasiliensis</i><br>80% : <i>Dyera lowii</i> | 50% : <i>Melalueca spp</i><br>50% : <i>Combretocarpus rotundatus</i> | 60% : <i>Dyera lowii</i><br>20% : <i>Shorea belangeran</i><br>10%: <i>Alstonia spp.</i><br>10% : Other PSF species |
| Spacing line/sapling density | 7 m x 7 m / 204 sapling/ha                                  | 3 m x 3 m/ 1111 saplings/ha                                          | 5 m x 10 m/ 200 saplings/ha                                                                                        |
| Starting year                | 2017                                                        | 2016                                                                 | 2016                                                                                                               |
| Implementer                  | Communities, supported by project                           | Project                                                              | Project                                                                                                            |

Based on the technical design above, the reforestation program in the project area will be implemented through the following plan, presented by Map 41 and Table 65 below.

**Table 65. Reforestation plan in the project boundary (Ha)**

| Year         | Reforestation plan |                  |                         |
|--------------|--------------------|------------------|-------------------------|
|              | Agroforestry       | Green fire break | Intensive reforestation |
| 2011         | -                  | -                | -                       |
| 2012         | -                  | -                | -                       |
| 2013         | -                  | -                | -                       |
| 2014         | -                  | -                | -                       |
| 2015         | -                  | -                | -                       |
| 2016         |                    | 44.06            | 272.82                  |
| 2017         | 126.59             | 44.06            | 272.82                  |
| 2018         | 126.59             |                  | 272.82                  |
| 2019         | -                  | -                | 272.82                  |
| 2020         | -                  | -                | 272.82                  |
| 2021         | -                  | -                | 272.82                  |
| 2022         | -                  | -                | 272.82                  |
| 2023         | -                  | -                | 272.82                  |
| 2024         | -                  | -                | 272.82                  |
| 2025         | -                  | -                | 272.82                  |
| 2026         | -                  | -                | 272.82                  |
| 2027         | -                  | -                | 272.82                  |
| 2028         | -                  | -                | 272.82                  |
| 2029         | -                  | -                | 272.82                  |
| 2030         | -                  | -                | 272.82                  |
| 2031         | -                  | -                | -                       |
| 2070         | -                  | -                | -                       |
| <b>Total</b> | <b>253.17</b>      | <b>88.12</b>     | <b>4,092.26</b>         |

Map 41. Reforestation area in project boundary



Ex-ante GHG emissions and removal under the project scenario follow M-ARR which refers to the procedure provided in AR-ACM0003 *Afforestation and reforestation lands except wetlands and associated pool*. Net GHG removals under the ARR project scenario up to time  $t^*$ ;  $t$  CO<sub>2</sub>-e ( $\Delta C_{WPS-ARR}$ ) are equal to the summation from  $t=1$  to  $t^*$  of the baseline net GHG removals by sinks in year  $t$ ; ( $\Delta C$ ) in AR-ACM0003.

Under the assumptions that: 1) non CO<sub>2</sub> GHG emissions under the project scenario are zero, 2) Shrubs, dead wood, and litter are not significant in the C pool calculations, and 3) Net GHG emission related to WRC activities in the project scenario in 'ARR area' (GHG<sub>WPS-WRC</sub>) are presented separately in the peat Section 5.3.1, Net GHG removals under the ARR project scenario are calculated using the equation (47):

$$\Delta C_{WPS-ARR} = \sum_{t=1}^t (\Delta C_{ACTUAL,i \text{ ACM0003}}) = \sum_{t=1}^t \Delta C_{TREE,PROJ,t} \quad (47)$$

Where:

$\Delta C_{WPS-ARR}$  Net GHG removals under the ARR project scenario up to time  $t$ ;  $t$  CO<sub>2</sub>-e  
 $\Delta C_{ACTUAL,t \text{ ACM0003}}$  Actual net GHG removal by sinks in year  $t$  (from AR-ACM0003) (t CO<sub>2</sub>-e)  
 $C_{TREE,PROJ,t}$  Change in carbon stock in tree biomass in project, in year  $t$ : tCO<sub>2</sub>-e  
 $t = 1, 2, 3, \dots$   $t$  time since project start

Annual C stock increment used in ARR calculation are respectively 2.44 tCha<sup>-1</sup>yr<sup>-1</sup> for native species (table 3A.6 IPCC), 1.84 tCha<sup>-1</sup>yr<sup>-1</sup> for rubber tree (RSPO), and 1.32 tCha<sup>-1</sup>yr<sup>-1</sup> (UGM). From calculation, cumulative net GHG removals related to ARR activities in the project scenario within the project period are estimated to be 1,864,644.09 tCO<sub>2</sub>-e. Annual GHG removals and emission are summarized in [Table 66](#) below.

**Table 66. Project net GHG removals by sinks from reforestation within project periode**

| Year | Change in the carbon stocks in project (tCO <sub>2</sub> -e) from |                       |                         | Total  |
|------|-------------------------------------------------------------------|-----------------------|-------------------------|--------|
|      | Agroforestry                                                      | Fire break plantation | Intensive reforestation |        |
| 2010 | -                                                                 | -                     | -                       | -      |
| 2011 | -                                                                 | -                     | -                       | -      |
| 2012 | -                                                                 | -                     | -                       | -      |
| 2013 | -                                                                 | -                     | -                       | -      |
| 2014 | -                                                                 | -                     | -                       | -      |
| 2015 | -                                                                 | -                     | -                       | -      |
| 2016 | -                                                                 | 304                   | 2,445                   | 2,749  |
| 2017 | 1,079                                                             | 607                   | 4,890                   | 6,576  |
| 2018 | 2,157                                                             | 607                   | 7,334                   | 10,099 |
| 2019 | 2,157                                                             | 607                   | 9,779                   | 12,544 |
| 2020 | 2,157                                                             | 607                   | 12,224                  | 14,989 |
| 2021 | 2,157                                                             | 607                   | 14,669                  | 17,434 |
| 2022 | 2,157                                                             | 607                   | 17,114                  | 19,879 |
| 2023 | 2,157                                                             | 607                   | 19,558                  | 22,323 |
| 2024 | 2,157                                                             | 607                   | 22,003                  | 24,768 |
| 2025 | 2,157                                                             | 607                   | 24,448                  | 27,213 |
| 2026 | 2,157                                                             | 607                   | 26,893                  | 29,658 |
| 2027 | 2,157                                                             | 607                   | 29,338                  | 32,103 |
| 2028 | 2,157                                                             | 607                   | 31,783                  | 34,547 |
| 2029 | 2,157                                                             | 607                   | 34,227                  | 36,992 |
| 2030 | 2,157                                                             | 607                   | 36,672                  | 39,437 |
| 2031 | 2,157                                                             | 607                   | 36,672                  | 39,437 |
| 2032 | 2,157                                                             | 607                   | 36,672                  | 39,437 |
| 2033 | 2,157                                                             | 607                   | 36,672                  | 39,437 |
| 2034 | 2,157                                                             | 607                   | 36,672                  | 39,437 |
| 2035 | 2,157                                                             | 607                   | 36,672                  | 39,437 |
| 2036 | 2,157                                                             | 607                   | 36,672                  | 39,437 |
| 2037 | 2,157                                                             | 607                   | 36,672                  | 39,437 |
| 2038 | 2,157                                                             | 607                   | 36,672                  | 39,437 |
| 2039 | 2,157                                                             | 607                   | 36,672                  | 39,437 |
| 2040 | 2,157                                                             | 607                   | 36,672                  | 39,437 |
| 2041 | 2,157                                                             | 607                   | 36,672                  | 39,437 |
| 2042 | 2,072                                                             | 607                   | 36,672                  | 39,351 |
| 2043 | 1,986                                                             | 607                   | 36,672                  | 39,266 |

| Year         | Change in the carbon stocks in project (tCO <sub>2</sub> -e) from |                       |                         | Total            |
|--------------|-------------------------------------------------------------------|-----------------------|-------------------------|------------------|
|              | Agroforestry                                                      | Fire break plantation | Intensive reforestation |                  |
| 2044         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2045         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2046         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2047         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2048         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2049         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2050         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2051         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2052         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2053         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2054         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2055         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2056         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2057         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2058         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2059         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2060         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2061         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2062         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2063         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2064         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2065         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2066         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2067         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2068         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2069         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| 2070         | 1,986                                                             | 607                   | 36,672                  | 39,266           |
| <b>Total</b> | <b>108,559</b>                                                    | <b>32,494</b>         | <b>1,723,591</b>        | <b>1,864,644</b> |

Actual carbon stock increments due to ARR activities will be monitored and reported at each monitoring event.

## 5.5 Leakage (CL3)

Applicable leakage modules were determined according to requirements in the VCS methodology **VM0007 REDD+ MF**. As demonstrated in Section 4.5, the baseline activity is determined as planned deforestation and peatland drainage as a result of conversion to industrial acacia plantation. The project is therefore categorized as a combination of Avoiding Planned Deforestation (APD), Reforestation (ARR), in combination with Conservation of Undrained and Partially drained Peatland (CUPP) and Rewetting of Drained Peatland (RDP) activities.

As a result, potential sources of leakage emissions stem from the *displacement of planned deforestation activities* and *displacement of pre-project agricultural activities* on non-forest land, and *ecological leakage* due to possible alterations of mean annual water table depth in adjacent areas. These potential sources are covered in the VCS Methodology VM0007 Modules **LK-ASP**, **LK-ARR**, and **LK-ECO** respectively, which are therefore identified as the applicable modules for the quantification of total leakage emissions (see [Table 67](#)).

**Table 67. Applicability of leakage modules**

| Module                                                                                                             | Applicability                                                                                                                                                      |
|--------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Estimation of emissions from activity shifting for avoiding planned deforestation and planned degradation (LK-ASP) | <b>Applicable.</b> The project may cause activity shifting of avoided planned deforestation.                                                                       |
| Estimation of emissions from activity shifting for avoiding unplanned deforestation (LK-ASU)                       | <b>Not applicable.</b> The project is not categorized as avoiding unplanned deforestation.                                                                         |
| Estimation of emissions from displacement of fuelwood extraction (LK-DFW)                                          | <b>Not applicable.</b> The project is not categorized as avoiding unsustainable fuelwood extraction.                                                               |
| Estimation of emissions from displacement of pre-project agricultural activities (LK-ARR)                          | <b>Applicable.</b> The project is categorized as afforestation, reforestation, and revegetation and may cause displacement of pre-project agricultural activities. |
| Estimation of emissions from market-effects (LK-ME)                                                                | <b>Not applicable.</b> The project does not reduce the production of timber, fuelwood, or charcoal.                                                                |
| Estimation of emissions from ecological leakage (LK-ECO)                                                           | <b>Applicable.</b> The project is categorized as WRC and may cause ecological leakage.                                                                             |

### 5.5.1 Estimation of emissions from activity shifting for avoiding planned deforestation and planned degradation (LK-ASP)

As discussed in Section 4.5, there is evidence of the intent to convert ecosystems in the project area by at least one plantation operator. However, a specific baseline deforestation agent could not be identified. Therefore the *most likely class of deforestation agents* was identified as industrial acacia plantation operators.

Section 5.2 of the VM0007 Module LK-ASP provides two options for estimating emissions associated with activity shifting in cases where only the *most likely class of deforestation agents* has been identified, of which Approach 1 is chosen here. The below steps therefore follow section 5.1 of the VM0007 Module LK-ASP. It applies equations (1) to (7) to estimate leakage based upon the difference between historic and with-project rates of deforestation by the identified most likely class of deforestation agents within the country. Considering the potential of leakage to peatland areas, all required steps in Section 5.3 of the VM0007 Module LK-ASP were followed and equations (10) to (12) applied.

#### 5.5.1.1 Steps to estimate activity shifting leakage for avoiding planned deforestation

##### STEP 1: Determination of the baseline rate of forest clearance by the class of deforestation agents

LK-ASP provides three options for estimating the baseline rate of forest clearance by the deforestation agent. Option 1.2 (historic average rate of clearance) may only be used if a historic trend analysis (Option 1.1) or a documented deforestation projection (Option 1.3) is not feasible.

While the Ministry of Environment and Forestry provides official projections for HIT plantation capacity development in Indonesia for 2010-2014 and through 2030, it does not currently provide more granular information such as annual projections of forest clearance by the class of deforestation agents.

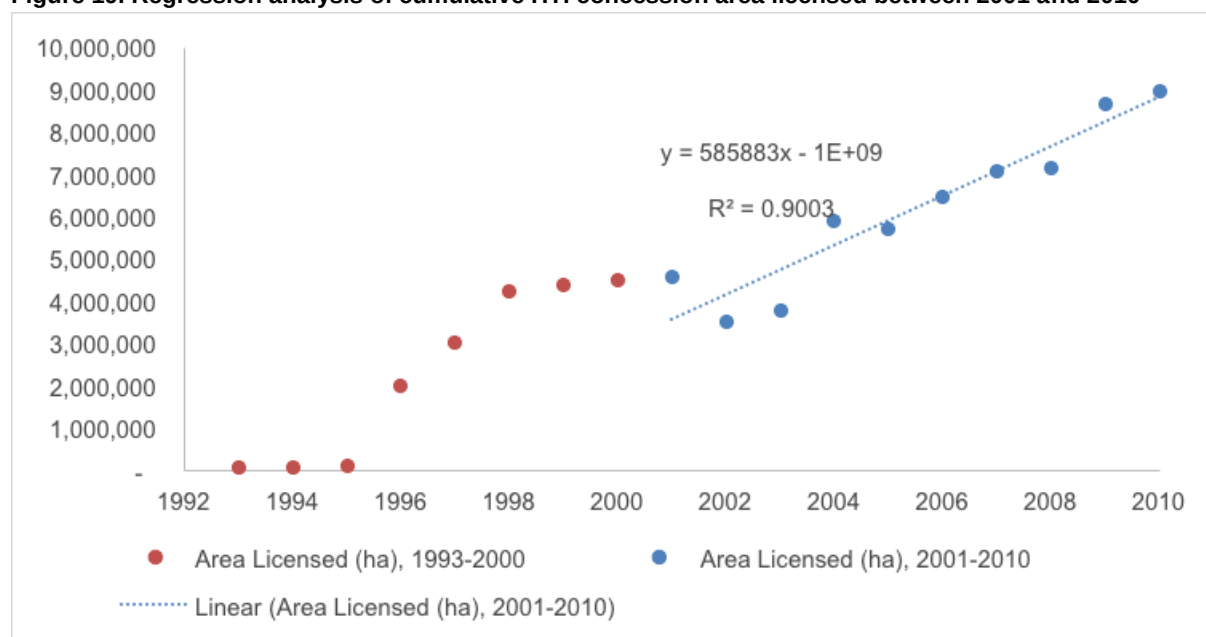
In order to determine the deforestation by the baseline agent of the planned deforestation in the absence of the project, we therefore first determine the historic trend (Option 1.1) in the total number of hectares licensed for HTI plantations which serves as the best indicator of increases in plantation establishment in Indonesia (see [Table 68](#)). In the absence of official data on clearance in these concessions and in line with the VM0007 Module LK-ASP, we set the rate of clearance to the conservative **baseline rate of deforestation (D%) of 3.91%** as derived from proxy areas and describe in Sub-section 5.3.2.

**Table 68. Official data on historic HTI concession licenses granted**

| Year | HTI concessions licensed | Area licensed (ha) |
|------|--------------------------|--------------------|
| 1993 | 2                        | 80,000             |
| 1994 | 2                        | 80,000             |
| 1995 | 5                        | 110,000            |
| 1996 | 27                       | 2,010,000          |
| 1997 | 63                       | 3,040,000          |
| 1998 | 94                       | 4,250,000          |
| 1999 | 98                       | 4,400,000          |
| 2000 | 100                      | 4,501,375          |
| 2001 | 102                      | 4,578,697          |
| 2002 | 91                       | 3,523,256          |
| 2003 | 94                       | 3,804,912          |
| 2004 | 112                      | 5,910,295          |
| 2005 | 115                      | 5,697,410          |
| 2006 | 133                      | 6,467,515          |
| 2007 | 162                      | 7,087,812          |
| 2008 | 165                      | 7,154,832          |
| 2009 | 206                      | 8,673,016          |
| 2010 | 218                      | 8,975,375          |

A regression analysis was carried out to test the significance of the historic trend in the cumulative area licensed for conversion to HTI plantations between 2001 and 2010 (see [Figure 19](#)). This resulted in a p-value of <0.001 and an adjusted  $r^2$  of 0.90, which fulfils requirements in LK-ASP ( $p \leq 0.05$  and an adjusted  $r^2$  of  $\geq 0.75$ ). The projected annual area licensed was then multiplied by the estimated deforestation rate of 3.91% to derive the estimated annual area converted to plantations between 2011 and 2030.

**Figure 19. Regression analysis of cumulative HTI concession area licensed between 2001 and 2010**



It is therefore estimated that an average area of 585,883 ha would be licensed annually for HTI plantation establishment between 2011 and 2030. According to applicable laws and common practice as defined in Section 4.5, 75% of the total concession area would be converted with the remainder set

aside for conservation and other uses. Applying the conservative 3.91% deforestation rate as mandated by the VM0007 Module LK-ASP, the total area of HTI plantations in 2030 are projected to be 13,523,093.60 ha.

Given the statistically significant trend in HTI concession licenses granted and the area deforested, Option 1.1 is selected to determine the annual area of clearance by the class of agents in the absence of the project as shown in [Table 69](#).

**Table 69. Deforestation by the baseline class of agents in the absence of the project in stratum**

| Year | WoPR <sub>i,t</sub> |
|------|---------------------|
| 2011 | 416,564             |
| 2012 | 432,600             |
| 2013 | 448,636             |
| 2014 | 464,671             |
| 2015 | 480,707             |
| 2016 | 496,742             |
| 2017 | 512,778             |
| 2018 | 527,486             |
| 2019 | 541,721             |
| 2020 | 557,259             |
| 2021 | 541,080             |
| 2022 | 497,267             |
| 2023 | 470,042             |
| 2024 | 456,362             |
| 2025 | 467,340             |
| 2026 | 479,811             |
| 2027 | 494,107             |
| 2028 | 505,467             |
| 2029 | 480,216             |
| 2030 | 448,881             |

*STEP 2: Estimation of new projection of forest clearance by the baseline class of deforestation agents with project implementation at which no leakage is occurring*

The total annual project area of planned baseline deforestation as determined in Sub-subsection 5.3.2.6 was subtracted from the annual area of clearance by the class of agents in the absence of the project to calculate the new area of annual deforestation by the baseline class of deforestation agents, at which no leakage is occurring ( $NewR_{i,t}$ ). The estimation was calculated using equation (48), and the result is provided in [Table 70](#).

$$NewR_{i,t} = WoPR_{i,t} - (D\%_{planned,i,t} \times A_{planned,i}) \quad (48)$$

Where:

|                     |                                                                                                                                                  |
|---------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| $NewR_{i,t}$        | New calculated forest clearance in stratum $i$ in year $t$ by the baseline agent of the planned deforestation where no leakage is occurring (ha) |
| $WoPR_{i,t}$        | Deforestation by the baseline agent of the planned deforestation in stratum $i$ in year $t$ in the absence of the project (ha)                   |
| $D\%_{planned,i,t}$ | Projected annual proportion of land that will be deforested in project stratum $i$ in year $t$ (percent)                                         |
| $A_{planned,i}$     | Total area of planned deforestation over the baseline period for project stratum $i$ (ha)                                                        |

*i* 1, 2, 3, ... *M* strata (unitless)  
*t* 1, 2, 3, ... *t*\* time elapsed since the projected start of the project activity (years)

**Table 70. New area of annual deforestation by the baseline class of deforestation agents at which no leakage is occurring**

| Year | NewR <sub>i,t</sub> |
|------|---------------------|
| 2011 | 414,419             |
| 2012 | 430,805             |
| 2013 | 442,106             |
| 2014 | 458,966             |
| 2015 | 474,745             |
| 2016 | 491,149             |
| 2017 | 506,702             |
| 2018 | 521,628             |
| 2019 | 535,910             |
| 2020 | 551,440             |
| 2021 | 535,149             |
| 2022 | 491,811             |
| 2023 | 464,314             |
| 2024 | 450,904             |
| 2025 | 461,755             |
| 2026 | 474,397             |
| 2027 | 488,509             |
| 2028 | 500,100             |
| 2029 | 474,379             |
| 2030 | 443,425             |

*STEP 3: Monitoring of all areas deforested by baseline class of agents of deforestation through the years in which planned deforestation was forecasted to occur*

The project will estimate all areas deforested by the class of agents throughout the country by monitoring the total area licensed for conversion to HTI plantations and the conversion rate as derived from proxy areas ( $D\% = 3.91\%$ ). The project is in discussion with a range of NGOs and applicable government bodies to promote the development of a comprehensive deforestation monitoring systems which will allow the determination of areas deforested by land-use category throughout the country. Areas of deforestation will be reported in each Monitoring Report and leakage will be determined using equation (49):

$$LKA_{planned,i,t} = A_{defLK,i,t} - NewR_{i,t} \quad (49)$$

Where:

*LKA<sub>planned,i,t</sub>* The area of activity shifting leakage in stratum *i* in year *t* (ha)  
*NewR<sub>i,t</sub>* New calculated forest clearance by the baseline agent of the planned deforestation in stratum *i* in year *t* where no leakage is occurring (ha)  
*A<sub>defLK,i,t</sub>* The total area of monitored deforestation by the baseline agent of the planned deforestation in stratum *i* in year *t* (ha)  
*i* 1, 2, 3, ... *M* strata (unitless)  
*t* 1, 2, 3, ... *t*\* time elapsed since the start of the project activity (years)

As a result of extensive leakage mitigation activities carried out by the project and its partners as described in Section 5.2 and for the purpose of this document, it is assumed that **no leakage will occur**.

Actual leakage will be monitored throughout the project crediting period, and will be reported at each monitoring event.

*STEP 4: Monitoring of GHG emissions outside the project boundary by baseline agent of deforestation*

Leakage emissions related to biomass burning and fertilizer application need only be considered where a specific deforestation agent can be identified and thus need not be considered by this project.

*STEP 5: Estimation of peat carbon in all of the class of agents' concessions*

This section describes how the emission factors for activity shifting leakage to peatlands were determined based on carbon lost at Peat Depletion Time ( $C_{peatloss, tPDT}$ ) in the undrained peatland of the alternative areas. The PDTs were estimated using the principles in Equations (1) to (13) set out in the VSC methodology VM0007 Module X-STR by applying drainability limit restrictions similar to principles applied to the project area, as described in Sub-subsection 4.4.1.3.

The areas which may produce emissions from peat as a result of activity shifting leakage are determined as undrained peatland areas under the land use designation of HP (*Hutan Produksi* or Production Forest) throughout Indonesia at the time of the project start. Some of these areas are yet to be granted concessions (unlicensed HP areas), and other areas have already been licensed to HTI acacia plantations (see [Table 71](#)). As explained in Sub-sections 1.3.1 and 4.5.1, the main portion of licensed HP areas have been increasingly occupied by HTI acacia plantations. Choosing unlicensed HP and licensed HTI acacia plantation areas as the basis for alternative areas for planned activity-shifting leakage is therefore considered conservative, since other types of industrial forestry-based plantations such as teakwood may also occupy the HP areas in future.

The project assumes that, on peatland, drainage and deforestation occur in parallel. Drained peatland is assumed equal to deforested peatland area. In order to determine the proportion of undrained peatland in HP areas and in line with Sub-subsection with 5.3.2.3, it is conservatively assumed that licensed HTI acacia areas in the HP area have been cleared at an historic annual rate of 3.91%. From the analysis, c.a. 4,653,834 hectares (39.7%) of the acacia licensed HP area was estimated to have been deforested at the project start date as given in [Table 71](#). It is assumed that all peatlands in the unlicensed area are forested and undrained.

**Table 71. Deforested and forested area in HTI acacia and unlicensed HP areas at the project start**

| Land cover types                                            | Peatland   |          | Non peatland |          | Peatland + Non peatland |          |
|-------------------------------------------------------------|------------|----------|--------------|----------|-------------------------|----------|
|                                                             | Area (ha)  | Area (%) | Area (ha)    | Area (%) | Area (ha)               | Area (%) |
| <b>Acacia plantations in HP areas</b>                       |            |          |              |          |                         |          |
| Deforested in 2010                                          | 1,130,406  | 39.7%    | 3,523,427    | 39.7%    | 4,653,834               | 39.7%    |
| Forested in 2010                                            | 1,717,286  | 60.3%    | 5,352,705    | 60.3%    | 7,069,991               | 60.3%    |
| Total acacia plantation area                                | 2,847,692  |          | 8,876,133    |          | 11,723,825              |          |
| <b>Unlicensed HP areas</b>                                  |            |          |              |          |                         |          |
| Deforested in 2010                                          | -          | 0.0%     | -            | 0.0%     | -                       | 0.0%     |
| Forested in 2010                                            | 8,599,844  | 100.0%   | 34,468,021   | 100.0%   | 43,067,865              | 100.0%   |
| Total unlicensed HP area                                    | 8,599,844  |          | 34,468,021   |          | 43,067,865              |          |
| <b>Acacia plantations in HP areas + Unlicensed HP areas</b> |            |          |              |          |                         |          |
| Deforested in 2010                                          | 9,730,250  | 48.5%    | 37,991,448   | 48.8%    | 47,721,699              | 48.8%    |
| Forested in 2010                                            | 10,317,130 | 51.5%    | 39,820,726   | 51.2%    | 50,137,856              | 51.2%    |
| Total acacia + unlicensed HP area                           | 20,047,380 |          | 77,812,174   |          | 97,859,554              |          |

Peatland areas were delineated based on the Wetlands International peatland map 2013 (for Sumatra and Kalimantan) and Wetlands International Peat Atlas 2004 (for Papua). Total peatland area and carbon stock loss at tPDT ( $C_{peatloss,tPDT}$ ) in licensed HTI acacia plantations and unlicensed HP areas are presented in Table 72 and Map 42. The amount of carbon loss at tPDT was conservatively calculated based on peat thickness loss at tPDT, bulk density similar to that of the project area ( $127 \text{ kg.m}^{-3}$ ) and carbon content ( $48 \text{ kg.kg}^{-1}$  dry mass), as expressed in the equation (50):

$$C_{peatloss,tPDT,k} = P_{tPDT,k} \times BD \times C_c \times 10 \quad (50)$$

Where:

$C_{peatloss,tPDT,k}$  Carbon loss at t = PDT in peat stratum k ( $\text{tC.ha}^{-1}$ )  
 $P_{tPDT,k}$  Available peat thickness for microbial decompositions and burning as restricted by drainability limit in peat stratum k (m)  
 $BD$  Bulk density of peat ( $\text{kg.m}^{-3}$ )  
 $C_c$  Carbon content of peat ( $\text{kg.kg}^{-1}$  peat dry mass)  
 $k$  Peat thickness strata

**Table 72. Summary of peat thickness and average carbon stock loss at tPDT and average carbon stock loss in all HTI areas in Indonesia**

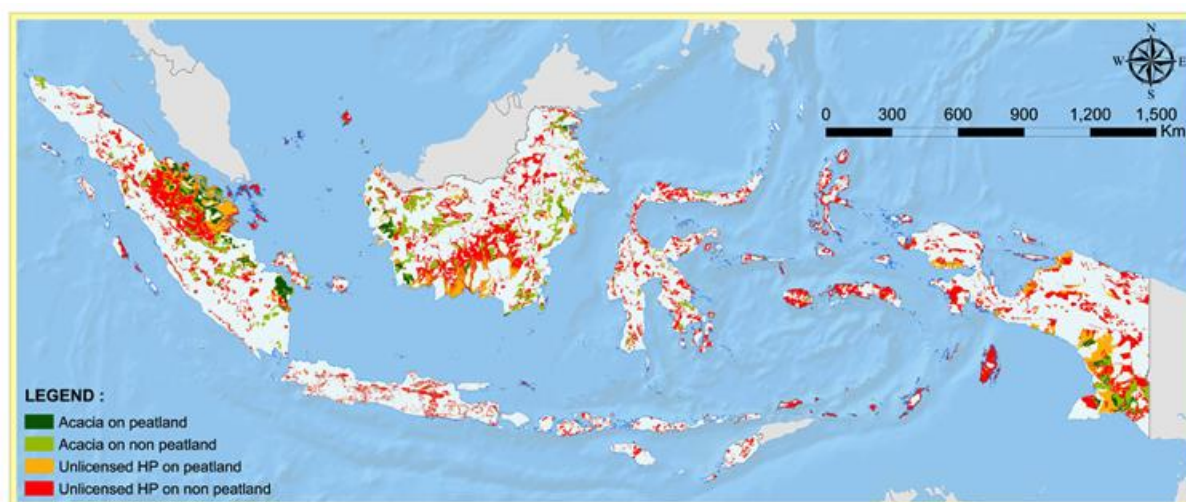
| PLPDT*    | HTI Acacia in HP Area |                                 |                                   | Unlicensed HP Area |                                 |                                   |
|-----------|-----------------------|---------------------------------|-----------------------------------|--------------------|---------------------------------|-----------------------------------|
| Range (m) | Area (ha)             | Avg $C_{ploss,tPDT}$ ** (tC/ha) | $C_{peatloss,tPDT}$ *** (tCx1000) | Area (ha)          | Avg $C_{ploss,tPDT}$ ** (tC/ha) | $C_{peatloss,tPDT}$ *** (tCx1000) |
| < 1       | 702,964               | 305                             | 214,263                           | 3,824,802          | 305                             | 1,165,800                         |
| 1 - 2     | 468,541               | 914                             | 428,434                           | 1,851,470          | 914                             | 1,692,984                         |
| 2 - 3     | 396,953               | 1,524                           | 604,956                           | 908,755            | 1,524                           | 1,384,942                         |
| 3 - 4     | 313,100               | 2,134                           | 668,031                           | 754,237            | 2,134                           | 1,609,239                         |
| 4 - 5     | 254,073               | 2,743                           | 696,972                           | 424,184            | 2,743                           | 1,163,621                         |
| 5 - 6     | 191,007               | 3,353                           | 640,407                           | 282,793            | 3,353                           | 948,148                           |
| 6 - 7     | 161,088               | 3,962                           | 638,294                           | 203,576            | 3,962                           | 806,650                           |
| 7 - 8     | 134,545               | 4,572                           | 615,139                           | 146,421            | 4,572                           | 669,438                           |
| 8 - 9     | 108,361               | 5,182                           | 561,482                           | 100,772            | 5,182                           | 522,162                           |
| 9 - 10    | 73,375                | 5,791                           | 424,931                           | 62,861             | 5,791                           | 364,041                           |
| 10 - 11   | 29,929                | 6,401                           | 191,570                           | 30,042             | 6,401                           | 192,292                           |
| 11 - 12   | 10,991                | 7,010                           | 77,054                            | 7,963              | 7,010                           | 55,826                            |
| 12 - 13   | 2,634                 | 7,620                           | 20,070                            | 1,968              | 7,620                           | 14,994                            |
| 13 - 14   | 133                   | 8,230                           | 1,093                             | -                  | -                               | -                                 |
| >14       | -                     | -                               | -                                 | -                  | -                               | -                                 |
| Total     | 2,847,692             |                                 | 5,782,693                         | 8,599,844          |                                 | 10,590,136                        |
| Average   |                       | 4,267                           |                                   |                    | 3,679                           |                                   |

\* Peat thickness loss at t = PDT

\*\* Average

\*\*\* Average x Area

Map 42. Alternative areas for activity shifting leakage overlaid with peatland coverage



STEP 6: Estimation of CO<sub>2</sub> emission factor for leakage to peatland per ha

In the HP area licensed for HTI acacia plantations, the proportion of deforested area (39.7%, see [Table 73](#)) was used in estimating proportion of deforested/drained peatland at the project start date. Projected undrained peatland that would be drained, in the baseline, in the HP area licensed for HTI acacia plantations is assumed equal to the forested peatland minus area set aside for conservation area (25% of the peatland area), as applicable by regulations described in Sub-section 4.5.2. Projected undrained peatland that would be drained in the unlicensed HP area was estimated as equal to 75% of peatland area. Detail of projected drained peatland in baseline HP area is provided in [Table 73](#).

Table 73. Projection of undrained peatland in HP areas as alternative areas for leakage to peatland

| Category                                                | Acacia    |         | Unlicensed |         |
|---------------------------------------------------------|-----------|---------|------------|---------|
|                                                         | Area (ha) | Percent | Area (ha)  | Percent |
| Peatland                                                | 2,847,692 | 100.0%  | 8,599,844  | 100.0%  |
| Deforested/drained peatland                             | 1,130,406 | 39.7%   | 0          | 0.0%    |
| Forested peatland                                       | 1,717,286 | 60.3%   | 8,599,844  | 100.0%  |
| Conservation area                                       | 711,923   | 25.0%   | 2,149,961  | 25.0%   |
| Projected undrained peatland (in the baseline scenario) | 1,005,363 | 35.3%   | 6,449,883  | 75.0%   |

The emission factor for leakage to peatland is calculated as the average per hectare loss of carbon from peat soils in all of the class of agents' concessions at PDT, expressed as tCO<sub>2</sub>, using equation (51).

$$LK_{EF} = (C_{peatloss,tPDT} \times 44 / 12) / A_{conc-ag} \quad (51)$$

Where:

|                     |                                                                                                                                                                     |
|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| $LK_{EF}$           | CO <sub>2</sub> emission factor from leakage to undrained peatlands (t CO <sub>2</sub> e ha <sup>-1</sup> )                                                         |
| $C_{peatloss,tPDT}$ | Cumulative peat carbon loss due to activity shifting leakage at $tPDT$ (t C) (Note: derived from module X-STR)                                                      |
| $A_{conc-ag}$       | Total number of hectares with undrained peatlands under concession to the agent of deforestation or total number of ha with peatlands in the alternative areas (ha) |

Based on [Table 73](#) and [Table 74](#), the CO<sub>2</sub> emission factor for leakage to peatland per hectare was calculated. Total  $C_{peatloss,TPDT}$  in [Table 72](#) was factored by the percentage of drained peatland as provided in [Table 73](#). Estimated  $LK_{EF}$  for licensed and unlicensed HP areas are presented in [Table 74](#).

**Table 74. Estimated emission factors of leakage to peatland**

| Parameters                                                      | HTI Acacia in HP area | Unlicensed HP area |
|-----------------------------------------------------------------|-----------------------|--------------------|
| $C_{peatloss,TPDT}$ (tC)                                        | 2,041,549,528         | 7,942,602,296      |
| Total undrained area of peatlands in the alternative areas (ha) | 1,005,363             | 6,449,883          |
| $LK_{EF}$ (tCO <sub>2</sub> -e.ha <sup>-1</sup> )               | 7,446                 | 4,515              |

*STEP 7: Estimation of net GHG emissions due to leakage to undrained peatlands as a result of project implementation*

Proportions of undrained peatland in the alternative areas were estimated based on licensed HTI acacia plantations and unlicensed HP area ([Table 71](#)) and undrained peatland areas provided in [Table 73](#), as provided in [Table 75](#).

**Table 75. Proportion of undrained peatland areas in the alternative area**

| Category                        | HTI Acacia in HP area | Unlicensed HP area |
|---------------------------------|-----------------------|--------------------|
| Alternative area (HP area) (ha) | 11,723,825            | 43,067,865         |
| Undrained peatlands (ha)        | 1,005,363             | 6,449,883          |
| $PROP_{PEAT-AGENT}$             | 0.09                  | 0.15               |

At each monitoring event, emissions due to leakage to undrained peatlands will be calculated using equation (52):

$$LK_{peat,t} = LKA_{planned,i,t} \times PROP_{PEAT-AGENT} \times LK_{EF} \quad (52)$$

Where:

|                     |                                                                                                                                                                                 |
|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| $LK_{peat,t}$       | Net greenhouse gas emissions due to activity shifting to undrained peatlands as a result of implementation of a planned deforestation project in year $t$ (t CO <sub>2</sub> e) |
| $LKA_{planned,i,t}$ | The area of activity shifting leakage in stratum $i$ in year $t$ (ha)                                                                                                           |
| $PROP_{PEAT-AGENT}$ | Proportion of undrained peatland areas in the agent's concessions with respect to the total area of such concessions (unitless)                                                 |
| $LK_{EF}$           | CO <sub>2</sub> emission factor from leakage to undrained peatlands (t CO <sub>2</sub> e ha <sup>-1</sup> )                                                                     |

#### 5.5.1.2 Total emissions from activity shifting for avoiding planned deforestation

At each monitoring event, total emissions from activity shifting for APD will be calculated based on the parameters determined in the above Step 1 to 7, using equation (53):

$$\Delta C_{LK-AS,planned} = \sum_{t=1}^{t^*} \sum_{i=1}^M ((LKA_{planned,i,t} \times \Delta C_{BSL,i}) + GHG_{LK,E,i,t} + LK_{peat,t}) \quad (53)$$

Where:

|                            |                                                                                                                                                                                 |
|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| $\Delta C_{LK-AS,planned}$ | Net CO <sub>2</sub> emissions due to activity shifting leakage for projects preventing planned deforestation (t CO <sub>2</sub> e)                                              |
| $LK_{peat,t}$              | Net greenhouse gas emissions due to activity shifting to undrained peatlands as a result of implementation of a planned deforestation project in year $t$ (t CO <sub>2</sub> e) |

|                          |                                                                                                                                                 |
|--------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| $\Delta C_{BSL,planned}$ | Net CO <sub>2</sub> emissions in the baseline from planned deforestation in the project area (t CO <sub>2</sub> e)                              |
| $GHG_{LK,E,i,t}$         | Greenhouse gas emissions as a result of leakage of avoiding deforestation activities in stratum <i>i</i> in year <i>t</i> (t CO <sub>2</sub> e) |
| $LKA_{planned,i,t}$      | The area of activity shifting leakage in stratum <i>i</i> in year <i>t</i> (ha)                                                                 |

As a result of extensive leakage mitigation activities carried out by the project and its partners as described in Section 5.2 and for the purpose of this document, it is assumed that no leakage will occur. Actual leakage will be monitored throughout the project crediting period and will be reported at each monitoring event.

### 5.5.2 Estimation of emissions from displacement of pre-project agricultural activities (LK-ARR)

The VM0007 Module LK-ARR requires the use of the latest version of the CDM tool “Estimation of the increase in GHG emissions attributable to displacement of pre-project agricultural activities in A/R CDM project activity” [32]. Step 1 of the CDM tool requires that the area subject to pre-project agricultural activities that is expected to be afforested/reforested (therefore the activities having to be displaced) be identified.

The project area includes only comparatively small areas of non-forest land which will be reforested in the project scenario (see Sub-section 2.2.1 – B). The vast majority of these areas are not forested due to uncontrolled burning which occurred prior to the project start. Only a small fraction of area (< 2 ha) has some existing planted rubber trees, however this will be fully incorporated within a larger (262 ha) area of community-managed rubber/Jelutong agroforests which will border the Hantipan canal area (see Sub-section 2.2.1 – B). As a result, no pre-project agricultural activities will be displaced by ARR project activities, and hence  $Change\_C\_LK-ARR = 0$ .

### 5.5.3 Estimation of emissions from ecological leakage (LK-ECO)

Applicability conditions of the VM0007 Module LK-ECO require that ecological leakage affecting the soil (peat) carbon pool does not occur. This can be achieved demonstrating that the effect of hydrological connectivity with adjacent areas is insignificant, specifically by ensuring an appropriate design (e.g., by establishing an impermeable dam, by rewetting peatland that is surrounded by undrained peatland or by rivers) or by a buffer zone within the project boundary.

As described in [Table 52](#), the project area primarily consists of intact peat swamp forest (94.7% of project area) which requires very little intervention in terms of rewetting. As such, the risk of ecological leakage is by definition limited to comparatively small areas along the Hantipan canal in which rewetting activities are to be undertaken (see Map 6 of Sub-section 2.2.1 – C). The risk of ecological leakage is minimal as demonstrated by conditions in this area and its surrounding peatlands at project start:

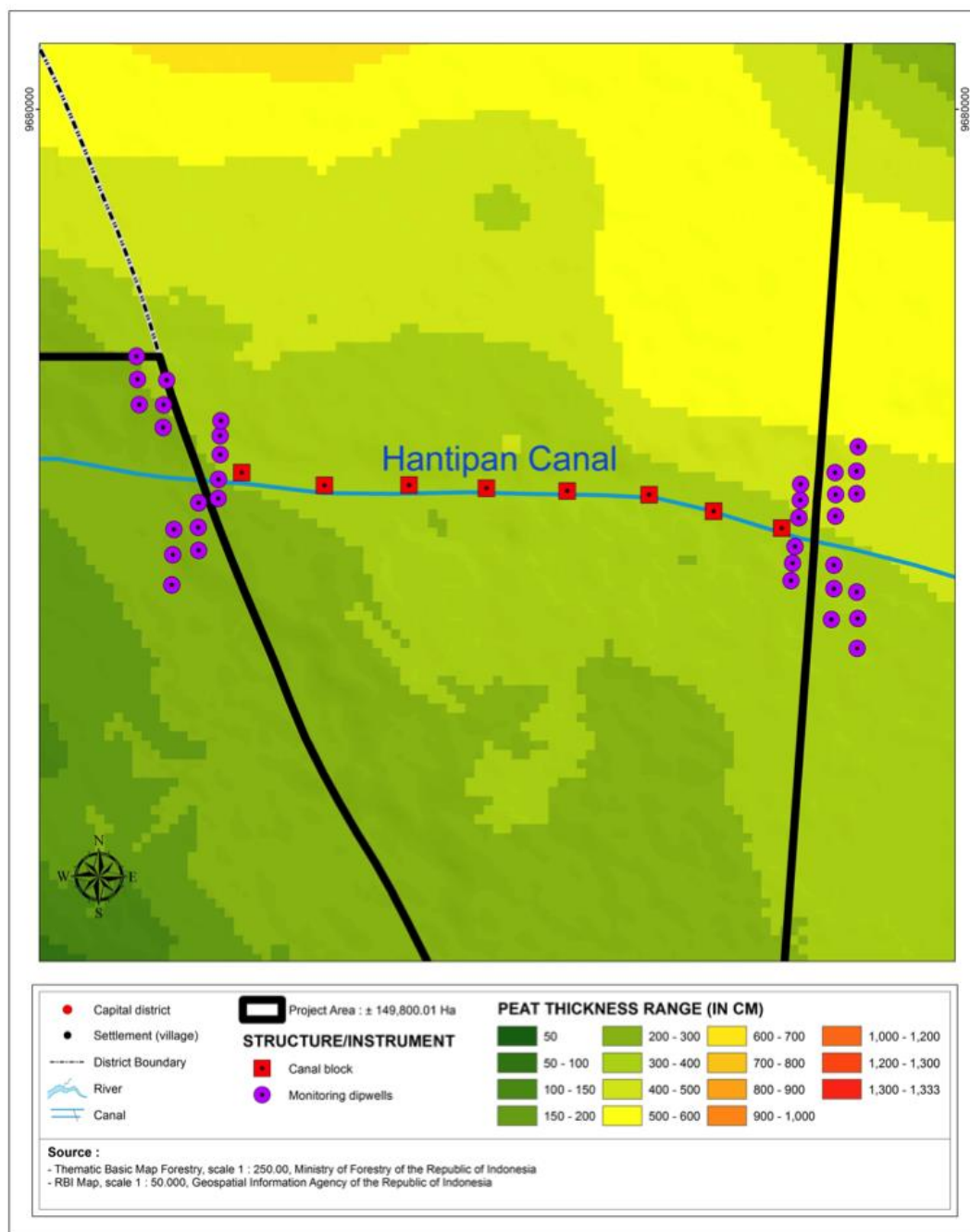
- Prolonged drainage history of the Hantipan canal has caused an alteration of the topography of the drained area in such a way that minidomes have formed and a complete restoration to original condition is not possible anymore Annex 1. Thus the maximum magnitude of water table raise is limited by the steeper slope towards the canal, and the risk of floods caused by rewetting activities is minimal.
- Initial conditions of the project area and its surrounding peatlands show that floods occur regularly in wet seasons. Therefore, wet season floods after project start date and after rewetting is not likely associated with the project interventions.

- Considering canal dimension that will be blocked in rewetting effort (c.a 10 meters wide and 2 meters deep) the volume of water that may be discharged downstream should canal blocks failures occur is not sufficient to cause significant flood outside the project area.

Where rewetting is undertaken, it is designed in such a way that the impacts of rising water tables within the rewetting area do not significantly affect water tables outside the project area and is achieved by the following measures:

- The outer-most canal blocks are positioned with at least 200 meter distance between the blocks and the project boundary (see Map 43). This space will act as ecological leakage buffer zone to ensure that water table rise inside project area is not directly impacting water table depths outside project boundary. The exact positions and space will be determined when technical rewetting plan has been formulated in 2017.
- Canal blocks will be placed in cascade design to ensure any breach of the blocks will not cause significant volumes of water to be discharged downstream.

**Map 43. Illustration of cascade canal block positions and dipwell locations for ecological leakage monitoring**



It is expected that no ecological leakage will occur in the project scenario. The integrity of the rewetting activities with no ecological leakage will be demonstrated at each monitoring event. Monitoring of ecological leakage is undertaken by installing staff gauges and monitoring wells within the vicinity of canal block positions inside and outside the project area. Monitoring will be performed regularly with daily to weekly interval. In wet season when high water table depths are expected daily monitoring will be necessary. In dry season weekly monitoring is deemed sufficient.

## 5.6 Summary of GHG Emission Reductions and Removals (CL2.2)

Net GHG emission reductions from REDD, WRC, and ARR activities are calculated using equation (54). This section provides an overview of total net emission reductions and details activity specific calculations in sub-sections.

$$NER_{REDD+} = NER_{REDD} + NGR_{ARR} + NER_{WRC} \quad (54)$$

Where:

|              |                                                                                                        |
|--------------|--------------------------------------------------------------------------------------------------------|
| $NER_{REDD}$ | Total net GHG emission reductions of the REDD project activity up to year $t^*$ ; t CO <sub>2</sub> -e |
| $NGR_{ARR}$  | Total net GHG removals of the ARR project activity up to year $t^*$ ; t CO <sub>2</sub> -e             |
| $NER_{WRC}$  | Total net GHG emission reductions of the WRC project activity up to year $t^*$ ; t CO <sub>2</sub> -e  |

### 5.6.1 Uncertainty Analysis

Per module X-UNC, uncertainties were calculated for the project's REDD and WRC components in both the project and baseline scenarios.

#### 5.6.1.1 REDD Uncertainty

As mentioned in sections 5.3.2.2, the uncertainty in the baseline rate of deforestation was determined as zero since an unquestionably conservative deforestation rate was used. Furthermore, as mentioned in section 4.4.1.1, the total uncertainty in the combined carbons stocks and greenhouse gas sources in the REDD baseline was determined to be 10.61%. Therefore, the cumulative uncertainty in the REDD baseline scenario is 10.61%. The Ex Post uncertainty in the REDD project scenario was set to zero, since no *ex post* (re-)measurements of carbon pools or GHG sources have been made. Uncertainties will be reassessed when carbon pools are re-measured.

#### 5.6.1.2 WRC Uncertainty

Using the standard error data for the peat emission factors provided by the IPCC (IPCC Wetlands Supplement 2013, see Appendix 6) the uncertainties of CO<sub>2</sub> and CH<sub>4</sub> emissions from microbial decompositions of peat and Dissolved Organic Carbon from water bodies were calculated in both the baseline and project scenario. The uncertainty of CH<sub>4</sub> emissions from water body was set to zero since it was conservatively excluded from all emission calculations. The uncertainty of GHG emissions from uncontrolled peat burning in the project scenario was also set to zero as it was assumed all fires in the project will be prevented. The uncertainty in GHG emissions from peat burning in the baseline scenario was calculated using the dry mass burnt per stratum per year and their standard errors. Since module X-UNC doesn't distinguish between CO<sub>2</sub> and CH<sub>4</sub> emissions from peat burning, emissions from the data was combined to produce an overall uncertainty in CO<sub>2</sub> equivalent. Based on these assumptions the WRC uncertainty in the baseline and project scenario were calculated to be 0.82% and 2.93% respectively.

The total error in the REDD+ project activity was calculated as 0.87%. Considering the 15% uncertainty threshold, no VCU deductions were made due to uncertainty. Further detail on all calculations is provided in Annex 17.

## 5.6.2 Total net GHG emission reductions of the REDD project activity

Net GHG emission reductions from REDD project activities are calculated by subtracting project emissions and emissions due to leakage from baseline emissions (see [Table 76](#)).

**Table 76. Total net GHG emission reductions of the REDD project activity**

| Years | Estimated baseline emissions or removals (tCO <sub>2</sub> e) | Estimated project emissions or removals (tCO <sub>2</sub> e) | Estimated leakage emissions (tCO <sub>2</sub> e) | Estimated net GHG emission reductions or removals (tCO <sub>2</sub> e) |
|-------|---------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------|------------------------------------------------------------------------|
| 2011  | 657,473                                                       | 45,607                                                       | -                                                | 611,866                                                                |
| 2012  | 529,293                                                       | 33,334                                                       | -                                                | 495,960                                                                |
| 2013  | 1,970,386                                                     | 23,068                                                       | -                                                | 1,947,319                                                              |
| 2014  | 1,682,357                                                     | (14,280)                                                     | -                                                | 1,696,637                                                              |
| 2015  | 1,768,045                                                     | (46,913)                                                     | -                                                | 1,814,958                                                              |
| 2016  | 1,650,617                                                     | (81,012)                                                     | -                                                | 1,731,629                                                              |
| 2017  | 1,813,345                                                     | (113,006)                                                    | -                                                | 1,926,351                                                              |
| 2018  | 1,726,187                                                     | (147,761)                                                    | -                                                | 1,873,947                                                              |
| 2019  | 1,725,278                                                     | (181,265)                                                    | -                                                | 1,906,542                                                              |
| 2020  | 1,715,008                                                     | (214,503)                                                    | -                                                | 1,929,512                                                              |
| 2021  | 1,769,047                                                     | (293,395)                                                    | -                                                | 2,062,442                                                              |
| 2022  | 1,611,098                                                     | (327,318)                                                    | -                                                | 1,938,416                                                              |
| 2023  | 1,702,230                                                     | (358,528)                                                    | -                                                | 2,060,758                                                              |
| 2024  | 1,612,300                                                     | (391,288)                                                    | -                                                | 2,003,588                                                              |
| 2025  | 1,670,386                                                     | (422,512)                                                    | -                                                | 2,092,898                                                              |
| 2026  | 1,596,948                                                     | (454,460)                                                    | -                                                | 2,051,408                                                              |
| 2027  | 1,663,977                                                     | (485,433)                                                    | -                                                | 2,149,410                                                              |
| 2028  | 1,585,198                                                     | (517,452)                                                    | -                                                | 2,102,649                                                              |
| 2029  | 1,744,383                                                     | (548,150)                                                    | -                                                | 2,292,533                                                              |
| 2030  | 1,609,972                                                     | (581,538)                                                    | -                                                | 2,191,510                                                              |
| 2031  | 1,052,344                                                     | (612,743)                                                    | -                                                | 1,665,087                                                              |
| 2032  | 1,181,457                                                     | (633,147)                                                    | -                                                | 1,814,604                                                              |
| 2033  | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2034  | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2035  | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2036  | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2037  | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2038  | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2039  | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2040  | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2041  | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2042  | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2043  | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2044  | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2045  | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2046  | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2047  | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2048  | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2049  | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2050  | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2051  | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2052  | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2053  | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2054  | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2055  | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |

| Years        | Estimated baseline emissions or removals (tCO <sub>2</sub> e) | Estimated project emissions or removals (tCO <sub>2</sub> e) | Estimated leakage emissions (tCO <sub>2</sub> e) | Estimated net GHG emission reductions or removals (tCO <sub>2</sub> e) |
|--------------|---------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------|------------------------------------------------------------------------|
| 2056         | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2057         | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2058         | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2059         | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2060         | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2061         | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2062         | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2063         | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2064         | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2065         | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2066         | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2067         | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2068         | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2069         | -                                                             | (633,147)                                                    | -                                                | 633,147                                                                |
| 2070         |                                                               | (620,874)                                                    |                                                  | 620,874                                                                |
| <b>Total</b> | <b>34,037,329</b>                                             | <b>(30,370,015)</b>                                          | <b>-</b>                                         | <b>64,407,344</b>                                                      |

### 5.6.3 Total net GHG emission reductions of the WRC project activity

Net GHG emission reductions from WRC project activities are calculated by subtracting project emissions and emissions due to leakage from baseline emissions (see [Table 77](#)). The project does not claim the fire reduction premium which is therefore omitted from calculations.

**Table 77. Total net GHG emission reductions of the WRC project activity**

| Years | Estimated baseline emissions or removals (tCO <sub>2</sub> e) | Estimated project emissions or removals (tCO <sub>2</sub> e) | Estimated leakage emissions (tCO <sub>2</sub> e) | Estimated net GHG emission reductions or removals (tCO <sub>2</sub> e) |
|-------|---------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------|------------------------------------------------------------------------|
| 2011  | 1,082,979                                                     | 134,183                                                      | -                                                | 948,796                                                                |
| 2012  | 1,193,020                                                     | 134,183                                                      | -                                                | 1,058,837                                                              |
| 2013  | 2,577,755                                                     | 134,183                                                      | -                                                | 2,443,572                                                              |
| 2014  | 2,925,961                                                     | 134,183                                                      | -                                                | 2,791,778                                                              |
| 2015  | 3,238,629                                                     | 134,183                                                      | -                                                | 3,104,446                                                              |
| 2016  | 3,560,321                                                     | 134,183                                                      | -                                                | 3,426,138                                                              |
| 2017  | 4,029,146                                                     | 134,183                                                      | -                                                | 3,894,963                                                              |
| 2018  | 4,360,576                                                     | 109,862                                                      | -                                                | 4,250,714                                                              |
| 2019  | 4,746,000                                                     | 109,862                                                      | -                                                | 4,636,138                                                              |
| 2020  | 5,084,656                                                     | 109,862                                                      | -                                                | 4,974,794                                                              |
| 2021  | 5,447,067                                                     | 109,862                                                      | -                                                | 5,337,205                                                              |
| 2022  | 5,745,349                                                     | 109,862                                                      | -                                                | 5,635,487                                                              |
| 2023  | 6,125,244                                                     | 109,862                                                      | -                                                | 6,015,382                                                              |

| Years | Estimated baseline emissions or removals (tCO <sub>2</sub> e) | Estimated project emissions or removals (tCO <sub>2</sub> e) | Estimated leakage emissions (tCO <sub>2</sub> e) | Estimated net GHG emission reductions or removals (tCO <sub>2</sub> e) |
|-------|---------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------|------------------------------------------------------------------------|
| 2024  | 6,390,075                                                     | 109,862                                                      | -                                                | 6,280,213                                                              |
| 2025  | 6,782,830                                                     | 109,862                                                      | -                                                | 6,672,968                                                              |
| 2026  | 7,043,055                                                     | 109,862                                                      | -                                                | 6,933,193                                                              |
| 2027  | 7,404,961                                                     | 109,862                                                      | -                                                | 7,295,099                                                              |
| 2028  | 7,693,839                                                     | 109,862                                                      | -                                                | 7,583,977                                                              |
| 2029  | 8,122,636                                                     | 109,862                                                      | -                                                | 8,012,774                                                              |
| 2030  | 8,376,224                                                     | 109,862                                                      | -                                                | 8,266,362                                                              |
| 2031  | 8,539,740                                                     | 109,862                                                      | -                                                | 8,429,878                                                              |
| 2032  | 8,757,313                                                     | 109,862                                                      | -                                                | 8,647,451                                                              |
| 2033  | 8,745,058                                                     | 109,862                                                      | -                                                | 8,635,196                                                              |
| 2034  | 8,688,826                                                     | 109,862                                                      | -                                                | 8,578,964                                                              |
| 2035  | 8,641,850                                                     | 109,862                                                      | -                                                | 8,531,988                                                              |
| 2036  | 8,636,144                                                     | 109,862                                                      | -                                                | 8,526,282                                                              |
| 2037  | 8,629,072                                                     | 109,862                                                      | -                                                | 8,519,210                                                              |
| 2038  | 8,560,198                                                     | 109,862                                                      | -                                                | 8,450,336                                                              |
| 2039  | 8,590,699                                                     | 109,862                                                      | -                                                | 8,480,837                                                              |
| 2040  | 8,565,622                                                     | 109,862                                                      | -                                                | 8,455,760                                                              |
| 2041  | 8,560,273                                                     | 109,862                                                      | -                                                | 8,450,411                                                              |
| 2042  | 8,484,961                                                     | 109,862                                                      | -                                                | 8,375,099                                                              |
| 2043  | 8,491,122                                                     | 109,862                                                      | -                                                | 8,381,260                                                              |
| 2044  | 8,486,345                                                     | 109,862                                                      | -                                                | 8,376,483                                                              |
| 2045  | 8,458,970                                                     | 109,862                                                      | -                                                | 8,349,108                                                              |
| 2046  | 8,431,210                                                     | 109,862                                                      | -                                                | 8,321,348                                                              |
| 2047  | 8,429,712                                                     | 109,862                                                      | -                                                | 8,319,850                                                              |
| 2048  | 8,407,884                                                     | 109,862                                                      | -                                                | 8,298,022                                                              |
| 2049  | 8,384,618                                                     | 109,862                                                      | -                                                | 8,274,756                                                              |
| 2050  | 8,391,334                                                     | 109,862                                                      | -                                                | 8,281,472                                                              |
| 2051  | 8,377,267                                                     | 109,862                                                      | -                                                | 8,267,405                                                              |
| 2052  | 8,355,991                                                     | 109,862                                                      | -                                                | 8,246,129                                                              |
| 2053  | 8,346,635                                                     | 109,862                                                      | -                                                | 8,236,773                                                              |

| Years        | Estimated baseline emissions or removals (tCO <sub>2</sub> e) | Estimated project emissions or removals (tCO <sub>2</sub> e) | Estimated leakage emissions (tCO <sub>2</sub> e) | Estimated net GHG emission reductions or removals (tCO <sub>2</sub> e) |
|--------------|---------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------|------------------------------------------------------------------------|
| 2054         | 8,333,601                                                     | 109,862                                                      | -                                                | 8,223,739                                                              |
| 2055         | 8,306,120                                                     | 109,862                                                      | -                                                | 8,196,258                                                              |
| 2056         | 8,307,668                                                     | 109,862                                                      | -                                                | 8,197,806                                                              |
| 2057         | 8,287,901                                                     | 109,862                                                      | -                                                | 8,178,039                                                              |
| 2058         | 8,292,137                                                     | 109,862                                                      | -                                                | 8,182,275                                                              |
| 2059         | 8,270,101                                                     | 109,862                                                      | -                                                | 8,160,239                                                              |
| 2060         | 8,256,074                                                     | 109,862                                                      | -                                                | 8,146,212                                                              |
| 2061         | 8,246,826                                                     | 109,862                                                      | -                                                | 8,136,964                                                              |
| 2062         | 8,230,353                                                     | 109,862                                                      | -                                                | 8,120,491                                                              |
| 2063         | 8,220,815                                                     | 109,862                                                      | -                                                | 8,110,953                                                              |
| 2064         | 8,200,168                                                     | 109,862                                                      | -                                                | 8,090,306                                                              |
| 2065         | 8,176,517                                                     | 109,862                                                      | -                                                | 8,066,655                                                              |
| 2066         | 8,173,951                                                     | 109,862                                                      | -                                                | 8,064,089                                                              |
| 2067         | 8,143,443                                                     | 109,862                                                      | -                                                | 8,033,581                                                              |
| 2068         | 8,128,402                                                     | 109,862                                                      | -                                                | 8,018,540                                                              |
| 2069         | 8,117,720                                                     | 109,862                                                      | -                                                | 8,007,858                                                              |
| 2070         | 8,098,779                                                     | 109,862                                                      | -                                                | 7,988,917                                                              |
| <b>Total</b> | <b>437,681,743</b>                                            | <b>6,761,967</b>                                             | <b>-</b>                                         | <b>430,919,776</b>                                                     |

#### 5.6.4 Total net GHG removals of the ARR project activity

Net GHG removal of the ARR project activities are calculated by subtracting baseline removals and emissions due tot leakage from the project removals (see [Table 78](#)).

**Table 78. Total net GHG removals of the ARR project activity**

| Years | Estimated baseline emissions or removals (tCO <sub>2</sub> e) | Estimated project emissions or removals (tCO <sub>2</sub> e) | Estimated leakage emissions (tCO <sub>2</sub> e) | Estimated net GHG emission reductions or removals (tCO <sub>2</sub> e) |
|-------|---------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------|------------------------------------------------------------------------|
| 2011  | 295                                                           | -                                                            | -                                                | (295)                                                                  |
| 2012  | 628                                                           | -                                                            | -                                                | (628)                                                                  |
| 2013  | 1,686                                                         | -                                                            | -                                                | (1,686)                                                                |
| 2014  | 2,632                                                         | -                                                            | -                                                | (2,632)                                                                |
| 2015  | 2,924                                                         | -                                                            | -                                                | (2,924)                                                                |

| Years | Estimated baseline emissions or removals (tCO <sub>2</sub> e) | Estimated project emissions or removals (tCO <sub>2</sub> e) | Estimated leakage emissions (tCO <sub>2</sub> e) | Estimated net GHG emission reductions or removals (tCO <sub>2</sub> e) |
|-------|---------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------|------------------------------------------------------------------------|
| 2016  | 4,757                                                         | 2,749                                                        | -                                                | (2,009)                                                                |
| 2017  | 6,213                                                         | 6,576                                                        | -                                                | 362                                                                    |
| 2018  | 6,664                                                         | 10,099                                                       | -                                                | 3,435                                                                  |
| 2019  | 8,306                                                         | 12,544                                                       | -                                                | 4,239                                                                  |
| 2020  | 8,608                                                         | 14,989                                                       | -                                                | 6,380                                                                  |
| 2021  | 9,892                                                         | 17,434                                                       | -                                                | 7,541                                                                  |
| 2022  | 11,973                                                        | 19,879                                                       | -                                                | 7,906                                                                  |
| 2023  | 14,839                                                        | 22,323                                                       | -                                                | 7,484                                                                  |
| 2024  | 17,201                                                        | 24,768                                                       | -                                                | 7,568                                                                  |
| 2025  | 19,331                                                        | 27,213                                                       | -                                                | 7,882                                                                  |
| 2026  | 20,097                                                        | 29,658                                                       | -                                                | 9,561                                                                  |
| 2027  | 22,123                                                        | 32,103                                                       | -                                                | 9,979                                                                  |
| 2028  | 23,752                                                        | 34,547                                                       | -                                                | 10,795                                                                 |
| 2029  | 25,368                                                        | 36,992                                                       | -                                                | 11,624                                                                 |
| 2030  | 26,336                                                        | 39,437                                                       | -                                                | 13,101                                                                 |
| 2031  | 27,062                                                        | 39,437                                                       | -                                                | 12,375                                                                 |
| 2032  | 28,595                                                        | 39,437                                                       | -                                                | 10,842                                                                 |
| 2033  | 28,595                                                        | 39,437                                                       | -                                                | 10,842                                                                 |
| 2034  | 28,595                                                        | 39,437                                                       | -                                                | 10,842                                                                 |
| 2035  | 28,595                                                        | 39,437                                                       | -                                                | 10,842                                                                 |
| 2036  | 21,213                                                        | 39,437                                                       | -                                                | 18,224                                                                 |
| 2037  | 20,286                                                        | 39,437                                                       | -                                                | 19,151                                                                 |
| 2038  | 2,142                                                         | 39,437                                                       | -                                                | 37,295                                                                 |
| 2039  | 4,940                                                         | 39,437                                                       | -                                                | 34,497                                                                 |
| 2040  | 21,298                                                        | 39,437                                                       | -                                                | 18,139                                                                 |
| 2041  | -17,243                                                       | 39,437                                                       | -                                                | 56,680                                                                 |
| 2042  | -7,816                                                        | 39,351                                                       | -                                                | 47,168                                                                 |
| 2043  | 17,316                                                        | 39,266                                                       | -                                                | 21,950                                                                 |
| 2044  | -12,451                                                       | 39,266                                                       | -                                                | 51,717                                                                 |
| 2045  | 21,011                                                        | 39,266                                                       | -                                                | 18,254                                                                 |

| Years        | Estimated baseline emissions or removals (tCO <sub>2</sub> e) | Estimated project emissions or removals (tCO <sub>2</sub> e) | Estimated leakage emissions (tCO <sub>2</sub> e) | Estimated net GHG emission reductions or removals (tCO <sub>2</sub> e) |
|--------------|---------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------|------------------------------------------------------------------------|
| 2046         | -3,514                                                        | 39,266                                                       | -                                                | 42,780                                                                 |
| 2047         | -23,426                                                       | 39,266                                                       | -                                                | 62,691                                                                 |
| 2048         | -43,068                                                       | 39,266                                                       | -                                                | 82,334                                                                 |
| 2049         | -30,457                                                       | 39,266                                                       | -                                                | 69,723                                                                 |
| 2050         | -24,863                                                       | 39,266                                                       | -                                                | 64,129                                                                 |
| 2051         | 9,239                                                         | 39,266                                                       | -                                                | 30,027                                                                 |
| 2052         | -22,282                                                       | 39,266                                                       | -                                                | 61,548                                                                 |
| 2053         | -12,336                                                       | 39,266                                                       | -                                                | 51,601                                                                 |
| 2054         | -12,002                                                       | 39,266                                                       | -                                                | 51,268                                                                 |
| 2055         | 4,191                                                         | 39,266                                                       | -                                                | 35,075                                                                 |
| 2056         | 10,234                                                        | 39,266                                                       | -                                                | 29,032                                                                 |
| 2057         | -9,931                                                        | 39,266                                                       | -                                                | 49,196                                                                 |
| 2058         | 28,388                                                        | 39,266                                                       | -                                                | 10,878                                                                 |
| 2059         | 28,388                                                        | 39,266                                                       | -                                                | 10,878                                                                 |
| 2060         | 28,388                                                        | 39,266                                                       | -                                                | 10,878                                                                 |
| 2061         | 21,006                                                        | 39,266                                                       | -                                                | 18,259                                                                 |
| 2062         | 20,079                                                        | 39,266                                                       | -                                                | 19,187                                                                 |
| 2063         | 1,935                                                         | 39,266                                                       | -                                                | 37,330                                                                 |
| 2064         | 4,734                                                         | 39,266                                                       | -                                                | 34,532                                                                 |
| 2065         | 21,091                                                        | 39,266                                                       | -                                                | 18,175                                                                 |
| 2066         | -17,450                                                       | 39,266                                                       | -                                                | 56,716                                                                 |
| 2067         | -7,760                                                        | 39,266                                                       | -                                                | 47,026                                                                 |
| 2068         | 17,128                                                        | 39,266                                                       | -                                                | 22,138                                                                 |
| 2069         | -12,689                                                       | 39,266                                                       | -                                                | 51,955                                                                 |
| 2070         | 20,490                                                        | 39,266                                                       | -                                                | 18,775                                                                 |
| <b>Total</b> | <b>441,275</b>                                                | <b>1,903,910</b>                                             | <b>-</b>                                         | <b>1,462,635</b>                                                       |

### 5.6.5 Calculation of the VCS Non-Permanence Risk Buffer Withholding

Per Sub-section 2.3.1, the combined non-permanence risk buffer for the project was determined as 10%. Per VSC methodology VM0007 modules REDD+ MF, the annual buffer withholding for all activities was determined as a percentage of the total carbon stock benefits which excludes emissions due to

leakage (see [Table 79](#)). As the project does not account for emissions from fossil fuel combustion, direct N<sub>2</sub>O emissions and emissions from biomass burning were also omitted from calculations.

**Table 79. Annual non-permanence risk buffer withholding**

| Years | REDD total carbon stock benefits | WRC total carbon stock benefits | ARR total carbon stock benefits | Non-Permanence Risk Buffer (10%) |
|-------|----------------------------------|---------------------------------|---------------------------------|----------------------------------|
| 2011  | 611,866                          | 948,796                         | (295)                           | 156,037                          |
| 2012  | 495,960                          | 1,058,837                       | (628)                           | 155,417                          |
| 2013  | 1,947,319                        | 2,443,572                       | (1,686)                         | 438,921                          |
| 2014  | 1,696,637                        | 2,791,778                       | (2,632)                         | 448,578                          |
| 2015  | 1,814,958                        | 3,104,446                       | (2,924)                         | 491,648                          |
| 2016  | 1,731,629                        | 3,426,138                       | (2,009)                         | 515,576                          |
| 2017  | 1,926,351                        | 3,894,963                       | 362                             | 582,168                          |
| 2018  | 1,873,947                        | 4,250,714                       | 3,435                           | 612,810                          |
| 2019  | 1,906,542                        | 4,636,138                       | 4,239                           | 654,692                          |
| 2020  | 1,929,512                        | 4,974,794                       | 6,380                           | 691,069                          |
| 2021  | 2,062,442                        | 5,337,205                       | 7,541                           | 740,719                          |
| 2022  | 1,938,416                        | 5,635,487                       | 7,906                           | 758,181                          |
| 2023  | 2,060,758                        | 6,015,382                       | 7,484                           | 808,362                          |
| 2024  | 2,003,588                        | 6,280,213                       | 7,568                           | 829,137                          |
| 2025  | 2,092,898                        | 6,672,968                       | 7,882                           | 877,375                          |
| 2026  | 2,051,408                        | 6,933,193                       | 9,561                           | 899,416                          |
| 2027  | 2,149,410                        | 7,295,099                       | 9,979                           | 945,449                          |
| 2028  | 2,102,649                        | 7,583,977                       | 10,795                          | 969,742                          |
| 2029  | 2,292,533                        | 8,012,774                       | 11,624                          | 1,031,693                        |
| 2030  | 2,191,510                        | 8,266,362                       | 13,101                          | 1,047,097                        |
| 2031  | 1,665,087                        | 8,429,878                       | 12,375                          | 1,010,734                        |
| 2032  | 1,814,604                        | 8,647,451                       | 10,842                          | 1,047,290                        |
| 2033  | 633,147                          | 8,635,196                       | 10,842                          | 927,919                          |
| 2034  | 633,147                          | 8,578,964                       | 10,842                          | 922,295                          |
| 2035  | 633,147                          | 8,531,988                       | 10,842                          | 917,598                          |
| 2036  | 633,147                          | 8,526,282                       | 18,224                          | 917,765                          |
| 2037  | 633,147                          | 8,519,210                       | 19,151                          | 917,151                          |

| Years | REDD total carbon stock benefits | WRC total carbon stock benefits | ARR total carbon stock benefits | Non-Permanence Risk Buffer (10%) |
|-------|----------------------------------|---------------------------------|---------------------------------|----------------------------------|
| 2038  | 633,147                          | 8,450,336                       | 37,295                          | 912,078                          |
| 2039  | 633,147                          | 8,480,837                       | 34,497                          | 914,848                          |
| 2040  | 633,147                          | 8,455,760                       | 18,139                          | 910,705                          |
| 2041  | 633,147                          | 8,450,411                       | 56,680                          | 914,024                          |
| 2042  | 633,147                          | 8,375,099                       | 47,168                          | 905,541                          |
| 2043  | 633,147                          | 8,381,260                       | 21,950                          | 903,636                          |
| 2044  | 633,147                          | 8,376,483                       | 51,717                          | 906,135                          |
| 2045  | 633,147                          | 8,349,108                       | 18,254                          | 900,051                          |
| 2046  | 633,147                          | 8,321,348                       | 42,780                          | 899,728                          |
| 2047  | 633,147                          | 8,319,850                       | 62,691                          | 901,569                          |
| 2048  | 633,147                          | 8,298,022                       | 82,334                          | 901,350                          |
| 2049  | 633,147                          | 8,274,756                       | 69,723                          | 897,763                          |
| 2050  | 633,147                          | 8,281,472                       | 64,129                          | 897,875                          |
| 2051  | 633,147                          | 8,267,405                       | 30,027                          | 893,058                          |
| 2052  | 633,147                          | 8,246,129                       | 61,548                          | 894,082                          |
| 2053  | 633,147                          | 8,236,773                       | 51,601                          | 892,152                          |
| 2054  | 633,147                          | 8,223,739                       | 51,268                          | 890,815                          |
| 2055  | 633,147                          | 8,196,258                       | 35,075                          | 886,448                          |
| 2056  | 633,147                          | 8,197,806                       | 29,032                          | 885,999                          |
| 2057  | 633,147                          | 8,178,039                       | 49,196                          | 886,038                          |
| 2058  | 633,147                          | 8,182,275                       | 10,878                          | 882,630                          |
| 2059  | 633,147                          | 8,160,239                       | 10,878                          | 880,426                          |
| 2060  | 633,147                          | 8,146,212                       | 10,878                          | 879,024                          |
| 2061  | 633,147                          | 8,136,964                       | 18,259                          | 878,837                          |
| 2062  | 633,147                          | 8,120,491                       | 19,187                          | 877,283                          |
| 2063  | 633,147                          | 8,110,953                       | 37,330                          | 878,143                          |
| 2064  | 633,147                          | 8,090,306                       | 34,532                          | 875,799                          |
| 2065  | 633,147                          | 8,066,655                       | 18,175                          | 871,798                          |
| 2066  | 633,147                          | 8,064,089                       | 56,716                          | 875,395                          |
| 2067  | 633,147                          | 8,033,581                       | 47,026                          | 871,375                          |

| Years        | REDD total carbon stock benefits | WRC total carbon stock benefits | ARR total carbon stock benefits | Non-Permanence Risk Buffer (10%) |
|--------------|----------------------------------|---------------------------------|---------------------------------|----------------------------------|
| 2068         | 633,147                          | 8,018,540                       | 22,138                          | 867,383                          |
| 2069         | 633,147                          | 8,007,858                       | 51,955                          | 869,296                          |
| 2070         | 620,874                          | 7,988,917                       | 18,775                          | 862,857                          |
| <b>Total</b> | <b>64,407,344</b>                | <b>430,919,776</b>              | <b>1,462,635</b>                | <b>49,678,976</b>                |

### 5.6.6 Calculation of Verified Carbon Units

VCU are calculated by substrating the VCS non-permanence risk buffer withholding from the uncertainty adjusted net emission reductions for each project activity (see [Table 80](#)).

**Table 80. Calculation of estimated verified carbon units**

| Years | NGR <sub>ARR</sub> | NER <sub>REDD+WRC</sub> | Adjusted_NER <sub>REDD+WRC+ARR</sub> | Non-Permanence Risk Buffer | Estimated VCU |
|-------|--------------------|-------------------------|--------------------------------------|----------------------------|---------------|
| 2011  | (295)              | 1,560,662               | 1,560,367                            | 156,037                    | 1,404,329.9   |
| 2012  | (628)              | 1,554,797               | 1,554,169                            | 155,417                    | 1,398,752.3   |
| 2013  | (1,686)            | 4,390,891               | 4,389,205                            | 438,921                    | 3,950,284.5   |
| 2014  | (2,632)            | 4,488,415               | 4,485,783                            | 448,578                    | 4,037,204.5   |
| 2015  | (2,924)            | 4,919,404               | 4,916,480                            | 491,648                    | 4,424,832.2   |
| 2016  | (2,009)            | 5,157,767               | 5,155,758                            | 515,576                    | 4,640,182.4   |
| 2017  | 362                | 5,821,314               | 5,821,677                            | 582,168                    | 5,239,509.0   |
| 2018  | 3,435              | 6,124,661               | 6,128,097                            | 612,810                    | 5,515,286.9   |
| 2019  | 4,239              | 6,542,680               | 6,546,919                            | 654,692                    | 5,892,227.0   |
| 2020  | 6,380              | 6,904,306               | 6,910,686                            | 691,069                    | 6,219,617.4   |
| 2021  | 7,541              | 7,399,647               | 7,407,188                            | 740,719                    | 6,666,469.3   |
| 2022  | 7,906              | 7,573,903               | 7,581,809                            | 758,181                    | 6,823,627.8   |
| 2023  | 7,484              | 8,076,140               | 8,083,624                            | 808,362                    | 7,275,261.7   |
| 2024  | 7,568              | 8,283,801               | 8,291,368                            | 829,137                    | 7,462,231.6   |
| 2025  | 7,882              | 8,765,866               | 8,773,749                            | 877,375                    | 7,896,373.7   |
| 2026  | 9,561              | 8,984,601               | 8,994,163                            | 899,416                    | 8,094,746.3   |
| 2027  | 9,979              | 9,444,509               | 9,454,488                            | 945,449                    | 8,509,039.1   |
| 2028  | 10,795             | 9,686,626               | 9,697,421                            | 969,742                    | 8,727,679.0   |
| 2029  | 11,624             | 10,305,307              | 10,316,931                           | 1,031,693                  | 9,285,238.0   |
| 2030  | 13,101             | 10,457,872              | 10,470,973                           | 1,047,097                  | 9,423,876.1   |

| Years | NGR <sub>ARR</sub> | NER <sub>REDD+WRC</sub> | Adjusted_NER <sub>REDD+WRC+ARR</sub> | Non-Permanence Risk Buffer | Estimated VCU |
|-------|--------------------|-------------------------|--------------------------------------|----------------------------|---------------|
| 2031  | 12,375             | 10,094,965              | 10,107,340                           | 1,010,734                  | 9,096,606.0   |
| 2032  | 10,842             | 10,462,055              | 10,472,897                           | 1,047,290                  | 9,425,607.7   |
| 2033  | 10,842             | 9,268,343               | 9,279,186                            | 927,919                    | 8,351,267.0   |
| 2034  | 10,842             | 9,212,111               | 9,222,954                            | 922,295                    | 8,300,658.2   |
| 2035  | 10,842             | 9,165,135               | 9,175,978                            | 917,598                    | 8,258,379.8   |
| 2036  | 18,224             | 9,159,429               | 9,177,653                            | 917,765                    | 8,259,887.7   |
| 2037  | 19,151             | 9,152,357               | 9,171,508                            | 917,151                    | 8,254,357.5   |
| 2038  | 37,295             | 9,083,483               | 9,120,778                            | 912,078                    | 8,208,700.2   |
| 2039  | 34,497             | 9,113,984               | 9,148,481                            | 914,848                    | 8,233,632.7   |
| 2040  | 18,139             | 9,088,907               | 9,107,046                            | 910,705                    | 8,196,341.7   |
| 2041  | 56,680             | 9,083,558               | 9,140,238                            | 914,024                    | 8,226,214.6   |
| 2042  | 47,168             | 9,008,246               | 9,055,414                            | 905,541                    | 8,149,872.4   |
| 2043  | 21,950             | 9,014,407               | 9,036,357                            | 903,636                    | 8,132,721.6   |
| 2044  | 51,717             | 9,009,630               | 9,061,347                            | 906,135                    | 8,155,212.1   |
| 2045  | 18,254             | 8,982,255               | 9,000,510                            | 900,051                    | 8,100,458.7   |
| 2046  | 42,780             | 8,954,495               | 8,997,275                            | 899,728                    | 8,097,547.7   |
| 2047  | 62,691             | 8,952,997               | 9,015,688                            | 901,569                    | 8,114,119.6   |
| 2048  | 82,334             | 8,931,169               | 9,013,503                            | 901,350                    | 8,112,152.5   |
| 2049  | 69,723             | 8,907,903               | 8,977,626                            | 897,763                    | 8,079,863.2   |
| 2050  | 64,129             | 8,914,619               | 8,978,748                            | 897,875                    | 8,080,873.0   |
| 2051  | 30,027             | 8,900,552               | 8,930,579                            | 893,058                    | 8,037,521.1   |
| 2052  | 61,548             | 8,879,276               | 8,940,824                            | 894,082                    | 8,046,742.0   |
| 2053  | 51,601             | 8,869,920               | 8,921,522                            | 892,152                    | 8,029,369.4   |
| 2054  | 51,268             | 8,856,886               | 8,908,154                            | 890,815                    | 8,017,338.3   |
| 2055  | 35,075             | 8,829,405               | 8,864,480                            | 886,448                    | 7,978,031.9   |
| 2056  | 29,032             | 8,830,953               | 8,859,985                            | 885,999                    | 7,973,986.9   |
| 2057  | 49,196             | 8,811,186               | 8,860,383                            | 886,038                    | 7,974,344.4   |
| 2058  | 10,878             | 8,815,422               | 8,826,300                            | 882,630                    | 7,943,670.2   |
| 2059  | 10,878             | 8,793,386               | 8,804,264                            | 880,426                    | 7,923,837.8   |
| 2060  | 10,878             | 8,779,359               | 8,790,237                            | 879,024                    | 7,911,213.5   |

| Years        | NGR <sub>ARR</sub> | NER <sub>REDD+WRC</sub> | Adjusted_NER <sub>REDD+WRC+ARR</sub> | Non-Permanence Risk Buffer | Estimated VCU      |
|--------------|--------------------|-------------------------|--------------------------------------|----------------------------|--------------------|
| 2061         | 18,259             | 8,770,111               | 8,788,371                            | 878,837                    | 7,909,533.6        |
| 2062         | 19,187             | 8,753,638               | 8,772,825                            | 877,283                    | 7,895,542.5        |
| 2063         | 37,330             | 8,744,100               | 8,781,431                            | 878,143                    | 7,903,287.6        |
| 2064         | 34,532             | 8,723,453               | 8,757,985                            | 875,799                    | 7,882,186.9        |
| 2065         | 18,175             | 8,699,802               | 8,717,977                            | 871,798                    | 7,846,179.4        |
| 2066         | 56,716             | 8,697,236               | 8,753,952                            | 875,395                    | 7,878,556.9        |
| 2067         | 47,026             | 8,666,728               | 8,713,754                            | 871,375                    | 7,842,378.5        |
| 2068         | 22,138             | 8,651,687               | 8,673,825                            | 867,382                    | 7,806,442.3        |
| 2069         | 51,955             | 8,641,005               | 8,692,960                            | 869,296                    | 7,823,663.9        |
| 2070         | 18,775             | 8,609,791               | 8,628,566                            | 862,857                    | 7,765,709.7        |
| <b>Total</b> | <b>1,462,635</b>   | <b>495,327,120</b>      | <b>496,789,755</b>                   | <b>49,678,976</b>          | <b>447,110,780</b> |

## 5.7 Climate Change Adaptation Benefits

### 5.7.1 Likely regional climate change (GL1.1, GL1.2)

#### 5.7.1.1 Climate variability scenarios for the project zone

Regional climate change was projected using the SERVIR-based Climate One-Stop<sup>19</sup> portal. In summary, the project zone is likely to exhibit various effects of climate change over the next 50 years with greater weather anomalies. Temperatures will increase consistently over the years, and there will be a considerable shift in precipitation patterns, evapotranspiration rates, humidity, surface runoffs and soil moisture levels. Seasonal climate variability is expected to be greater, which suggests a substantial increase in rainfall and its intensity for the wet season (December to May), and warmer and longer dry months during the dry season (June to November). This is likely to pose a high risk of floods, surface runoffs, severe droughts and heat waves. Because of climate variability and anomalies, it will be difficult to predict weather and seasons in the project zone.

#### 5.7.1.2 Likely impacts of regional climate change

Climate change will pose various impacts on the project zone's environment, economy and society, as it is likely to result in extreme weather conditions. [Table 81](#) highlights most affected sectors and likely impacts on them.

**Table 81. Likely climate change impacts**

| Sector        | Likely impacts                                   |
|---------------|--------------------------------------------------|
| Environmental | Loss of aquatic biodiversity and fish population |
|               | Damage to mangroves and peat swamp ecosystems    |
|               | Forest degradation and biodiversity loss         |

<sup>19</sup> Jointly developed by NASA, USAID, the National Science Foundation, the Institute for the Application of Geospatial Technology, the University of Alabama-Huntsville, and CATHALAC in Panama, Climate One-Stop uses NASA's SERVIR datasets and UNFCCC data and downscaled models to show average historical and projected climate information in many locations across the globe.

| Sector   | Likely impacts                                                     |
|----------|--------------------------------------------------------------------|
| Economic | Decreased quality and quantity of surface and ground water         |
|          | Loss of rural productivity and infrastructure                      |
|          | Loss of crop productivity and yields                               |
|          | Loss of economic activities from forest/non-timber forest products |
|          | Livestock deaths                                                   |
|          | Increased burden from disaster management                          |
| Social   | Spread of water and vector borne infectious diseases               |
|          | Reduced food security and loss of incomes                          |
|          | Reduced quantity and quality of potable drinking water             |
|          | Increased number of human injuries and deaths                      |
|          | Increased risk of cardiovascular and respiratory diseases          |

### 5.7.2 Climate change adaptation measures (GL1.3)

The project-zone communities are vulnerable to the potential climate change impacts (described in the section above) because their livelihoods and well-being are dependent on the healthy ecosystem of the surrounding peat swamp forest in the project area. Although some negative impacts of climate change are inevitable, and beyond the control of the Katingan Project, we aim to strengthen community and biodiversity resilience by implementing adaptation options through a variety of project activities. Those activities most relevant to climate change adaptation, and the causal relationship between the activity and the adaptation benefit, are summarised below. For further detail on all activities, see Sub-section 2.2.1, as per the references given below [Table 82](#).

**Table 82. Description of adaptation benefits**

| Activity                                                                  | Components                                                                                                                                                                                                                                                                          | Adaptation Benefits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|---------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Restoration of peat swamp ecosystems and reforestation (A, B, C, D, E, F) | <ul style="list-style-type: none"> <li>• Avoided deforestation</li> <li>• Reforestation</li> <li>• Peatland rewetting &amp; conservation</li> <li>• Fire prevention</li> <li>• Habitat &amp; species protection</li> </ul>                                                          | Peatland forest ecosystems play a pivotal role in ensuring water supplies, reducing flooding risk, reducing fire risk and providing non-timber forest resources. As a result, all measures taken by the project to protect and restore the peat swamp ecosystem will enhance resilience to potential climate change impacts, particularly those related to alterations in rainfall and flooding patterns.                                                                                                                                                                                                              |
| Participatory Planning (G)                                                | <ul style="list-style-type: none"> <li>• Short and long-term village planning</li> <li>• Village-level plans integrated into formal district and regional level plans</li> </ul>                                                                                                    | The project's activities related to village, district and regional planning create a basis to integrate climate change predictions into the long-term planning process. This includes the potential need for climate change risks to be reflected in infrastructure development plans, and the creation of management and monitoring systems to evaluate the need to implement Climate Change adaptation measures.                                                                                                                                                                                                     |
| Community-based business development & Microfinance development (H, I)    | <ul style="list-style-type: none"> <li>• Small-business development advice and support</li> <li>• Development of alternative livelihoods</li> <li>• Agriculture, agroforestry, fisheries and non-timber forest product management advice and support for diversification</li> </ul> | The project implements a comprehensive program of support for enhancing and developing diversified alternative livelihoods. This includes support for improved agricultural, fisheries, agroforestry and NTFP based business development, as well as diversification away from a traditional natural resources-based economy. These business development activities incorporate planning based on potential long-term climate change impacts (such as in crop/species selection, timing, etc.) so as to ensure both resilience and the availability of alternative revenue sources in the case of affected industries. |

| Activity                                           | Components                                                                                                                                                         | Adaptation Benefits                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sustainable energy development (J)                 | <ul style="list-style-type: none"> <li>Development of renewable and sustainable energy sources</li> </ul>                                                          | The project works with local communities to develop a greater reliance on local renewable and sustainable energy sources. These activities develop resilience to potential climate change impacts which may affect the provision of energy from traditional sources.                                                                                                                                                                                      |
| Improved public health and sanitation services (K) | <ul style="list-style-type: none"> <li>Improved access to clean water and sanitation facilities</li> <li>Improved access to public health care services</li> </ul> | The project works with local communities to improve the provision of basic services and access to health care. In improving access to water in particular, the role ecosystem protection plays in ensuring resilience to potential climate change impacts is key (as above). By improving access to basic health care provision communities also generate greater resilience to climate change impacts such as changing or increased patterns of disease. |

## 6 COMMUNITY

### 6.1 Net Positive Community Impacts

#### 6.1.1 Summary of net positive community impacts (CM1, CM2)

The project is expected to generate significant net positive community impacts for communities in the project zone. These are listed in [Table 84](#), based on the criteria and indicators of the CCB Standards Third Edition. This table presents a summary against the criteria and should be read in conjunction with Sub-section 1.3.5 ("Communities in the project zone"), Sub-section 1.3.8 ("Identification of High Conservation Values"), Sub-section 2.2.1 ("Project Activities"), Section 2.2.3 ("Management of risks to project benefits"), Section 2.4 ("Measures to maintain high conservation values"), Section 4.5 "Baseline scenario and additionality", Annex 2 ("communities in the project zone") and Annex 3 ("HCV assessment").

To measure community well-being, in addition to other criteria listed in [Table 84](#), the Katingan Project adopts the measure of five key livelihood assets – human, social, financial, physical and natural capitals – as defined by the UK Department for International Development [33]. These assets are fundamental elements in achieving community benefits and are summarized below (see [Table 83](#)).

**Table 83. Livelihood assets and key criteria**

| Livelihood asset  | Criteria                                                                                                                                    |
|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------|
| Natural capital   | Natural resource stocks (soil, water, air, genetic resources, etc.) and environmental services                                              |
| Human capital     | Education, health, physical capability, knowledge and skills possession                                                                     |
| Social capital    | Community cohesiveness, responsibility, affiliation and socio-political relations                                                           |
| Physical capital  | Access to infrastructure (e.g., roads, transport, electricity), production equipment, shelter, and technology (e.g., communication systems) |
| Financial capital | Access to financing support and financial assets including cash, loans, savings and cattle                                                  |

\* Table adapted from references [34] and [35].

**Table 84. Summary of net positive community benefits, based on CCB criteria**

| Criteria                         | Status                                                                                                 | Baseline scenario                                                                     | With-project scenario                                                              | Activities/mitigation                                                             |
|----------------------------------|--------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| <b>A: Area-based</b>             |                                                                                                        |                                                                                       |                                                                                    |                                                                                   |
| 1. Areas with critical ecosystem | The Katingan Project area plays a critical role in maintaining hydrological function and water supply, | Under the baseline scenario hydrological function would be irreversibly lost, leading | Under the project scenario the hydrology of the core peat dome would be maintained | The central objective of the Katingan Project is to protect and restore core peat |

| Criteria                                                                    | Status                                                                                                                                                                                                                                                                                                                                                                 | Baseline scenario                                                                                                                                                                                                                                                                                                              | With-project scenario                                                                                                                                                                                                                                                                                                                  | Activities/mitigation                                                                                                                                                                                                                                                                                                                                                                   |
|-----------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| services (HCV4)                                                             | preventing erosion and subsidence risk from peat oxidation, and mitigating fire risk through maintained forest cover. For more detail see Sub-section 1.3.8 and Annex 3.                                                                                                                                                                                               | to increased erosion, oxidation of peat, loss of clean water supply and increased risk of salt-water intrusion. Fire risk would increase dramatically and natural forest cover would be destroyed (see Section 4.5).                                                                                                           | and partially drained areas will be restored. Forest cover will be protected and reforestation will be conducted in cleared areas reducing fire risk. The threat of subsidence and salt-water intrusion will be avoided.                                                                                                               | dome and the natural forests it supports. For full details of the project activities which will deliver this objective see Sub-section 2.2.1                                                                                                                                                                                                                                            |
| 2. Areas fundamental to meeting the basic needs of local communities (HVC5) | The central forests of the Katingan Project area are traditionally used by project-zone communities for the provision of numerous non-timber forest products, ranging from Rattan, to Jelutong latex, honey and medicinal plants. For more details see Sub-section 1.3.8 and Annex 3.                                                                                  | Under the baseline scenario the natural forests of the Katingan Project area would be replaced almost entirely with mono-culture acacia plantation. This will lead to the loss of all access to all non-timber forest products currently utilized by project-zone communities (see Section 4.5).                               | Under the project scenario the natural forests of the project area will be protected and currently degraded areas will be restored. Further work will specifically seek to enhance the sustainable use and marketing of non-timber forest products by project-zone communities as a means to improving livelihoods.                    | As above, the central objective of the Katingan Project is based around the protection of the forest and enhancing the sustainable use of the products and services it provides to project-zone communities. For further details of activities seeking to enhance sustainable use of such products see Sub-section 2.2.1 - H).                                                          |
| 3. Areas critical for traditional identity of communities (HCV6)            | Through the participatory mapping and rural appraisal processes undertaken with project-zone communities, a number of small areas within the project zone have been identified as being of cultural or religious significance. These include ritual and ancestral sites, shrines, and restricted-traditional area for fishing. See Sub-section 1.3.8 for more details. | Under the baseline scenario areas identified as culturally important are likely to be at risk of loss. While regulations would compel a licence-holding plantation company to identify such areas and ensure protection and access, this practice is widely ignored or only partially implemented, putting such areas at risk. | Under the project scenario all area identified as being of cultural or religious significance within the project area will be fully protected in close collaboration with the respective village communities. The project will also seek to assist communities to protect such areas within the wider project zone as far as possible. | Within the project area, where the Katingan project has legal mandate, such areas will be fully protected. Within the wider project zone the Katingan Project will assist local communities through the village-based planning processes (see Sub-section 2.2.1 - G) to seek and obtain formal legal protection of such areas through negotiation with local government and land users. |
| <b>B: Well-being based</b>                                                  |                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                         |
| 1. Natural capital                                                          | Currently natural capital within the project area is extremely high. The Vast natural forest and peat system supports critical ecosystem services such as provision of clean water and mitigating fire risk, while containing natural resources utilized by the project-zone communities (see above, Sub-section 1.3.8 and Annex 2).                                   | Under the baseline scenario, the natural capital of the Katingan Project area would be exploited for short-term gain largely to the benefit of a distant elite. While there may be some short-term benefits to some individuals within the project area communities, through employment or                                     | Under the project scenario, the vast natural capital of the Katingan Project area will be safeguarded and project-zone communities will be assisted to develop ways that sustainably exploit these resources in a way in which the benefits are retained locally.                                                                      | The Katingan Project aims to protect and enhance the natural capital of the project area, and so support the development of local initiatives that can sustainably utilize it. For further details of activities seeking to enhance sustainable use of forest products and services, see                                                                                                |

| Criteria            | Status                                                                                                                                                                                                                                                                                                                      | Baseline scenario                                                                                                                                                                                                                                                                                                                                                                                                                                               | With-project scenario                                                                                                                                                                                                                                                                                                                                                                  | Activities/mitigation                                                                                                                                                                                                                                                                                                              |
|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                     |                                                                                                                                                                                                                                                                                                                             | provision of services, the effects would be short-lived and negated by the long-term impacts as described above.                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                        | Sub-section 2.2.1 - H).                                                                                                                                                                                                                                                                                                            |
| 2. Human capital    | Project area communities are typically small, isolated and lack access to basic social services like health and education. While traditional knowledge may be high, knowledge is lacking in how to utilise this within a modern market-driven society or within the context of prevailing political and regulatory systems. | Under the baseline scenario it is likely that mixed results will be seen on human capital. In the short-term some aspects may be enhanced through increased commercial employment opportunities and a potential increase in social services, but this will be counterbalanced by the loss of traditional knowledge and the creation of dependency on a short-lived commercial provider. Communities will become less self-reliant and as a result more at risk. | Under the project scenario project-zone communities will be assisted to develop sustainably and self-reliantly, making full use of existing knowledge. Access to education and basic services will be increased through close collaboration with local government and efforts will focus on developing sustainable business opportunities that remove dependency and build resilience. | A wide range of project activities are designed to improve access to education, training and basic services. Small and Medium sized business development is a central pillar of this approach, incorporating access to further education, direct training and capacity building, access to technical advice and access to capital. |
| 3. Social capital   | Social capital within the project zone is currently high. Village communities are typically cohesive units that function through well-established institutions and values. These are backed by Indonesia law the recognised and regulates the role of such institutions.                                                    | Under the baseline scenario social capital will be at risk. The typical response to the arrival of a large commercial exploiter is the erosion of social cohesion as benefits and costs become unequally distributed and factions form. Increased immigration and competition for scarce resources further creates opportunities for conflict.                                                                                                                  | Under the project scenario social capital will be enhanced by the project working with, and in support of, legitimate social institutions at and within project-zone communities. The decisions of such institutions will be respected and support delivered in line with their requirements, while great efforts will be made to ensure benefits are equitably distributed.           | Project activities central to the strengthening of social capital include measures to support and assist collaborative village-level spatial and development planning, and in the provision of support for the priorities identified through these processes. For further details see Sub-section 2.2.1 - G).                      |
| 4. Physical capital | Physical capital in the project zone is currently poor. Infrastructure ranging from power generation to communication, to transport is lacking, with knock-on effects that limit access to production equipment or markets.                                                                                                 | Under the baseline scenario it is likely that there would be some short-term increase in infrastructure, however this would be primarily in support of commercial operations, and so both short-term and poorly aligned with local needs. In such cases long-term impacts may be even greater as local government may abrogate responsibility to the commercial                                                                                                 | Under the project scenario the Katingan Project will work closely with both project area communities and local government to ensure the sustainable development of infrastructure. This will include improved communication by sharing resources put in place by the project, improved river transport by the maintenance of hydrology, and development of                             | Infrastructure needs will primarily be addressed through the village level planning processes, collaboration with local government, measures to increase use of sustainable and renewable energy sources (including solar, biogas and energy efficient stoves and lamps), and through small- to medium-sized business              |

| Criteria                                       | Status                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Baseline scenario                                                                                                                                                                                                                                                                                                                                                                                           | With-project scenario                                                                                                                                                                                                                                                                                                                                                                                                    | Activities/mitigation                                                                                                                                                                                                                                                                                                                                                                                                                                      |
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|                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                        | exploiter, eventually leaving communities worse off when production stops.                                                                                                                                                                                                                                                                                                                                  | renewable energy sources. Business development activities will focus on both access to processing equipment and markets.                                                                                                                                                                                                                                                                                                 | development, as described in detail in Sub-section 2.2.1 - H) and J).                                                                                                                                                                                                                                                                                                                                                                                      |
| 5. Financial capital                           | The Indonesian Bureau of Statistics ( <i>Badan Pusat Statistik</i> ) defines the national poverty line as the minimum purchasing power to be able to afford staple food and non-food items. Social baseline surveys (see Annex 2) indicate that the average income of the project-zone households falls below this level. In addition, access to investment capital is very limited, with no banks or lending institutions active in the project zone. | Under the baseline scenario effects on financial capital are likely to be unbalanced. Some members of the projects area may benefit in the short-term through employment or the provision of goods and services, while other will be negatively impacted by the loss of livelihood. Eventually all will lose however, as the underlying natural capital is consumed leaving a degraded wasteland to follow. | The goal of the Katinagn Project is to bring substantial benefits to the project-zone communities through sustainable economic development and land use. This will be achieved through a range of measures including direct employment, preferential purchasing of local services and goods, improved planning, both agricultural and local business development support and increased access to investment capital.     | A wide range of project activities are designed to assist sustainable local development and to increase financial capital. Many are described above and in Sub-section 2.2.1 - H) and I). In particular, the project will work with a variety of mechanisms to increase access to investment financing including the direct provision of microfinance to facilitating access to government-backed financing schemes and grants.                            |
| <b>C: Exceptional Benefits (Gold Standard)</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 1. Improved land rights                        | Clarity of land rights is variable amongst project-zone communities. Some have clarity of tenure while for other considerable uncertainty remains, with commercial land use designations overlapping village land claims. For more information see Sub-section 1.3.6.                                                                                                                                                                                  | Under the baseline scenario, it is likely that commercial land-use designations would prevail over village-based claims. Commercial companies typically base their claims on centrally-created tenure maps and only pay lip-service to local claims that are not yet legally designated. Where conflicts exist the typical response is short-term payment at undervalued rates.                             | The Katingan Project works with all project-zone communities to create spatially accurate maps that define the agreed extent of village land and the agreed boundary of the project area, as well as recognition of other spatially explicit landscape features. The project will then assist local communities to incorporate these maps into local planning regulatory processes and so obtain full legal recognition. | Activities related to the creation of participatory land use maps, in conjunction with formal village and local government regulated planning process, are central to improving land tenure issues. Such maps allow the project-zone communities to understand their spatial positions in relation to the project area, to plan their future land use and to resolve disputes with other village territories or the land uses. See Sub-section 2.2.1 - G). |
| 2. Positive well-being                         | See above (Part B in this table)                                                                                                                                                                                                                                                                                                                                                                                                                       | See above (Part B)                                                                                                                                                                                                                                                                                                                                                                                          | See above (Part B)                                                                                                                                                                                                                                                                                                                                                                                                       | See above (Part B)                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 3. Risk reduction                              | Currently project-zone communities lack social, physical and financial resilience (see above) and so are at risk from economic or                                                                                                                                                                                                                                                                                                                      | As described above, under the baseline scenario, certain members of village communities may benefit from the                                                                                                                                                                                                                                                                                                | Under the project scenario, community resilience will be increased and risks will be reduced. While it is possible that in the                                                                                                                                                                                                                                                                                           | Project activities aimed at sustainable development are all, by their nature, also aimed at reducing risks to the project-                                                                                                                                                                                                                                                                                                                                 |

| Criteria              | Status                                                                                                                                                                                                                                                                                                                                              | Baseline scenario                                                                                                                                                                                                                                                                                                                                                         | With-project scenario                                                                                                                                                                                                                                                                                                                                                                               | Activities/mitigation                                                                                                                                                                                                                                                                                                                                                   |
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|                       | environmental shock and external forces beyond their control. For more information, see Section 2.3.                                                                                                                                                                                                                                                | commercial conversion of the project area, but given the short-term nature of this, the increased dependency on a commercial provider, coupled with the reduction in natural, human and social capital will all make risk higher over the long-term.                                                                                                                      | short-term a small minority of community members will be negatively impacted by the project (such as those involved with illegal logging) and others may miss out on the short-term gain from commercial conversion, in the long-term the projects activities will benefit all.                                                                                                                     | zone communities. In particular, those aimed as clarifying land tenure, improving agricultural practices and local business development and sustainable livelihood options. For more details see Sub-section 2.2.1.                                                                                                                                                     |
| 4. Marginal groups    | As stated above, many of the project-zone communities are considered as vulnerable. Within the communities, there also exists groups that are further marginalized, including the poor, women, elderly and the disabled, although such groups are not consistently marginalised (See Sub-section 2.7.1, Section 6.3, and Annex 2 for more details). | Under the baseline scenario is likely that there will become an increasing lack of participation and transparency in decision-making, leading to an opportunity for elite captures in which dominant groups can steer decisions to their favour, while hindering the flow of benefits to the marginalized households (for more discussion of this issue see Section 6.3). | The project aims to identify and reach poorer and marginalized communities and community members through a variety of socio-economic programs. These are designed to lift the poorest out of poverty by engaging them in community-based business development such as microfinance, women's empowerment, sustainable agroforestry, renewable energy development, and non-timber forest product use. | Activities designed to identify marginalized groups are detailed in Sub-section 2.7.1. Activities designed to address this marginalization through targeted inclusion within sustainable development activities is described in Section 6.3. As with all activities, constant monitoring will provide feedback to ensure this objective is met (see Sub-section 8.3.1). |
| 5. Women's well-being | Many communities in the project zone have patriarchal culture, and women typically have specific roles in households and society. Their participation in social activities is often limited.                                                                                                                                                        | As above (marginal groups)                                                                                                                                                                                                                                                                                                                                                | The project will actively engage women through a variety of activities such as microfinance, community-based business development, and public health programs (e.g., mother and child healthcare). The timing and location of meetings will be carefully considered to accommodate specific needs of women.                                                                                         | Our microfinance program (see Sub-section 2.2.1 – I) is designed to engage women in the project zone and increase their capacity by strengthening the social capital. The project also aims to improve women's well-being by building awareness about and providing better access to basic health and sanitation services (see Sub-section 2.2.1 – K).                  |
| 6. Benefit sharing    | Currently no system exists to provide equitable benefit sharing of commercial exploitation of local natural resources amongst local communities.                                                                                                                                                                                                    | Under the baseline scenario, a commercial plantation company is unlikely to implement any form of local benefit sharing beyond statutory minimums. These simply define the need for a CSR policy                                                                                                                                                                          | The Katingan Project will implement a full and transparent program of benefit sharing. In addition to ensuring all statutory dues are paid to central and local government, the project will                                                                                                                                                                                                        | The Katingan Project aims to channel project funds through existing village-level financial mechanisms, fully aligned with jurisdictional arrangements and                                                                                                                                                                                                              |

| Criteria                     | Status                                                                                                                                                                                                                                                                                                                          | Baseline scenario                                                                                                                                                                                                                                                                                                      | With-project scenario                                                                                                                                                                                                                                                                                                                                                  | Activities/mitigation                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                              |                                                                                                                                                                                                                                                                                                                                 | without defining minimum requirements of such a program.                                                                                                                                                                                                                                                               | implement a full program of support to project-zone communities to assist their sustainable development. Further, the project will promote this as a model approach to be adopted by more widely.                                                                                                                                                                      | regional development goals; developed from the results of participatory planning, stakeholder consultations and FPIC processes. The process will mitigate the risk of elite capture, support the livelihoods and social welfare of those most dependent on the natural resources that the project will protect.                                                                                                          |
| 7. Information dissemination | Indonesia in general lacks formal systems that allow local communities to access information that is available to government or the private sector, including information relating to lands in which they have legitimate claims. This often leads to inequalities when such information is used by elites for short-term gain. | Under the baseline scenario there is likely to be no change from the norm. Commercial operators can manipulate access to information to ensure they achieve their objectives, often at the expense of social cohesion (see above).                                                                                     | The Katingan Project is committed to a policy of transparency, and will go to great lengths to ensure that information on the projects, its activities, its progress and its results are openly available. Where this relates to issue that may impact local communities, FPIC principles are followed, as described in detail in Sub-section 2.7.2.                   | Information dissemination and transparency is built into all project activities, primarily through the participatory planning and consultations processes described in detail in Sub-sections 2.2.1 - G) and 2.7.3. Monitoring, grievance and feedback process are then used to ensure these systems work effectively, with adaptations being made as required.                                                          |
| 8. Active involvement        | Since the inception of the Katingan Project, prior to any formal applications being made, communities in the project zone area were approached as potential future partners. Since that time village communities have been engaged at all levels of the projects operation                                                      | Under the baseline scenario the most likely form of engagement local communities could expect would be direct employment. There may be some communication with village-level institutions, but there is little precedence among plantation companies for active community-engagement in operations or decision-making. | The Katingan Project is primarily implemented at the village level, in collaboration with village communities. Opportunities for involvement range from participation in planning and mapping initiatives, to direct employment (in both junior and senior positions, on a full-time, part-time or casual basis), to participation in a range of thematic initiatives. | Project activities across the board, are implemented with staff recruited from local communities and in close collaboration with village institutions (as described above). Where possible village community members are also recruited to middle- and senior-level management positions, and the number thus employed is expected to rise as the projects invests heavily in the local human resource base (see below). |
| 9. Capacity building         | Currently there are few opportunity for training and capacity building within the project zone. Only a limited number of government-led initiatives                                                                                                                                                                             | Under the baseline scenario there is unlikely to be a significant rise in training and capacity building opportunities,                                                                                                                                                                                                | The Katingan Project will implement a comprehensive program of training and capacity building. Part linked to those directly                                                                                                                                                                                                                                           | Many of the activities focused on sustainable development of the project-zone communities are                                                                                                                                                                                                                                                                                                                            |

| Criteria | Status                                                                  | Baseline scenario                                                                                                                                                                                           | With-project scenario                                                                                                                                                                                                                                                 | Activities/mitigation                                                                                                                                                                                            |
|----------|-------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|          | reach the remote villages, and these often lack resources or follow-up. | beyond the potential for specific training given to employees of the plantation companies, linked solely to those activities. Local employment is likely to be predominantly of unskilled manual labourers. | employed by the project; whereby the project will seek develop junior and unskilled staff so that they can take on more responsibilities over time. Part linked to the engagement of communities in specific activities such as business and agriculture development. | centred on programs of training and capacity building (by their nature the activities aim to transfer knowledge to local communities). For more details specific to particular activities see Sub-section 2.6.2. |

### 6.1.2 Mitigation measures for any negative impacts on HCV attributes (CM1.2, CM2.2, CM2.3, CM2.4)

[Table 84](#) shows measures taken to enhance community impacts and to mitigate any anticipated negative impacts. See also Sub-section 2.2.1 (“Project Activities”), Section 2.3 (“Management of risks to project benefits”), Section 2.4 (“Measures to maintain high conservation values”). Based on an evaluation of all criteria and indicators, in no case are negative impacts anticipated, and therefore no mitigation measures are proposed as necessary. However, this will be monitored closely (see Chapter 8), and if negative impacts are detected, immediate remedial actions will be taken.

## 6.2 Other Stakeholder impacts (CM3)

No offsite stakeholder impacts are anticipated. During the design phase of the project potential offsite groups were identified (see Sub-section 2.7.1), but none is considered likely to be impacted by the project – indeed, the Project Zone itself was designed to incorporate all those groups who were likely to be affected. Offsite impacts on commercial companies are discussed in detail in Section 5.2.

## 6.3 Exceptional Community Benefits (GL2)

Criteria for the evaluation of exceptional community benefits are included in Part C of [Table 84](#) and further information is available in Sub-section 1.3.5 (“Communities in the project zone”), Sub-section 1.3.8 (“Identification of High Conservation Values”), Sub-section 2.2.1 (“Project Activities”), Section 2.3 (“Management of risks to project benefits”), Section 2.4 (“Measures to maintain high conservation values”), Section 4.5 “Baseline scenario and additionality”), Annex 2 (“Communities in the project zone”) and Annex 3 (“HCV assessment”).

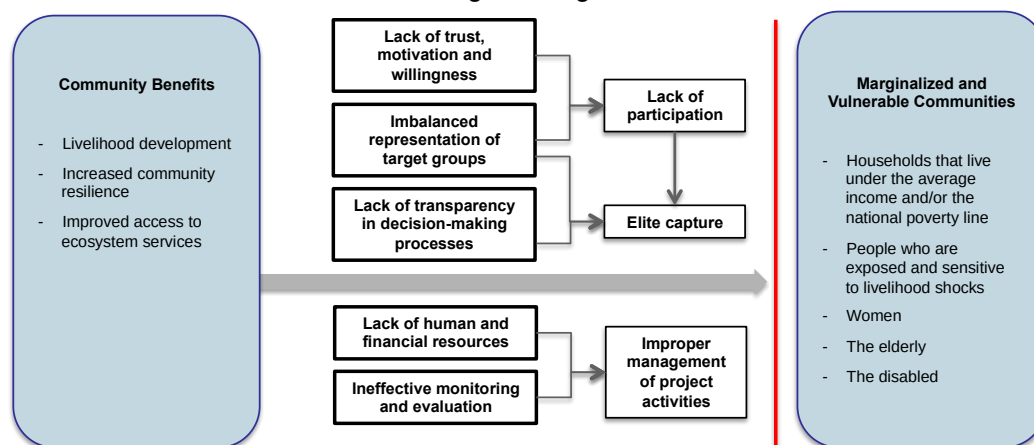
The Katingan Project conducted a social survey (see Appendix 7), referring to the global socio-economic indicator of the Human Development Index (HDI). This survey indicated that the average income of the project-zone households ranges between IDR 250,000 and IDR 1,500,000 per month. In comparison, while the HDI classifies Indonesia as a Medium Human Development country, with a rank of 108 amongst 169 countries across the world [36], the Indonesian Bureau of Statistics (*Badan Pusat Statistik*) defines the national poverty line for Central Kalimantan Province as the minimum purchasing power per capita to be able to afford staple food and non-food items, equivalent in cash terms to IDR 212,790 per month [37]. While the baseline survey results indicated that the average income in the project zone is already below the regional poverty level, in reality the average income per capita is likely to be even lower – well under the national extreme poverty level – as typical household around the concession area consists of 4 to 8 family members including children and the elderly. Thus, the project zone is qualified as a rural area of a high concentration of population living under the national poverty line.

In the project zone, basic social services are extremely limited. Social service disparity extends to access to electricity, quality education, public health facilities, clean drinking water, and sanitation systems. While people in Kotawaringin Timur District who have easier access to Sampit tend to earn higher incomes and receive better public services, the majority of communities in the project zone, particularly those in Katingan District, make lower average incomes due to the lack of access to markets and employment opportunities. Furthermore, inadequate land transportation systems isolate many project-zone communities and push the cost of living higher because the daily activities of these communities depend on water transportation. The project-zone communities are extremely vulnerable to various external shocks including environmental stresses if left without social safety nets.

The Katingan Project seeks to benefit communities through a variety of socio-economic activities which also target the most vulnerable and marginalized community members. This includes the poor, women, elderly and the disabled. The project aims at reaching these poorer and marginalized communities through a variety of socio-economic programs described in Sub-section 2.2.1 that would otherwise be unavailable to them without the Katingan Project. These programs are designed to lift the poorest out of poverty by engaging them in community-based business development such as microfinance, women's empowerment, sustainable agroforestry, renewable energy development, and NTFPs. Furthermore, the project is expected to create a multitude of positive economic effects from these programs, as they increase employment opportunities, crop yields, access to markets and revolving finances, and new business and investment opportunities. Therefore, the Katingan Project directly delivers benefits to a large proportion of the vulnerable and marginalized people and bring about positive impacts on the overall economy of the area.

The success of community programs is largely dependent on participation, transparent decision-making processes based on mutual trust, and proper management of project activities. Three main potential barriers to community benefits in reaching the marginalized and/or vulnerable communities were identified, and mitigation measures are discussed below (also see [Figure 20](#)).

**Figure 20. Potential barriers to benefits reaching the marginalized and vulnerable communities**



**Lack of participation:** The marginalized poor communities tend to live remotely away from village centres, and often lack the means or time required to attend community meetings, due to distance and other constraints. Also, it is common for the project-zone communities that the marginalized feel discouraged to voice their opinions in front of dominant groups. This can trigger mistrust toward other community members, and leads to lack of motivation and willingness to participate. Also, unbalanced or misrepresented target groups for certain project activities could entail non-participation of the poorer and marginalized community members. The Katingan Project will encourage all community stakeholders, particularly the poorer and marginalized, to participate in project activities through differentiated approaches. As described in Sub-section 2.2.1, our participatory planning processes

enables all project-zone communities to be involved in decision-makings. Understanding barriers to meaningful participation to the project, socialization, information dissemination and community meetings take place at various locations and times by considering the needs of the marginalized. For example, some meetings are facilitated only for women, and take place at their houses in the evening when they usually have spare time. Community message boards, booklets, flyers and videos, and local radio programs will also be used to reach target audience effectively.

*Elite captures:* A lack of participation and transparency in decision-making processes generally creates an opportunity for elite captures in which dominant groups can steer decisions to their favour, while hindering the flow of benefits to the marginalized households. When making decisions regarding an infrastructural development project such as road construction, for example, community board members may choose a location based on their personal benefits, rather than communal benefits as a whole. Without transparent decision-making systems and well-represented board of communities in place, community programs may be manipulated to satisfy the personal interests of certain individuals and may not produce overall positive impacts on the marginalized households. In order to address the risk of elite captures, the Katingan Project will encourage the poorer and marginalized communities to participate (see above) and aim to enhance the balance of community representation. To increase transparency in decision-making processes, meeting records and decisions will be maintained and made publically available. A mixed representation of community members, including the marginalized groups, will reinforce more equitable and democratic distribution of benefits, thereby placing checks and balances on decision-making processes and safeguarding the interest of communities as a whole.

*Improper management of project activities:* Another potential barrier to anticipated project benefits reaching target community members is improper management of project activities due to the lack of human and financial resources and effective monitoring and evaluation systems. The implementation and progress of project activities should be regularly monitored in order to assess the impacts of these activities on the marginalized households, to ensure appropriate allocation and use of community funds, and to enforce rules. Without a stringent system of checks and balances, the risk of the elite capture of benefits, ineffective performance and misappropriation of funds remains high. The Katingan Project seeks to remove this barrier by supporting the project-zone communities to have access to sufficient resources which are necessary to carry on project activities. Proper training will also be provided to build the capacity of local people (see Sub-section 2.6.2 on training and capacity building). Community-based adaptive management plan will reinforce checks and balances on decision-making processes and lead to a form of democratic natural resources governance.

## 7 BIODIVERSITY

### 7.1 Net Positive Biodiversity Impacts

#### 7.1.1 Summary of net positive biodiversity impacts (B1, B2)

The project is expected to generate significant net positive biodiversity benefits. These are listed in [Table 85](#) based on the criteria and indicators of the CCB Standards Third Edition. This table presents a summary against the criteria and should be read in conjunction with Sub-section 1.3.7 ("Current biodiversity"), Sub-section 1.3.8 ("Identification of high conservation values"), Sub-section 2.2.1 ("Project activities"), Section 2.3 ("Management of risks to project benefits"), Section 2.4 ("Measures to maintain high conservation values"), Section 4.5 "Baseline scenario and additionality"), Appendix 1 ("Key species"), Annex 3 ("HCV assessment"), and references [8] and [9].

**Table 85. Summary of net positive biodiversity benefits**

| Biodiversity criteria                                                                                                                                                                                                         | Status                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Baseline scenario                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | With-project scenario                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Protection/mitigation measures                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
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| <b>Area-based Criteria</b>                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 1. Globally, regionally or nationally significant concentrations of biodiversity values ( <b>HCV1</b> )                                                                                                                       | The project zone contains 61% natural mixed peat swamp forest, and a further 7% of freshwater swamp forest. In these forests over 380 species of animal species and 300 plant species have been recorded (see Appendix 1). This includes 44 species listed as CR, EN or VU (see below) and a further 55 listed as NT, protected by Indonesian law or endemic. Of these the project zone is estimated to contain globally significant populations of many (See Annex 3 & below), and as such to qualify as Key Biodiversity Area. The project zone also forms a continuous area with Sebangau National Park to the east, and as such creates the largest remaining intact area of peat swamp forest in South-East Asia. | Under the baseline scenario (see Section 4.5) almost the entire project area (149,800 ha) would be cleared, drained and converted to industrial acacia plantations. This would have a catastrophic effect on the biodiversity value of the area as almost all of the key species present at the site are dependent on the presence of large blocks of undisturbed intact forest (see below). The continued presence of these species would become untenable.                                                                          | Under the project scenario the entire project area (149,800 ha) will be protected, and any degraded areas restored. This will ensure the long-term survival of the habitat and the species supported by it.<br><br>Outside of the core project area, within the wider project zone, project activities will seek to protect and conserve all remaining intact forest areas, despite the project not having legal management rights. This will include working with communities, government and industry to maintain and enhance all current biodiversity values through sounds planning and by promoting sustainable agricultural practices. As a result the project is anticipated to provide net positive benefits within the wider project zone both directly, through these activities, and indirectly through the complete protection of the core project area and the viable source populations of biodiversity contained within it. | Project measures to ensure the projection of high conservation value areas within the project zone are described in detail in 7.1. Specific measures related to key species are described below.<br><br>Project activities are designed to consistently <i>protect</i> and <i>enhance</i> high conservation value areas and so as a result no negative impacts are anticipated and no mitigation measures are therefore anticipated.<br><br>The impact of project activities on all high conservation value areas will be constantly monitored (See Chapter 8) and if at any point negative impacts are indicated remedial action will immediately be taken. |
| 2. Globally, regionally or nationally significant large landscape-level areas where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance ( <b>HCV2</b> ) | The project zone contains one of the largest remaining intact and continuous areas of mixed peat swamp forest outside of protected areas in Indonesia (see Annex 3). It also contains natural transitions to other ecosystem types including freshwater swamp forest and heath forest (see Annex 3). In addition to the globally significant populations of key species (see below), the area supports the full range of species representative of this habitat type regionally (see Annex 3 & Appendix 1).                                                                                                                                                                                                            | Outside of the project area, within the wider project zone, further degradation is also inevitable, including small-medium scale conversion of forest to agriculture, including oil palm plantations and drainage. Fire risk would remain very high. The negative effect of these impacts in terms of biodiversity would be multiplied by the loss of the core project area leaving only isolated fragments of natural habitat remaining none of which are likely to be able to support long terms viable populations of key species. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 3. Threatened or rare ecosystems ( <b>HCV3</b> )                                                                                                                                                                              | Intact, un-drained peat swamp forest is one of the most threatened habitats in Indonesia. Between 1995 and 2003 over 30% of such forests were lost or severely degraded (see Sub-section 1.3.1). In addition to the area's peat swamps, freshwater swamp forest and seasonally flooded river plain forest are also both considered rare and/or endangered (see Annex 3).                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Species-based Criteria</b>                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 1. Critically Endangered (CR) and Endangered (EN) species - presence of at least a single individual                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

| Biodiversity criteria                                                           | Status                                                                                                                                                                                                                                                                                                                                                                    | Baseline scenario                                                                                                                                                                                                           | With-project scenario                                                                                                                                                                                                     | Protection/mitigation measures                                                                                                                                                                                                                         |
|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Critically Endangered Mammal: Sunda Pangolin ( <i>Manis javanica</i> )          | Widely distributed in Borneo but population highly threatened by unsustainable hunting and now fully protected under Indonesian law. Preliminary surveys suggested the confirmed presence of this notoriously difficult to survey species throughout the project area.                                                                                                    | Threatened by loss of forest habitat and unsustainable hunting, mainly for the Chinese medicine market. Under the baseline such hunting pressure would likely increase as isolated forest fragments became more accessible. | Under the project scenario the core project area will remain protected and largely inaccessible, as such will provide a safe haven for this species. Measures to control illegal hunting will further alleviate pressure. | Project activities will focus on identification of distribution and population status, followed by forest protection and hunting control measures.                                                                                                     |
| Critically Endangered Bird: White-shouldered ibis ( <i>Pseudibis davisoni</i> ) | Indonesian population estimated at <100 individuals, mainly within an isolated population in East Kalimantan. The continued presence of this species in the project area confirms its critical global importance as a second Indonesian population centre.                                                                                                                | Threatened by habitat loss, disturbance and hunting pressure. Under the baseline scenario this species is unlikely to survive.                                                                                              | Under the project scenario the species habitat will be protected and local hunters will be educated as to its protected status and global importance.                                                                     | Project activities will focus on the protection of intact forest, particularly along small watercourses, and measures targeted at reducing illegal and unsustainable hunting.                                                                          |
| Critically Endangered Plant: Kahui/Red Balau ( <i>Shorea balangeran</i> )       | This tree species is restricted to Bornean peat swamp forests. Preliminary surveys suggested the project area may contain over 600,000 stems (>5cm) making the site of key significance for this species.                                                                                                                                                                 | Threatened by commercial over-extraction and general forest loss. This species would be lost from the project area and remain over-exploited within the wider project zone.                                                 | Under the project scenario this species will be protected within the project area and efforts will be made to reduce its exploitation within the wider project zone.                                                      | Protection of the project zone, restoration of degraded areas (potential for selective replanting) and measures to reduce illegal and unsustainable timber extraction in the wider project zone.                                                       |
| Endangered Mammal: Proboscis monkey ( <i>Nasalis larvatus</i> )                 | Endemic to Borneo with a total population estimated in the region of 10,000 individuals. Preliminary surveys indicated the project zone may support over 500 individuals which would represent over 5% of the global population.                                                                                                                                          | Threatened by habitat loss and disturbance, particularly along forested river borders. Such areas would be amongst the most negatively affected under the baseline scenario.                                                | Areas where this species is found to be present, both within the project area and wider project zone will be targeted for protection from forest loss and disturbance.                                                    | Project activities will focus on identifying key areas for the species followed by measures to prevent their loss, and disturbance. Hunting control measures will also ensure this species is not targeted.                                            |
| Endangered Mammal: Bornean Gibbon ( <i>Hylobates albibarbis</i> )               | Endemic to Borneo. Generally widespread within forest habitat, including peat swamp forest, but estimated to be in serious decline due to the loss of such habitat. Population in the project zone estimated at almost 10,000 individuals.                                                                                                                                | Threatened by forest habitat loss. Population would be drastically reduced under the baseline scenario.                                                                                                                     | Protection of forest within the core project area and wider zone will ensure continued high population presence.                                                                                                          | Project activities will focus on general forest protection and hunting control measures.                                                                                                                                                               |
| Endangered Mammal: Bornean Orangutan ( <i>Pongo pygmaeus</i> )                  | Endemic to Borneo. Widespread but rapidly declining in forest including peat swamp forest. The global population is tentatively estimated at between 45,000 and 69,000 individuals. The population within the project zone is estimated at between 3,600 and 5,800 individuals. Even the lower end of this estimate represents over 5% of the global population, confirms | Threatened by forest habitat loss and hunting. Population would be drastically reduced under the baseline scenario, further exacerbated by a likely rise in hunting of any remaining individuals, as usually                | Protection of forest within the core project area and wider zone will ensure continued high population presence. Measures to reduce and/or remove hunting pressure and mitigate any conflict with local                   | Project activities will focus on forest protection, restoration and measures to eradicate hunting and to mitigate any conflict between local communities and crop-raiding. In selected areas, and with strict controls, the site may also be used as a |

| Biodiversity criteria                                                               | Status                                                                                                                                                                                       | Baseline scenario                                                                                                                                                           | With-project scenario                                                                                                                                                | Protection/mitigation measures                                                                                                                                                                   |
|-------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                     | the critical importance of the project for this species.                                                                                                                                     | accompanies commercial conversion.                                                                                                                                          | communities will also further enhance the population security.                                                                                                       | release site for rehabilitated orangutan from elsewhere in Kalimantan.                                                                                                                           |
| Endangered Mammal: Hairy-nosed Otter ( <i>Lutra sumatrana</i> )                     | Little known species. Protected under Indonesian law. Presence in project area is yet to be confirmed but based on presence in nearby Sebangau NP thought likely.                            | Threatened by forest habitat loss and hunting. Both likely to increase under the baseline scenario.                                                                         | Forests will remain protected, particularly along small river and waterways. Measures to control illegal hunting will further alleviate pressure.                    | Project activities will focus on confirming the presence of this species followed by measures to prevent habitat loss, disturbance and illegal hunting.                                          |
| Endangered Mammal: Flat-headed Cat ( <i>Prionailurus planiceps</i> )                | Widespread but patchy distribution among swamp forests, including peat swamps. Presence in the project area was indicated by results of interview surveys but requires further confirmation. | Threatened by forest habitat loss and hunting. Any remaining population would be drastically reduced under the baseline scenario.                                           | Protection of forest within the core project area and wider zone will ensure continued high population presence.                                                     | Project activities will focus on confirming the presence of this species followed by measures to prevent habitat loss, disturbance and illegal hunting.                                          |
| Endangered Bird: Storms Stork ( <i>Ciconia stormi</i> )                             | Widespread but very fragmented distribution amongst lowlands swamp forest. Presence within project area confirmed by preliminary surveys.                                                    | Very vulnerable to forest loss, fragmentation and disturbance. This species would likely become locally extinct under the baseline scenario.                                | Forests will remain protected, particularly along small river and waterways, safeguarding the local population.                                                      | Project activities will focus on the protection of intact forest, particularly along small watercourses and swampy areas.                                                                        |
| Endangered Reptile: Bornean River Turtle ( <i>Orlitia borneensis</i> )              | Widespread but declining across Borneo, Malaysia and Sumatra. Inhabits rivers and lakes, particularly within peat swamp areas. Confirmed presence in project area.                           | Threatened by habitat loss and unsustainable hunting for food and the pet trade; both likely to increase under the baseline scenario.                                       | Under the project scenario the species habitat will be protected and local hunters will be educated as to its protected status and global importance.                | Project activities will focus on the protection of intact forest, particularly along small watercourses, and measures targeted at reducing illegal and unsustainable hunting.                    |
| Endangered Reptile: Spiny Hill Turtle ( <i>Heosemys spinosa</i> )                   | Widespread but declining across south-east Asia. Inhabits rivers and lakes, particularly within peat swamp areas. Confirmed presence in project area.                                        | Threatened by habitat loss and unsustainable hunting for food and the pet trade; both likely to increase under the baseline scenario.                                       | Under the project scenario the species habitat will be protected and local hunters will be educated as to its protected status and global importance.                | Project activities will focus on the protection of intact forest, particularly along small watercourses, and measures targeted at reducing illegal and unsustainable hunting.                    |
| Endangered Plant: Meranti Semut ( <i>Shorea teysmaniana</i> )                       | This tree species is restricted to Sundaic peat swamp forests. Preliminary surveys confirmed the presence of this species in the project area.                                               | Threatened by commercial over-extraction and general forest loss. This species would be lost from the project area and remain over-exploited within the wider project zone. | Under the project scenario this species will be protected within the project area and efforts will be made to reduce its exploitation within the wider project zone. | Protection of the project zone, restoration of degraded areas (potential for selective replanting) and measures to reduce illegal and unsustainable timber extraction in the wider project zone. |
| <b>2. Vulnerable species (VU) - presence of at least 30 individuals or 10 pairs</b> |                                                                                                                                                                                              |                                                                                                                                                                             |                                                                                                                                                                      |                                                                                                                                                                                                  |
| Preliminary surveys identified the presence of a                                    | Bornean Slow Loris ( <i>Nycticebus menagensis</i> )<br>Horsfield's tarsier ( <i>Tarsius bancanus</i> )                                                                                       | All of these species are dependent on large intact, undisturbed forests                                                                                                     | Under the project scenario forests will be protected, disturbance reduced                                                                                            | General project activities will focus on the protection of intact forest, particularly                                                                                                           |

| Biodiversity criteria                                                                                        | Status                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Baseline scenario                                                                                                                                                                                                                                                               | With-project scenario                                                                                                                               | Protection/mitigation measures                                                                                                                                                        |
|--------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| further 30 species listed as Vulnerable. These species are listed opposite. For full details see Appendix 1. | Pig-tailed Macaque ( <i>Macaca nemestrina</i> )<br>Whiskered Flying Squirrel ( <i>Petinomys genibarbis</i> )<br>Red Spiny Rat ( <i>Maxomys rajah</i> )<br>Whiteheads Rat ( <i>Maxomys whiteheadi</i> )<br>Dark-tailed Tree Rat ( <i>Niviventer cremoriventer</i> )<br>Malayan Sun-bear ( <i>Helarctos malayanus</i> )<br>Small-clawed Otter ( <i>Aonyx cinerea</i> )<br>Binturong ( <i>Arctictis binturong</i> )<br>Clouded Leopard ( <i>Neofelis nebulosa</i> )<br>Marbled Cat ( <i>Pardofelis marmorata</i> )<br>Bearded Pig ( <i>Sus barbatus</i> )<br>Sambar Deer ( <i>Cervus unicolor</i> )<br>Crestless Fireback ( <i>Lophura erythrophthalma</i> )<br>Black Partridge ( <i>Melanoperdix nigra</i> )<br>Lesser adjutant stork ( <i>Leptoptilos javanicus</i> )<br>Bonaparte's Nightjar ( <i>Caprimulgus concretus</i> )<br>Hook-billed Bulbul ( <i>Setornis criniger</i> )<br>False Gharial ( <i>Tomistoma schlegelii</i> )<br>Asian Box Turtle ( <i>Cuora amboinensis</i> )<br>Softshell Turtle ( <i>Amyda cartilaginea</i> )<br>Giant Soft shell Turtle ( <i>Pelochelys bibroni</i> )<br>Binjai ( <i>Mangifera sp.</i> )<br>Tumih ( <i>Combretocarpus rotundatus</i> )<br>Jelutung ( <i>Dyera lowii/polyphylla</i> )<br>Geronggang Putih ( <i>Canarium sp.</i> )<br>Meranti Batu ( <i>Shorea uliginosa</i> )<br>Ramin ( <i>Gonystylus bancanus</i> ) | and waterways. Many are also threatened by illegal or unsustainable hunting. Under the baseline scenario of almost total forest loss and a resulting increase in human disturbance and hunting pressure, few would remain present in viable populations for any length of time. | and measures will be taken to reduce illegal and unsustainable hunting, resulting in the maintenance of viable populations within the project zone. | along watercourses, and measures targeted at reducing illegal and unsustainable hunting. Where particular species require dedicated intervention such activities will be implemented. |

### 7.1.2 Mitigation measures for any negative impacts on HCV attributes (B1.2, B2.3, B2.4)

The above [Table 85](#) shows measures taken to enhance biodiversity values and to mitigate any anticipated negative impacts. See also Sub-section 2.2.1 ("Project activities"), Section 2.3 ("Management of risks to project benefits"), and Section 2.4 ("Measures to maintain high conservation values").

Based on an evaluation of all criteria and indicators, in no case are negative impacts anticipated, and therefore no mitigation measures are proposed as necessary (see also Sub-section 7.1.3 below). However, this will be monitored closely (see Chapter 8), and if negative impacts are detected, immediate remedial actions will be taken.

### **7.1.3 Identification of species to be used in project activities and confirmation of status (B2.5, B2.6)**

The project will undertake rehabilitation of degraded areas within the project area. This will include some replanting of tree species (see Sub-section 2.2.1). Species intended to be used in such replanting are listed above in [Table 85](#). All species used in natural forest replanting and for firebreaks are native to Borneo and non-invasive in peat swamp forest habitats. One species, rubber (*Hevea brasiliensis*), used in community-managed agroforests is not native to South-East Asia, but is grown widely. Its inclusion in the reforestation program is viewed as an interim measure to ensure community participation while native jelutong trees become fully productive. Once the hydrology of the area is fully restored, rubber trees will be out-competed by jelutong, as they are unable to tolerate the high water table.

### **7.1.4 Use of non-native species, fertilizers, chemical pesticides and other inputs (B2.6, B2.7, B2.8)**

No genetically modified organisms, fertilizers or chemical pesticides will be used by the project.

### **7.1.5 Description of waste products management resulting from project activities (B2.9)**

The Katingan Project adopts the principles of Reduce, Reuse and Recycle. Organic waste will be separated and composted through village composting initiatives, or disposed of through burial. Inorganic waste will be separated into recyclable components – which will be entered into village- and local-government led recycling initiatives – while residual inorganic waste will be removed from the site and disposed of through government-run waste disposal facilities in Sampit.

## **7.2 Offsite Biodiversity Impacts (B3)**

All project activities are designed to deliver positive biodiversity impacts, as such, none are anticipated to lead to negative impacts, either on site or off. There does remain the possibility that protection of forest on site will lead to displacement of activities offsite (leakage), with resulting impact, however this will be carefully monitored and any resulting impacts quantified (see Section 5.5 and Sub-section 8.3.3).

As provided above in Sub-section 7.1.2, no negative impacts off-site impacts are anticipated, and so no mitigation strategy is required. However, this will be monitored closely, and if negative impacts are detected, remedial actions will be taken immediately.

## **7.3 Exceptional Biodiversity Benefits (GL3)**

The project is expected to generate exceptional biodiversity benefits based on multiple achievement of the criteria defined in the CCB Standards Third Edition. [Table 85](#) summarizes achievement of the 'Exceptional Biodiversity Benefit' criteria with respect to the population status of key species. This includes four species considered critically Endangered, 10 considered Endangered, and 31 species considered Vulnerable (IUCN 2015). For two of these at least, Orangutan and Proboscis Monkey, the project zone is estimated to hold over 5% of the entire global population.

For each species identified as Critically Endangered, Endangered or Vulnerable a summary of project activities that will be taken to enhance the population within the project zone is given in [Table 85](#). For further information on project activities see also Sub-section 2.2.1.

For further information, see Sub-section 1.3.7 ("Current biodiversity"), Sub-section 1.3.8 ("Identification of high conservation values"), Sub-section 2.2.1 ("Project activities"), Section 2.3 ("Management of risks to project benefits"), Section 2.4 ("Measures to maintain high conservation values"), Section 4.5

“Baseline scenario and additionality”), Appendix 1 (“Key species”), Annex 3 (“HCV assessment”), and references [8] and [9].

## 8 MONITORING

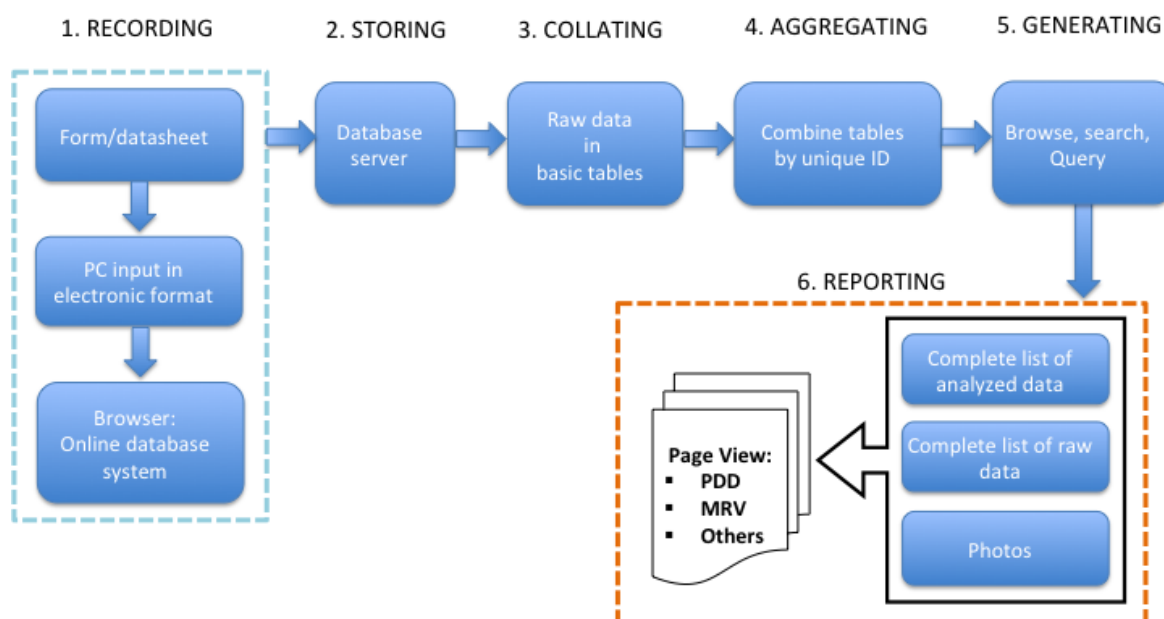
### 8.1 Description of the Monitoring Plan (CL4, CM4 & B4)

#### 8.1.1 Data management methods and structure

All data generated by the Katingan Project is centrally managed in an online-based database (see [Figure 21](#)). Hard copies of all data sheets are archived in field offices, with duplicate copies stored centrally in PT. RMU’s headquarter in Bogor. Field data is uploaded directly into the online database system from the field office, allowing simultaneous multi-user input through a local server network. After the data is collated by the database server, it can be adapted to fulfil all monitoring and reporting needs using standard and custom-made report formats.

All climate, community and biodiversity monitoring parameters, including both raw and processed data, together with their frequency, are detailed in Appendix 9, Appendix 10 and Appendix 11 (MRV Trackers).

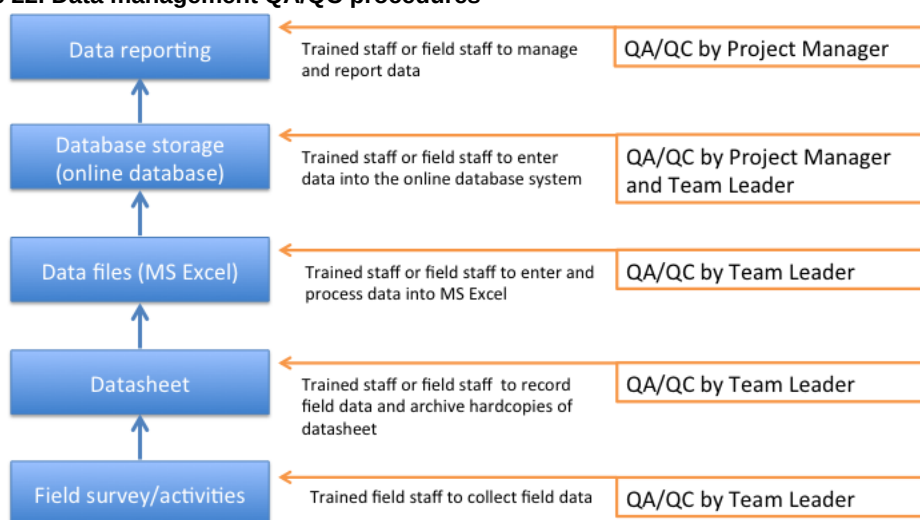
**Figure 21. Simple schematic of data management structure**



#### 8.1.2 Procedures for handling internal auditing and non-conformities

Internal auditing and non-conformities are addressed through standard operation procedures (SOPs) that incorporate multiple quality assurance and quality control (QA/QC) measures. All data collected, recorded, stored and reported are subject to review and approval by team leaders and/or project managers with reference to written SOPs covering each level of data management (see [Figure 22](#)). A list of SOPs which have already been or will be developed is presented in Appendix 8, and a copy of SOPs are available to validators on request. In order to ensure the security and traceability of data entry and QA/QC procedures, all users are allocated unique user IDs and passwords in order to access the database, and in turn their access and roles can be restricted as appropriate.

Figure 22. Data management QA/QC procedures



### 8.1.3 Climate impact monitoring plan and methodological approach (CL4.1)

Climate impacts will be monitored, reported and evaluated according to the Climate MRV Tracker (Appendix 9). This includes monitoring changes in land cover, land use, peat thickness and water table depth, as per the VCS VM0007 methodological requirements. A summary of the main monitoring methods is given below.

#### 8.1.3.1 Remote sensing

Satellite imagery will be obtained and analysed in order to monitor the integrity of the project area, as per the methods outlined in Sub-section 5.3.2. The data will be used to detect land cover change, such as deforestation caused by illegal gold mining or degradation caused by illegal logging. In cases where forest changes are detected, the procedures outlined in VCS methodology VM0007 module M-MON and detailed in the Climate Impact MRV Tracker will be followed to quantify the relevant parameters.

The area of recorded deforestation ( $ADefPA,u,i,t$ ) will be quantified by subtracting areas of forest cover between two timesteps. Emissions ( $\Delta CP,Def,i,t$ ) resulting from deforestation will be estimated by multiplying areas ( $ADefPA,u,i,t$ ) of deforestation by the average forest carbon stock per hectare ( $CBSL,i$ ). The area of remaining forest in the RRL ( $ARRL,forest,t$ ) will be derived by subtracting non-forest area within the RRL and will be recorded in a forest benchmark map. This map will be updated at each monitoring period. As mandated by the Ministry of Environment and Forestry, this will be carried out annually.

In addition to the above, the incidence of fires will be monitored using a Fire Information for Resource Management System (FIRMS). This system, developed by NASA [38], uses MODIS fire data to provide near real-time updates on fire activity in the project zone and notifies team members of a fire within 24 hours.

#### 8.1.3.2 Field measurement

##### A) Monitoring forest degradation

As per VM0007 Module M-MON, a participatory rural appraisal (PRA) survey will be conducted every two years to assess illegal logging impact in the project area. If the survey indicates that more than 10% of individuals interviewed believe there are illegal logging activities, a field sampling survey will be conducted to delineate the area subject to degradation ( $ADegW,i,t$ ), while transects of  $ADegW,i,t$  will be surveyed to quantify any biomass loss. Emissions due to forest degradation ( $\Delta CP,DegW,i,t$ ) are estimated by multiplying area ( $ADegW,i$ ) by average biomass carbon of trees cut and removed per unit

area ( $CDegW_{i,t} / API$ ). This sampling procedure will be repeated every 5 years and the results annualized by dividing the total emissions by five.

Monitoring methods for GHG emissions from microbial decomposition of peat, carbon loss in water bodies and peat and biomass burning follows guidance provided the VSC methodology VM0007 M-PEAT. Details are given in Annex 1 and a short description is given below

#### B) Monitoring C stock

Monitoring the change in carbon stocks of tree biomass will be conducted through field measurements using a point sampling method with an allometric equation on tree diameter (DBH) [39]. The monitoring of REDD activities will be carried out in all 91 permanent nested biomass plots that were measure in determining the baseline. This will start in 2020 and continue to monitor every 5 years. Per CDM A/R Methodological Tool “Calculation of the number of sample plots for measurements within A/R CDM project activities” [40], the project will establish new monitoring plots for areas representing the ARR activities in 2020, and continue to monitor thereafter every 5 years. Allometric equation will be chosen based on the species or species group planted under the ARR activities, and DBH will be used as the main parameter for this monitoring. The detailed procedure on field measurements for AGB is provided in Annex 15.

#### C) Monitoring GHG Emissions from microbial decomposition of peat

Monitoring GHG emissions from microbial decompositions of peat is carried out by directly monitoring GHG flux and variables that are used as proxies in calculating GHG emissions for each stratum. For forested stratum with less dynamic water table depths (undrained forested peatland, P1L1D0), the conditions of forest cover and water table depths will be monitored continuously to verify annual forest cover conditions and drainage status. Forest cover conditions will be monitored by using combined methods of remote sensing and regular land surveys. Drainage status will be monitored by using dipwells (point-based monitoring) installed along transects that are designed to be representative of the stratum. Monitored point-based water table depths will be extrapolated into areal-based water depths by using hydrological model(s). Based on water table depths and forest cover data, annual status of the stratum will be evaluated. Any significant changes in forest cover and/or drainage status will be followed up by re-stratifying the “changed” area into new correct stratum. GHG emissions from microbial decompositions of peat in stratum P1L1D0 will be monitored and summarized annually by using IPCC default emission factor and following procedures given in the VSC methodology VM0007 module M-PEAT.

For strata where water tables are more dynamic and without forest cover, hydrological variables and subsidence will be monitored during project crediting period. Direct monitoring of GHG flux will be carried out within the period deemed suitable for generating site-specific proxies (2-3 years). By using site-specific proxies, and following procedures given in module the VSC methodology VM0007 M-PEAT, GHG emissions from microbial decompositions of peat per stratum will be monitored and summarized annually.

#### D) Monitoring GHG Emissions from water bodies

Dissolved organic carbon (DOC) from water bodies inside the project area will be monitored during the period deem representative of developing site-specific DOC value(s) (2 – 3 years). The value(s) will be used in calculating emissions from water bodies by taking into account areas of water bodies inside project area. Changes in water body areas will be monitored based on channel widths and lengths derived from combination of regular field measurements and remote sensing techniques.

#### E) Monitoring GHG Emissions from peat and biomass burning

GHG emissions from peat and biomass burning will be monitored continuously during project crediting period by combining regular patrol and remote sensing technique. At every burning incident, burning

area will be mapped by recording vertex coordinate of the boundary of the burnt area, no later than 3 month since the date of the burning incident. Historical burning record of the burnt area will also be tracked to determine the repetition of burning. GHG burning will be summarized annually following module E-BPB. Detailed method for monitoring GHG emissions from peat and biomass burning is given in Annex 12. Monitoring of relevant climate parameters is detailed in Annex 4 and summarized in the Climate MRV Tracker (Appendix 9).

#### **8.1.4 Community impact monitoring plan and methodological approach (CM4.1, CM4.2, GL1.4, GL2.3, GL2.5)**

##### **8.1.4.1 Community impact monitoring plan**

Impacts of the Katingan Project on the project-zone communities will be closely monitored, reported and evaluated according to the Community MRV tracker (Appendix 10). Monitoring results will be used to evaluate the progress of community-based activities, lessons learned and community inputs, and to implement adaptive management plan. Methods to be adopted for community impact monitoring include:

- Step 1: Village-based survey teams, consisting of a community facilitator and two organizers;
- Step 2: Random sampling amongst representative village groups within each village;
- Step 3: Standardized questionnaires that are adaptable to fit target groups;
- Step 4: Standardized measures to manage and analyze sample data;
- Step 5: Quantitative and qualitative data analysis to evaluate community impacts;
- Step 6: Dissemination of results to all stakeholders to maintain transparency and participation.

In addition to on-the-ground surveys, data will also be collected through secondary sources (e.g., village and local government census data, third-party studies). See the Community MRV Tracker for more details.

##### **8.1.4.2 High conservation value plan**

As described in Sub-section 1.3.8 and Chapter 6, HCV5, 6 & 7 areas have significant impacts on community well-being (see [Table 84](#) in Sub-section 6.1.1). The Katingan Project will monitor and evaluate the effectiveness of measures taken to maintain or enhance HCV attributes through the community impact monitoring program. Groundtruthing of information and maps will also be conducted on a regular basis in order to assess the accuracy of spatial impacts on communities. Through community involvement in the identification of key HCV sites and species, PT. RMU will ensure that project activities will not disturb or degrade ecosystem functions and cultural values of such areas (see Chapter 6 for more details).

#### **8.1.5 Biodiversity impact monitoring plan and methodological approach (B4.1, B4.2, GL1.4, GL3.4)**

##### **8.1.5.1 Biodiversity monitoring plan**

Biodiversity impacts in the project zone will be monitored based on the Biodiversity MRV Tracker (Appendix 11). Biodiversity monitoring will focus on the project zone's HCV areas and key species (see [Table 85](#) in Sub-section 7.1.1). Monitoring will be carried out using a variety of field survey techniques, including, local community interview surveys to assess hunting level and threats. Rigorous data analysis will then determine whether the Katingan Project has achieved its objectives of net positive biodiversity benefits. Methods to be employed include:

- Step 1: Trained and dedicated survey teams for each survey protocol.
- Step 2: Standardized field survey methods for each key species, habitat of HCV group to be monitored.
- Step 3: Dedicated survey protocols for Critically Endangered and Endangered species.

- Step 4: Interview based survey methods to complement field surveys  
 Step 5: Baseline data at each monitoring site, including permanent plots and survey transects.  
 Step 6: Standardized data analysis and reporting methods for each survey protocol.

In addition to on-the-ground surveys, data will also be collected through secondary sources (e.g., GIS and remote sensing data, third-party studies). See the Biodiversity MRV Tracker (Appendix 11) for more details.

#### 8.1.5.2 High conservation value monitoring plan

As outlined in Sub-section 7.1.1, it is anticipated that project activities will lead to positive enhancement of HCV areas, particularly HCV 1, 2 and 3 areas (see [Table 85](#) in Sub-section 7.1.1). This will include a particular focus on those areas critical for the survival of Critically Endangered and Endangered species including all those listed in the table. For more details see the Biodiversity MRV Tracker (Appendix 11). This HCV monitoring program will allow the project to demonstrate that the Katingan Project has achieved the stated HCV objectives for maintaining and enhancing these HCV species' populations.

## 8.2 Data and Parameters Available at Validation (CL4)

Data and parameters available at validation per VCS methodology VM0007 MF are provided in the tables below. A full list of all relevant data and parameters are further provided in the Climate MRV Tracker (Appendix 9).

|                                                                                              |                                                                         |
|----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Data / Parameter                                                                             | $\Delta C_{BSL,planned}$                                                |
| Data unit                                                                                    | t CO <sub>2</sub> -e                                                    |
| Description                                                                                  | Net greenhouse gas emissions in the baseline from planned deforestation |
| Equations                                                                                    | 3                                                                       |
| Source of data                                                                               | Module BL-PL                                                            |
| Value applied                                                                                | N/A                                                                     |
| Justification of choice of data or description of measurement methods and procedures applied | See Module BL-PL                                                        |
| Purpose of Data                                                                              | Calculation of baseline emissions                                       |
| Comments                                                                                     | N/A                                                                     |

|                                                                                              |                                                                |
|----------------------------------------------------------------------------------------------|----------------------------------------------------------------|
| Data / Parameter                                                                             | $\Delta C_{BSL-ARR}$                                           |
| Data unit                                                                                    | t CO <sub>2</sub> -e                                           |
| Description                                                                                  | Net GHG removals in the ARR baseline scenario up to year $t^*$ |
| Equations                                                                                    | 5                                                              |
| Source of data                                                                               | Module BL-ARR                                                  |
| Value applied                                                                                | N/A                                                            |
| Justification of choice of data or description of measurement methods and procedures applied | See Module BL-ARR                                              |
| Purpose of Data                                                                              | Calculation of baseline emissions                              |
| Comments                                                                                     | N/A                                                            |

|                  |                                                                 |
|------------------|-----------------------------------------------------------------|
| Data / Parameter | $GHG_{BSL-WRC}$                                                 |
| Data unit        | t CO <sub>2</sub> -e                                            |
| Description      | Net GHG emissions in the WRC baseline scenario up to year $t^*$ |
| Equations        | 6                                                               |
| Source of data   | Module BL-PEAT                                                  |

|                                                                                              |                                   |
|----------------------------------------------------------------------------------------------|-----------------------------------|
| Value applied                                                                                | N/A                               |
| Justification of choice of data or description of measurement methods and procedures applied | See Module BL-PEAT                |
| Purpose of Data                                                                              | Calculation of baseline emissions |
| Comments                                                                                     | N/A                               |

### 8.3 Data and Parameters Monitored (CL4, CM4 & B4)

#### 8.3.1 Climate impact monitoring parameters and relevant data

Data and parameters to be monitored per VCS methodology VM0007 MF are provided in the tables below. A full list of all relevant data and parameters are further provided in the Climate MRV Tracker (Appendix 9).

|                                                                  |                                                                 |
|------------------------------------------------------------------|-----------------------------------------------------------------|
| Data / Parameter:                                                | $\Delta C_{WPS-REDD}$                                           |
| Data unit:                                                       | t CO <sub>2</sub> -e                                            |
| Description:                                                     | Net GHG emissions in the REDD project scenario up to year $t^*$ |
| Equations                                                        | 2                                                               |
| Source of data:                                                  | Module M-MON                                                    |
| Description of measurement methods and procedures to be applied: | See Module M-MON                                                |
| Frequency of monitoring/recording:                               | See Module M-MON                                                |
| QA/QC procedures to be applied:                                  | See Module M-MON                                                |
| Purpose of data:                                                 | <i>Calculation of project emissions</i>                         |
| Calculation method:                                              | See Module M-MON                                                |
| Comments:                                                        |                                                                 |

|                                                                                              |                                                                                                             |
|----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|
| Data / Parameter                                                                             | $\Delta C_{LK-AS,planned}$                                                                                  |
| Data unit                                                                                    | t CO <sub>2</sub> -e                                                                                        |
| Description                                                                                  | Net greenhouse gas emissions due to activity shifting leakage for projects preventing planned deforestation |
| Equations                                                                                    | 4                                                                                                           |
| Source of data                                                                               | Module LK-ASP                                                                                               |
| Value applied                                                                                | n/a                                                                                                         |
| Justification of choice of data or description of measurement methods and procedures applied | See Module LK-ASP                                                                                           |
| Purpose of Data                                                                              | Calculation of <i>leakage</i>                                                                               |
| Comments                                                                                     |                                                                                                             |

|                                                                                              |                                                            |
|----------------------------------------------------------------------------------------------|------------------------------------------------------------|
| Data / Parameter                                                                             | $\Delta C_{LK-ME}$                                         |
| Data unit                                                                                    | t CO <sub>2</sub> -e                                       |
| Description                                                                                  | Net greenhouse gas emissions due to market-effects leakage |
| Equations                                                                                    | 4                                                          |
| Source of data                                                                               | Module LK-ME                                               |
| Value applied                                                                                |                                                            |
| Justification of choice of data or description of measurement methods and procedures applied | See Module LK-ME                                           |
| Purpose of Data                                                                              | Calculation of <i>leakage</i>                              |
| Comments                                                                                     |                                                            |

|                                                                  |                                                                |
|------------------------------------------------------------------|----------------------------------------------------------------|
| Data / Parameter:                                                | $\Delta C_{WPS-ARR}$                                           |
| Data unit:                                                       | t CO <sub>2</sub> -e                                           |
| Description:                                                     | Net GHG emissions in the ARR project scenario up to year $t^*$ |
| Equations                                                        | 5                                                              |
| Source of data:                                                  | Module M-ARR                                                   |
| Description of measurement methods and procedures to be applied: | See Module M-ARR                                               |
| Frequency of monitoring/recording:                               | See Module M-ARR                                               |
| QA/QC procedures to be applied:                                  | See Module M-ARR                                               |
| Purpose of data:                                                 | <i>Calculation of project emissions</i>                        |
| Calculation method:                                              | See Module M-ARR                                               |
| Comments:                                                        |                                                                |

|                                                                  |                                                                                 |
|------------------------------------------------------------------|---------------------------------------------------------------------------------|
| Data / Parameter:                                                | $\Delta C_{LK-ARR}$                                                             |
| Data unit:                                                       | t CO <sub>2</sub> -e                                                            |
| Description:                                                     | Net GHG emissions due to leakage from the ARR project activity up to year $t^*$ |
| Equations                                                        | 5                                                                               |
| Source of data:                                                  | Module LK-ARR                                                                   |
| Description of measurement methods and procedures to be applied: | See Module LK-ARR                                                               |
| Frequency of monitoring/recording:                               | See Module LK-ARR                                                               |
| QA/QC procedures to be applied:                                  | See Module LK-ARR                                                               |
| Purpose of data:                                                 | <i>Calculation of leakage</i>                                                   |
| Calculation method:                                              | See Module LK-ARR                                                               |
| Comments:                                                        |                                                                                 |

|                                                                  |                                                                |
|------------------------------------------------------------------|----------------------------------------------------------------|
| Data / Parameter:                                                | $GHG_{WPS-WRC}$                                                |
| Data unit:                                                       | t CO <sub>2</sub> -e                                           |
| Description:                                                     | Net GHG emissions in the WRC project scenario up to year $t^*$ |
| Equations                                                        | 6                                                              |
| Source of data:                                                  | Module M-PEAT                                                  |
| Description of measurement methods and procedures to be applied: | See Module M-PEAT                                              |
| Frequency of monitoring/recording:                               | See Module M-PEAT                                              |
| QA/QC procedures to be applied:                                  | See Module M-PEAT                                              |
| Purpose of data:                                                 | <i>Calculation of project emissions</i>                        |
| Calculation method:                                              | See Module M-PEAT                                              |
| Comments:                                                        | See Module M-PEAT                                              |

|                                                                                              |                                                                                          |
|----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|
| Data / Parameter                                                                             | $GHG_{LK-ECO}$                                                                           |
| Data unit                                                                                    | t CO <sub>2</sub> -e                                                                     |
| Description                                                                                  | Net GHG emissions due to ecological leakage from the WRC project activity up to year $t$ |
| Equations                                                                                    | 6                                                                                        |
| Source of data                                                                               | Module LK-ECO                                                                            |
| Value applied                                                                                | n/a                                                                                      |
| Justification of choice of data or description of measurement methods and procedures applied | See Module LK-ECO                                                                        |
| Purpose of Data                                                                              | <i>Calculation of leakage</i>                                                            |

|          |  |
|----------|--|
| Comments |  |
|----------|--|

### **8.3.2 Community impact monitoring parameters and relevant data**

See the Community MRV tracker (Appendix 10) for parameters and relevant data to be monitored through the life of the community-based project activities.

### **8.3.3 Biodiversity impact monitoring parameters and relevant data**

See the Biodiversity MRV Tracker (Appendix 11) for parameters and relevant data to be monitored through the life of the biodiversity-related project activities.

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**APPENDIX 2. VCS AFOLU NON-PERMANENCE RISK ANALYSIS**

**APPENDIX 3. COPY OF THE ECOSYSTEM RESTORATION CONCESSION LISENCE GRANTED TO PT. RMU**

**APPENDIX 4. STRATA CHANGES IN BASELINE SCENARIO FOR WRC ACTIVITY**

**APPENDIX 5. BASELINE STRATIFICATION BASED ON EMISSION CHARACTERISTICS**

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## APPENDIX 1. FAUNA AND FLORA OF THE PROJECT ZONE

This appendix lists all species of fauna and flora recorded in the project zone. For further details see Sub-section 1.3.7 (“Current Biodiversity”) and Sub-section 1.3.8 (“Identification of High Conservation Values”), Annex 3 (“HCV Assessment”) and references [8] and [9].

Each table shows IUCN categories (CR = critically endangered; EN = Endangered; VU = Vulnerable; NT = Near Threatened; LC= Least Concern DD = Data Deficient, NE= Not Evaluated); CITES categories (I = international trade prohibited, except in exceptional non-commercial cases; II = international trade may be permitted, but requires export permit; III = limited trade); Protected status in Indonesia (Peraturan Pemerintah No. 7/1999; Y = protected), and endemism (Y = endemic to Borneo).

### 1. Mammals

| Order / Family     | Latin Name                       | English name                         | IUCN | CITES | Protected | Endemic |
|--------------------|----------------------------------|--------------------------------------|------|-------|-----------|---------|
| <b>INSECTIVORA</b> |                                  |                                      |      |       |           |         |
| Soricudae          | <i>Crocidura fuliginosa</i>      | South-east Asian white-toothed shrew | LC   |       |           |         |
| Soricudae          | <i>Tupaia glis</i>               | Common treeshrew                     | LC   | II    |           |         |
| Soricudae          | <i>Tupaia gracilis</i>           | Slender treeshrew                    | LC   | II    |           |         |
| Soricudae          | <i>Tupaia minor</i>              | Lesser treeshrew / Pygmy tree shrew  | LC   | II    |           |         |
| Soricudae          | <i>Tupaia picta</i>              | Painted treeshrew                    | LC   | II    |           |         |
| Soricudae          | <i>Tupaia splendidula</i>        | Ruddy treeshrew                      | LC   | II    |           |         |
| <b>DERMOPTERA</b>  |                                  |                                      |      |       |           |         |
| Cynocephalidae     | <i>Galeopterus variegatus</i>    | Colugo / Sunda flying lemur          | LC   |       | Y         |         |
| <b>CHIROPTERA</b>  |                                  |                                      |      |       |           |         |
| Pteropidae         | <i>Megaerops ecaudatus</i>       | Tailless fruit bat                   | LC   |       |           |         |
| Pteropidae         | <i>Pteropus vampyrus natunae</i> | Large flying fox                     | NT   | II    |           |         |
| Rhinolophidae      | <i>Rhinolophus trifolius</i>     | Trefoil horseshoe bat                | LC   |       |           |         |
| Vespertilionidae   | <i>Kerivoula hardwickii</i>      | Hardwicke's / Common woolly bat      | LC   |       |           |         |
| Vespertilionidae   | <i>Kerivoula intermedia</i>      | Small woolly bat                     | NT   |       |           |         |
| Vespertilionidae   | <i>Kerivoula minuta</i>          | Least woolly bat                     | NT   |       |           |         |
| Vespertilionidae   | <i>Kerivoula pellucida</i>       | Clear-winged woolly bat              | NT   |       |           |         |
| Vespertilionidae   | <i>Kerivoula whiteheadi</i>      | Whitehead's woolly bat               | LC   |       |           |         |
| Vespertilionidae   | <i>Murina suilla</i>             | Lesser / Brown tube-nosed bat        | LC   |       |           |         |
| Vespertilionidae   | <i>Myotis muricola</i>           | Nepalese whiskered myotis bat        | LC   |       |           |         |

| Order / Family   | Latin Name                        | English name                    | IUCN | CITES | Protected | Endemic |
|------------------|-----------------------------------|---------------------------------|------|-------|-----------|---------|
| <b>PRIMATA</b>   |                                   |                                 |      |       |           |         |
| Lorisidae        | <i>Nycticebus menagensis</i>      | Bornean Slow loris              | VU   | I     | Y         |         |
| Tarsiidae        | <i>Tarsius bancanus borneanus</i> | Western/Horsfield's tarsier     | VU   | II    | Y         |         |
| Cercopithecidae  | <i>Macaca fascicularis</i>        | Long-tailed/crab eating macaque | LC   | II    |           |         |
| Cercopithecidae  | <i>Macaca nemestrina</i>          | Southern pig-tailed macaque     | VU   | II    |           |         |
| Cercopithecidae  | <i>Nasalis larvatus</i>           | Proboscis monkey                | EN   | I     | Y         | Y       |
| Cercopithecidae  | <i>Presbytis rubicunda</i>        | Red langur                      | LC   | II    | Y         | Y       |
| Cercopithecidae  | <i>Trachypithecus cristatus</i>   | Silver langur/Silvery Luntung   | NT   | II    |           |         |
| Hylobatidae      | <i>Hylobates albibarbis</i>       | Bornean southern gibbon         | EN   | I     | Y         | Y       |
| Hominidae        | <i>Pongo pygmaeus</i>             | Bornean orangutan               | EN   | I     | Y         | Y       |
| <b>PHOLIDOTA</b> |                                   |                                 |      |       |           |         |
| Manidae          | <i>Manis javanica</i>             | Sunda Pangolin                  | CR   | II    | Y         |         |
| <b>RODENTIA</b>  |                                   |                                 |      |       |           |         |
| Sciuridae        | <i>Aeromys tephromelas</i>        | Black flying squirrel           | DD   |       |           |         |
| Sciuridae        | <i>Callosciurus notatus</i>       | Plantain squirrel               | LC   |       |           |         |
| Sciuridae        | <i>Callosciurus prevostii</i>     | Prevost's squirrel              | LC   | II    |           |         |
| Sciuridae        | <i>Exilisciurus exilis</i>        | Plain/least pygmy squirrel      | DD   |       |           | Y       |
| Sciuridae        | <i>Nannosciurus melanotis</i>     | Black-eared pygmy squirrel      | LC   |       |           |         |
| Sciuridae        | <i>Petinomys genibarbis</i>       | Whiskered flying squirrel       | VU   |       |           |         |
| Sciuridae        | <i>Ratufa affinis</i>             | Pale Giant squirrel             | NT   | II    |           |         |
| Sciuridae        | <i>Rhinosciurus laticaudatus</i>  | Shrew-faced ground squirrel     | NT   |       |           |         |
| Sciuridae        | <i>Sundasciurus hippurus</i>      | Horse-tailed squirrel           | NT   |       |           |         |
| Sciuridae        | <i>Sundasciurus lowii</i>         | Low's squirrel                  | LC   |       |           |         |
| Erinaceidae      | <i>Echinosorex gymnura</i>        | Moonrat                         | LC   |       |           |         |
| Muridae          | <i>Lenothrix canus</i>            | Grey tailed tree rat            | LC   |       |           |         |
| Muridae          | <i>Maxomys rajah</i>              | Red spiny rat                   | VU   |       |           |         |
| Muridae          | <i>Maxomys whiteheadi</i>         | Whiteheads rat                  | VU   |       |           |         |
| Muridae          | <i>Niviventer cremoriventer</i>   | Dark tailed tree rat            | VU   |       |           |         |
| Muridae          | <i>Rattus exulans</i>             | Polynesian rat                  | LC   |       |           |         |
| Muridae          | <i>Sundamys muelleri</i>          | Mulle's Giant Sunda rat         | LC   |       |           |         |
| Hystriidae       | <i>Hystrix brachyura</i>          | Common/Malayan porcupine        | LC   |       | Y         |         |
| Hystriidae       | <i>Hystrix crassispinis</i>       | Thick-spined porcupine          | LC   |       |           | Y       |
| <b>CARNIVORA</b> |                                   |                                 |      |       |           |         |

| Order / Family      | Latin Name                        | English name                      | IUCN | CITES | Protected | Endemic |
|---------------------|-----------------------------------|-----------------------------------|------|-------|-----------|---------|
| Ursidae             | <i>Helarctos malayanus</i>        | Malayan Sun-bear                  | VU   | I     | Y         |         |
| Mustelidae          | <i>Lutra sumatrana</i>            | Hairy-nosed otter                 | EN   | II    | Y         |         |
| Mustelidae          | <i>Martes flavigula</i>           | Yellow-throated marten            | LC   | III   |           |         |
| Mustelidae          | <i>Mustela nudipes</i>            | Malay weasel                      | LC   |       |           |         |
| Mustelidae          | <i>Aonyx cinerea</i>              | Oriental/Asian small-clawed otter | VU   | II    |           |         |
| Viverridae          | <i>Arctictis binturong</i>        | Binturong                         | VU   | III   | Y         |         |
| Viverridae          | <i>Arctogalidia trivirgata</i>    | Small-toothed palm civet          | LC   |       |           |         |
| Viverridae          | <i>Herpestes brachyurus</i>       | Short-tailed mongoose             | LC   |       | Y         |         |
| Viverridae          | <i>Herpestes semitorquatus</i>    | Collared mongoose                 | DD   |       |           |         |
| Viverridae          | <i>Paradoxurus hermaphroditus</i> | Common palm civet                 | LC   | III   |           |         |
| Viverridae          | <i>Prionodon linsang</i>          | Banded Linsang                    | LC   |       | Y         |         |
| Viverridae          | <i>Viverra zibetha</i>            | Malay civet                       | LC   |       |           |         |
| Felidae             | <i>Neofelis nebulosa</i>          | Clouded leopard                   | VU   | I     | Y         |         |
| Felidae             | <i>Pardofelis marmorata</i>       | Marbled cat                       | VU   | I     | Y         |         |
| Felidae             | <i>Prionailurus bengalensis</i>   | Leopard cat                       | LC   | I     | Y         |         |
| Felidae             | <i>Prionailurus planiceps</i>     | Flat-headed cat                   | EN   | I     | Y         |         |
| <b>ARTIODACTYLA</b> |                                   |                                   |      |       |           |         |
| Suidae              | <i>Sus barbatus</i>               | Bearded pig                       | VU   |       |           |         |
| Tragulidae          | <i>Tragulus kanchil</i>           | Lesser mouse-deer/Chevrotain      | LC   |       | Y         |         |
| Tragulidae          | <i>Tragulus napu</i>              | Greater mouse-deer                | LC   |       | Y         |         |
| Cervidae            | <i>Cervus unicolor</i>            | Sambar deer                       | VU   |       | Y         |         |
| Cervidae            | <i>Muntiacus atherodes</i>        | Bornean yellow muntjac            | LC   |       |           | Y       |

## 2. Birds

| Order / Family       | Latin Name                     | English name       | IUCN | CITES | Protected | Endemic |
|----------------------|--------------------------------|--------------------|------|-------|-----------|---------|
| <b>GALLIFORMES</b>   |                                |                    |      |       |           |         |
| Phasianidae          | <i>Argusianus argus</i>        | Great argus        | NT   | II    | Y         |         |
| Phasianidae          | <i>Lophura erythrophthalma</i> | Crestless fireback | VU   |       |           |         |
| Phasianidae          | <i>Melanoperdix nigra</i>      | Black partridge    | VU   |       |           |         |
| <b>CICONIIFORMES</b> |                                |                    |      |       |           |         |
| Ardeidae             | <i>Ardea purpurea</i>          | Purple heron       | LC   |       |           |         |
| Ardeidae             | <i>Ardea sumatrana</i>         | Great billed heron | LC   |       |           |         |

| Order / Family         | Latin Name                       | English name                 | IUCN | CITES | Protected | Endemic |
|------------------------|----------------------------------|------------------------------|------|-------|-----------|---------|
| Ardeidae               | <i>Ardeola speciosa</i>          | Javan pond-heron             | LC   |       |           |         |
| Ardeidae               | <i>Butorides striatus</i>        | Striated heron               | LC   |       |           |         |
| Ardeidae               | <i>Egretta garzetta</i>          | Little egret                 | LC   |       | Y         |         |
| Ardeidae               | <i>Ixobrychus cinnamomeus</i>    | Cinnamon bittern             | LC   |       |           |         |
| Ciconiidae             | <i>Ciconia stormi</i>            | Storms stork                 | EN   |       |           |         |
| Ciconiidae             | <i>Leptoptilos javanicus</i>     | Lesser adjutant stork        | VU   |       | Y         |         |
| Threskiornithidae      | <i>Pseudibis davisoni</i>        | White-shouldered ibis        | CR   |       | Y         |         |
| <b>ANSERIFORMES</b>    |                                  |                              |      |       |           |         |
| Anatidae               | <i>Dendrocygna javanica</i>      | Lesser whistling duck        | LC   |       |           |         |
| <b>PELICANIFORMES</b>  |                                  |                              |      |       |           |         |
| Anhingidae             | <i>Anhinga melanogaster</i>      | Oriental Darter              | NT   |       | Y         |         |
| <b>FALCONIFORMES</b>   |                                  |                              |      |       |           |         |
| Accipitridae           | <i>Accipiter trivirgatus</i>     | Crested goshawk              | LC   | II    | Y         |         |
| Accipitridae           | <i>Aviceda jerdoni</i>           | Jerdon's baza                | LC   | II    | Y         |         |
| Accipitridae           | <i>Haliaeetus leucogaster</i>    | White-bellied fish eagle     | LC   | II    | Y         |         |
| Accipitridae           | <i>Haliastur indus</i>           | Brahminy kite                | LC   | II    | Y         |         |
| Accipitridae           | <i>Spilornis cheela</i>          | Crested serpent-eagle        | LC   | II    | Y         |         |
| Accipitridae           | <i>Spizaetus cirrhatus</i>       | Changeable hawk eagle        | LC   |       | Y         |         |
| Falconidae             | <i>Microhierax fringillarius</i> | Black-thighed falconet       | LC   | II    | Y         |         |
| <b>GRUIFORMES</b>      |                                  |                              |      |       |           |         |
| Rallidae               | <i>Amaurornis phoenicurus</i>    | White breasted waterhen      | LC   |       |           |         |
| <b>CHARADRIIFORMES</b> |                                  |                              |      |       |           |         |
| Laridae                | <i>Sterna nilotica</i>           | Gull-billed tern             | LC   |       | Y         |         |
| Scolopacidae           | <i>Actitis hypoleucos</i>        | Common sandpiper             | LC   |       |           |         |
| <b>COLUMBIFORMES</b>   |                                  |                              |      |       |           |         |
| Columbidae             | <i>Chalcophaps indica</i>        | Emerald dove                 | LC   |       |           |         |
| Columbidae             | <i>Ducula aenea</i>              | Green imperial pigeon        | LC   |       |           |         |
| Columbidae             | <i>Ducula badia</i>              | Mountain imperial pigeon     | LC   |       |           |         |
| Columbidae             | <i>Ducula bicolor</i>            | Pied imperial pigeon         | LC   |       |           |         |
| Columbidae             | <i>Streptopelia chinensis</i>    | Spotted dove                 | LC   |       |           |         |
| Columbidae             | <i>Treron curvirostra</i>        | Thick-billed green pigeon    | LC   |       |           |         |
| Columbidae             | <i>Treron fulvicollis</i>        | Cinnamon headed green pigeon | NT   |       |           |         |
| Columbidae             | <i>Treron vernans</i>            | Pink-necked green pigeon     | LC   |       |           |         |

| Order / Family          | Latin Name                         | English name                | IUCN | CITES | Protected | Endemic |
|-------------------------|------------------------------------|-----------------------------|------|-------|-----------|---------|
| <b>PSITTIFORMES</b>     |                                    |                             |      |       |           |         |
| Psittacidae             | <i>Loriculus galgulus</i>          | Blue-crowned hanging parrot | LC   |       |           |         |
| Psittacidae             | <i>Psittacula longicauda</i>       | Long-tailed parakeet        | NT   |       |           |         |
| <b>CUCULIFORMES</b>     |                                    |                             |      |       |           |         |
| Cuculidae               | <i>Cacomantis merulinus</i>        | Plaintive cuckoo            | LC   |       |           |         |
| Cuculidae               | <i>Cacomantis sonneratii</i>       | Banded bay cuckoo           | LC   |       |           |         |
| Cuculidae               | <i>Carpococcyx radiatus</i>        | Bornean ground-cuckoo       | NT   |       |           | Y       |
| Cuculidae               | <i>Centropus bengalensis</i>       | Lesser coucal               | LC   |       |           |         |
| Cuculidae               | <i>Centropus sinensis</i>          | Greater coucal              | LC   |       |           |         |
| Cuculidae               | <i>Chrysococcyx xanthorhynchus</i> | Violet cuckoo               | LC   |       |           |         |
| Cuculidae               | <i>Phaenicophaeus chlorophaeus</i> | Raffles malkoha             | LC   |       |           |         |
| Cuculidae               | <i>Phaenicophaeus curvirostris</i> | Chestnut breasted malkoha   | LC   |       |           |         |
| Cuculidae               | <i>Phaenicophaeus sumatranus</i>   | Chestnut bellied malkoha    | NT   |       |           |         |
| Cuculidae               | <i>Surniculus lugubris</i>         | Drongo cuckoo               | LC   |       |           |         |
| <b>STRIGIFORMES</b>     |                                    |                             |      |       |           |         |
| Tytonidae               | <i>Phodilus badius</i>             | Oriental bay owl            | LC   |       |           |         |
| Strigidae               | <i>Ketupa ketupu</i>               | Buffy fish-owl              | LC   | II    |           |         |
| Strigidae               | <i>Ninox scutulata</i>             | Brown hawk-owl              | LC   | II    |           |         |
| Strigidae               | <i>Strix leptogrammica</i>         | Brown wood owl              | LC   | II    |           |         |
| <b>CAPRIMULGIFORMES</b> |                                    |                             |      |       |           |         |
| Caprimulgidae           | <i>Caprimulgus affinis</i>         | Savanna nightjar            | LC   |       |           |         |
| Caprimulgidae           | <i>Caprimulgus concretus</i>       | Bonaparte's/Sunda nightjar  | VU   |       |           |         |
| Caprimulgidae           | <i>Eurostopodus temminckii</i>     | Malaysian Eared nightjar    | LC   |       |           |         |
| Podargidae              | <i>Batrachostomus stellatus</i>    | Gould's frogmouth           | NT   |       |           |         |
| <b>APODIFORMES</b>      |                                    |                             |      |       |           |         |
| Apodidae                | <i>Apus affinis</i>                | Little swift                | LC   |       |           |         |
| Apodidae                | <i>Caprimulgus concretus</i>       | Bonaparte's nightjar        | VU   |       |           |         |
| Apodidae                | <i>Collocalia esculenta</i>        | Glossy swiftlet             | LC   |       |           |         |
| Apodidae                | <i>Collocalia fuciphaga</i>        | Edible-nest Swiftlet        | LC   |       |           |         |
| Apodidae                | <i>Hemiprocne longipennis</i>      | Grey rumped tree swift      | LC   |       |           |         |
| Apodidae                | <i>Rhaphidura leucopygialis</i>    | Silver rumped spinetail     | LC   |       |           |         |
| <b>TROGONIFORMES</b>    |                                    |                             |      |       |           |         |
| Alcedinidae             | <i>Alcedo coerulescens</i>         | Small Blue kingfisher       | LC   |       | Y         |         |

| Order / Family       | Latin Name                         | English name              | IUCN | CITES | Protected | Endemic |
|----------------------|------------------------------------|---------------------------|------|-------|-----------|---------|
| Alcedinidae          | <i>Ceyx erithacus</i>              | Black backed kingfisher   | LC   |       | Y         |         |
| Alcedinidae          | <i>Ceyx rufidorsa</i>              | Rufous backed kingfisher  | LC   |       | Y         |         |
| Alcedinidae          | <i>Pelargopsis capensis</i>        | Stork-billed kingfisher   | LC   |       | Y         |         |
| Alcedinidae          | <i>Todirhamphus chloris</i>        | Collared kingfisher       | LC   |       | Y         |         |
| Bucerotidae          | <i>Aceros corrugatus</i>           | Wrinkled hornbill         | NT   | II    | Y         |         |
| Bucerotidae          | <i>Anorrhinus galeritus</i>        | Bushy-crested hornbill    | LC   | II    | Y         |         |
| Bucerotidae          | <i>Anthraceroceros albirostris</i> | Oriental Pied Hornbill    | LC   | II    | Y         |         |
| Bucerotidae          | <i>Anthraceroceros malayanus</i>   | Asian black hornbill      | NT   | II    | Y         |         |
| Bucerotidae          | <i>Buceros rhinoceros</i>          | Rhinoceros hornbill       | NT   | II    | Y         |         |
| Bucerotidae          | <i>Buceros vigil</i>               | Helmeted hornbill         | NT   | I     | Y         |         |
| Coraciidae           | <i>Eurystomus orientalis</i>       | Asian Dollarbird          | LC   |       |           |         |
| <b>CORACIIFORMES</b> |                                    |                           |      |       |           |         |
| Meropidae            | <i>Merops philippinus</i>          | Blue-tailed bee-eater     | LC   |       |           |         |
| Meropidae            | <i>Merops viridis</i>              | Blue-throated bee-eater   | LC   |       |           |         |
| Trogonidae           | <i>Harpactes diardii</i>           | Diard's trogon            | NT   |       | Y         |         |
| Trogonidae           | <i>Harpactes duvaucelii</i>        | Scarlet rumped trogon     | NT   |       | Y         |         |
| Trogonidae           | <i>Harpactes kasumba</i>           | Red-naped trogon          | NT   |       | Y         |         |
| <b>PICIFORMES</b>    |                                    |                           |      |       |           |         |
| Picidae              | <i>Blythipicus rubiginosus</i>     | Maroon woodpecker         | LC   |       |           |         |
| Picidae              | <i>Dendrocopos moluccensis</i>     | Sunda woodpecker          | LC   |       |           |         |
| Picidae              | <i>Dendrocopos canicapillus</i>    | Grey capped woodpecker    | LC   |       |           |         |
| Picidae              | <i>Dinopium rafflesii</i>          | Olive-backed woodpecker   | NT   |       |           |         |
| Picidae              | <i>Dryocopus javensis</i>          | White-bellied woodpecker  | LC   | I     |           |         |
| Picidae              | <i>Hemicircus concretus</i>        | Grey and buff woodpecker  | LC   |       |           |         |
| Picidae              | <i>Meiglyptes tristis</i>          | Buff-rumped woodpecker    | LC   |       |           |         |
| Picidae              | <i>Meiglyptes tukki</i>            | Buff-necked woodpecker    | NT   |       |           |         |
| Picidae              | <i>Mulleripicus pulverulentus</i>  | Great slaty woodpecker    | LC   |       |           |         |
| Picidae              | <i>Picus puniceus</i>              | Crimson-winged woodpecker | LC   |       |           |         |
| Picidae              | <i>Reinwardtipicus validus</i>     | Orange-backed woodpecker  | LC   |       |           |         |
| Picidae              | <i>Sasia abnormis</i>              | Rufous piculet            | LC   |       |           |         |
| Ramphastidae         | <i>Calorhamphus fuliginosus</i>    | Brown barbet              | LC   |       |           |         |
| Ramphastidae         | <i>Megalaima australis</i>         | Blue-eared barbet         | LC   |       |           |         |
| Ramphastidae         | <i>Megalaima rafflesii</i>         | Red-crowned barbet        | NT   |       |           |         |

| Order / Family       | Latin Name                         | English name                   | IUCN | CITES | Protected | Endemic |
|----------------------|------------------------------------|--------------------------------|------|-------|-----------|---------|
| <b>PASSERIFORMES</b> |                                    |                                |      |       |           |         |
| Aegithinidae         | <i>Aegithina tiphia</i>            | Common iora                    | LC   |       |           |         |
| Aegithinidae         | <i>Aegithina viridissima</i>       | Green iora                     | NT   |       |           |         |
| Artamidae            | <i>Artamus leucorhynchus</i>       | White breasted woodswallow     | LC   |       |           |         |
| Campephagidae        | <i>Coracina fimbriata</i>          | Lesser cuckooshrike            | LC   |       |           |         |
| Campephagidae        | <i>Coracina striata</i>            | Bar-bellied cuckooshrike       | LC   |       |           |         |
| Campephagidae        | <i>Pericrocotus flammeus</i>       | Scarlet minivet                | LC   |       |           |         |
| Campephagidae        | <i>Pericrocotus igneus</i>         | Fiery minivet                  | NT   |       |           |         |
| Chloropseidae        | <i>Chloropsis cyanopogon</i>       | Lesser green leafbird          | NT   |       |           |         |
| Chloropseidae        | <i>Chloropsis sonnerati</i>        | Greater green leafbird         | LC   |       |           |         |
| Cisticolidae         | <i>Orthotomus ruficeps</i>         | Ashy tailorbird                | LC   |       |           |         |
| Cisticolidae         | <i>Orthotomus sericeus</i>         | Rufous-tailed tailorbird       | LC   |       |           |         |
| Cisticolidae         | <i>Prinia flaviventris</i>         | Yellow-bellied prinia          | LC   |       |           |         |
| Corvidae             | <i>Corvus enca</i>                 | Slender-billed crow            | LC   |       |           |         |
| Corvidae             | <i>Platysmurus leucopterus</i>     | Black Magpie                   | NT   |       |           |         |
| Dicaeidae            | <i>Dicaeum cruentatum</i>          | Scarlet-backed flowerpecker    | LC   |       |           |         |
| Dicaeidae            | <i>Dicaeum trigonostigma</i>       | Orange-bellied flowerpecker    | LC   |       |           |         |
| Dicaeidae            | <i>Prionchilus percussus</i>       | Crimson breasted flowerpecker  | LC   |       |           |         |
| Dicaeidae            | <i>Prionochilus maculatus</i>      | Yellow-breasted flowerpecker   | LC   |       |           |         |
| Dicaeidae            | <i>Prionochilus thoracicus</i>     | Scarlet-breasted flowerpecker  | NT   |       |           |         |
| Dicruridae           | <i>Dicrurus paradiseus</i>         | Greater racket-tailed drongo   | LC   |       |           |         |
| Estrildidae          | <i>Lonchura fuscans</i>            | Dusky munia                    | LC   |       |           | Y       |
| Eurylaimidae         | <i>Calyptomena viridis</i>         | Asian Green broadbill          | NT   |       |           |         |
| Eurylaimidae         | <i>Cymbirhynchus macrorhynchos</i> | Black and red broadbill        | LC   |       |           |         |
| Eurylaimidae         | <i>Eurylaimus javanicus</i>        | Banded broadbill               | LC   |       |           |         |
| Eurylaimidae         | <i>Eurylaimus ochromalus</i>       | Black and yellow broadbill     | NT   |       |           |         |
| Hirundinidae         | <i>Hirundo rustica</i>             | Barn swallow                   | LC   |       |           |         |
| Hirundinidae         | <i>Hirundo tahitica</i>            | Pacific swallow                | LC   |       |           |         |
| Incertae             | <i>Hemipus hirundinaceus</i>       | Black-winged flycatcher shrike | LC   |       |           |         |
| Incertae             | <i>Philentoma pyrhopterum</i>      | Rufous-winged philentoma       | LC   |       |           |         |
| Irenidae             | <i>Irena puella</i>                | Asian fairy-bluebird           | LC   |       |           |         |
| Laniidae             | <i>Lanius schach</i>               | Long-tailed shrike             | LC   |       |           |         |
| Monarchidae          | <i>Hypothymis azurea</i>           | Black naped monarch            | LC   |       |           |         |

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|-----------------|---------------------------------|--------------------------------|------|-------|-----------|---------|
| Monarchidae     | <i>Terpsiphone paradisi</i>     | Asian paradise flycatcher      | LC   |       |           |         |
| Muscicapidae    | <i>Copcyclus malabaricus</i>    | White-rumped shama             | LC   |       |           |         |
| Muscicapidae    | <i>Copcyclus saularis</i>       | Magpie robin                   | LC   |       |           |         |
| Muscicapidae    | <i>Muscicapadaurica</i>         | Asian brown flycatcher         |      |       |           |         |
| Muscicapidae    | <i>Pycnonotus goiavier</i>      | Yellow vented bulbul           | LC   |       |           |         |
| Muscicapidae    | <i>Rhinomyias umbratilis</i>    | Grey-chested jungle-flycatcher | NT   |       |           |         |
| Muscicapidae    | <i>Trichixos pyrrhopygus</i>    | Rufous tailed shama            | NT   |       |           |         |
| Nectarinidae    | <i>Aethopyga siparaja</i>       | Crimson sunbird                |      |       | Y         |         |
| Nectarinidae    | <i>Anthreptes malacensis</i>    | Plain throated sunbird         | LC   |       | Y         |         |
| Nectarinidae    | <i>Anthreptes rhodolaema</i>    | Red-throated sunbird           | NT   |       | Y         |         |
| Nectarinidae    | <i>Anthreptes singalensis</i>   | Ruby cheeked sunbird           | LC   |       | Y         |         |
| Nectarinidae    | <i>Arachnothera longirostra</i> | Little spiderhunter            | LC   |       | Y         |         |
| Nectarinidae    | <i>Arachnothera sp.</i>         | Spiderhunter sp.               |      |       | Y         |         |
| Nectarinidae    | <i>Hypogramma hypogrammicum</i> | Purple-naped sunbird           | LC   |       | Y         |         |
| Nectarinidae    | <i>Nectarinia jugularis</i>     | Olive-backed sunbird           | LC   |       | Y         |         |
| Nectarinidae    | <i>Nectarinia sperata</i>       | Purple throated sunbird        | LC   |       | Y         |         |
| Oriolidae       | <i>Oriolus xanthonotus</i>      | Dark-throated oriole           | NT   |       |           |         |
| Pachycephalidae | <i>Pachycephala grisola</i>     | Mangrove whistler              | LC   |       |           |         |
| Passeridae      | <i>Passer montanus</i>          | Eurasian tree sparrow          | LC   |       |           |         |
| Pittidae        | <i>Pitta granatina</i>          | Garnet pitta                   | NT   |       | Y         |         |
| Pityriaseidae   | <i>Pityriasis gymnocephala</i>  | Bornean bristlehead            | NT   |       |           | Y       |
| Pycnonotidae    | <i>Pycnonotus atriceps</i>      | Black headed bulbul            | LC   |       |           |         |
| Pycnonotidae    | <i>Pycnonotus simplex</i>       | Cream vented bulbul            | LC   |       |           |         |
| Pycnonotidae    | <i>Setornis criniger</i>        | Hook-billed bulbul             | VU   |       |           |         |
| Rhipiduridae    | <i>Rhipidura javanica</i>       | Pied fantail                   | LC   |       | Y         |         |
| Sittidae        | <i>Sitta frontalis</i>          | Velvet-fronted nuthatch        | LC   |       |           |         |
| Sturnidae       | <i>Gracula religiosa</i>        | Hill mynah                     | LC   | II    |           |         |
| Timaliidae      | <i>Macronous gularis</i>        | Pin striped tit babbler        | LC   |       |           |         |
| Timaliidae      | <i>Macronous pilosus</i>        | Fluffy-backed tit babbler      | NT   |       |           |         |
| Timaliidae      | <i>Malacocincla malaccensis</i> | Short-tailed babbler           | NT   |       |           |         |
| Timaliidae      | <i>Malacopteron affine</i>      | Sooty capped babbler           | NT   |       |           |         |
| Timaliidae      | <i>Malacopteron cinereum</i>    | Scaly crowned babbler          | LC   |       |           |         |
| Timaliidae      | <i>Malacopteron magnum</i>      | Rufous crowned babbler         | NT   |       |           |         |

| Order / Family | Latin Name                    | English name            | IUCN | CITES | Protected | Endemic |
|----------------|-------------------------------|-------------------------|------|-------|-----------|---------|
| Timaliidae     | <i>Pellorneum capistratum</i> | Black-capped babbler    | LC   |       |           |         |
| Timaliidae     | <i>Stachyris erythroptera</i> | Chestnut winged babbler | LC   |       |           |         |
| Timaliidae     | <i>Stachyris maculata</i>     | Chestnut rumped babbler | NT   |       |           |         |
| Timaliidae     | <i>Stachyris nigricollis</i>  | Black throated babbler  | NT   |       |           |         |
| Timaliidae     | <i>Trichastoma rostratum</i>  | White-chested babbler   | NT   |       |           |         |

### 3. Herpetofauna (reptiles and amphibians)

| Order / Family   | Latin Name                                     | English name               | IUCN | CITES | Protected | Endemic |
|------------------|------------------------------------------------|----------------------------|------|-------|-----------|---------|
| <b>REPTILIA</b>  |                                                |                            |      |       |           |         |
| <b>SQUAMATA</b>  |                                                |                            |      |       |           |         |
| Agamidae         | <i>Bronchocela cristatella</i>                 | Green-crested lizard       |      |       |           |         |
| Agamidae         | <i>Draco quinquefasciatus</i>                  | Flying lizard              |      |       |           |         |
| Colubridae       | <i>Ahaetulla fasciolata</i>                    | Banded vine snake          |      |       |           |         |
| Colubridae       | <i>Ahaetulla prasina</i>                       | Green vine snake           |      |       |           |         |
| Colubridae       | <i>Boiga jaspidea</i>                          | Jasper cat snake           |      |       |           |         |
| Colubridae       | <i>Chrysopelea paradisi</i>                    | Paradise tree snake        |      |       |           |         |
| Colubridae       | <i>Dendrelaphis caudolineatus</i>              | Striped bronze-back        |      |       |           |         |
| Colubridae       | <i>Dendrelaphis formosus</i>                   | Elegant bronze-back        |      |       |           |         |
| Colubridae       | <i>Dendrelaphis pictus</i>                     | Painted bronze-back        |      |       |           |         |
| Colubridae       | <i>Homalopsis buccata</i>                      | Puff-faced water snake     |      |       |           |         |
| Colubridae       | <i>Oligodon octolineatus</i>                   | Striped kukri snake        |      |       |           |         |
| Colubridae       | <i>Psammodynastes pictus</i>                   | Painted mock viper         |      |       |           |         |
| Colubridae       | <i>Rhabdophis chrysargos</i>                   | Speckle-bellied Keelback   |      |       |           |         |
| Colubridae       | <i>Stegonotus borneensis</i>                   | Bornean black snake        |      |       |           | Y       |
| Colubridae       | <i>Xenelaphis hexagonotus</i>                  | Malayan brown snake        |      |       |           |         |
| Crotalinae       | <i>Trimeresurus sumatranus</i>                 | Sumatran pit viper         |      |       |           |         |
| Crotalinae       | <i>Tropidolaemus wagleri</i>                   | Waglers pit viper          |      |       |           |         |
| Cylindrophiiidae | <i>Cylindrophis ruffus</i>                     | Red tailed pipe snake      |      |       |           |         |
| Elapidae         | <i>Bungarus flaviceps</i>                      | Yellow-headed Krait        |      |       |           |         |
| Elapidae         | <i>Maticora bivirgata/Calliophi bivirgatus</i> | Blue Malaysian coral snake |      |       |           |         |
| Elapidae         | <i>Naja sumatrana</i>                          | Sumatran cobra             |      |       |           |         |
| Elapidae         | <i>Ophiophagus hannah</i>                      | King Cobra                 |      |       |           |         |
| Gekkonidae       | <i>Cyrtodactylus pubisulcus</i>                | Inger's bow-fingered gecko |      |       |           | Y       |

|                   |                                             |                               |    |     |   |   |
|-------------------|---------------------------------------------|-------------------------------|----|-----|---|---|
| Gekkonidae        | <i>Gekko smithii</i>                        | Forest gecko                  |    |     |   |   |
| Gekkonidae        | <i>Hemidactylus frenatus</i>                | House gecko                   |    |     |   |   |
| Pythonidae        | <i>Python reticulatus</i>                   | Reticulated python            |    | II  |   |   |
| Scincidae         | <i>Dasia vittatum</i>                       | Banded tree skink             |    |     |   |   |
| Scincidae         | <i>Dasia/Lamprolepis group</i>              | Skink sp.                     |    |     |   |   |
| Scincidae         | <i>Lygosoma sp. (sens. lat.)</i>            | Skink sp.                     |    |     |   |   |
| Scincidae         | <i>Mabuya multifasciata / Rubis complex</i> | Skink sp.                     |    |     |   |   |
| Scincidae         | <i>Sphenomorphus sp.</i>                    | Skink sp.                     |    |     |   |   |
| Varanidae         | <i>Varanus salvator</i>                     | Monitor lizard                |    |     | Y |   |
| Xenopeltidae      | <i>Xenopeltis unicolor</i>                  | Iridescent earth snake        |    |     |   |   |
| <b>CROCODILIA</b> |                                             |                               |    |     |   |   |
| Crocodylidae      | <i>Crocodylus porosus / raninus</i>         | Estuarine / Bornean crocodile |    |     | Y |   |
| Crocodylidae      | <i>Tomistoma schlegelii</i>                 | Malayan/False Gharial         | EN | I/w | Y |   |
| <b>TESTUDINES</b> |                                             |                               |    |     |   |   |
| Bataguridae       | <i>Orlitia borneensis</i>                   | Bornean river turtle          | EN | II  | Y | Y |
| Geoemydidae       | <i>Cuora amboinensis</i>                    | South Asian box turtle        | VU | II  |   |   |
| Geoemydidae       | <i>Cyclemys dentata</i>                     | Asian Leaf Turtle             | NT |     |   |   |
| Geoemydidae       | <i>Heosemys spinosa</i>                     | Spiny/sunburst turtle         | EN | II  |   |   |
| Trionychidae      | <i>Amyda cartilaginea</i>                   | South Asian softshell turtle  | VU | II  |   |   |
| Trionychidae      | <i>Pelochelys bibroni</i>                   | Asian Giant Softshell Turtle  | VU | II  |   |   |
| <b>ANURA</b>      |                                             |                               |    |     |   |   |
| Bufonidae         | <i>Pseudobufo subasper</i>                  | Aquatic swamp toad            |    |     |   |   |
| Ranidae           | <i>Meristogenys phaeomerus</i>              | Brown torrent frog            |    |     |   | Y |
| Ranidae           | <i>Paramacrodon / Malesianus sp.</i>        | Unknown                       |    |     |   |   |
| Rhacophoridae     | <i>Polypedates colletti</i>                 | Collett's Tree Frog           | LC |     |   |   |
| Rhacophoridae     | <i>Polypedates leucomystax</i>              | Four-lined Tree Frog          | LC |     |   |   |
| Rhacophoridae     | <i>Polypedates macrotis</i>                 | Dar-eared Tree Frog           | LC |     |   |   |
| Rhacophoridae     | <i>Racophorus spp.</i>                      | Tree frog spp.                |    |     |   |   |

#### 4. Fish

| Order / Family    | Latin Name                | English name | IUCN | CITES | Protected | Endemic |
|-------------------|---------------------------|--------------|------|-------|-----------|---------|
| <b>RAJIFORMES</b> |                           |              |      |       |           |         |
| Dasyatidae        | <i>Himantura signifer</i> |              |      |       |           |         |

| Order / Family           | Latin Name                          | English name | IUCN | CITES | Protected | Endemic |
|--------------------------|-------------------------------------|--------------|------|-------|-----------|---------|
| <b>OSTEOGLOSSIFORMES</b> |                                     |              |      |       |           |         |
| Osteoglossidae           | <i>Scleropages formosus</i>         |              |      | Y     |           |         |
| Notopteridae             | <i>Nothopterus borneensis</i>       | Pipih        |      |       |           |         |
| <b>CYPRINIFORMES</b>     |                                     |              |      |       |           |         |
| Cyprinidae               | <i>Barbodes gonionotus</i>          |              |      |       |           |         |
| Cyprinidae               | <i>Barbodes schwanenfeldii</i>      |              |      |       |           |         |
| Cyprinidae               | <i>Cyclocheilichthys apogon</i>     |              |      |       |           |         |
| Cyprinidae               | <i>Cyclocheilichthys armatus</i>    |              |      |       |           |         |
| Cyprinidae               | <i>Cyclocheilichthys enoplos</i>    |              |      |       |           |         |
| Cyprinidae               | <i>Cyclocheilichthys janthochir</i> | Saluang      |      |       |           |         |
| Cyprinidae               | <i>Cyclocheilichthys repasson</i>   |              |      |       |           |         |
| Cyprinidae               | <i>Cyprinus carpio</i>              | Ikan mas     |      |       |           |         |
| Cyprinidae               | <i>Epalzeorhynchus kalopterus</i>   |              |      |       |           |         |
| Cyprinidae               | <i>Hampala bimaculata</i>           |              |      |       |           |         |
| Cyprinidae               | <i>H. macrolepidota</i>             |              |      |       |           |         |
| Cyprinidae               | <i>Labiobarbus festivus</i>         |              |      |       |           |         |
| Cyprinidae               | <i>Labiobarbus ocellatus</i>        |              |      |       |           |         |
| Cyprinidae               | <i>Lobocheilos falcifer</i>         | Ikan mas     |      |       |           |         |
| Cyprinidae               | <i>Luciosoma trinema</i>            |              |      |       |           |         |
| Cyprinidae               | <i>Osteochilus melanoptera</i>      |              |      |       |           |         |
| Cyprinidae               | <i>Osteochilus triporos</i>         |              |      |       |           |         |
| Cyprinidae               | <i>Osteochilus sclegelii</i>        |              |      |       |           |         |
| Cyprinidae               | <i>Pectenocypris balaena</i>        |              |      |       |           |         |
| Cyprinidae               | <i>Pectenocypris balaena</i>        |              |      |       |           |         |
| Cyprinidae               | <i>Puntioplites waandersi</i>       |              |      |       |           |         |
| Cyprinidae               | <i>Rasbora borneensis</i>           |              |      |       |           |         |
| Cyprinidae               | <i>Rasbora caudimaculata</i>        |              |      |       |           |         |
| Cyprinidae               | <i>Rasbora cephalotaenia</i>        | cf. saluang  |      |       |           |         |
| Cyprinidae               | <i>Tor tambra</i>                   |              |      |       |           |         |
| Cyprinidae               | <i>Rasbora kalochroma</i>           |              |      |       |           |         |
| Balitoridae              | <i>Homaloptera ocellata</i>         |              |      |       |           |         |
| Balitoridae              | <i>Nemacheilus</i> sp.              |              |      |       |           |         |
| Balitoridae              | <i>Neohomaloptera johorensis</i>    | Tjajiu       |      |       |           |         |

| Order / Family      | Latin Name                          | English name   | IUCN | CITES | Protected | Endemic |
|---------------------|-------------------------------------|----------------|------|-------|-----------|---------|
| <b>SILURIFORMES</b> |                                     |                |      |       |           |         |
| Bagridae            | <i>Botia hymenophysa</i>            |                |      |       |           |         |
| Bagridae            | <i>Botia macrocanthus</i>           |                |      |       |           |         |
| Bagridae            | <i>Bagrichthys macracanthus</i>     |                |      |       |           |         |
| Bagridae            | <i>Bagroides melapterus</i>         | Kasak pisang   |      |       |           |         |
| Bagridae            | <i>Leiocassis myersi</i>            |                |      |       |           |         |
| Bagridae            | <i>Leiocassis stenomus</i>          |                |      |       |           |         |
| Bagridae            | <i>Mystus gulio</i>                 |                |      |       |           |         |
| Bagridae            | <i>Mystus micracanthus</i>          |                |      |       |           |         |
| Bagridae            | <i>Mystus nemurus</i>               |                |      |       |           |         |
| Bagridae            | <i>Mystus olyroides</i>             |                |      |       |           |         |
| Bagridae            | <i>Mystus nigriceps</i>             |                |      |       |           |         |
| Bagridae            | <i>Mystus wyckii</i>                |                |      |       |           |         |
| Bagridae            | <i>Mystus olyroides</i>             | Darap          |      |       |           |         |
| Bagridae            | <i>Mystus wyckii</i>                | Baung          |      |       |           |         |
| Siluridea           | <i>Belodontichthys dinema</i>       | Bamban         |      |       |           |         |
| Siluridea           | <i>Hemisilurus heterorhynchus</i>   | Lais           |      |       |           |         |
| Siluridea           | <i>Kryptopterus apogon</i>          | Lais           |      |       |           |         |
| Siluridea           | <i>Kryptopterus limpok</i>          | Sirang bulu    |      |       |           |         |
| Siluridea           | <i>Kryptopterus macrocephalus</i>   | Sirang bulu    |      |       |           |         |
| Siluridea           | <i>Kryptopterus parvanalis</i>      |                |      |       |           |         |
| Siluridea           | <i>Ompok eueneiatus</i>             |                |      |       |           |         |
| Siluridea           | <i>Silurichthys hasseltii</i>       |                |      |       |           |         |
| Siluridea           | <i>Wallago leeri</i>                | Tampatnas      |      |       |           |         |
| Pangasiidae         | <i>Heliocophagus waandersii</i>     |                |      |       |           |         |
| Pangasiidae         | <i>Lalates hexanema</i>             |                |      |       |           |         |
| Pangasiidae         | <i>Pangasius lithostoma</i>         | Patin          |      |       |           |         |
| Pangasiidae         | <i>Pangasius nasutus</i>            | Rariu          |      |       |           |         |
| Clariidae           | <i>Clarias meladerma</i>            | Pentet pendeck |      |       |           |         |
| Clariidae           | <i>Clarias nieuhofii</i>            | Pentet panjang |      |       |           |         |
| Clariidae           | <i>Clarias teijsmanni</i>           |                |      |       |           |         |
| Clariidae           | <i>Encheloclarias tapeinopterus</i> | Pentet panjang |      |       |           |         |
| Ariidae             | <i>Hemibarbus stormii</i>           |                |      |       |           |         |

| Order / Family           | Latin Name                             | English name | IUCN | CITES | Protected | Endemic |
|--------------------------|----------------------------------------|--------------|------|-------|-----------|---------|
| <b>CYPINODONTIFORMES</b> |                                        |              |      |       |           |         |
| Hemiramphidae            | <i>Dermogenys weberi</i>               |              |      |       |           |         |
| Hemiramphidae            | <i>Hemirhamphodon chrysopunctatus</i>  | Jenjulong    |      |       |           |         |
| <b>ANTHERINIFORMES</b>   |                                        |              |      |       |           |         |
| Telmatherinidae          | <i>Telmatherina ladigesii</i>          |              |      |       |           |         |
| <b>SYNGNATHIFORMES</b>   |                                        |              |      |       |           |         |
| Syngnathidae             | <i>Doryichthys sp.</i>                 |              |      |       |           |         |
| <b>SYNBRANCHIFORMES</b>  |                                        |              |      |       |           |         |
| Synbranchidae            | <i>Monopterus albus</i>                |              |      |       |           |         |
| <b>PERCIFORMES</b>       |                                        |              |      |       |           |         |
| Centropomidae            | <i>Lates calcarifer</i>                |              |      |       |           |         |
| Chandidae                | <i>Ambassis nalua</i>                  |              |      |       |           |         |
| Lutjanidae               | <i>Coius microlepis</i>                |              |      |       |           |         |
| Lutjanidae               | <i>Coius quadrifasciatus</i>           |              |      |       |           |         |
| Toxotidae                | <i>Toxotes jaculatrix</i>              |              |      |       |           |         |
| Toxotidae                | <i>Toxotes microlepis</i>              |              |      |       |           |         |
| Nandidae                 | <i>Nandus nebulosus</i>                | Tatawun      |      |       |           |         |
| Pristolepididae          | <i>Pristolepis grootii</i>             | Pantung      |      |       |           |         |
| Pomacentridae            | <i>Pomacentrus taeniometopon</i>       |              |      |       |           |         |
| Mugiloidae               | <i>Liza macrolepis</i>                 |              |      |       |           |         |
| Mugiloidae               | <i>Liza parvata</i>                    |              |      |       |           |         |
| Polynemidae              | <i>Polynemus borneensis</i>            |              |      |       |           |         |
| Eleotrididae             | <i>Ophieleotris aporos</i>             |              |      |       |           |         |
| Eleotrididae             | <i>Oxyeleotris marmorata</i>           |              |      |       |           |         |
| Eleotrididae             | <i>Oxyeleotris urophthalmoides</i>     |              |      |       |           |         |
| Gobiidae                 | <i>Periophthalmodon septemradiatus</i> |              |      |       |           |         |
| Luciocephalidae          | <i>Luciocephalus pulcher</i>           | Lanjulong    |      |       |           |         |
| Helostomatidae           | <i>Helostoma temminckii</i>            | Tabakan      |      |       |           |         |
| Anabantidae              | <i>Anabas testudineus</i>              | Bapuyu       |      |       |           |         |
| Belontiidae              | <i>Belontia hasselti</i>               | Kakapar      |      |       |           |         |
| Belontiidae              | <i>Betta akarensis</i>                 | Tempala      |      |       |           |         |
| Belontiidae              | <i>Betta anabatoides</i>               | Tempala      |      |       |           |         |
| Belontiidae              | <i>Betta edithae</i>                   | Tempala      |      |       |           |         |

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|--------------------------|-----------------------------------|--------------|------|-------|-----------|---------|
| Belontiidae              | <i>Betta foerschi</i>             | Tempala      |      |       |           |         |
| Belontiidae              | <i>Sphaerichthys vaillanti</i>    | Sapat layang |      |       |           |         |
| Belontiidae              | <i>Sphaerichthys selatanensis</i> | Sapat        |      |       |           |         |
| Belontiidae              | <i>Trichogaster leerii</i>        | Sapat        |      |       |           |         |
| Belontiidae              | <i>Trichogaster pectoralis</i>    | Sesapat      |      |       |           |         |
| Belontiidae              | <i>Trichogaster trichopterus</i>  | Sapat        |      |       |           |         |
| Channidae                | <i>Channa bankanensis</i>         | Miyau        |      |       |           |         |
| Channidae                | <i>Channa cyanospilos</i>         |              |      |       |           |         |
| Channidae                | <i>Channa gachua</i>              |              |      |       |           |         |
| Channidae                | <i>Channa lucius</i>              | Kihung       |      |       |           |         |
| Channidae                | <i>Channa maruliodes</i>          |              |      |       |           |         |
| Channidae                | <i>Channa melasoma</i>            | Peyang       |      |       |           |         |
| Channidae                | <i>Channa micropeltes</i>         | Tahuman      |      |       |           |         |
| Channidae                | <i>Channa pleurophthalmus</i>     | Karandang    |      |       |           |         |
| Channidae                | <i>Channa striata</i>             | Behau        |      |       |           |         |
| Mastacembelidae          | <i>Macrognathus maculatus</i>     | Telan        |      |       |           |         |
| Mastacembelidae          | <i>Mastacembelus unicolor</i>     | Jajili       |      |       |           |         |
| <b>TETRAODONTIFORMES</b> |                                   |              |      |       |           |         |
| Tetraodontidae           | <i>Chonerhinus modestus</i>       |              |      |       |           |         |
| Tetraodontidae           | <i>Tetraodon biocellatus</i>      |              |      |       |           |         |

## 5. Plants

| Order / Family  | Latin Name                        | Local name(s)        | IUCN | CITES | Protected | Endemic |
|-----------------|-----------------------------------|----------------------|------|-------|-----------|---------|
| Anacardiaceae   | <i>Bouea oppositifolia</i>        | Tamehas              |      |       |           |         |
| Anacardiaceae   | <i>Buchanania cf. arborescens</i> | Kenyem Burung/Sangeh |      |       |           |         |
| Anacardiaceae   | <i>Camptosperma auriculatum</i>   | Hantangan            |      |       |           |         |
| Anacardiaceae   | <i>Camptosperma coriaceum</i>     | Terantang            |      |       |           |         |
| Anacardiaceae   | <i>Camptosperma squamatum</i>     | Nyating              |      |       |           |         |
| Anacardiaceae   | <i>Mangifera</i> sp.              | Binjai               | VU   |       |           |         |
| Anisophyllaceae | <i>Combretocarpus rotundatus</i>  | Tumih                | VU   |       |           |         |
| Annonaceae      | <i>Artobotrys cf. roseus</i>      | Kalalawit hitam      |      |       |           |         |

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|--------------------|-----------------------------------------------|-------------------------------------|------|-------|-----------|---------|
| Annonaceae         | <i>Artobotrys suaveolins</i>                  | Bajakah balayan                     |      |       |           |         |
| Annonaceae         | <i>Cyathocalyx biovulatus</i>                 | Kerandau                            |      |       |           |         |
| Annonaceae         | <i>Cyathocalyx</i> sp.                        | Kerandau                            |      |       |           |         |
| Annonaceae         | <i>Fissistigma</i> sp.                        | Unknown                             |      |       |           |         |
| Annonaceae         | <i>Polyalthia glauca</i>                      | Kayu Bulan                          |      |       |           |         |
| Annonaceae         | <i>Polyalthia hypoleuca</i>                   | Alulup/Saluang/Banitan              |      |       |           |         |
| Annonaceae         | <i>Polyalthia sumatrana</i>                   | Alulup/Saluang/Banitan              |      |       |           |         |
| Annonaceae         | <i>Mezzetia leptopoda</i> / <i>parviflora</i> | Pisang-pisang besar/Mahabai-mahabai |      |       |           |         |
| Annonaceae         | <i>Mezzetia umbellata</i>                     | Pisang-pisang kecil/Mahabai         |      |       |           |         |
| Annonaceae         | <i>Xylopi coriifolia</i>                      | Nonang                              |      |       |           |         |
| Annonaceae         | <i>Xylopi fusca</i>                           | Jangkang kuning/Jangkar/Rahanjang   |      |       |           |         |
| Annonaceae         | <i>Xylopi cf. malayana</i>                    | Tagula                              |      |       |           |         |
| Apocynaceae        | <i>Alstonia scholaris</i>                     | Pulai/Palawi                        |      |       |           |         |
| Apocynaceae        | <i>Alyxia</i> sp.                             | Bajakah kelanis/Pulas santan        |      |       |           |         |
| Apocynaceae        | <i>Dyera lowii</i> / <i>polyphylla</i>        | Jelutung/Pantung                    | VU   |       |           |         |
| Apocynaceae        | <i>Parameria</i> sp.                          | Unknown                             |      |       |           |         |
| Apocynaceae        | <i>Willughbea</i> sp.                         | Bajakah dango                       |      |       |           |         |
| Aquifoliaceae      | <i>Ilex cymosa</i>                            | Unknown                             |      |       |           |         |
| Aquifoliaceae      | <i>Ilex hypoglauca</i> / <i>wallichii</i>     | Sumpung/Kambasira                   |      |       |           |         |
| Aquifoliaceae      | <i>Ilex</i> sp.                               | Unknown                             |      |       |           |         |
| Araceae            | <i>cf. Anthurium</i> sp.                      | Lampuyang                           |      |       |           |         |
| Araceae            | <i>Raphidophora</i> sp.                       | Unknown                             |      |       |           |         |
| Araliaceae         | <i>Schleffera</i> sp.                         | Sapahurung                          |      |       |           |         |
| Arecaceae (Palmae) | <i>Calamus</i> sp.                            | Uey liling                          |      |       |           |         |
| Arecaceae (Palmae) | <i>Calamus</i> sp. <i>cf. caesius</i>         | Uey Sigi                            |      |       |           |         |
| Arecaceae (Palmae) | <i>Calamus</i> sp. <i>cf. trachycoleus</i>    | Uey Irit                            |      |       |           |         |
| Arecaceae (Palmae) | <i>Korthalsia hispida</i>                     | Uwei ahaas/Rotan ahas               |      |       |           |         |
| Arecaceae (Palmae) | <i>Korthalsia</i> sp.                         | Uey paka                            |      |       |           |         |
| Palmae             | <i>Pinanga</i> sp.                            | Pinang Jouy                         |      |       |           |         |
| Arecaceae (Palmae) | <i>Salacca</i> sp.                            | Salak hutan/Lokip                   |      |       |           |         |
| Asclepiadaraceae   | <i>Astrotemma spartioides</i>                 | Anggrek Rangau                      |      |       |           |         |
| Asclepiadaraceae   | <i>Dischidia cf. latifolia</i>                | Unknown                             |      |       |           |         |
| Asclepiadaraceae   | <i>Dischidia</i> sp.                          | Bajakah Tapuser                     |      |       |           |         |

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|-------------------------|--------------------------------------------|-----------------------------------|-------|-------|-----------|---------|
| Asclepiadaraceae        | <i>Hoya</i> sp.                            | Unknown                           |       |       |           |         |
| Asparagaceae            | <i>Dracaena</i> sp.                        | Akar tewu kaak                    |       |       |           |         |
| Blechnaceae             | <i>Stenochlaena palustri</i>               | Kalakai                           |       |       |           |         |
| Burseraceae             | <i>Canarium</i> sp.                        | Geronggang Putih                  | VU    |       |           |         |
| Burseraceae             | <i>Santiria cf. laevigata</i>              | Irat/ Kayu kacang                 |       |       |           |         |
| Burseraceae             | <i>Santiria griffithii</i>                 | Teras bamban/ Roko-roko           | LR/NT |       |           |         |
| Burseraceae             | <i>Santiria</i> spp.                       | Gerronggang Putih/ Hampuak        |       |       |           |         |
| Celastraceae            | <i>Kokoona</i> sp.                         | Bunga-bunga/Culokut               |       |       |           |         |
| Celesteraceae           | <i>Lophopetalum</i> sp.                    | Mahuwi                            |       |       |           |         |
| Chrysobalanaceae        | <i>Licania splendens</i>                   | Bintan                            |       |       |           |         |
| Clusiaceae (Guttiferae) | <i>Calophyllum hosei</i>                   | Jinjit/Bintangor/Nangka-nangka    |       |       |           |         |
| Clusiaceae (Guttiferae) | <i>Calophyllum sclerophyllum</i>           | Kapurnaga jangkar                 |       |       |           |         |
| Clusiaceae (Guttiferae) | <i>Calophyllum soulattri</i>               | Takal                             |       |       |           |         |
| Clusiaceae (Guttiferae) | <i>Calophyllum</i> sp.                     | Kapurnaga Kalakei                 |       |       |           |         |
| Clusiaceae (Guttiferae) | <i>Calophyllum</i> sp.                     | Mahadingan                        |       |       |           |         |
| Clusiaceae (Guttiferae) | <i>Calophyllum</i> sp.                     | Kapurnaga/Kapur naga              |       |       |           |         |
| Clusiaceae (Guttiferae) | <i>Calophyllum</i> sp.                     | Mahadingan/Parut                  |       |       |           |         |
| Clusiaceae (Guttiferae) | <i>Calophyllum</i> sp.                     | Kapurnaga laut/Meranti putih      |       |       |           |         |
| Clusiaceae (Guttiferae) | <i>Garcinia bancana</i>                    | Manggis                           |       |       |           |         |
| Clusiaceae (Guttiferae) | <i>Garcinia</i> sp.                        | Aci/ Gandis                       |       |       |           |         |
| Clusiaceae (Guttiferae) | <i>Garcinia</i> sp.                        | Manggis/Gantalang                 |       |       |           |         |
| Clusiaceae (Guttiferae) | <i>Garcinia</i> sp.                        | Aci/Mahalilis                     |       |       |           |         |
| Clusiaceae (Guttiferae) | <i>Garcinia</i> sp.                        | Gantalan                          |       |       |           |         |
| Clusiaceae (Guttiferae) | <i>Garcinia</i> sp.                        | Mahalilis                         |       |       |           |         |
| Clusiaceae (Guttiferae) | <i>Garcinia</i> sp. cf. <i>parvifolia</i>  | Gandis                            |       |       |           |         |
| Clusiaceae (Guttiferae) | <i>Garcinia</i> sp. cf. <i>hombroniana</i> | Unknown                           |       |       |           |         |
| Clusiaceae (Guttiferae) | <i>Mesua</i> sp.                           | Tabaras akar tinggi/Nangka-nangka |       |       |           |         |
| Combretaceae            | <i>Combretum</i> sp.                       | Bajakah Tampelas ?                |       |       |           |         |
| Crypteroniaceae         | <i>Dactylocladus stenostachys</i>          | Mertibu                           |       |       |           |         |
| Cyperaceae              | <i>Thoracostachyum bancanum</i>            | Unknown                           |       |       |           |         |
| Dipterocarpaceae        | cf. <i>Anisoptera</i> sp.                  | Keruing Sabun                     |       |       |           |         |
| Dipterocarpaceae        | <i>Cotylebium cf. lanceolatum</i>          | Rasak Galeget                     |       |       |           |         |
| Dipterocarpaceae        | <i>Cotylebium melanoxyton</i>              | Unknown                           |       |       |           |         |

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|------------------|--------------------------------------|------------------------------------------|------|-------|-----------|---------|
| Dipterocarpaceae | <i>Dipterocarpus borneensis</i>      | Keruwing/Nangka-nangka                   |      |       |           |         |
| Dipterocarpaceae | <i>Shorea balangeran</i>             | Kahui                                    | CR   |       |           |         |
| Dipterocarpaceae | <i>Shorea crassa</i>                 | Unknown                                  |      |       |           |         |
| Dipterocarpaceae | <i>Shorea platycarpa</i>             | Meranti                                  |      |       |           |         |
| Dipterocarpaceae | <i>Shorea teysmanianna</i>           | Meranti semut/Bunga/Karamunting          | EN   |       |           |         |
| Dipterocarpaceae | <i>Shorea uliginosa</i>              | Meranti batu/Bijai/Bajang                | VU   |       |           |         |
| Dipterocarpaceae | <i>Vatica mangachopai</i>            | Rasak Napu                               |      |       |           |         |
| Ebenaceae        | <i>Diospyros bantamensis</i>         | Malam-malam/Kacapuri                     |      |       |           |         |
| Ebenaceae        | <i>Diospyros cf. evena</i>           | Gulung haduk/Ehang/Uwar ehang            |      |       |           |         |
| Ebenaceae        | <i>Diospyros confertiflora</i>       | Arang                                    |      |       |           |         |
| Ebenaceae        | <i>Diospyros lanceifolia</i>         | Arang                                    |      |       |           |         |
| Ebenaceae        | <i>Diospyros siamang</i>             | Ehang                                    |      |       |           |         |
| Ebenaceae        | <i>Diospyros</i> sp.                 | Kayu Arang Apui                          |      |       |           |         |
| Ebenaceae        | <i>Diospyros</i> sp.                 | Arang                                    |      |       |           |         |
| Elaeocarpaceae   | <i>Elaeocarpus acmocarpus</i>        | Patanak                                  |      |       |           |         |
| Elaeocarpaceae   | <i>Elaeocarpus cf. griffithi</i>     | Rarumpuit                                |      |       |           |         |
| Elaeocarpaceae   | <i>Elaeocarpus marginatus</i>        | Kejinjing                                |      |       |           |         |
| Elaeocarpaceae   | <i>Elaeocarpus mastersii</i>         | Mangkinang/ Rimai/Sangeh                 |      |       |           |         |
| Elaeocarpaceae   | <i>Elaeocarpus</i> sp.               | Patanak galeget/Bangkinang tikus/Hampuak |      |       |           |         |
| Elaeocarpaceae   | <i>Elaeocarpus</i> sp.               | Pasir Payau                              |      |       |           |         |
| Elaeocarpaceae   | <i>Elaeocarpus</i> sp.               | Ampaning Nyatu                           |      |       |           |         |
| Euphorbiaceae    | <i>Antidesma coriaceum</i>           | Dawat/Mata undang                        |      |       |           |         |
| Euphorbiaceae    | <i>Antidesma phanerophe</i>          | Matan undang                             |      |       |           |         |
| Euphorbiaceae    | <i>Antidesma</i> sp.                 | Matan undang/Asam                        |      |       |           |         |
| Euphorbiaceae    | <i>Baccaurea bracteata</i>           | Rambai hutan daun besar/Hampuak          |      |       |           |         |
| Euphorbiaceae    | <i>Baccaurea stipulata</i>           | Kayu Tulang                              |      |       |           |         |
| Euphorbiaceae    | <i>Blumeodendron elateriospermum</i> | Kenari/ Kerandau                         |      |       |           |         |
| Euphorbiaceae    | <i>Cephalomappa</i> sp.              | Karandau putih/Jangkang                  |      |       |           |         |
| Euphorbiaceae    | <i>Cephalomappa</i> sp.              | Karandau putih/Sarakat/Tempurung         |      |       |           |         |
| Euphorbiaceae    | <i>Glochidion cf. glomerulatum</i>   | (Buah) Bintang/Gandis                    |      |       |           |         |
| Euphorbiaceae    | <i>Glochidion</i> sp.                | Rasak                                    |      |       |           |         |
| Euphorbiaceae    | <i>Macaranga</i> sp.                 | Mahang Batu                              |      |       |           |         |
| Euphorbiaceae    | <i>Maccaranga caladiifolia</i>       | Mahang bitik/Sumut                       |      |       |           |         |

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|------------------------|-------------------------------------------------|--------------------------------------|------|-------|-----------|---------|
| Euphorbiaceae          | <i>Neoscortechinia forbesii</i>                 | Kerandau putih                       |      |       |           |         |
| Euphorbiaceae          | <i>Neoscortechinia kingii</i>                   | Pupu pelanduk/Sarakat                |      |       |           |         |
| Euphorbiaceae          | <i>Pimelodendron griffithianum</i>              | Unknown                              |      |       |           |         |
| Fabaceae (Leguminosae) | <i>Adenanthera pavonina</i>                     | Tapanggang/Bure-bure                 |      |       |           |         |
| Fabaceae (Leguminosae) | <i>Archidendron borneensis</i>                  | Kacing Nyaring                       |      |       |           |         |
| Fabaceae (Leguminosae) | <i>Dalbergia</i> sp.                            | Unknown                              |      |       |           |         |
| Fabaceae (Leguminosae) | <i>Dialium patens</i>                           | Kala Pimping Napu                    |      |       |           |         |
| Fabaceae (Leguminosae) | <i>Dialium</i> sp.                              | Roko-roko                            |      |       |           |         |
| Fabaceae (Leguminosae) | <i>Koompassia malaccensis</i>                   | Bangaris                             | LC   |       |           |         |
| Fabaceae (Leguminosae) | <i>Leucomphalos callicarpus</i>                 | Bajakah tampelas                     |      |       |           |         |
| Fabaceae (Leguminosae) | <i>Ormosia</i> sp.                              | Unknown                              |      |       |           |         |
| Fabaceae (Leguminosae) | <i>Pithecellobium clypearia</i>                 | Tabure/Tapanggang/Sabure             |      |       |           |         |
| Fagaceae               | <i>Castanopsis foxworthyii</i> / <i>jaherii</i> | Takurak                              |      |       |           |         |
| Fagaceae               | <i>Lithocarpus conocarpus</i>                   | Pampaning Bayang                     |      |       |           |         |
| Fagaceae               | <i>Lithocarpus rassa</i>                        | Pampaning                            |      |       |           |         |
| Fagaceae               | <i>Lithocarpus</i> sp.                          | Pampaning Bayang Buah Besar          |      |       |           |         |
| Fagaceae               | <i>Lithocarpus</i> sp.                          | Pampaning Suling                     |      |       |           |         |
| Fagaceae               | <i>Lithocarpus</i> sp. cf. <i>dasystachys</i>   | Pampaning Bitik/Putar-putar          |      |       |           |         |
| Fagaceae               | <i>Lithocarpus</i> spp.                         | Pampaning                            |      |       |           |         |
| Flagellariaceae        | <i>Flagellaria</i> sp.                          | Uey Namei                            |      |       |           |         |
| Gesneraceae            | <i>Aeschynanthus</i> sp.                        | Unknown                              |      |       |           |         |
| Gnetaceae              | <i>Gnetum</i> sp.                               | Bajakah Luaa                         |      |       |           |         |
| Gnetaceae              | <i>Gnetum</i> sp.                               | Oto Oto                              |      |       |           |         |
| Hypericaceae           | <i>Cratoxylum arborescens</i>                   | Geronggang                           |      |       |           |         |
| Hypericaceae           | <i>Cratoxylum glaucum</i>                       | Garunggaang merah                    |      |       |           |         |
| Icacinaceae            | <i>Platea exelsa</i>                            | Kambalitan/Jangkar                   |      |       |           |         |
| Icacinaceae            | <i>Platea</i> sp.                               | Lampesu                              |      |       |           |         |
| Icacinaceae            | <i>Stemonurus scorpiodes</i> / spp.             | Tabaras/Sarakat/Tempurung/Otak udang |      |       |           |         |
| Icasinaceae            | <i>Stemonorus secundiflorus</i>                 | Tabaras yang tdk punya akar          |      |       |           |         |
| Icasinaceae            | <i>Stemonorus</i> sp.                           | Tabaras                              |      |       |           |         |
| Lauraceae              | <i>Actinodaphne</i> sp.                         | Unknown                              |      |       |           |         |
| Lauraceae              | <i>Alseodaphne coreacea</i>                     | Gemor                                |      |       |           |         |
| Lauraceae              | <i>Cinnamomum</i> sp. cf. <i>sintoc</i>         | Sintok                               |      |       |           |         |

| Order / Family  | Latin Name                                | Local name(s)                | IUCN     | CITES | Protected | Endemic |
|-----------------|-------------------------------------------|------------------------------|----------|-------|-----------|---------|
| Lauraceae       | <i>Crythocarya</i> sp.                    | Tampang/Medang               |          |       |           |         |
| Lauraceae       | <i>Litsea</i> / <i>Cryptocaria</i> sp.    | Tampang/Kayu bulan           |          |       |           |         |
| Lauraceae       | <i>Litsea</i> / <i>Cryptocaria</i> sp.    | Tampang/Pirawas              |          |       |           |         |
| Lauraceae       | <i>Litsea</i> cf. <i>elliptica</i>        | Medang (Species Medang)      |          |       |           |         |
| Lauraceae       | <i>Litsea</i> cf. <i>rufo-fusca</i>       | Tampang                      |          |       |           |         |
| Lauraceae       | <i>Litsea grandis</i>                     | Medang /Tabitik/ Katiau      |          |       |           |         |
| Lauraceae       | <i>Litsea ochrea</i>                      | Unknown                      |          |       |           |         |
| Lauraceae       | <i>Litsea</i> sp.                         | Medang/Gula-gula             |          |       |           |         |
| Lauraceae       | <i>Litsea</i> sp.                         | Medang                       |          |       |           |         |
| Lauraceae       | <i>Litsea</i> sp.                         | Medang/Katiau                |          |       |           |         |
| Lauraceae       | <i>Litsea</i> sp.                         | Tampang                      |          |       |           |         |
| Lauraceae       | <i>Litsea</i> sp. cf. <i>resinosa</i>     | Medang Marakuwung            |          |       |           |         |
| Lauraceae       | <i>Nothaphoebe</i> sp.                    | Medang                       |          |       |           |         |
| Lauraceae       | <i>Phoebe</i> sp. cf. <i>grandis</i>      | Tabitik/Madang               |          |       |           |         |
| Lecythidaceae   | <i>Barringtonia longisepala</i>           | Katune/Putat                 |          |       |           |         |
| Lecythidaceae   | <i>Barringtonia</i> sp.                   | Katune/Putat                 |          |       |           |         |
| Liliaceae       | <i>Hanguana malayana</i>                  | Bakong himba/Bakung          |          |       |           |         |
| Linaceae        | <i>Ctenolophon parvifolius</i>            | Kayu Cahang/Kalepek          |          |       |           |         |
| Loganiaceae     | <i>Fragraea accuminatissima</i>           | Unknown                      |          |       |           |         |
| Loganiaceae     | <i>Fragraea</i> sp.                       | Bajakah kalamuhe             |          |       |           |         |
| Loranthaceae    | <i>Dendrophloe incurvata</i>              | Unknown                      |          |       |           |         |
| Loranthaceae    | <i>Lepidaria</i> sp.                      | Mentawa                      |          |       |           |         |
| Magnoliaceae    | <i>Magnolia bintulensis</i>               | Medang limo/Asam-asam        |          |       |           |         |
| Melastomataceae | <i>Melastoma malabathricum</i>            | Karamunting                  |          |       |           |         |
| Melastomataceae | <i>Melastoma</i> sp.                      | Karamunting Danum            |          |       |           |         |
| Melastomataceae | <i>Memecylon</i> sp.                      | Tabati/ Nasi-nasi            |          |       |           |         |
| Melastomataceae | <i>Memecylon</i> sp.                      | Tabati himba/Bati-bati       |          |       |           |         |
| Melastomataceae | <i>Memecylon</i> sp.                      | Milas daun kecil/Galam tikus |          |       |           |         |
| Melastomataceae | <i>Memecylon</i> sp.                      | Tabati himba/Ubar merah      |          |       |           |         |
| Melastomataceae | <i>Pternadra</i> sp.                      | Kambusulan                   |          |       |           |         |
| Melastomataceae | <i>Pternandra</i> cf. <i>coerulescens</i> | Kemuning yg bergaris tiga    |          |       |           |         |
| Meliaceae       | <i>Aglaia rubiginosa</i>                  | Kajalaki                     | LR/NT    |       |           |         |
| Meliaceae       | <i>Aglaia</i> sp.                         | Bangkuang Napu               | LR/NT/VU |       |           |         |

| Order / Family | Latin Name                         | Local name(s)                          | IUCN     | CITES | Protected | Endemic |
|----------------|------------------------------------|----------------------------------------|----------|-------|-----------|---------|
| Meliaceae      | <i>Chisocheton amabilis</i>        | Bunga matahari/Babaka                  |          |       |           |         |
| Meliaceae      | <i>Chisocheton</i> sp.             | Bunga matahari                         |          |       |           |         |
| Meliaceae      | <i>Chisocheton</i> sp.             | Mariuh                                 |          |       |           |         |
| Meliaceae      | <i>Chisocheton</i> sp.             | Latak Manuk                            |          |       |           |         |
| Meliaceae      | <i>Sandoricum beccanarium</i>      | Papong                                 |          |       |           |         |
| Menispermaceae | <i>Fibraurea tinctoria</i>         | Bajakah kalamuhe                       |          |       |           |         |
| Moraceae       | <i>Ficus cf. spathulifolia</i>     | Lunuk Punai                            |          |       |           |         |
| Moraceae       | <i>Ficus cf. stupenda</i>          | Lunuk Tingang                          |          |       |           |         |
| Moraceae       | <i>Ficus deltoidea</i>             | Lunuk/Tabat barito                     |          |       |           |         |
| Moraceae       | <i>Ficus</i> sp.                   | Lunuk buhis                            |          |       |           |         |
| Moraceae       | <i>Ficus</i> sp.                   | Lunuk tabuan                           |          |       |           |         |
| Moraceae       | <i>Ficus</i> sp.                   | Sasendok                               |          |       |           |         |
| Moraceae       | <i>Ficus</i> sp.                   | Lunuk sasendok                         |          |       |           |         |
| Moraceae       | <i>Ficus</i> sp.                   | Lunuk Bunyer                           |          |       |           |         |
| Moraceae       | <i>Ficus</i> sp.                   | Lunuk Sambon                           |          |       |           |         |
| Moraceae       | <i>Ficus</i> sp.                   | Lunuk                                  |          |       |           |         |
| Moraceae       | <i>Ficus</i> spp.                  | Lunuk                                  |          |       |           |         |
| Moraceae       | <i>Parartocarpus venenosus</i>     | Tapakan/lilin-lilin                    |          |       |           |         |
| Myristicaceae  | <i>Gymnacranthera farquhariana</i> | Mendarahan daun kecil                  |          |       |           |         |
| Myristicaceae  | <i>Gymnacranthera</i> sp.          | Mandarahan /Darah-darah                |          |       |           |         |
| Myristicaceae  | <i>Horsfieldia crassifolia</i>     | Mendarahan daun besar /Dara-dara       | LR/NT    |       |           |         |
| Myristicaceae  | <i>Knema intermedia</i>            | Karandau merah /Latak manuk / jangkang | LR/NT    |       |           |         |
| Myristicaceae  | <i>Knema</i> sp.                   | Mendarahan daun kecil /Kayu daha       | LR/NT/VU |       |           |         |
| Myristicaceae  | <i>Myristica lowiana</i>           | Mahadarah Hitam                        | LR/NT    |       |           |         |
| Myrsinaceae    | <i>Ardisia cf. sanguinolenta</i>   | Kalanduyung himba                      |          |       |           |         |
| Myrsinaceae    | <i>Ardisia</i> sp.                 | Kamba Sulan                            |          |       |           |         |
| Myrsinaceae    | <i>cf. Rapanea borneensis</i>      | Mertibu                                |          |       |           |         |
| Myrtaceae      | <i>Eugenia spicata</i>             | Kayu lalas daun besar /Galam tikus     |          |       |           |         |
| Myrtaceae      | <i>Syzygium caladiifolia</i>       | Hampuak /Tatumbu                       |          |       |           |         |
| Myrtaceae      | <i>Syzygium cf. valevenosum</i>    | Kayu Lalas Daun Besar                  |          |       |           |         |
| Myrtaceae      | <i>Syzygium clavatum</i>           | Unknown                                |          |       |           |         |
| Myrtaceae      | <i>Syzygium havilandii</i>         | Tatumbu /Ubar putih                    |          |       |           |         |
| Myrtaceae      | <i>Syzygium</i> sp.                | Galam tikus                            |          |       |           |         |

| Order / Family    | Latin Name                                      | Local name(s)                               | IUCN  | CITES | Protected | Endemic |
|-------------------|-------------------------------------------------|---------------------------------------------|-------|-------|-----------|---------|
| Myrtaceae         | <i>Syzygium</i> sp.                             | Galam tikus/ Jambu-jambu                    |       |       |           |         |
| Myrtaceae         | <i>Syzygium</i> sp.                             | Hampuak galeget /Ubar merah                 |       |       |           |         |
| Myrtaceae         | <i>Syzygium</i> sp.                             | Hampuak galeget/ Ubar putih                 |       |       |           |         |
| Myrtaceae         | <i>Syzygium</i> sp.                             | Milas                                       |       |       |           |         |
| Myrtaceae         | <i>Syzygium</i> sp.                             | Kemuning Putih                              |       |       |           |         |
| Myrtaceae         | <i>Syzygium</i> sp.                             | Milas                                       |       |       |           |         |
| Myrtaceae         | <i>Syzygium</i> sp. cf. <i>campanulatum</i>     | Tampohot Batang /Ubar merah                 |       |       |           |         |
| Myrtaceae         | <i>Syzygium</i> sp. <i>Elaeocarpus spicata</i>  | Kayu Lalas Daun Kecil                       |       |       |           |         |
| Myrtaceae         | <i>Syzygium</i> sp. cf. <i>lineatum</i>         | Jambu Jambu                                 |       |       |           |         |
| Myrtaceae         | <i>Syzygium</i> sp. cf. <i>nigricans</i>        | Jambu Burung Kecil                          |       |       |           |         |
| Myrtaceae         | <i>Syzygium</i> sp.                             | Jambu Burung Kecil                          |       |       |           |         |
| Myrtaceae         | <i>Syzygium</i> sp. cf. <i>garcinifolia</i>     | Jambu burung/ jambuan                       |       |       |           |         |
| Myrtaceae         | <i>Tristaniopsis</i> <i>obovata</i>             | Blawan                                      |       |       |           |         |
| Myrtaceae         | <i>Tristaniopsis</i> sp.                        | Blawan merah                                |       |       |           |         |
| Myrtaceae         | <i>Tristaniopsis</i> sp.                        | Blawan punai                                |       |       |           |         |
| Myrtaceae         | <i>Tristaniopsis</i> sp.                        | Blawan /Plawan                              |       |       |           |         |
| Myrtaceae         | <i>Tristaniopsis</i> sp. cf. <i>bakhuizenia</i> | Blawan Buhis                                |       |       |           |         |
| Myrtaceae         | <i>Tristaniopsis</i> sp. cf. <i>merguensis</i>  | Blawan putih                                |       |       |           |         |
| Myrtaceae         | <i>Tristaniopsis whiteana</i>                   | Blawan                                      |       |       |           |         |
| Nepenthaceae      | <i>Nepenthes ampullaria</i>                     | Pusuk kameluh/Ketupat hinut/Kantong semar   | LR/NT | II    | Y         |         |
| Nepenthaceae      | <i>Nepenthes gracilis</i>                       | Ketupat hinut/Kantong semar                 | LR/NT | II    | Y         |         |
| Nepenthaceae      | <i>Nepenthes rafflesiana</i>                    | Ketupat hinut/kantong semar/cepat sangumang | LR/NT | II    | Y         |         |
| Nephrolepiadaceae | <i>Nephrolepis</i> sp.                          | Paku Jampa                                  |       |       |           |         |
| Ochnaceae         | <i>Euthemis leucarpa</i>                        | Unknown                                     |       |       |           |         |
| Ochnaceae         | <i>Euthemis</i> sp.                             | Unknown                                     |       |       |           |         |
| Oleaceae          | <i>Chionanthus</i> sp.                          | Unknown                                     |       |       |           |         |
| Orchidaceae       | <i>Eria</i> sp.                                 | Anggrek bawang                              |       | II    |           |         |
| Orchidaceae       | Unknown                                         | Pahakung                                    |       | II    |           |         |
| Orchidaceae       | Unknown                                         | Pahakung tanduk                             |       | II    |           |         |
| Orchidaceae       | Unknown                                         | Anggrek garu                                |       | II    |           |         |
| Orchidaceae       | Unknown                                         | Anggrek hitam                               |       | II    |           |         |
| Orchidaceae       | Unknown                                         | Anggrek buntut naga                         |       |       |           |         |
| Pandanaceae       | <i>Freycinetia</i> sp.                          | Akar gerising                               |       |       |           |         |

| Order / Family   | Latin Name                               | Local name(s)                     | IUCN  | CITES | Protected | Endemic |
|------------------|------------------------------------------|-----------------------------------|-------|-------|-----------|---------|
| Pandanaceae      | <i>Freycinetia</i> sp.                   | Katipei Pari                      |       |       |           |         |
| Pandanaceae      | <i>Pandanus</i> / <i>Freycinetia</i> sp. | Gerising                          |       |       |           |         |
| Pandanaceae      | <i>Pandanus</i> sp.                      | Pandan                            |       |       |           |         |
| Pandanaceae      | <i>Pandanus</i> sp.                      | Rasau                             |       |       |           |         |
| Pandanaceae      | <i>Pandanus</i> sp.                      | Rasau kelep                       |       |       |           |         |
| Pandanaceae      | <i>Pandanus</i> sp.                      | Sambalaun                         |       |       |           |         |
| Pandanaceae      | Unknown                                  | Lampasau                          |       |       |           |         |
| Piperaceae       | <i>Piper</i> sp.                         | Sirih himba /samuang              |       |       |           |         |
| Piperaceae       | cf. <i>Piper</i> sp.                     | Sirih sangahau                    |       |       |           |         |
| Pittosporaceae   | <i>Pittosporum</i> sp.                   | Parupuk                           |       |       |           |         |
| Poaceae (Palmae) | <i>Metroxylon</i> sp.                    | Hambiey                           |       |       |           |         |
| Podocarpaceae    | <i>Dacrydium pectinateum</i>             | Alau                              | LR/NT |       |           |         |
| Polygalaceae     | <i>Xanthophyllum ellipticum</i>          | Kemuning                          |       |       |           |         |
| Polygalaceae     | <i>Xanthophyllum stipitatum</i>          | Kemuning /Ubar putih              |       |       |           |         |
| Rhamnaceae       | <i>Zizyphus angustifolius</i>            | Bajakah karinat                   |       |       |           |         |
| Rhamnaceae       | <i>Zyzyphus angustifolius</i>            | Karinat                           |       |       |           |         |
| Rhizophoreaceae  | <i>Carillia brachiata</i>                | Gandis                            |       |       |           |         |
| Rhizophoreaceae  | <i>Gynotroches</i> sp.                   | Kelumun                           |       |       |           |         |
| Rubiaceae        | <i>Canthium</i> sp. <i>dydimum</i> .     | Kopi-kopi /Kayu kalalawit         |       |       |           |         |
| Rubiaceae        | <i>Gardenia tubifera</i>                 | Saluang Belum /Rangda             |       |       |           |         |
| Rubiaceae        | <i>Ixora havilandii</i>                  | Kerangi                           |       |       |           |         |
| Rubiaceae        | <i>Jakiopsis ornata</i>                  | Unknown                           |       |       |           |         |
| Rubiaceae        | <i>Lucinea</i> sp.                       | Bajakah Tabari                    |       |       |           |         |
| Rubiaceae        | <i>Nauclea</i> sp.                       | Unknown                           |       |       |           |         |
| Rubiaceae        | <i>Timonius</i> sp.                      | Unknown                           |       |       |           |         |
| Rubiaceae        | <i>Uncaria</i> sp.                       | Kalalawit bahandang/ merah        |       |       |           |         |
| Rutaceae         | <i>Evodia glabra</i>                     | Sagagulang                        |       |       |           |         |
| Rutaceae         | <i>Tetractomia tetrandra</i>             | Rambangan /Asam-asam /Sagagulang  |       |       |           |         |
| Sapindaceae      | cf. <i>Cubilia cubili</i>                | Kahasuhuy                         |       |       |           |         |
| Sapindaceae      | <i>Nephellium lappaceum</i>              | Manamun                           |       |       |           |         |
| Sapindaceae      | <i>Nephellium maingayi</i>               | Kelumun Buhis /Piais / ubar putih |       |       |           |         |
| Sapindaceae      | <i>Nephellium</i> sp.                    | Kaaja                             |       |       |           |         |
| Sapindaceae      | <i>Pometia pinnata</i>                   | Rambutan gundul /Takasai          |       |       |           |         |

| Order / Family   | Latin Name                           | Local name(s)                | IUCN | CITES | Protected | Endemic |
|------------------|--------------------------------------|------------------------------|------|-------|-----------|---------|
| Sapindaceae      | <i>Xerospermum laevigatum</i>        | Kelumun Bakei                |      |       |           |         |
| Sapotaceae       | <i>Isonandra lanceolate</i>          | Nyatoh Palanduk              |      |       |           |         |
| Sapotaceae       | <i>Isonandra</i> sp.                 | Nyatoh Palanduk              |      |       |           |         |
| Sapotaceae       | <i>Madhuca cf. pierri</i>            | Nyatoh Undus                 |      |       |           |         |
| Sapotaceae       | <i>Madhuca mottleyana</i>            | Katiau /Kanjalaki            |      |       |           |         |
| Sapotaceae       | <i>Palaquium cochlearifolium</i>     | Nyatu gagas/ duduk / babi    |      |       |           |         |
| Sapotaceae       | <i>Palaquium leiocarpum</i>          | Hangkang                     |      |       |           |         |
| Sapotaceae       | <i>Palaquium pseudorostratum</i>     | Nyatoh Bawoi                 |      |       |           |         |
| Sapotaceae       | <i>Palaquium</i> spp. <i>Ridleyi</i> | Nyatu burung                 |      |       |           |         |
| Sapotaceae       | <i>Planchonella cf. maingayi</i>     | Sangkuak                     |      |       |           |         |
| Selaginellaceae  | <i>Selaginella</i> sp.               | Jenis pakis /Hawok           |      |       |           |         |
| Simaroubaceae    | <i>Quassia borneensis</i>            | Kayu Takang                  |      |       |           |         |
| Smilacaceae      | <i>Smilax</i> sp.                    | Bajakah Tolosong             |      |       |           |         |
| Sterculiaceae    | <i>Sterculia rhoioidifolia</i>       | Loting                       |      |       |           |         |
| Sterculiaceae    | <i>Sterculia</i> sp.                 | Muara bungkang               |      |       |           |         |
| Sterculiaceae    | <i>Sterculia</i> sp.                 | Galaga                       |      |       |           |         |
| Tetrameristaceae | <i>Tetramerista glabra</i>           | Ponak /Kayu sabun            |      |       |           |         |
| Theaceae         | <i>Ploiarium alternifolium</i>       | Asam Asam                    |      |       |           |         |
| Theaceae         | <i>Ternstroemia bancanus</i>         | Tabunter                     |      |       |           |         |
| Theaceae         | <i>Ternstroemia hosei</i>            | Unknown                      |      |       |           |         |
| Theaceae         | <i>Ternstroemia magnifica</i>        | Tabunter                     |      |       |           |         |
| Thymeleaceae     | <i>Gonystylus bancanus</i>           | Ramin                        | VU   | II    |           |         |
| Tiliaceae        | <i>Microcos (Grewia)</i> sp.         | Brania Himba /Kayu saluang   |      |       |           |         |
| Verbenaceae      | <i>Clerodendron</i> sp.              | Supang                       |      |       |           |         |
| Vitaceae         | Unknown                              | Unknown                      |      |       |           |         |
| Vitaceae         | <i>Ampelocissus rubiginosa</i>       | Bajakah Panamar Pari         |      |       |           |         |
| Vitaceae         | <i>Ampelocissus</i> sp.              | Bajakar oyang / liana anggur |      |       |           |         |
| Vitaceae         | Unknown                              | Anggur hutan                 |      |       |           |         |
| Vitaceae         | <i>Vitis</i> sp.                     | Anggur hutan                 |      |       |           |         |
| Zingiberaceae    | <i>Alpinia</i> sp.                   | Suli Batu                    |      |       |           |         |
| Zingiberaceae    | <i>Zingiber</i> sp.                  | Suli tulang                  |      |       |           |         |
| Unknown          | Unknown                              | Kalakai palanduk             |      |       |           |         |
| Unknown          | Unknown                              | Tagentu                      |      |       |           |         |

| Order / Family | Latin Name | Local name(s)   | IUCN | CITES | Protected | Endemic |
|----------------|------------|-----------------|------|-------|-----------|---------|
| Unknown        | Unknown    | Rampiang        |      |       |           |         |
| Unknown        | Unknown    | Sirih sangumang |      |       |           |         |
| Unknown        | Unknown    | Bari-bari       |      |       |           |         |
| Unknown        | Unknown    | Takapal         |      |       |           |         |
| Unknown        | Unknown    | Silu kelep      |      |       |           |         |
| Unknown        | Unknown    | Langkabuk       |      |       |           |         |
| Unknown        | Unknown    | Mali-mali       |      |       |           |         |
| Unknown        | Unknown    | Pasak bumi      |      |       |           |         |

## APPENDIX 2. VCS AFOLU NON-PERMANENCE RISK ANALYSIS

### 1. Summary of non-permanence risk

| VCS AFOLU non-permanence risk category     | Score       |
|--------------------------------------------|-------------|
| <b>Internal Risk</b>                       |             |
| Project Management (PM) Risk Value         | -4          |
| Financial Viability (FV) Risk Value        | -1          |
| Opportunity Cost (OC) Risk Value           | 2           |
| Project Longevity (PL) Risk Value          | 0           |
|                                            | <b>0</b>    |
| <b>Total External Risk</b>                 |             |
| Total Land Tenure (LT) Risk Value          | 0           |
| Total Community Engagement (CE) Risk Value | -5          |
| Total Political (PC) Risk Value            | 2           |
|                                            | <b>0</b>    |
| <b>Natural Risk</b>                        |             |
| Fire (F)                                   | 2.5         |
| Pest and Disease Outbreaks (PD)            | 0           |
| Extreme Weather (W)                        | 2           |
| Geological Risk (G)                        | 0           |
| Other natural risk (ON)                    | 0           |
|                                            | <b>4.5</b>  |
|                                            |             |
| <b>Total Overall Risk Rating</b>           | <b>4.5%</b> |
|                                            |             |
| <b>Non-Permanence Buffer</b>               | <b>10%</b>  |

## 2. Internal risk

| Project Management                                                                                            |                                                                                                                                                                                                                                                                                                                                                                   |             |
|---------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| Risk Factor                                                                                                   | Risk Factor and/or Mitigation Description                                                                                                                                                                                                                                                                                                                         | Risk Rating |
| a)                                                                                                            | As described in Section 2.2.1 - B) of the PDD, the project only carries out planting of native species, in particular those adapted to wet conditions of rewetted peatland.                                                                                                                                                                                       | 0           |
| b)                                                                                                            | While the project does enforce against possible encroachment, the impact of possible encroachment on carbon stocks is very limited not only because it is limited to small areas but due to the fact that encroachment does not involve commercial drainage of peatlands and hence does not significantly affect total carbon stocks on which credits are issued. | 0           |
| c)                                                                                                            | As described in Sub-section 1.5.2 of the PDD, the project employs staff with several decades in combined experience covering all areas of expertise required.                                                                                                                                                                                                     | 0           |
| d)                                                                                                            | The management team is headquartered in Indonesia with all offices located within one day or travel from the project area. See Section 1.4.                                                                                                                                                                                                                       | 0           |
| e)                                                                                                            | As described in Sub-section 1.5.2 of the PDD, the project and its partners employ a range of employees who have successfully managed projects, written and managed approval (double validation) of VCS methodologies.                                                                                                                                             | -2          |
| f)                                                                                                            | Please refer to Section 6.3 and Chapter 8 of the PDD for a detailed description of the adaptive management plan.                                                                                                                                                                                                                                                  | -2          |
| <b>Total Project Management (PM) [as applicable, (a + b + c + d + e + f)]</b><br>Total may be less than zero. |                                                                                                                                                                                                                                                                                                                                                                   | <b>-4</b>   |

| Financial Viability                                                                                                              |                                                                                                                                                                                |             |
|----------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| Risk Factor                                                                                                                      | Risk Factor and/or Mitigation Description                                                                                                                                      | Risk Rating |
| a)                                                                                                                               | n/a                                                                                                                                                                            | 0           |
| b)                                                                                                                               | n/a                                                                                                                                                                            | 0           |
| c)                                                                                                                               | The financial model made available to the validator confirms that the project breaks even between year 4-7 from the project start date                                         | 1           |
| d)                                                                                                                               | n/a                                                                                                                                                                            | 0           |
| e)                                                                                                                               | n/a                                                                                                                                                                            | 0           |
| f)                                                                                                                               | n/a                                                                                                                                                                            | 0           |
| g)                                                                                                                               | n/a                                                                                                                                                                            | 0           |
| h)                                                                                                                               | Financial resources to cover funding until break-even have been secured through Permian Global Fund which have set aside a respective amount dedicated to the Katingan Project | 0           |
| i)                                                                                                                               | Per the above comment, financial recourses required until breakeven have been secured and set aside.                                                                           | -2          |
| <b>Total Financial Viability (FV) [as applicable, ((a, b, c or d) + (e, f, g or h) + i)]</b><br>Total may not be less than zero. |                                                                                                                                                                                | <b>-1</b>   |

| Opportunity Cost |                                           |             |
|------------------|-------------------------------------------|-------------|
| Risk Factor      | Risk Factor and/or Mitigation Description | Risk Rating |
| a)               | n/a                                       | 0           |
| b)               | n/a                                       | 0           |

| Opportunity Cost                                                                        |                                                                                                                                                                                                                                                                                                                                              |             |
|-----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| Risk Factor                                                                             | Risk Factor and/or Mitigation Description                                                                                                                                                                                                                                                                                                    | Risk Rating |
| c)                                                                                      | The project carried out an extended cost benefit analysis, which determined a financial net present value for the business as usual scenario (the most profitable alternative land-use scenario) of USD 182 million compared to USD 139 million in the project scenario which suggests an NPV difference of 30.94%.                          | 4           |
| d)                                                                                      | n/a                                                                                                                                                                                                                                                                                                                                          | 0           |
| e)                                                                                      | n/a                                                                                                                                                                                                                                                                                                                                          | 0           |
| f)                                                                                      | n/a                                                                                                                                                                                                                                                                                                                                          | 0           |
| g)                                                                                      | n/a                                                                                                                                                                                                                                                                                                                                          | 0           |
| h)                                                                                      | Terms of the ecosystem restoration concession license can be found in Section 1.7. The license includes specific obligations regarding management practices and activities for the concession holder to be carried out over the length of the license. The license specifically includes a requirement to restore and enhance carbon stocks. | -2          |
| i)                                                                                      | n/a                                                                                                                                                                                                                                                                                                                                          | 0           |
| <b>Total Opportunity Cost (OC) [as applicable, (a, b, c, d, e or f) + (g + h or i)]</b> |                                                                                                                                                                                                                                                                                                                                              | <b>2</b>    |
| Total may not be less than 0.                                                           |                                                                                                                                                                                                                                                                                                                                              |             |

| Project Longevity                   |                                                                                                                                                                                                                                                                 |          |
|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| a)                                  | n/a                                                                                                                                                                                                                                                             | 0        |
| b)                                  | Terms of the ecosystem restoration concession license can be found in Section 1.7. The license is renewable to a total of 95 years and includes specific obligations regarding management practices and activities for the concession holder to be carried out. | 0        |
| <b>Total Project Longevity (PL)</b> |                                                                                                                                                                                                                                                                 | <b>0</b> |
| May not be less than zero           |                                                                                                                                                                                                                                                                 |          |

| Internal Risk                                  |  |          |
|------------------------------------------------|--|----------|
| <b>Total Internal Risk (PM + FV + OC + PL)</b> |  | <b>0</b> |
| Total may not be less than zero.               |  |          |

### 3. External risk

| Land Tenure and Resource Access/Impacts                                       |                                                                                                                                                                                                                                                                                                                                                         |             |
|-------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| Risk Factor                                                                   | Risk Factor and/or Mitigation Description                                                                                                                                                                                                                                                                                                               | Risk Rating |
| a)                                                                            | n/a                                                                                                                                                                                                                                                                                                                                                     | 0           |
| b)                                                                            | As described in Section 1.4, the project proponent holds and ecosystem restoration concession.                                                                                                                                                                                                                                                          | 2           |
| c)                                                                            | No disputes exist over the project areas. The process of ERC issuance takes into account possible disputes before approving the final boundary. In addition, a Memorandum of Understanding has been signed with communities around the project area.                                                                                                    | 0           |
| d)                                                                            | No disputes exist over access or use rights.                                                                                                                                                                                                                                                                                                            | 0           |
| e)                                                                            | The project area consists of a domed peatland with higher elevation (upstream) areas at the center of the project. Hence upstream areas are located at the core of the project which are largely inaccessible and without current population/impact. Therefore, there are no upstream impacts on the project. The project is not impacted by sea level. | 0           |
| f)                                                                            | The project has been granted an ERC which mandates management for ecosystem restoration beyond the project crediting period and legally prevents destructive forms of land-use.                                                                                                                                                                         | -2          |
| g)                                                                            | n/a                                                                                                                                                                                                                                                                                                                                                     | 0           |
| <b>Total Land Tenure (LT) [as applicable, ((a or b) + c + d + e + f + g)]</b> |                                                                                                                                                                                                                                                                                                                                                         | <b>0</b>    |
| Total may not be less than zero.                                              |                                                                                                                                                                                                                                                                                                                                                         |             |

| Community Engagement                                                   |                                                                                                                                                                                           |             |
|------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| Risk Factor                                                            | Risk Factor and/or Mitigation Description                                                                                                                                                 | Risk Rating |
| a)                                                                     | As described in Sub-section 2.7.3 of the PDD, the project has conducted extensive stakeholder/community consultation and development programs in all communities around the project area. | 0           |
| b)                                                                     | n/a                                                                                                                                                                                       | 0           |
| c)                                                                     | As described in Section 2.2 of the PDD, the project is actively driving community development both in social and economic terms.                                                          | -5          |
| <b>Total Community Engagement (CE) [where applicable, (a + b + c)]</b> |                                                                                                                                                                                           | <b>-5</b>   |
| Total may be less than zero.                                           |                                                                                                                                                                                           |             |

| Political Risk                                                      |                                                    |             |
|---------------------------------------------------------------------|----------------------------------------------------|-------------|
| Risk Factor                                                         | Risk Factor and/or Mitigation Description          | Risk Rating |
| a)                                                                  | n/a                                                | 0           |
| b)                                                                  | See attached spreadsheet showing applicable scores | 4           |
| c)                                                                  | n/a                                                | 0           |
| d)                                                                  | n/a                                                | 0           |
| e)                                                                  | n/a                                                | 0           |
| f)                                                                  | Indonesia is implanting REDD+ Readiness activities | -2          |
| <b>Total Political (PC) [as applicable ((a, b, c, d or e) + f)]</b> |                                                    | <b>2</b>    |
| Total may not be less than zero.                                    |                                                    |             |

| External Risk                                                                 |          |
|-------------------------------------------------------------------------------|----------|
| <b>Total External Risk (LT + CE + PC)</b><br>Total may not be less than zero. | <b>0</b> |

#### 4. Natural risk

| Natural Risk (Fire) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Significance</b> | <p>Fires around the project area and on the project's borders have occurred more frequently than every 10 years but have affected far less than 5% of carbon stocks as the area is mostly wet and fires only burn the surface of the peat layer. It should be noted that most of all fires in the project area are anthropogenic in nature.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Likelihood</b>   | <p>Unlikely, fires do not naturally occur on peatlands due to permanently wet conditions of the soil.</p> <p>Fire in peatland and peatland forest in Indonesia occur almost exclusively as a result of anthropogenic activities [41, 42, 43]. Naturally occurring fires are as yet undocumented in peat swamp forest. In regions such as North America where they are recorded, such fires account for around 10% of forest fires and are typically caused by 'dry lightning' – lightning strikes in the absence of heavy rain – or from volcanic activity. The Katingan project region is unaffected by volcanic activity, and lightning strikes are almost always accompanied by heavy rainfall. Furthermore, the nature of peat swamp ecosystems, where the water table is close to the soil surface, suggests the impact of dry lightning strikes would be minimal. By contrast, fires resulting from anthropogenic activities are common in the region, however their risk, impact and mitigation is considered separately (as a component of 'external' risk).</p> <p>Also, as described in Sub-section 2.2.1-D), extensive fire prevention activities are being carried out to mitigate the threat of fires.</p> |
| <b>Score (LS)</b>   | 5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Mitigation</b>   | 0.5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

| Natural Risk (Pest and Disease outbreaks) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Significance</b>                       | <p>May have significant impact on above ground carbon stock but not in the peat layer, which is the major carbon pool.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Likelihood</b>                         | <p>No pest or disease outbreak event has been reported within peat swamp forest in Indonesia [44]. The only documented event traceable within SE Asian peat swamps relates to an apparent outbreak of hairy caterpillars within a 12,000 ha stand of natural <i>Shorea albida</i> in Brunei Darussalam [45], however it was not reported whether the outbreak had any detrimental effect on the trees. As a result, the likelihood and impact of pest and disease outbreaks on the natural forests of the project area are considered very low. By contrast, pest and disease outbreaks are known to occur in forest plantations when introduced species are grown in a monoculture systems [46, 47, 48, 49, 50]. The Katingan Project will exclusively utilize mixed native species for its reforestation activities inside the project area, and as a consequence, the risk and potential impact of pest and disease outbreak is considered very low.</p> |
| <b>Score (LS)</b>                         | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Mitigation</b>                         | 0.5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

| Natural Risk (Extreme Weather) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|--------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Significance</b>            | <p>Water table in peat swamp forest is known to be close to soil surface throughout the year, naturally flooded in rainy season [51, 52]. Drought in peat will have less significant impact as water table is shallow, and extreme dry spell may lead to slight persistent moisture deficit, causing water table to drop below one meter from the surface [53]. However, water level records from intact peat swamp forest in Air Hitam Laut catchment, Jambi for 2003 - 2004 show that in dry season water tables do not drop below 80 cm from the soil surface [54]. The only detrimental condition is that the upper layer of peat soil may become susceptible to fires, but without an external trigger, fires do not occur (see the description under the fire risk above). There is no record that trees in peat swamp forest died due to a prolonged dry season, except those being damaged by fires. Impact on carbon stock is negligible however.</p> <p>The project area is also unaffected by flooding, due to its nature as a naturally rain fed water storage ecosystem, lying <i>above</i> the surrounding drainage. Heavy rainfall conditions benefit the project by ensuring that water table depths are close to the peat surface, thereby reducing oxidation and fire risks. While heavy rainfall and flooding in low lying areas remain likely within the project area, the impact is considered net positive.</p> |
| <b>Likelihood</b>              | <p>Floods and droughts may occur less than every 10 years. Historical records (BNPB data 2015) show that flood and drought may happen yearly during the high rainfall season or prolonged dry season subsequently on the outside the project zone where it is only impacting areas adjacent to rivers. Drought in Borneo is associated with prolonged dry period which lasts from June to September. Peat swamp forest occurs naturally within this region, and is fully adapted to the prolonged dry season. Flooding in the lowlands of Borneo is associated with heavy and prolonged rainfall in the rainy seasons, typically October to May.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Score (LS)</b>              | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Mitigation</b>              | 0.5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

| Natural Risk (Geological events) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Significance</b>              | Impact on carbon stocks would be negligible as there would be no significant impact on below ground biomass                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Likelihood</b>                | <p>The project area is unaffected by volcanoes, earthquakes or resulting tsunamis. Within Indonesia such geological phenomena are closely associated with the boundary of tectonic plates. These lie primarily to the south and east of the Sundaic region (south of Sumatra, Java and the Lesser Sunda arc, east of Sulawesi and north Maluku), with major island groups blocking the passage of potential tsunamis. The project area lies within southern Borneo, which itself lies squarely on the Eurasian tectonic plate. There are no active volcanoes in Borneo <i>and no historical</i> records of major earthquakes [55].</p> |
| <b>Score (LS)</b>                | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Mitigation</b>                | 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

| Natural Risk (other risk) |                                                                                                                     |
|---------------------------|---------------------------------------------------------------------------------------------------------------------|
| <b>Significance</b>       | There are no other natural risks.                                                                                   |
| <b>Likelihood</b>         | There are not historic records of other risk in the project area except those already stated in the above sections. |

|                   |   |
|-------------------|---|
| <b>Score (LS)</b> | 0 |
| <b>Mitigation</b> | 1 |

| Score for each natural risk applicable to the project<br>(Determined by $LS \times M$ ) |            |
|-----------------------------------------------------------------------------------------|------------|
| Fire (F)                                                                                | 2.5        |
| Pest and Disease Outbreaks (PD)                                                         | 0          |
| Extreme Weather (W)                                                                     | 0          |
| Geological Risk (G)                                                                     | 0          |
| Other natural risk (ON)                                                                 | 0          |
| <b>Total Natural Risk (as applicable, <math>F + PD + W + G + ON</math>)</b>             | <b>2.5</b> |

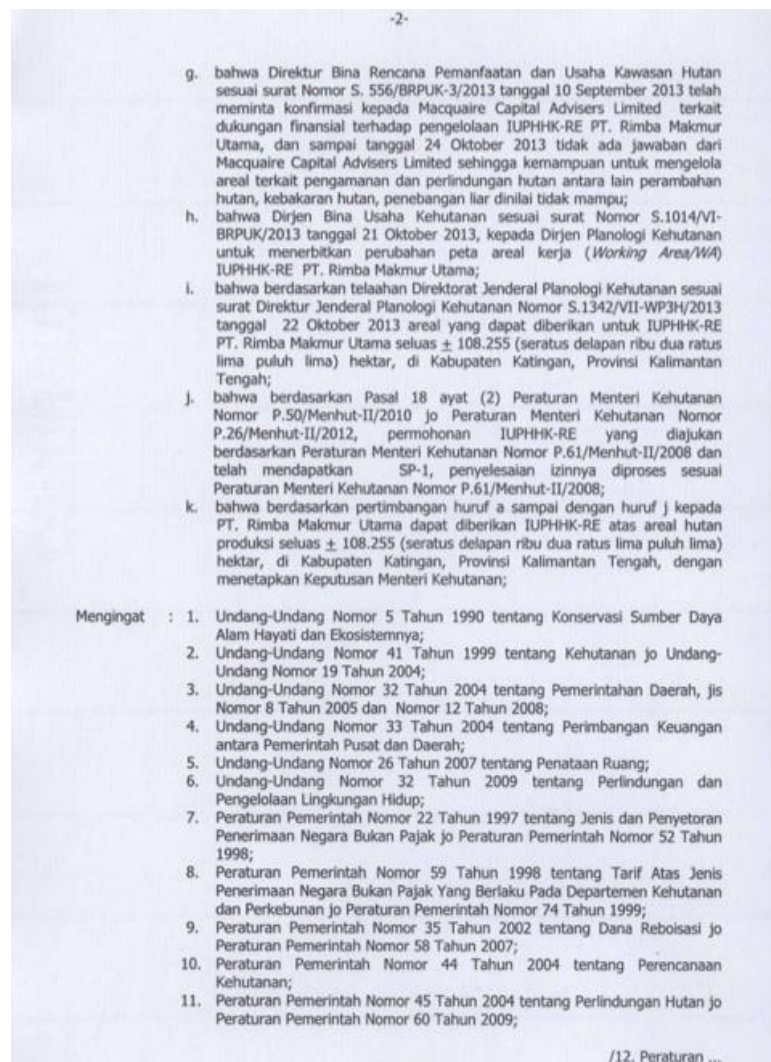
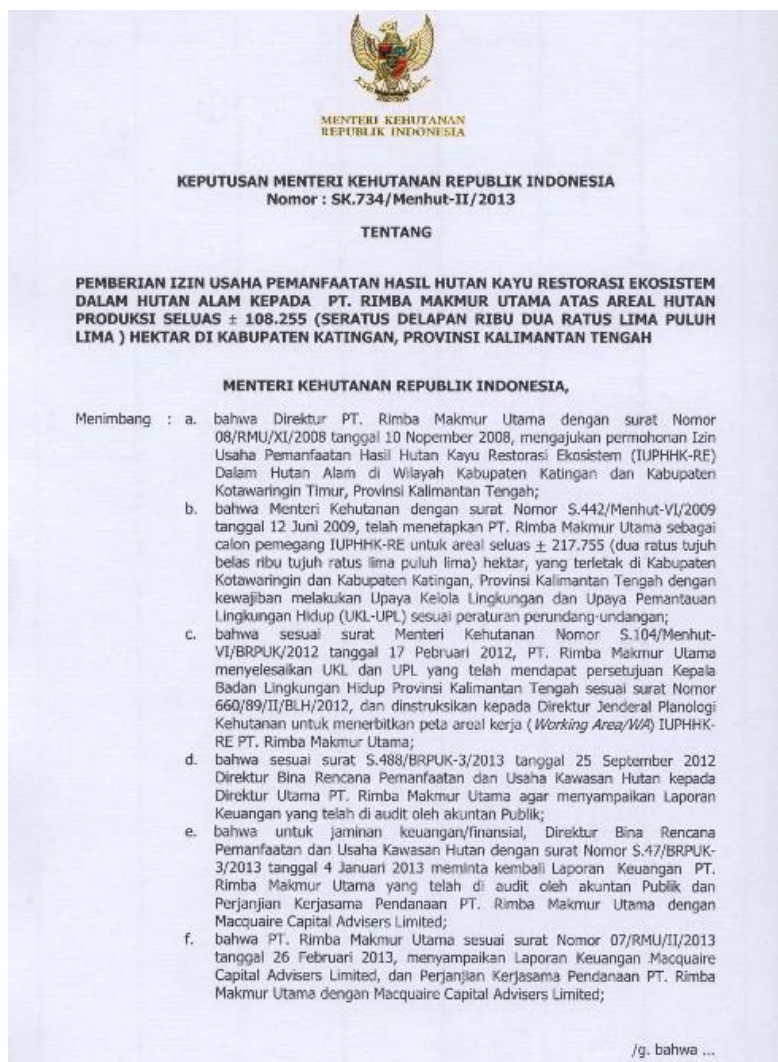
## 5. Overall non-permanence risk rating and buffer determination

### 5.1 Overall Risk Rating

| Risk Category                          | Rating     |
|----------------------------------------|------------|
| a) Internal Risk                       | 0          |
| b) External Risk                       | 0          |
| c) Natural Risk                        | 2.5        |
| <b>Overall Risk Rating (a + b + c)</b> | <b>2.5</b> |

### 5.2 Calculation of Total VCSs

### APPENDIX 3. COPY OF THE ECOSYSTEM RESTORATION CONCESSION LISENCE GRANTED TO PT. RMU



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12. Peraturan Pemerintah Nomor 6 Tahun 2007 tentang Tata Hutan dan Penyusunan Rencana Pengelolaan Hutan, Serta Pemanfaatan Hutan jo Peraturan Pemerintah Nomor 3 Tahun 2008;
13. Peraturan Pemerintah Nomor 38 Tahun 2007 tentang Pembagian Urusan Pemerintahan antara Pemerintah, Pemerintahan Daerah Provinsi dan Pemerintahan Daerah Kabupaten/Kota;
14. Peraturan Pemerintah Nomor 26 Tahun 2008 tentang Rencana Tata Ruang Wilayah Nasional;
15. Peraturan Presiden Nomor 47 Tahun 2009 tentang Pembentukan dan Organisasi Kementerian Negara jo Peraturan Presiden Nomor 91 Tahun 2011;
16. Keputusan Presiden Nomor 84/P Tahun 2009 tentang Pembentukan Kabinet Indonesia Bersatu II, jo Keputusan Presiden Nomor 59/P Tahun 2011;
17. Peraturan Presiden Nomor 24 Tahun 2010 tentang Kedudukan, Tugas dan Fungsi Kementerian Negara serta Susunan Organisasi, Tugas dan Fungsi Eselon I Kementerian Negara;
18. Instruksi Presiden Nomor 10 Tahun 2011 tentang Penundaan Pemberian Izin Baru dan Penyempurnaan Tata Kelola Hutan Alam Primer dan Lahan Gambut;
19. Peraturan Menteri Kehutanan Nomor P.55/Menhut-II/2006 tentang Penatausahaan Hasil Hutan yang Berasal dari Hutan Negara sebagaimana terakhir diubah dengan Peraturan Menteri Kehutanan Nomor P. 45/Menhut-II/2009;
20. Peraturan Menteri Kehutanan Nomor P.18/Menhut-II/2007 tentang Petunjuk Teknis Tata Cara Pengenaan, Pemungutan, dan Pembayaran Provisi Sumber Daya Hutan dan Dana Reboisasi;
21. Peraturan Menteri Kehutanan Nomor P.39/Menhut-II/2008 tentang Tata Cara Pengenaan Sanksi Administratif terhadap Pemegang Izin Pemanfaatan Hutan;
22. Peraturan Menteri Kehutanan Nomor P.58/Menhut-II/2008 tentang Kompetensi dan Sertifikasi Tenaga Teknis Pengelolaan Hutan Produksi Lestari;
23. Peraturan Menteri Kehutanan Nomor P.11/Menhut-II/2009 tentang Sistem Silvikultur dalam Areal Izin Usaha Pemanfaatan Hasil Hutan Kayu pada Hutan Produksi;
24. Peraturan Menteri Kehutanan Nomor P.23/Menhut-II/2009 tentang Tata Cara Penyerahan Kembali Izin Usaha Pemanfaatan Hasil Hutan Kayu Sebelum Jangka Waktu Izin Berakhir;
25. Peraturan Menteri Kehutanan Nomor P.33/Menhut-II/2009 tentang Pedoman Inventarisasi Hutan Menyeluruh Berkala (IHMB) pada Usaha Pemanfaatan Hasil Hutan Kayu pada Hutan Produksi jo Peraturan Menteri Kehutanan Nomor P.5/Menhut-II/2011;
26. Peraturan Menteri Kehutanan Nomor P.34/Menhut-II/2009 tentang Tata Cara dan Persyaratan Pemindahtanganan Izin Usaha Pemanfaatan Hasil Hutan Kayu;
27. Peraturan Menteri Kehutanan Nomor P.38/Menhut-II/2009 tentang Standard dan Pedoman Penilaian Kinerja Pengelolaan Hutan Produksi Lestari dan Verifikasi Legalitas Kayu Pada Pemegang Izin atau Pada Hutan Hak Jis Nomor P.68/Menhut-II/2011 dan Nomor P.45/Menhut-II/2012;
28. Peraturan Menteri Kehutanan Nomor P.53/Menhut-II/2009 tentang Pemasukan dan Penggunaan Alat untuk Kegiatan Izin Usaha Pemanfaatan Hasil Hutan Kayu atau Ijin Pemanfaatan Kayu;
29. Peraturan Menteri Kehutanan Nomor P.56/Menhut-II/2009 tentang Rencana Kerja Usaha Pemanfaatan Hasil Hutan Kayu Hutan Alam dan Restorasi Ekosistem jo Peraturan Menteri Kehutanan Nomor P.24/Menhut-II/2011;
30. Peraturan Menteri Kehutanan Nomor P.69/Menhut-II/2009 tentang Pedoman Pelaporan Keuangan Pemanfaatan Hutan Produksi dan Pengelolaan Hutan (DOLAPKEU – PHP2H);

/31. Peraturan ...

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31. Peraturan Menteri Kehutanan Nomor P.9/Menhut-II/2010 tentang Izin Pembuatan dan Penggunaan Koridor;
32. Peraturan Menteri Kehutanan Nomor P.12/Menhut-II/2010 tentang Tata Cara Pengenaan, Penagihan, dan Pembayaran Iuran Izin Usaha Pemanfaatan Hutan pada Hutan Produksi;
33. Peraturan Menteri Kehutanan Nomor P.40/Menhut-II/2010 tentang Organisasi dan Tata Kerja Kementerian Kehutanan jo Peraturan Menteri Kehutanan Nomor P.33/Menhut-II/2012;
34. Peraturan Menteri Kehutanan Nomor P.50/Menhut-II/2010 tentang Tata Cara Pemberian Dan Perluasan Areal Kerja Izin Usaha Pemanfaatan Hasil Hutan Kayu (IUPHHK) Dalam Hutan Alam, IUPHHK Restorasi Ekosistem, Atau IUPHHK Hutan Tanaman Industri Pada Hutan Produksi jo Peraturan Menteri Kehutanan Nomor P.26/Menhut-II/2012.

- Memperhatikan :
1. Akta Nomor 01 tanggal 20 Nopember 2006 tentang Pendirian Perseroan Terbatas (PT) Rimba Makmur Utama, yang dibuat dihadapan Endang Saritomo Utari, S.H., Notaris di Jakarta, yang di sahkan oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Keputusan Nomor W7-00802 HT.01.01-TH 2007 tanggal 22 Januari 2007 yang telah diubah beberapa kali terakhir dengan Akta Nomor 28 tanggal 30 Oktober 2009 yang dibuat Emilia Retno Trahutami Sushanti, S.H., MKn. Notaris di Jakarta dan telah mendapat pengesahan dari Menteri Hukum dan Hak Asasi Manusia dengan surat Nomor AHU-AH.01.10-20611 tanggal 17 Nopember 2009;
  2. Surat Bupati Katingan Nomor 050/17/Adm.SDA tanggal 27 Januari 2011 perihal Pertimbangan Terhadap Pemberian Rekomendasi UKL UPL PT.Rimba Makmur Utama yang menyebutkan program Restorasi Ekosistem tidak diakomodir di luar kawasan hutan produksi.
  3. Surat Kepala Badan Lingkungan Hidup (BLH) Provinsi Kalimantan Tengah Nomor 660/89/II/BLH/2012 tanggal 13 Pebruari 2012 perihal rekomendasi atas UKL-UPL kegiatan Izin Usaha Pemanfaatan Hasil Hutan Kayu Restorasi Ekosistem (IUPHHK-RE) Dalam Hutan Alam pada Hutan Produksi An. PT. Rimba Makmur Utama Provinsi Kalimantan Tengah.

## MEMUTUSKAN :

Menetapkan : **KEPUTUSAN MENTERI KEHUTANAN TENTANG PEMBERIAN IZIN USAHA PEMANFAATAN HASIL HUTAN KAYU RESTORASI EKOSISTEM DALAM HUTAN ALAM KEPADA PT. RIMBA MAKMUR UTAMA ATAS AREAL HUTAN PRODUKSI SELUAS ± 108.255 (SERATUS DELAPAN RIBU DUA RATUS LIMA PULUH LIMA) HEKTAR DI KABUPATEN KATINGAN, PROVINSI KALIMANTAN TENGAH**

KESATU : Memberikan Izin Usaha Pemanfaatan Hasil Hutan Kayu Restorasi Ekosistem (IUPHHK-RE) dalam Hutan Alam kepada PT. Rimba Makmur Utama atas areal Hutan Produksi Tetap seluas ± 108.255 (seratus delapan ribu dua ratus lima puluh lima) hektar, dengan kondisi penutupan lahan terdiri dari hutan rawa sekunder bekas tebangan seluas ± 103.415 (seratus tiga ribu empat ratus lima belas) hektar, pertambangan seluas ± 10 (sepuluh) hektar, rawa seluas ± 585 (lima ratus delapan puluh lima) hektar, semak /belukar seluas ± 875 (delapan ratus tujuh puluh lima) hektar, semak/belukar rawa seluas ± 3.205 (tiga ribu dua ratus lima) hektar, dan tubuh air ± 165 (seratus enam puluh lima) hektar yang terletak di Kabupaten Katingan, Provinsi Kalimantan Tengah, sebagaimana terluks pada Peta Lampiran Keputusan ini.

KEDUA ...

|         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
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| -5-     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| KEDUA   | Luas dan letak definitif areal kerja IUPHHK-RE sebagaimana dimaksud pada Amaran KESATU ditetapkan kembali oleh Kementerian Kehutanan setelah dilaksanakan pengukuran dan penataan batas areal kerja (temu gelang).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| KETIGA  | PT, Rimba Makmur Utama berhak :<br>1. Melakukan kegiatan dan memperoleh manfaat dari hasil usahanya sesuai dengan izin yang diperolehnya.<br>2. Diberikan kewenangan dan tanggung jawab untuk melaksanakan RKT tanpa pengesahan dari pejabat yang berwenang ( <i>self approval</i> ) dalam hal memenuhi kriteria dan indikator yang ditetapkan oleh Menteri.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| KEEMPAT | PT, Rimba Makmur Utama :<br>(1) Wajib :<br>a. Menyusun Rencana Kerja (RK) untuk seluruh areal kerja;<br>b. Melaksanakan kegiatan nyata di lapangan untuk paling lambat 1 (satu) tahun sejak diberikan IUPHHK-RE dalam Hutan Alam;<br>c. Melaksanakan penataan batas areal kerja paling lambat 1 (satu) tahun sejak diberikan IUPHHK-RE dalam Hutan Alam;<br>d. Melaksanakan perlindungan hutan di areal kerjanya;<br>e. Menatausahakan keuangan kegiatan usahanya sesuai standar akuntansi keuangan yang berlaku bagi pemegang izin usaha pemanfaatan hutan;<br>f. Mempekerjakan tenaga profesional bidang kehutanan (GANISPHPL) dan tenaga lain yang memenuhi persyaratan sesuai kebutuhan dan ketentuan peraturan perundang-undangan;<br>g. Melaksanakan sistem silvikultur sesuai dengan kondisi setempat;<br>h. Menggunakan peralatan pemanfaatan hasil hutan yang sesuai dengan ketentuan peraturan perundang-undangan;<br>i. Membayar iuran atau dana sesuai ketentuan peraturan perundang-undangan;<br>j. Melakukan kerjasama dengan koperasi masyarakat setempat, paling lambat 1 (satu) tahun setelah diterimanya IUPHHK-RE;<br>k. Menyusun Rencana Kerja Usaha Pemanfaatan Hasil Hutan Kayu (RKUPHHK) jangka panjang untuk seluruh areal kerja, paling lambat 1 (satu) tahun setelah IUPHHK-RE diberikan, dan diajukan kepada Menteri Kehutanan atau pejabat yang ditunjuk guna mendapatkan persetujuan;<br>l. Menyusun Rencana Kerja Tahunan (RKT) berdasarkan RKUPHHK sebagaimana dimaksud huruf k untuk disahkan oleh Kepala KPH atau pejabat yang ditunjuk oleh Menteri Kehutanan;<br>m. Mengajukan RKT paling lambat 2 (dua) bulan sebelum RKT berjalan;<br>n. Menyampaikan laporan kinerja pemegang izin secara periodik kepada Menteri Kehutanan;<br>o. Melaporkan kepada Pemerintah dan Pemerintah Daerah Dana yang diterima dari pihak asing dan dipublikasikan di media masa setempat dan nasional untuk diaudit oleh Akuntan Publik yang terdaftar di Indonesia;<br>p. Memberantas perambahan hutan, pembalakan liar dan menanggulangi kebakaran hutan di areal izin dan bila tidak mampu setelah melaporkan kepada Pemerintah Daerah atau Menteri Kehutanan, izin dicabut tanpa peringatan.<br>q. Membantu pengembangan HTR, HKM atau HD yang ditetapkan oleh Menteri Kehutanan di sekitar areal kerja;<br>r. Mengalokasikan saham untuk Koperasi Karyawan Kementerian Kehutanan 1 % dan Koperasi Pensiunan Kehutanan 1 % secara voluntary, dan Koperasi masyarakat setempat 1 %.<br>/s. Melapor ... |

|                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
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| -6-                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| s. Melapor kepada pemerintah/Kementerian Kehutanan dan mempublikasikan kepada masyarakat setempat tentang pelaksanaan perjanjian carbon offset kepada pihak asing di pasar karbon sukarela.<br>t. Mematuhi dan melaksanakan ketentuan-ketentuan yang tercantum dalam Lampiran Keputusan ini dan peraturan perundang-undangan.                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| (2) Dilarang :                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| a. Memotong pohon di dalam areal kerjanya tanpa izin, kecuali dalam rangka pembongkaran sarana dan prasarana sesuai ketentuan peraturan perundang-undangan.<br>b. Meninggalkan areal kerja.<br>c. Memedatangkan IUPHHK-RE kecuali dengan persetujuan tertulis dari pemberi izin.<br>d. Mengontrolkan atau menyerahkan sebagian atau seluruh kegiatan usahanya kepada pihak lain tanpa persetujuan tertulis dari Menteri Kehutanan. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| KELIMA                                                                                                                                                                                                                                                                                                                                                                                                                             | 1. Dalam hal kegiatan restorasi ekosistem dalam hutan alam belum diperoleh kesimbangan hayati, kepada PT, Rimba Makmur Utama dapat diberikan IUPK, IUPKL, atau IUPHHK pada hutan produksi;<br>2. Dalam hal kegiatan restorasi ekosistem dalam hutan alam telah diperoleh kesimbangan hayati, kepada PT, Rimba Makmur Utama dapat diberikan IUPHHK pada hutan produksi dengan menerapkan satu atau lebih sistem silvikultur.                                                                                                                                                                          |
| KEENAM                                                                                                                                                                                                                                                                                                                                                                                                                             | 1. IUPHHK-RE tidak merupakan hak kepemilikan atas kawasan hutan.<br>2. Areal IUPHHK-RE ini tidak dapat dijadikan jaminan, agunan, atau dijaminkan kepada pihak lain.                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| KETUJUH                                                                                                                                                                                                                                                                                                                                                                                                                            | 1. Apabila di dalam areal IUPHHK-RE terdapat lahan yang telah menjadi tanah milik, perkampungan, tegalan, pemukiman atau telah diduduki dan digarap oleh pihak ketiga secara sah berdasarkan peraturan perundang-undangan, maka lahan tersebut dikeluarkan dari areal kerja IUPHHK-RE dalam Hutan Alam, tanpa mengubah status dan fungsi kawasan hutan.<br>2. Apabila lahan tersebut pada angka 1 dikehendaki untuk dijadikan areal IUPHHK-RE, maka penyelesaiannya dilakukan oleh PT, Rimba Makmur Utama dengan pihak-pihak yang bersangkutan sesuai dengan ketentuan peraturan perundang-undangan. |
| KEDELAPAN                                                                                                                                                                                                                                                                                                                                                                                                                          | 1. IUPHHK-RE ini dievaluasi setiap 5 (lima) tahun oleh Menteri Kehutanan sebagai dasar kelangsungan izin.<br>2. Pemegang IUPHHK-RE dikenakan sanksi bila melanggar ketentuan dalam Keputusan ini dan peraturan perundang-undangan.                                                                                                                                                                                                                                                                                                                                                                   |
| KESEMBILAN                                                                                                                                                                                                                                                                                                                                                                                                                         | 1. PT, Rimba Makmur Utama wajib membayar Iuran Izin Usaha Pemanfaatan Hutan (IUPH) sesuai dengan ketentuan peraturan perundang-undangan;<br>2. Salinan asli Keputusan Menteri Kehutanan tentang Pemberian IUPHHK-RE dalam Hutan Alam pada Hutan Produksi diberikan oleh Direktur Jenderal Bina Usaha Kehutanan setelah angka 1 dibayar lunas.                                                                                                                                                                                                                                                        |
| KESEPULUH                                                                                                                                                                                                                                                                                                                                                                                                                          | Dalam hal PT, Rimba Makmur Utama sampai dengan batas waktu yang ditentukan tidak membayar IUPH sebagaimana dimaksud dalam Ayat KESEMBILAN, maka pemberian IUPHHK-RE ini batal dengan sendirinya.                                                                                                                                                                                                                                                                                                                                                                                                     |
| KESEBELAS                                                                                                                                                                                                                                                                                                                                                                                                                          | Keputusan ini beserta lampirannya merupakan satu kesatuan yang tidak terpisahkan.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| KEDELABELAS ...                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |



## APPENDIX 4. STRATA CHANGES IN THE BASELINE SCENARIO FOR WRC ACTIVITIES

### 1. Strata changes in the baseline scenario for WRC activities

| From Strata | To     |      | To       |      | Area (ha) | Remarks     |
|-------------|--------|------|----------|------|-----------|-------------|
|             | Strata | Year | Strata   | Year |           |             |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1AC | 2011 | 122.94    | Acacia zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1AC | 2023 | 4.81      | Acacia zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1AC | 2025 | 57.99     | Acacia zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1AC | 2026 | 8.99      | Acacia zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1AC | 2028 | 8.20      | Acacia zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1AC | 2029 | 26.69     | Acacia zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1AC | 2030 | 21.47     | Acacia zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1AC | 2031 | 20.83     | Acacia zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1AC | 2017 | 6.38      | Acacia zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1AC | 2018 | 34.86     | Acacia zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1AC | 2019 | 7.97      | Acacia zone |
| P1L0D0      | P1L0D1 | 2023 | P1L0D1AC | 2025 | 37.28     | Acacia zone |
| P1L0D0      | P1L0D1 | 2023 | P1L0D1AC | 2026 | 8.54      | Acacia zone |
| P1L0D0      | P1L0D1 | 2025 | P1L0D1AC | 2026 | 5.98      | Acacia zone |
| P1L0D0      | P1L0D1 | 2029 | P1L0D1AC | 2031 | 39.06     | Acacia zone |
| P1L0D0      | P1L0D1 | 2013 | P1L0D1AC | 2026 | 4.57      | Acacia zone |
| P1L0D0      | P1L0D1 | 2013 | P1L0D1AC | 2031 | 14.47     | Acacia zone |
| P1L0D0      | P1L0D1 | 2013 | P1L0D1AC | 2032 | 4.31      | Acacia zone |
| P1L0D0      | P1L0D1 | 2013 | P1L0D1AC | 2016 | 24.51     | Acacia zone |
| P1L0D0      | P1L0D1 | 2013 | P1L0D1AC | 2017 | 0.42      | Acacia zone |
| P1L0D1      | P1L0D1 | 2011 | P1L0D1AC | 2032 | 0.11      | Acacia zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1AC | 2011 | 1,566.40  | Acacia zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1AC | 2020 | 947.69    | Acacia zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1AC | 2021 | 298.20    | Acacia zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1AC | 2022 | 745.90    | Acacia zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1AC | 2023 | 1,103.90  | Acacia zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1AC | 2024 | 1,014.19  | Acacia zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1AC | 2025 | 608.18    | Acacia zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1AC | 2026 | 1,311.44  | Acacia zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1AC | 2027 | 1,636.34  | Acacia zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1AC | 2028 | 2,211.90  | Acacia zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1AC | 2029 | 1,708.80  | Acacia zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1AC | 2012 | 1,640.12  | Acacia zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1AC | 2030 | 1,958.26  | Acacia zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1AC | 2031 | 832.57    | Acacia zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1AC | 2013 | 1,646.38  | Acacia zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1AC | 2014 | 1,635.56  | Acacia zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1AC | 2015 | 1,498.39  | Acacia zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1AC | 2016 | 1,155.94  | Acacia zone |

| From Strata | To     |      | To       |      | Area (ha) | Remarks     |
|-------------|--------|------|----------|------|-----------|-------------|
|             | Strata | Year | Strata   | Year |           |             |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1AC | 2017 | 578.93    | Acacia zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1AC | 2018 | 1,543.15  | Acacia zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1AC | 2019 | 488.22    | Acacia zone |
| P1L1D0      | P1L1D1 | 2021 | P1L0D1AC | 2021 | 351.19    | Acacia zone |
| P1L1D0      | P1L1D1 | 2021 | P1L0D1AC | 2022 | 1,955.17  | Acacia zone |
| P1L1D0      | P1L1D1 | 2021 | P1L0D1AC | 2023 | 1,217.96  | Acacia zone |
| P1L1D0      | P1L1D1 | 2021 | P1L0D1AC | 2024 | 1,268.83  | Acacia zone |
| P1L1D0      | P1L1D1 | 2023 | P1L0D1AC | 2023 | 680.57    | Acacia zone |
| P1L1D0      | P1L1D1 | 2023 | P1L0D1AC | 2024 | 899.77    | Acacia zone |
| P1L1D0      | P1L1D1 | 2023 | P1L0D1AC | 2025 | 920.90    | Acacia zone |
| P1L1D0      | P1L1D1 | 2023 | P1L0D1AC | 2026 | 426.81    | Acacia zone |
| P1L1D0      | P1L1D1 | 2023 | P1L0D1AC | 2029 | 0.11      | Acacia zone |
| P1L1D0      | P1L1D1 | 2025 | P1L0D1AC | 2025 | 1,406.59  | Acacia zone |
| P1L1D0      | P1L1D1 | 2025 | P1L0D1AC | 2026 | 1,828.17  | Acacia zone |
| P1L1D0      | P1L1D1 | 2025 | P1L0D1AC | 2027 | 1,242.80  | Acacia zone |
| P1L1D0      | P1L1D1 | 2025 | P1L0D1AC | 2028 | 993.97    | Acacia zone |
| P1L1D0      | P1L1D1 | 2025 | P1L0D1AC | 2029 | 124.01    | Acacia zone |
| P1L1D0      | P1L1D1 | 2025 | P1L0D1AC | 2030 | 153.76    | Acacia zone |
| P1L1D0      | P1L1D1 | 2027 | P1L0D1AC | 2027 | 503.26    | Acacia zone |
| P1L1D0      | P1L1D1 | 2027 | P1L0D1AC | 2028 | 536.80    | Acacia zone |
| P1L1D0      | P1L1D1 | 2027 | P1L0D1AC | 2029 | 474.04    | Acacia zone |
| P1L1D0      | P1L1D1 | 2027 | P1L0D1AC | 2030 | 119.72    | Acacia zone |
| P1L1D0      | P1L1D1 | 2029 | P1L0D1AC | 2029 | 1,558.59  | Acacia zone |
| P1L1D0      | P1L1D1 | 2029 | P1L0D1AC | 2030 | 2,551.98  | Acacia zone |
| P1L1D0      | P1L1D1 | 2029 | P1L0D1AC | 2031 | 1,381.15  | Acacia zone |
| P1L1D0      | P1L1D1 | 2029 | P1L0D1AC | 2032 | 1,469.43  | Acacia zone |
| P1L1D0      | P1L1D1 | 2013 | P1L0D1AC | 2020 | 1,991.04  | Acacia zone |
| P1L1D0      | P1L1D1 | 2013 | P1L0D1AC | 2021 | 3,102.16  | Acacia zone |
| P1L1D0      | P1L1D1 | 2013 | P1L0D1AC | 2022 | 1,385.10  | Acacia zone |
| P1L1D0      | P1L1D1 | 2013 | P1L0D1AC | 2023 | 2,385.16  | Acacia zone |
| P1L1D0      | P1L1D1 | 2013 | P1L0D1AC | 2024 | 1,908.39  | Acacia zone |
| P1L1D0      | P1L1D1 | 2013 | P1L0D1AC | 2025 | 1,737.80  | Acacia zone |
| P1L1D0      | P1L1D1 | 2013 | P1L0D1AC | 2026 | 1,368.41  | Acacia zone |
| P1L1D0      | P1L1D1 | 2013 | P1L0D1AC | 2027 | 1,774.45  | Acacia zone |
| P1L1D0      | P1L1D1 | 2013 | P1L0D1AC | 2028 | 1,347.12  | Acacia zone |
| P1L1D0      | P1L1D1 | 2013 | P1L0D1AC | 2029 | 1,285.51  | Acacia zone |
| P1L1D0      | P1L1D1 | 2013 | P1L0D1AC | 2030 | 290.44    | Acacia zone |
| P1L1D0      | P1L1D1 | 2013 | P1L0D1AC | 2031 | 1,170.52  | Acacia zone |
| P1L1D0      | P1L1D1 | 2013 | P1L0D1AC | 2032 | 2,324.70  | Acacia zone |
| P1L1D0      | P1L1D1 | 2013 | P1L0D1AC | 2013 | 3,562.39  | Acacia zone |
| P1L1D0      | P1L1D1 | 2013 | P1L0D1AC | 2014 | 3,535.33  | Acacia zone |
| P1L1D0      | P1L1D1 | 2013 | P1L0D1AC | 2015 | 3,298.92  | Acacia zone |
| P1L1D0      | P1L1D1 | 2013 | P1L0D1AC | 2016 | 3,392.92  | Acacia zone |
| P1L1D0      | P1L1D1 | 2013 | P1L0D1AC | 2017 | 1,914.90  | Acacia zone |

| From Strata | To     |      | To       |      | Area (ha) | Remarks              |
|-------------|--------|------|----------|------|-----------|----------------------|
|             | Strata | Year | Strata   | Year |           |                      |
| P1L1D0      | P1L1D1 | 2013 | P1L0D1AC | 2018 | 2,019.63  | Acacia zone          |
| P1L1D0      | P1L1D1 | 2013 | P1L0D1AC | 2019 | 1,307.35  | Acacia zone          |
| P1L1D0      | P1L1D1 | 2015 | P1L0D1AC | 2015 | 156.23    | Acacia zone          |
| P1L1D0      | P1L1D1 | 2015 | P1L0D1AC | 2016 | 490.23    | Acacia zone          |
| P1L1D0      | P1L1D1 | 2015 | P1L0D1AC | 2017 | 973.57    | Acacia zone          |
| P1L1D0      | P1L1D1 | 2015 | P1L0D1AC | 2018 | 105.01    | Acacia zone          |
| P1L1D0      | P1L1D1 | 2015 | P1L0D1AC | 2019 | 379.14    | Acacia zone          |
| P1L1D0      | P1L1D1 | 2017 | P1L0D1AC | 2020 | 1,125.33  | Acacia zone          |
| P1L1D0      | P1L1D1 | 2017 | P1L0D1AC | 2021 | 31.73     | Acacia zone          |
| P1L1D0      | P1L1D1 | 2017 | P1L0D1AC | 2022 | 138.65    | Acacia zone          |
| P1L1D0      | P1L1D1 | 2017 | P1L0D1AC | 2017 | 1,523.63  | Acacia zone          |
| P1L1D0      | P1L1D1 | 2017 | P1L0D1AC | 2018 | 1,554.72  | Acacia zone          |
| P1L1D0      | P1L1D1 | 2017 | P1L0D1AC | 2019 | 2,160.18  | Acacia zone          |
| P1L1D0      | P1L1D1 | 2019 | P1L0D1AC | 2020 | 747.42    | Acacia zone          |
| P1L1D0      | P1L1D1 | 2019 | P1L0D1AC | 2021 | 1,351.50  | Acacia zone          |
| P1L1D0      | P1L1D1 | 2019 | P1L0D1AC | 2022 | 903.25    | Acacia zone          |
| P1L1D0      | P1L1D1 | 2019 | P1L0D1AC | 2019 | 844.17    | Acacia zone          |
| P1L1D1      | P1L1D1 | 2011 | P1L0D1AC | 2032 | 13.26     | Acacia zone          |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1CA | 2011 | 48.09     | Community Crops zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1CA | 2020 | 3.22      | Community Crops zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1CA | 2021 | 31.42     | Community Crops zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1CA | 2022 | 74.44     | Community Crops zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1CA | 2023 | 119.68    | Community Crops zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1CA | 2024 | 163.20    | Community Crops zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1CA | 2025 | 154.51    | Community Crops zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1CA | 2026 | 43.03     | Community Crops zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1CA | 2027 | 50.07     | Community Crops zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1CA | 2028 | 22.79     | Community Crops zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1CA | 2029 | 76.89     | Community Crops zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1CA | 2012 | 93.84     | Community Crops zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1CA | 2030 | 22.31     | Community Crops zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1CA | 2013 | 6.79      | Community Crops zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1CA | 2014 | 89.96     | Community Crops zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1CA | 2015 | 74.86     | Community Crops zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1CA | 2016 | 66.07     | Community Crops zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1CA | 2018 | 68.86     | Community Crops zone |
| P1L0D0      | P1L0D1 | 2011 | P1L0D1CA | 2019 | 17.68     | Community Crops zone |
| P1L0D0      | P1L0D1 | 2029 | P1L0D1CA | 2030 | 9.68      | Community Crops zone |
| P1L0D0      | P1L0D1 | 2029 | P1L0D1CA | 2032 | 0.01      | Community Crops zone |
| P1L0D0      | P1L0D1 | 2013 | P1L0D1CA | 2020 | 41.87     | Community Crops zone |
| P1L0D0      | P1L0D1 | 2013 | P1L0D1CA | 2021 | 14.13     | Community Crops zone |
| P1L0D0      | P1L0D1 | 2013 | P1L0D1CA | 2025 | 26.23     | Community Crops zone |
| P1L0D0      | P1L0D1 | 2013 | P1L0D1CA | 2026 | 5.69      | Community Crops zone |
| P1L0D0      | P1L0D1 | 2013 | P1L0D1CA | 2027 | 53.56     | Community Crops zone |

| From Strata | To     |      | To       |      | Area (ha) | Remarks              |
|-------------|--------|------|----------|------|-----------|----------------------|
|             | Strata | Year | Strata   | Year |           |                      |
| P1L0D0      | P1L0D1 | 2013 | P1L0D1CA | 2028 | 49.49     | Community Crops zone |
| P1L0D0      | P1L0D1 | 2013 | P1L0D1CA | 2029 | 162.77    | Community Crops zone |
| P1L0D0      | P1L0D1 | 2013 | P1L0D1CA | 2030 | 119.06    | Community Crops zone |
| P1L0D0      | P1L0D1 | 2013 | P1L0D1CA | 2031 | 52.02     | Community Crops zone |
| P1L0D0      | P1L0D1 | 2013 | P1L0D1CA | 2032 | 21.88     | Community Crops zone |
| P1L0D0      | P1L0D1 | 2013 | P1L0D1CA | 2013 | 118.81    | Community Crops zone |
| P1L0D0      | P1L0D1 | 2013 | P1L0D1CA | 2014 | 113.35    | Community Crops zone |
| P1L0D0      | P1L0D1 | 2013 | P1L0D1CA | 2015 | 0.16      | Community Crops zone |
| P1L0D0      | P1L0D1 | 2013 | P1L0D1CA | 2016 | 172.47    | Community Crops zone |
| P1L0D0      | P1L0D1 | 2013 | P1L0D1CA | 2017 | 211.78    | Community Crops zone |
| P1L0D0      | P1L0D1 | 2013 | P1L0D1CA | 2019 | 103.25    | Community Crops zone |
| P1L0D0      | P1L0D1 | 2015 | P1L0D1CA | 2018 | 1.57      | Community Crops zone |
| P1L0D0      | P1L0D1 | 2017 | P1L0D1CA | 2017 | 7.53      | Community Crops zone |
| P1L0D0      | P1L0D1 | 2017 | P1L0D1CA | 2018 | 0.00      | Community Crops zone |
| P1L0D1      | P1L0D1 | 2011 | P1L0D1CA | 2021 | 130.68    | Community Crops zone |
| P1L0D1      | P1L0D1 | 2011 | P1L0D1CA | 2022 | 102.23    | Community Crops zone |
| P1L0D1      | P1L0D1 | 2011 | P1L0D1CA | 2023 | 140.87    | Community Crops zone |
| P1L0D1      | P1L0D1 | 2011 | P1L0D1CA | 2024 | 130.04    | Community Crops zone |
| P1L0D1      | P1L0D1 | 2011 | P1L0D1CA | 2025 | 143.96    | Community Crops zone |
| P1L0D1      | P1L0D1 | 2011 | P1L0D1CA | 2026 | 82.13     | Community Crops zone |
| P1L0D1      | P1L0D1 | 2011 | P1L0D1CA | 2027 | 93.54     | Community Crops zone |
| P1L0D1      | P1L0D1 | 2011 | P1L0D1CA | 2028 | 137.57    | Community Crops zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1CA | 2011 | 124.65    | Community Crops zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1CA | 2020 | 173.57    | Community Crops zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1CA | 2021 | 193.13    | Community Crops zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1CA | 2022 | 131.90    | Community Crops zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1CA | 2023 | 55.47     | Community Crops zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1CA | 2024 | 15.40     | Community Crops zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1CA | 2025 | 18.50     | Community Crops zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1CA | 2026 | 103.00    | Community Crops zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1CA | 2027 | 90.02     | Community Crops zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1CA | 2028 | 120.31    | Community Crops zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1CA | 2029 | 82.73     | Community Crops zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1CA | 2012 | 109.93    | Community Crops zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1CA | 2030 | 115.90    | Community Crops zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1CA | 2013 | 173.97    | Community Crops zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1CA | 2014 | 92.17     | Community Crops zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1CA | 2015 | 103.96    | Community Crops zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1CA | 2016 | 104.20    | Community Crops zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1CA | 2017 | 174.45    | Community Crops zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1CA | 2018 | 110.07    | Community Crops zone |
| P1L1D0      | P1L1D1 | 2011 | P1L0D1CA | 2019 | 176.18    | Community Crops zone |
| P1L1D0      | P1L1D1 | 2021 | P1L0D1CA | 2021 | 0.05      | Community Crops zone |
| P1L1D0      | P1L1D1 | 2021 | P1L0D1CA | 2022 | 1.00      | Community Crops zone |

| From Strata | To       |      | To       |      | Area (ha) | Remarks                  |
|-------------|----------|------|----------|------|-----------|--------------------------|
|             | Strata   | Year | Strata   | Year |           |                          |
| P1L1D0      | P1L1D1   | 2021 | P1L0D1CA | 2023 | 1.00      | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2021 | P1L0D1CA | 2024 | 0.23      | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2029 | P1L0D1CA | 2030 | 0.21      | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2029 | P1L0D1CA | 2032 | 0.17      | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1CA | 2020 | 281.33    | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1CA | 2021 | 222.77    | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1CA | 2022 | 254.32    | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1CA | 2023 | 234.77    | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1CA | 2024 | 258.98    | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1CA | 2025 | 158.03    | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1CA | 2026 | 143.26    | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1CA | 2027 | 236.09    | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1CA | 2028 | 171.23    | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1CA | 2029 | 156.21    | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1CA | 2030 | 152.00    | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1CA | 2031 | 160.64    | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1CA | 2032 | 167.79    | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1CA | 2013 | 327.39    | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1CA | 2014 | 282.10    | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1CA | 2015 | 226.67    | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1CA | 2016 | 321.38    | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1CA | 2017 | 193.27    | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1CA | 2018 | 392.43    | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1CA | 2019 | 242.40    | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2015 | P1L0D1CA | 2016 | 1.49      | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2015 | P1L0D1CA | 2017 | 0.25      | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2015 | P1L0D1CA | 2018 | 4.51      | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2017 | P1L0D1CA | 2020 | 123.37    | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2017 | P1L0D1CA | 2024 | 0.93      | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2017 | P1L0D1CA | 2017 | 9.17      | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2017 | P1L0D1CA | 2018 | 89.13     | Community Crops zone     |
| P1L1D0      | P1L1D1   | 2017 | P1L0D1CA | 2019 | 138.10    | Community Crops zone     |
| P1L1D1      | P1L1D1   | 2011 | P1L0D1CA | 2021 | 10.10     | Community Crops zone     |
| P1L1D1      | P1L1D1   | 2011 | P1L0D1CA | 2022 | 59.27     | Community Crops zone     |
| P1L1D1      | P1L1D1   | 2011 | P1L0D1CA | 2023 | 45.72     | Community Crops zone     |
| P1L1D1      | P1L1D1   | 2011 | P1L0D1CA | 2024 | 55.59     | Community Crops zone     |
| P1L1D1      | P1L1D1   | 2011 | P1L0D1CA | 2025 | 64.16     | Community Crops zone     |
| P1L1D1      | P1L1D1   | 2011 | P1L0D1CA | 2026 | 79.28     | Community Crops zone     |
| P1L1D1      | P1L1D1   | 2011 | P1L0D1CA | 2027 | 17.85     | Community Crops zone     |
| P1L1D0      | P1L1D0CF | 2011 | N/A      | N/A  | 13,424.70 | Conservation Forest zone |
| P1L0D0      | P1L0D1IS | 2011 | N/A      | N/A  | 34.62     | equal to P1L0D1          |
| P1L0D0      | P1L0D1IS | 2025 | N/A      | N/A  | 0.16      | equal to P1L0D1          |
| P1L0D0      | P1L0D1IS | 2029 | N/A      | N/A  | 5.72      | equal to P1L0D1          |

| From Strata | To       |      | To       |      | Area (ha) | Remarks                 |
|-------------|----------|------|----------|------|-----------|-------------------------|
|             | Strata   | Year | Strata   | Year |           |                         |
| P1L0D0      | P1L0D1IS | 2013 | N/A      | N/A  | 14.11     | equal to P1L0D1         |
| P1L1D0      | P1L1D0IS | 2011 | N/A      | N/A  | 1,993.90  | equal to P1L1D0CF       |
| P1L1D0      | P1L1D1CF | 2011 | N/A      | N/A  | 15.55     | equal to P1L1D1IS       |
| P1L1D0      | P1L1D1CF | 2013 | N/A      | N/A  | 10.48     | equal to P1L1D1IS       |
| P1L0D0      | P1L0D1   | 2011 | P1L0D1IF | 2011 | 18.98     | Ground Fascility zone   |
| P1L0D0      | P1L0D1   | 2011 | P1L0D1IF | 2027 | 2.68      | Ground Fascility zone   |
| P1L0D0      | P1L0D1   | 2013 | P1L0D1IF | 2017 | 0.25      | Ground Fascility zone   |
| P1L1D0      | P1L1D1   | 2011 | P1L0D1IF | 2011 | 25.20     | Ground Fascility zone   |
| P1L1D0      | P1L1D1   | 2011 | P1L0D1IF | 2023 | 9.80      | Ground Fascility zone   |
| P1L1D0      | P1L1D1   | 2011 | P1L0D1IF | 2025 | 9.72      | Ground Fascility zone   |
| P1L1D0      | P1L1D1   | 2011 | P1L0D1IF | 2027 | 18.15     | Ground Fascility zone   |
| P1L1D0      | P1L1D1   | 2011 | P1L0D1IF | 2015 | 30.05     | Ground Fascility zone   |
| P1L1D0      | P1L1D1   | 2011 | P1L0D1IF | 2019 | 20.51     | Ground Fascility zone   |
| P1L1D0      | P1L1D1   | 2027 | P1L0D1IF | 2027 | 7.90      | Ground Fascility zone   |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1IF | 2021 | 3.77      | Ground Fascility zone   |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1IF | 2025 | 21.63     | Ground Fascility zone   |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1IF | 2029 | 17.14     | Ground Fascility zone   |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1IF | 2013 | 93.03     | Ground Fascility zone   |
| P1L1D0      | P1L1D1   | 2013 | P1L0D1IF | 2017 | 11.64     | Ground Fascility zone   |
| P1L0D0      | P1L0D0IS | 2011 | N/A      | N/A  | 13.88     | Indigenous Species zone |
| P1L1D0      | P1L1D1IS | 2011 | N/A      | N/A  | 8,363.18  | Indigenous Species zone |
| P1L1D0      | P1L1D1IS | 2021 | N/A      | N/A  | 25.61     | Indigenous Species zone |
| P1L1D0      | P1L1D1IS | 2025 | N/A      | N/A  | 52.44     | Indigenous Species zone |
| P1L1D0      | P1L1D1IS | 2027 | N/A      | N/A  | 8.46      | Indigenous Species zone |
| P1L1D0      | P1L1D1IS | 2029 | N/A      | N/A  | 0.16      | Indigenous Species zone |
| P1L1D0      | P1L1D1IS | 2013 | N/A      | N/A  | 5,658.75  | Indigenous Species zone |
| P1L1D0      | P1L1D1IS | 2015 | N/A      | N/A  | 48.50     | Indigenous Species zone |
| P1L1D0      | P1L1D1IS | 2017 | N/A      | N/A  | 66.17     | Indigenous Species zone |
| P1L0D0      | Canal    | 2011 | N/A      | N/A  | 57.60     | Water Body zone         |
| P1L0D0      | Canal    | 2023 | N/A      | N/A  | 1.34      | Water Body zone         |
| P1L0D0      | Canal    | 2025 | N/A      | N/A  | 0.13      | Water Body zone         |
| P1L0D0      | Canal    | 2029 | N/A      | N/A  | 1.53      | Water Body zone         |
| P1L0D0      | Canal    | 2013 | N/A      | N/A  | 47.20     | Water Body zone         |
| P1L0D0      | Canal    | 2015 | N/A      | N/A  | 0.09      | Water Body zone         |
| P1L0D0      | Canal    | 2017 | N/A      | N/A  | 0.02      | Water Body zone         |
| P1L0D1      | Canal    | 2011 | N/A      | N/A  | 32.42     | Water Body zone         |
| P1L1D0      | Canal    | 2011 | N/A      | N/A  | 838.26    | Water Body zone         |
| P1L1D0      | Canal    | 2021 | N/A      | N/A  | 131.15    | Water Body zone         |
| P1L1D0      | Canal    | 2023 | N/A      | N/A  | 75.76     | Water Body zone         |
| P1L1D0      | Canal    | 2025 | N/A      | N/A  | 146.13    | Water Body zone         |
| P1L1D0      | Canal    | 2027 | N/A      | N/A  | 43.87     | Water Body zone         |
| P1L1D0      | Canal    | 2029 | N/A      | N/A  | 175.79    | Water Body zone         |

| From Strata | To     |      | To     |      | Area (ha) | Remarks                     |
|-------------|--------|------|--------|------|-----------|-----------------------------|
|             | Strata | Year | Strata | Year |           |                             |
| P1L1D0      | Canal  | 2013 | N/A    | N/A  | 1,225.65  | Water Body zone             |
| P1L1D0      | Canal  | 2015 | N/A    | N/A  | 55.29     | Water Body zone             |
| P1L1D0      | Canal  | 2017 | N/A    | N/A  | 179.75    | Water Body zone             |
| P1L1D0      | Canal  | 2019 | N/A    | N/A  | 96.39     | Water Body zone             |
| P1L1D1      | Canal  | 2011 | N/A    | N/A  | 9.20      | Water Body zone             |
| River       | River  | N/A  | N/A    | N/A  | 208.94    | Water Body zone, No Changes |
| NP          | NP     | N/A  | N/A    | N/A  | 3,161.84  | Non Peatland, No Changes    |

Note: N/A = Not available, indicates no changes in the corresponding sequence  
 Strata with the same symbol in a consecutive change indicates no changes

## APPENDIX 5. BASELINE STRATIFICATION BASED ON EMISSION CHARACTERISTICS

### 1. For ARR activities

| Activity | LC pre (LC0) | LC post (LC1)          | Area (ha) | Planting/harvesting year | Description |
|----------|--------------|------------------------|-----------|--------------------------|-------------|
| Planting | Non forest   | Rubber tree plantation | -         | 2010                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 44        | 2011                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 49        | 2012                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 156       | 2013                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 140       | 2014                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 43        | 2015                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 271       | 2016                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 215       | 2017                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 67        | 2018                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 243       | 2019                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 45        | 2020                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 190       | 2021                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 308       | 2022                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 424       | 2023                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 349       | 2024                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 315       | 2025                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 113       | 2026                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 300       | 2027                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 241       | 2028                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 239       | 2029                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 143       | 2030                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 107       | 2031                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 227       | 2032                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 44        | 2036                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 49        | 2037                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 156       | 2038                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 140       | 2039                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 43        | 2040                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 271       | 2041                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 215       | 2042                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 67        | 2043                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 243       | 2044                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 45        | 2045                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 190       | 2046                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 308       | 2047                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 424       | 2048                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 349       | 2049                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 315       | 2050                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 113       | 2051                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 300       | 2052                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 241       | 2053                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 239       | 2054                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 143       | 2055                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 107       | 2056                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 227       | 2057                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 44        | 2061                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 49        | 2062                     | GHG removal |
| Planting | Non forest   | Rubber tree plantation | 156       | 2063                     | GHG removal |

| Activity   | LC pre (LC0)           | LC post (LC1)          | Area (ha) | Planting/harvesting year | Description  |
|------------|------------------------|------------------------|-----------|--------------------------|--------------|
| Planting   | Non forest             | Rubber tree plantation | 140       | 2064                     | GHG removal  |
| Planting   | Non forest             | Rubber tree plantation | 43        | 2065                     | GHG removal  |
| Planting   | Non forest             | Rubber tree plantation | 271       | 2066                     | GHG removal  |
| Planting   | Non forest             | Rubber tree plantation | 215       | 2067                     | GHG removal  |
| Planting   | Non forest             | Rubber tree plantation | 67        | 2068                     | GHG removal  |
| Planting   | Non forest             | Rubber tree plantation | 243       | 2069                     | GHG removal  |
| Harvesting | Rubber tree plantation | Non forest             | 44        | 2036                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 49        | 2037                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 156       | 2038                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 140       | 2039                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 43        | 2040                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 271       | 2041                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 215       | 2042                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 67        | 2043                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 243       | 2044                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 45        | 2045                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 190       | 2046                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 308       | 2047                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 424       | 2048                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 349       | 2049                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 315       | 2050                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 113       | 2051                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 300       | 2052                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 241       | 2053                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 239       | 2054                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 143       | 2055                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 107       | 2056                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 227       | 2057                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 44        | 2061                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 49        | 2062                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 156       | 2063                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 140       | 2064                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest             | 43        | 2065                     | GHG emission |

| Activity   | LC pre (LC0)           | LC post (LC1) | Area (ha) | Planting/harvesting year | Description  |
|------------|------------------------|---------------|-----------|--------------------------|--------------|
| Harvesting | Rubber tree plantation | Non forest    | 271       | 2066                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest    | 215       | 2067                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest    | 67        | 2068                     | GHG emission |
| Harvesting | Rubber tree plantation | Non forest    | 243       | 2069                     | GHG emission |

## 2. Appendix. Baseline stratification based on emission characteristic for REDD

| LC pre def (LC0) | LC post def (LC1)      | Area (ha) | Year of deforestation | Description            |
|------------------|------------------------|-----------|-----------------------|------------------------|
| Forest           | Acacia plantation      | -         | 2010                  | Acacia plantation area |
| Forest           | Acacia plantation      | 1,589     | 2011                  | Acacia plantation area |
| Forest           | Acacia plantation      | 1,640     | 2012                  | Acacia plantation area |
| Forest           | Acacia plantation      | 5,225     | 2013                  | Acacia plantation area |
| Forest           | Acacia plantation      | 5,203     | 2014                  | Acacia plantation area |
| Forest           | Acacia plantation      | 5,194     | 2015                  | Acacia plantation area |
| Forest           | Acacia plantation      | 5,196     | 2016                  | Acacia plantation area |
| Forest           | Acacia plantation      | 5,248     | 2017                  | Acacia plantation area |
| Forest           | Acacia plantation      | 5,257     | 2018                  | Acacia plantation area |
| Forest           | Acacia plantation      | 5,187     | 2019                  | Acacia plantation area |
| Forest           | Acacia plantation      | 5,231     | 2020                  | Acacia plantation area |
| Forest           | Acacia plantation      | 5,164     | 2021                  | Acacia plantation area |
| Forest           | Acacia plantation      | 5,141     | 2022                  | Acacia plantation area |
| Forest           | Acacia plantation      | 5,392     | 2023                  | Acacia plantation area |
| Forest           | Acacia plantation      | 5,184     | 2024                  | Acacia plantation area |
| Forest           | Acacia plantation      | 4,966     | 2025                  | Acacia plantation area |
| Forest           | Acacia plantation      | 4,954     | 2026                  | Acacia plantation area |
| Forest           | Acacia plantation      | 5,157     | 2027                  | Acacia plantation area |
| Forest           | Acacia plantation      | 5,098     | 2028                  | Acacia plantation area |
| Forest           | Acacia plantation      | 5,169     | 2029                  | Acacia plantation area |
| Forest           | Acacia plantation      | 5,074     | 2030                  | Acacia plantation area |
| Forest           | Acacia plantation      | 3,286     | 2031                  | Acacia plantation area |
| Forest           | Acacia plantation      | 3,809     | 2032                  | Acacia plantation area |
| Forest           | Non-Forest             | 423       | 2011                  | Infrastructure         |
| Forest           | Non-Forest             | 780       | 2013                  | Infrastructure         |
| Forest           | Non-Forest             | 189       | 2015                  | Infrastructure         |
| Forest           | Non-Forest             | 365       | 2017                  | Infrastructure         |
| Forest           | Non-Forest             | 189       | 2019                  | Infrastructure         |
| Forest           | Non-Forest             | 336       | 2021                  | Infrastructure         |
| Forest           | Non-Forest             | 161       | 2023                  | Infrastructure         |
| Forest           | Non-Forest             | 359       | 2025                  | Infrastructure         |
| Forest           | Non-Forest             | 182       | 2027                  | Infrastructure         |
| Forest           | Non-Forest             | 361       | 2029                  | Infrastructure         |
| Forest           | Rubber tree plantation | 133       | 2011                  | Community crops        |
| Forest           | Rubber tree plantation | 155       | 2012                  | Community crops        |
| Forest           | Rubber tree plantation | 523       | 2013                  | Community crops        |
| Forest           | Rubber tree plantation | 502       | 2014                  | Community crops        |

| LC pre def (LC0) | LC post def (LC1)      | Area (ha) | Year of deforestation | Description     |
|------------------|------------------------|-----------|-----------------------|-----------------|
| Forest           | Rubber tree plantation | 579       | 2015                  | Community crops |
| Forest           | Rubber tree plantation | 398       | 2016                  | Community crops |
| Forest           | Rubber tree plantation | 463       | 2017                  | Community crops |
| Forest           | Rubber tree plantation | 600       | 2018                  | Community crops |
| Forest           | Rubber tree plantation | 435       | 2019                  | Community crops |
| Forest           | Rubber tree plantation | 588       | 2020                  | Community crops |
| Forest           | Rubber tree plantation | 431       | 2021                  | Community crops |
| Forest           | Rubber tree plantation | 316       | 2022                  | Community crops |
| Forest           | Rubber tree plantation | 174       | 2023                  | Community crops |
| Forest           | Rubber tree plantation | 275       | 2024                  | Community crops |
| Forest           | Rubber tree plantation | 260       | 2025                  | Community crops |
| Forest           | Rubber tree plantation | 461       | 2026                  | Community crops |
| Forest           | Rubber tree plantation | 259       | 2027                  | Community crops |
| Forest           | Rubber tree plantation | 269       | 2028                  | Community crops |
| Forest           | Rubber tree plantation | 307       | 2029                  | Community crops |
| Forest           | Rubber tree plantation | 382       | 2030                  | Community crops |
| Forest           | Rubber tree plantation | 282       | 2031                  | Community crops |
| Forest           | Rubber tree plantation | 191       | 2032                  | Community crops |

## APPENDIX 6. DEFAULT VALUES USED IN QUANTIFICATION OF GHG EMISSIONS

### 1. Default Emission Factors for Quantification of GHG Emissions from Peat Microbial Decomposition and Dissolved Organic Carbon in Baseline (BSL) and Project Scenario (WPS) (ton CO<sub>2</sub>e.ha-1.y-1).

Numbers in bracket signify half with 95% confidence interval.

| Strata   | Description                                            | CO <sub>2</sub> | CH <sub>4</sub> | DOC | Reference                                                                                                                                                                              | Scenario                                                          |
|----------|--------------------------------------------------------|-----------------|-----------------|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|
| P1L1D0   | Peat, Forest, Not Drained                              | 0 (0)           | 0.72 (0.22)     | -   | IPCC Wetlands Supplement 2013, Chapter 3, Tables 3.1 and 3.3 and 3A.3*                                                                                                                 | BSL Initial Stratum and WPS                                       |
| P1L1D1   | Peat, Forest, Drained                                  | 19.43 (5.74)    | 0.14 (0.03)     | -   | IPCC Wetlands Supplement 2013, Chapter 2, Tables 2.1 and 2.3                                                                                                                           | BSL Initial Stratum and WPS                                       |
| P1L0D0   | Peat, Non Forest, not Drained                          | 1.50 (2.39)     | 0.20 (0.12)     | -   | IPCC, Wetlands Supplement 2013, Dariah et al 2013, Hairiah et al 1999; Ishida et al 2001; Lamade & Bouillet 2005; Matthews et al 2000; Melling et al 2005a, 2007a; Watanabe et al 2009 | BSL Initial Stratum and WPS                                       |
| P1L0D1   | Peat, non Forest, Drained                              | 19.43 (5.74)    | 0.14 (0.03)     | -   | IPCC Wetlands Supplement 2013, Chapter 2, Tables 2.1 and 2.3                                                                                                                           | BSL Initial Stratum and WPS                                       |
| P1L0D1AC | Peat, Non Forest, Drained, Acacia                      | 73.33 (5.64)    | 0.08 (0.06)     | -   | IPCC Wetlands Supplement 2013, Chapter 2, Tables 2.1 and 2.3                                                                                                                           | BSL                                                               |
| P1L1D0CF | Peat, Forest, Not Drained, Conservation                | 0 (0)           | 0.72 (0.22)     | -   | IPCC Wetlands Supplement 2013, Chapter 3, Tables 3.1 and 3.3*                                                                                                                          | BSL, unchanged stratum during the project course, equal to P1L1D0 |
| P1L0D1IF | Peat, Non Forest, Drained, Infrastructure              | 19.43 (5.74)    | 0.14 (0.03)     | -   | IPCC Wetlands Supplement 2013, Chapter 2, Tables 2.1 and 2.3                                                                                                                           | BSL                                                               |
| P1L1D1IS | Peat, Forest, Drained, Indigenous Species+River Buffer | 19.43 (5.74)    | 0.14 (0.03)     | -   | IPCC Wetlands Supplement 2013, Chapter 2, Tables 2.1 and 2.3                                                                                                                           | BSL, equal to P1L1D1                                              |

| Strata   | Description                                | CO <sub>2</sub> | CH <sub>4</sub> | DOC        | Reference                                                    | Scenario |
|----------|--------------------------------------------|-----------------|-----------------|------------|--------------------------------------------------------------|----------|
| P1L0D1CA | Peat, Non Forest, Drained, Community Crops | 51.33 (16.02)   | 0.20 (0.12)     | -          | IPCC Wetlands Supplement 2013, Chapter 2, Tables 2.1 and 2.3 | BSL      |
| WB       | Natural                                    | -               | -               | 2.1 (0.27) | IPCC Wetlands Supplement 2013, Chapter 2, Tables 2.2         | WPS      |
| WB       | Drained                                    | -               | -               | 3.0 (1.22) | IPCC Wetlands Supplement 2013, Chapter 2, Tables 2.2         | BSL      |

## 2. Default Burn Scar Depths for Quantification of GHG Emissions from Peat Burning in the Baseline and With-Project Scenarios

| Repeated Burning Order | Average burn scar depth (cm) | Reference                |
|------------------------|------------------------------|--------------------------|
| 1 <sup>st</sup>        | 18                           | Page, et. al., 2014 [28] |
| 2 <sup>nd</sup>        | 11                           | Page, et. al., 2014 [28] |
| 3 <sup>rd</sup> onward | 4                            | Wösten                   |

## 3. IPCC default values for Combustion Factors and Global Warming Potential used in Quantification of GHG Emissions from Peat and Biomass Burning

| Gas             | Global Warming Potential (GWP <sub>g</sub> ) | Combustion Factor (G <sub>g</sub> ) (g.kg <sup>-1</sup> dry mass) | Reference      |
|-----------------|----------------------------------------------|-------------------------------------------------------------------|----------------|
| CH <sub>4</sub> | 28                                           | 6.8                                                               | IPCC Table 2.5 |
| CO <sub>2</sub> | 1                                            | 1,580                                                             | IPCC Table 2.5 |

**APPENDIX 7. THE SIZE AND POPULATION OF THE PROJECT-ZONE VILLAGES [6][7]**

| Sub-district      | NO | Village        | Area (ha) | Population |        |       | No of HH | Dominant Ethnicity    | Dominant Religion | Avg. Monthly Income IDR/HH | Main livelihoods/source of income, and proportion of each                                                                                                      | Highest Education Level            | No of clinic and health care services                                | Electricity (hours/day) |
|-------------------|----|----------------|-----------|------------|--------|-------|----------|-----------------------|-------------------|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------------------------------------------------------|-------------------------|
|                   |    |                |           | Male       | Female | Total |          |                       |                   |                            |                                                                                                                                                                |                                    |                                                                      |                         |
| KATINGAN DISTRICT |    |                |           |            |        |       |          |                       |                   |                            |                                                                                                                                                                |                                    |                                                                      |                         |
| Mendawai          | 1  | Mendawai       | 31,300    | 525        | 485    | 1,010 | 283      | Dayak, Banjar         | Muslim            | 1M                         | Farmer (30%), Fishermen (10%), Logging and timber processing mill (10%), Water taxi (8%), Civil servants (2%), Middlemen and traders (8%), Day labourers (32%) | Vocational high school (30 People) | 1 Community health center, 1 Pre- and postnatal health center        | 100 % (12 hours)        |
|                   | 2  | Kampung Melayu | 8,295     | 455        | 435    | 890   | 232      | Dayak, Banjar, Melayu | Muslim            | 900K-1M                    | Farmer (70%), Fishermen (5%), Loggers and timber processing mill (5%), Water taxi (3%), Other employment (1%), Middlemen and traders (8%), Day labourers (8%)  | High school (23 People)            | 1 Branch community health center, 1 Pre- and postnatal health center | 0%                      |
|                   | 3  | Tewang Kampung | 59,038    | 303        | 284    | 587   | 149      | Dayak, Banjar         | Muslim            | 500-750K                   | Farmer (90%), Middlemen and traders (5%), Day labourers (5%)                                                                                                   | High school (14 People)            | 1 Branch community health center, 1 Pre- and postnatal health center | 0%                      |
|                   | 4  | Parigi         | 29,700    | 282        | 245    | 527   | 137      | Dayak, Banjar         | Muslim            | 500K-1M                    | Farmer (70%), Fishermen (20%), other employment (5%) Day labourers (5%)                                                                                        | Bachelor's degree (19 People)      | 1 Branch community health center, 1 Pre- and postnatal health center | 0%                      |
|                   | 5  | Tumbang Bulan  | 35,300    | 579        | 225    | 800   | 186      | Dayak, Banjar         | Muslim            | 1-1.5M                     | Fishermen (60%), Farmer (30%), Day labourers (10%)                                                                                                             | Bachelor's degree (1 Person)       | 1 Branch community health center, 1 Pre- and                         | 0%                      |

| Sub-district    | NO | Village    | Area (ha) | Population |        |       | No of HH | Dominant Ethnicity | Dominant Religion | Avg. Monthly Income IDR/HH | Main livelihoods/source of income, and proportion of each                               | Highest Education Level      | No of clinic and health care services                                | Electricity (hours/day) |
|-----------------|----|------------|-----------|------------|--------|-------|----------|--------------------|-------------------|----------------------------|-----------------------------------------------------------------------------------------|------------------------------|----------------------------------------------------------------------|-------------------------|
|                 |    |            |           | Male       | Female | Total |          |                    |                   |                            |                                                                                         |                              |                                                                      |                         |
|                 |    |            |           |            |        |       |          |                    |                   |                            |                                                                                         |                              | postnatal health center                                              |                         |
| <b>Kamipang</b> | 6  | Galinggang | 12,100    | 744        | 742    | 1,486 | 412      | Dayak, Banjar      | Muslim            | 1M                         | Fishermen (80%), Day labourers (15%), Middlemen and traders (3%), Other employment (2%) | High school (30 People)      | 1 Branch community health center, 1 Pre- and postnatal health center | 0%                      |
|                 | 7  | Tampelas   | 1,100     | 244        | 262    | 506   | 142      | Dayak, Banjar      | Muslim            | 1M                         | Fishermen (75%), Day labourers (15%), Middlemen and traders (5%), Other employment (5%) | Bachelor's degree (1 Person) | 1 Branch community health center, 1 Pre- and postnatal health center | 0%                      |
|                 | 8  | Telaga     | 34,200    | 723        | 652    | 1,375 | 439      | Dayak              | Muslim            | 1-1.5M                     | Fishermen (70%), Miners (20%), Day labourers (10%)                                      | High school (30 People)      | 1 Branch community health center, 1 Pre- and postnatal health center | 0%                      |
|                 | 9  | Parupuk    | 49,000    | 69         | 67     | 136   | 40       | Dayak, Banjar      | Muslim            | 1M                         | Fishermen (95%), Middlemen and traders (3%), Other employment (2%)                      | Bachelor's degree (4 People) | 1 Branch community health center, 1 Pre- and postnatal health center | 0%                      |

| Sub-district | NO | Village       | Area (ha) | Population |        |       | No of HH | Dominant Ethnicity | Dominant Religion | Avg. Monthly Income IDR/HH | Main livelihoods/source of income, and proportion of each                               | Highest Education Level       | No of clinic and health care services                                     | Electricity (hours/day) |
|--------------|----|---------------|-----------|------------|--------|-------|----------|--------------------|-------------------|----------------------------|-----------------------------------------------------------------------------------------|-------------------------------|---------------------------------------------------------------------------|-------------------------|
|              |    |               |           | Male       | Female | Total |          |                    |                   |                            |                                                                                         |                               |                                                                           |                         |
|              | 10 | Karuing       | 21,600    | 295        | 258    | 553   | 134      | Dayak, Banjar      | Muslim            | 1M                         | Fishermen (90%), Day labourers (10%)                                                    | Bachelor's degree (2 People)  | 1 Branch community health center, 1 Pre- and postnatal health center      | 0%                      |
|              | 11 | Jahanjang     | 19,800    | 328        | 282    | 610   | 183      | Dayak, Banjar      | Muslim            | 1M                         | Fishermen (75%), Day labourers (15%), Middlemen and traders (5%), Other employment (5%) | Bachelor's degree (5 People)  | 1 Branch community health center, 1 Pre- and postnatal health center      | 100 % (12 hours/day)    |
|              | 12 | Tumbang Runen | 11,400    | 193        | 206    | 399   | 107      | Dayak              | Muslim            | 1M                         | Farmer (90%), Day labourers (10%)                                                       | Bachelor's degree (4 People)  | 1 Branch community health center, 1 Pre- and postnatal health center      | 100 % (12 hours/day)    |
|              | 13 | Baun Bango    | 62,500    | 423        | 446    | 869   | 241      | Dayak, Banjar      | Muslim,           | 1M                         | Fishermen (80%), Day labourers (10%), Middlemen and traders (5%), Other employment (5%) | Bachelor's degree (20 People) | 1 Community health center, 1 Pre- and postnatal health center             | 100 % (12 hours/day)    |
|              | 14 | Asem Kumbang  | 22,200    | 702        | 671    | 1,373 | 397      | Dayak              | Muslim            | 1M                         | Fishermen (70%), Day labourers (20%), Traders (5%), Other employment (5%)               | Bachelor's degree (13 People) | 1 Branch community health center, 1 Pre- and postnatal health care center | 100 % (12 hours/day)    |

| Sub-district                | NO | Village                    | Area (ha) | Population |        |       | No of HH | Dominant Ethnicity          | Dominant Religion             | Avg. Monthly Income IDR/HH | Main livelihoods/source of income, and proportion of each                                                                                                     | Highest Education Level    | No of clinic and health care services                                                        | Electricity (hours/day) |
|-----------------------------|----|----------------------------|-----------|------------|--------|-------|----------|-----------------------------|-------------------------------|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------------------------------------------------------------------------|-------------------------|
|                             |    |                            |           | Male       | Female | Total |          |                             |                               |                            |                                                                                                                                                               |                            |                                                                                              |                         |
| KOTAWARINGIN TIMUR DISTRICT |    |                            |           |            |        |       |          |                             |                               |                            |                                                                                                                                                               |                            |                                                                                              |                         |
| Seranau                     | 15 | Ganepo                     | 26,000    | 858        | 765    | 1,623 | 461      | Dayak, Jawa, Madura         | Muslim                        | 400K                       | Farmers (90%), Business owners (5%), Civil servants (2%), Day labourers (2%), Driver (1%)                                                                     | Master's degree (1 Person) | 1 Branch community health center, 1 Pre- and postnatal health center                         | 100%                    |
|                             | 16 | Mentaya Seberang           | 22,309    | 1,664      | 1,522  | 3,186 | 871      | Dayak, Banjar, Maduru, Jawa | Muslim 99.9%. 0.1 % Christian | 1.5M                       | Civil servernts (9%), Company workers (19%), Business owners/middlemen and traders (12%), Farmers (23%), Engineers/specialist (10%), Farm day labourers (24%) | Master's degree (1 Person) | 1 Community health center, 1 Pre- and postnatal health center                                | 100%                    |
|                             | 17 | Seragam Jaya <sup>20</sup> | 1,501     | 397        | 368    | 765   | 184      | Dayak, Banjar, Madura       | Muslim                        | 1.5M                       | Farmers (70%), Business owners/middlemen and traders (30%)                                                                                                    | Bachelor's degree          | 1 Pre- and postnatal health center                                                           | 100%                    |
|                             | 18 | Batuah                     | 9,100     | 973        | 912    | 1885  | 518      | Dayak, Banjar, Maduru       | Muslim                        | 1.5M                       | Farmers (80%), Middlemen and traders (7%), Civil servants (2%), Day labourers (10%)                                                                           | High school (10 People)    | 1 Branch community health center, 1 Pre- and postnatal health center, 1 Village birth center | 100%                    |

<sup>20</sup> Seragam Jaya village was separated from Mentaya Seberang and established in 2015.

| Sub-district | NO | Village         | Area (ha) | Population |        |       | No of HH | Dominant Ethnicity          | Dominant Religion | Avg. Monthly Income IDR/HH | Main livelihoods/source of income, and proportion of each                                     | Highest Education Level       | No of clinic and health care services                                                        | Electricity (hours/day) |
|--------------|----|-----------------|-----------|------------|--------|-------|----------|-----------------------------|-------------------|----------------------------|-----------------------------------------------------------------------------------------------|-------------------------------|----------------------------------------------------------------------------------------------|-------------------------|
|              |    |                 |           | Male       | Female | Total |          |                             |                   |                            |                                                                                               |                               |                                                                                              |                         |
|              | 19 | Terantang Hilir | 9,400     | 1,031      | 836    | 1,867 | 507      | Dayak, Banjar, Madura, Jawa | Muslim            | 1M                         | Farmers: 70%, Middlemen and traders: 10%, Day labourers: 15%, Civil servants: 2%, Loggers: 3% | Bachelor's degree (7 People)  | 1 Branch community health center, 1 Pre- and postnatal health center                         | 100%                    |
|              | 20 | Terantang       | 10,000    | 769        | 741    | 1,510 | 402      | Dayak, Banjar, Madura, Jawa | Muslim            | 1M                         | Farmers: 80%, Middlemen and traders: 10%, Day labourers: 8%, Civil servants: 2%               | Bachelor's degree (10 People) | 1 Branch community health center, 1 Village birth center, 1 Pre- and postnatal health center | 100%                    |
| Pulau Hanaut | 21 | Rawa Sari       | 1,700     | 389        | 345    | 734   | 184      | Jawa, Dayak                 | Muslim            | 1M                         | Farmers: 97%, Civil servants: 3%                                                              | Bachelor's degree (8 People)  | 1 Branch community health center, 1 Pre- and postnatal health center                         | 100%                    |
|              | 22 | Makarti Jaya    | 1,200     | 556        | 628    | 1,184 | 247      | Jawa, Madura, Dayak         | Muslim            | 700K                       | Farmers: 95%, Civil servants: 5%                                                              | High school (100 People)      | 1 Village birth center, 1 Village health center                                              | 100%                    |
|              | 23 | Hanaut          | 6,600     | 990        | 931    | 1,921 | 515      | Madura, Banjar, Jawa, Dayak | Muslim            | 500K                       | Farmers: 98%, Civil servants: 2%                                                              | Bachelor's degree (8 People)  | 1 Branch community health center, 1 Pre- and postnatal health center                         | 100%                    |

| Sub-district | NO | Village                 | Area (ha) | Population |        |       | No of HH | Dominant Ethnicity    | Dominant Religion | Avg. Monthly Income IDR/HH | Main livelihoods/source of income, and proportion of each                  | Highest Education Level       | No of clinic and health care services                                                       | Electricity (hours/day) |
|--------------|----|-------------------------|-----------|------------|--------|-------|----------|-----------------------|-------------------|----------------------------|----------------------------------------------------------------------------|-------------------------------|---------------------------------------------------------------------------------------------|-------------------------|
|              |    |                         |           | Male       | Female | Total |          |                       |                   |                            |                                                                            |                               |                                                                                             |                         |
|              | 24 | Bapinang Hulu           | 4,250     | 655        | 580    | 1,235 | 344      | Dayak, Banjar, Madura | Muslim            | 750K                       | Farmers: 50%, Civil servants: 10%, Day labourers: 30%, Transportation: 10% | Bachelor's degree (27 People) | Community health center, 1 Pre and postnatal health center                                  | 100%                    |
|              | 25 | Bamadu <sup>21</sup>    | 2,712     | 304        | 272    | 576   | 175      | Banjar, Madura        | Muslim            | 900K                       | Farmers: 90%, Day labourers: 10%                                           | N/A                           | No clinic                                                                                   | 100%                    |
|              | 26 | Penyaguan <sup>22</sup> | 2,221     | 338        | 345    | 683   | 245      | Banjar, Madura        | Muslim            | 900K                       | Farmer (90%), Day labourers (10%)                                          | Bachelor's degree (20 People) | 1 Branch community health center                                                            | 100%                    |
|              | 27 | Babaung                 | 4,200     | 1509       | 1291   | 2800  | 703      | Banjar, Madura        | Muslim            | 1.2M                       | Farmers: 70%, Day labourers: 20%, Transportation service providers: 10%    | Bachelor's degree (10 People) | 1 Branch community health center, 1 Village birth center, 1 Pre-and postnatal health center | 100%                    |
|              | 28 | Bapinang Hilir          | 5.183     | 1,098      | 1,224  | 2,322 | 644      | Dayak, Banjar, Madura | Muslim            | 750K                       | Farmers (70%), Day labourers (20%), Transportation service providers (10%) | N/A                           | 1 Branch community health center, 1 Village birth center, 1 Pre-and postnatal health center | 100%                    |

<sup>21</sup> Bamadu village was separated from Bapinang Hulu village and established in 2012.

<sup>22</sup> Penyaguan village was separated from Bapinang Hulu village and established in 2012.

| Sub-district | NO | Village             | Area (ha) | Population |        |       | No of HH | Dominant Ethnicity    | Dominant Religion | Avg. Monthly Income IDR/HH | Main livelihoods/source of income, and proportion of each                  | Highest Education Level       | No of clinic and health care services                                                        | Electricity (hours/day) |
|--------------|----|---------------------|-----------|------------|--------|-------|----------|-----------------------|-------------------|----------------------------|----------------------------------------------------------------------------|-------------------------------|----------------------------------------------------------------------------------------------|-------------------------|
|              |    |                     |           | Male       | Female | Total |          |                       |                   |                            |                                                                            |                               |                                                                                              |                         |
|              | 29 | Babirah             | 8,100     | 893        | 889    | 1,782 | 462      | Dayak, Banjar, Madura | Muslim            | 1.5M                       | Farmers: 90%, Civil servants: 3%, Fishermen: 7%                            | Bachelor's degree (17 People) | 1 Branch community health center, 1 Village birth center, 1 Pre- and postnatal health center | 100%                    |
|              | 30 | Hantipan            | 2,745     | 362        | 344    | 706   | 230      | Dayak, Banjar, Madura | Muslim            | 750K                       | Farmers (70%), Day labourers (20%), Transportation service providers (10%) | N/A                           | 1 Branch community health center, 1 Pre- and postnatal health center                         | 100%                    |
|              | 31 | Bapinang Hilir Laut | 4,200     | 1,332      | 1,334  | 2,666 | 400      | Banjar, Dayak, Madura | Muslim            | 1.5M                       | Farmers: 70%, Fishermen: 23%, Day labourers: 5%, Civil servants: 2%        | Bachelor's degree (10 People) | 1 Branch community health center                                                             | 100%                    |
|              | 32 | Bantian             | 3,950     | 562        | 525    | 1,087 | 307      | Dayak, Banjar, Madura | Muslim            | 1M                         | Farmers: 80%, Fishermen: 10%, Day labourers: 10%                           | High school (25 People)       | No clinic                                                                                    | 100%                    |
|              | 33 | Serambut            | 7,200     | 649        | 598    | 1,238 | 365      | Dayak, Banjar, Madura | Muslim            | 1M                         | Farmers: 80%, Fishermen: 15%, Civil servants: 2%, Day labourers: 3%        | Bachelor's degree (5 People)  | 1 Branch community health center                                                             | 0%                      |
|              | 34 | Satiruk             | 6,655     | 1,047      | 1,106  | 2,153 | 462      | Banjar, Jawa, Madura  | Muslim            | 1.5M                       | Fishermen: 65%, Farmers: 30%, Day labourers: 3%, Civil servants: 2%        | Bachelor's degree (10 People) | 1 Branch community health center, 1 Village birth center                                     | 0%                      |

| Sub-district       | NO | Village | Area (ha) | Population |        |        | No of HH | Dominant Ethnicity | Dominant Religion | Avg. Monthly Income IDR/HH | Main livelihoods/source of income, and proportion of each | Highest Education Level | No of clinic and health care services | Electricity (hours/day) |
|--------------------|----|---------|-----------|------------|--------|--------|----------|--------------------|-------------------|----------------------------|-----------------------------------------------------------|-------------------------|---------------------------------------|-------------------------|
|                    |    |         |           | Male       | Female | Total  |          |                    |                   |                            |                                                           |                         |                                       |                         |
| KATINGAN TOTAL     |    |         | 397,533   | -          | -      | 11,463 | 3,078    |                    |                   |                            |                                                           |                         |                                       |                         |
| KOTAWARINGIN TOTAL |    |         | 134,043   | -          | -      | 32,577 | 8,397    |                    |                   |                            |                                                           |                         |                                       |                         |
| PROJECT ZONE TOTAL |    |         | 531,576   | -          | -      | 44,040 | 11,475   |                    |                   |                            |                                                           |                         |                                       |                         |

## APPENDIX 8. LIST OF STANDARD OPERATION PROCEDURES (SOP)

Some of the SOPs are presented in Annexes, and other complete ones are also available to validators upon request.

| SOP (Standard Operation Procedure)                         |                                                           | Status   |       |         |
|------------------------------------------------------------|-----------------------------------------------------------|----------|-------|---------|
|                                                            |                                                           | Complete | Draft | Planned |
| <b>A. Carbon Stock Measurement and monitoring</b>          |                                                           |          |       |         |
| 1                                                          | Aboveground Biomass Stock Assessment                      | V        |       |         |
| 2                                                          | Belowground Biomass Stock Assessment                      |          |       | V       |
| 3                                                          | Field monitoring of deforestation                         |          |       | V       |
| 4                                                          | Field monitoring of forest degradation                    |          |       | V       |
| <b>B. Peat Survey Measurement, Analysis and Monitoring</b> |                                                           |          |       |         |
| 1                                                          | Peat thickness measurement and sampling                   | V        |       |         |
| 2                                                          | Peat Analysis                                             | V        |       |         |
| 3                                                          | Elevation measurement                                     | V        |       |         |
| 4                                                          | Peat Subsidence Monitoring (Consolidation and Compaction) | V        |       |         |
| <b>C. GHGs Emission Estimation</b>                         |                                                           |          |       |         |
| 1                                                          | GHGs Emission Measurement from peat decomposition         |          | V     |         |
| 2                                                          | GHGs Emission Estimation from Burning/fires               |          |       | V       |
| 3                                                          | GHGs Emission Estimation from Ditches and open water Body |          |       | V       |
| <b>D. Hydrology Survey Measurement and Monitoring</b>      |                                                           |          |       |         |
| 1                                                          | Water table depth monitoring                              | V        |       |         |
| 2                                                          | Canal/ditch survey                                        | V        |       |         |
| 3                                                          | Water Quality (pH, COD, BOD)                              | V        |       |         |
| <b>E. Meteorological Monitoring (weather Station)</b>      |                                                           |          |       |         |
| 1                                                          | Precipitation data collection/monitoring                  | V        |       |         |
| 2                                                          | Soil and Air temperature                                  | V        |       |         |
| 3                                                          | Wind measurement (anemometer)                             | V        |       |         |
| <b>F. Biodiversity Survey and monitoring</b>               |                                                           |          |       |         |
| 1                                                          | Biodiversity Survey/Monitoring                            |          | V     |         |
| 2                                                          | Flora survey                                              |          | V     |         |
| 3                                                          | Fauna survey                                              |          |       | V       |
| <b>G. Community Development</b>                            |                                                           |          |       |         |
| 1                                                          | Community Meeting                                         | V        |       |         |
| 2                                                          | Community Mapping                                         | V        |       |         |
| 3                                                          | Village Planning and Monitoring (CD)                      | V        |       |         |
| 4                                                          | Livelihood Assessment                                     | V        |       |         |
| 5                                                          | Social baseline Survey                                    | V        |       |         |
| 6                                                          | Complaint and grievance response mechanism                | V        |       |         |
| <b>H. Fire Prevention and Control</b>                      |                                                           |          |       |         |
| 1                                                          | Fire Prevention SOP and Manuals                           | V        |       |         |
| 2                                                          | Fire suppression SOP and Manuals                          | V        |       |         |
| 3                                                          | Post Fire SOP and Manuals                                 | V        |       |         |
| <b>I. Restoration and Rehabilitation-RE</b>                |                                                           |          |       |         |
| 1                                                          | Hydrology Restoration                                     |          |       | V       |
| 2                                                          | Forest Restoration                                        | V        |       |         |
| <b>J. Administration</b>                                   |                                                           |          |       |         |
| 1                                                          | Licensing ( <i>Dolapkeu</i> )                             |          | V     |         |
| 2                                                          | Payroll                                                   | V        |       |         |
| 3                                                          | Employment                                                | V        |       |         |
| 4                                                          | Recruitment                                               | V        |       |         |

| SOP (Standard Operation Procedure) |                                      | Status   |       |         |
|------------------------------------|--------------------------------------|----------|-------|---------|
|                                    |                                      | Complete | Draft | Planned |
| 5                                  | Employee training                    | V        |       |         |
| 6                                  | Internal supervision/control         | V        |       |         |
| 7                                  | Health and worker safety             | V        |       |         |
| <b>J. Others</b>                   |                                      |          |       |         |
| 1                                  | Use of Efficient Technology          |          |       | V       |
| 2                                  | Knowledge management                 |          |       | V       |
| 3                                  | Forest protection                    | V        |       |         |
| 4                                  | Research and development             |          |       | V       |
| 5                                  | Field visit                          |          |       | V       |
| 6                                  | Data management and reporting system |          |       | V       |
| 7                                  | Internship program                   |          |       | V       |

## **APPENDIX 9. CLIMATE MRV TRACKER**

The Climate MRV tracker lists all parameters available at validation and/or to be monitored and their monitoring frequency as required by the VCS methodology VM0007. They are presented in an Excel format and available to validators upon request.

## **APPENDIX 10. COMMUNITY MRV TRACKER**

The Community MRV tracker lists all parameters (i.e., monitoring indicators) to be monitored by the Katingan Project and their monitoring frequency. They are presented in an Excel format and available to validators upon request.

## **APPENDIX 11. BIODIVERSITY MRV TRACKER**

The Biodiversity MRV tracker lists all parameters (i.e., monitoring indicators) to be monitored by the Katingan Project and their monitoring frequency. They are presented in an Excel format and available to validators upon request.

## **LIST OF ANNEXES**

Annexes are provided in separate documents and available upon request.

### **ANNEX 1. CLIMATE AND HYDROLOGY OF THE PROJECT AREA**

Annex 1 explains basic climate and hydrology of the project area including: precipitation and evapotranspiration, aquifer, and drainage pattern. A short description of local alteration of topography (minidome) caused by drainage, and its relevance with rewetting activities is also included.

### **ANNEX 2. COMMUNITIES IN THE PROJECT ZONE**

Annex 2 describes the socioeconomic conditions of the project-zone communities.

### **ANNEX 3. HCV ASSESSMENT AND BIODIVERSITY IN THE PROJECT ZONE**

Annex 3 provides the result of HCV and biodiversity assessment in the project zone.

### **ANNEX 4. CLIMATE PARAMETERS MONITORING DESIGN**

This annex describes methods for measuring CO<sub>2</sub> and CH<sub>4</sub> fluxes and emissions, water table depth, subsidence, soil moisture content, soil and water temperatures, precipitation, air temperature, relative humidity, barometric pressure, wind speed, wind direction, evapotranspiration, channel flow, channel slope, and channel dimension.

### **ANNEX 5. METHOD AND RESULT OF 1D STEADY STATE WATER TABLE MODELLING ALONG CROSS SECTION PERPENDICULAR TO HANTIPAN CANAL**

Annex 5 describes method and result of modelling water table depth along cross sections perpendicular to Hantipan canal with 60 days without rainfall scenario using 4 hydraulic conductivity values. The modelling result was used in estimating significant drainage impact distance from canal.

### **ANNEX 6. HYDROLOGICAL MODELLING METHOD**

Annex 6 describes model schematization, methods for ground water flow simulation, channel flow simulation, and model calibration. A short description on the importance of hydrological modelling for refining project stratification is also included.

### **ANNEX 7. METHODS FOR MEASURING PEAT THICKNESS AND MAPPING PEAT DISTRIBUTIONS**

Annex 7 describes methods for peat thickness measurement in field as well as auger used is described in detail. Based on measured peat thickness the generation of peat thickness map, by using supporting data and geomorphological correlation analysis is described.

## **ANNEX 8. LEVELLING AND DEM CREATION METHOD**

Annex 8 describes levelling measurements in the field, correlating relative elevation to mean sea level datum, as well as method for creating digital elevation model by using geomorphological correlation analysis is described .

## **ANNEX 9. DRAINABILITY ELEVATION LIMIT MAPPING METHOD**

Annex 9 provides drainability elevation limit concept and generation of drainability elevation limit map based on water level elevations of the nearest water body.

## **ANNEX 10. PEAT BULK DENSITY MEASUREMENT AND STATISTICAL ANALYSIS METHOD**

Annex 10 describes detailed method of peat bulk density measurement in field as well as instrumentation. Analysis results based on field surveys in 2010 – 2011 are also presented along with statistical analysis method and summary statistics of bulk density.

## **ANNEX 11. SPECIFIC PROXY DEVELOPMENT METHOD**

The Site-specific proxy development method in general includes processes of correlation of GHG emissions versus water table depth, soil moisture content, and soil temperature at different land cover types. Correlation between subsidence versus measured CO<sub>2</sub> and CH<sub>4</sub> emissions is also treated. Validation of landuse-hydrologically-based CHG emissions by subsidence-based emissions is described. Connetion of proxied GHG emissions with hydrological modelling is also presented

## **ANNEX 12. UNCONTROLLED BURNING ANALYSIS METHOD**

This annex describes measurement of burn scar boundaries and determination of burning repetition in project scenario. Estimation of peat and above ground biomass burnt are also treated. Modelling high risk areas in baseline scenario based on a stochastic model of burning frequency in relation to distance to human access is given.

## **ANNEX 13. SUBSIDENCE CALCULATION METHOD**

The basic concept of Initial subsidence due to compaction and consolidation is explained. Consolidation. Compaction and compression equations are given. Subsidence due to mass loss in microbial decomposition of peat is also presented. Total subsidence is treated as the summation of all subsidence component.

## **ANNEX 14. COMBINATION-ELIMINATION PROCESS FOR IDENTIFYING RELEVANT WRC STRATA**

This covers combination-elimination process of identifying, combining and eliminating irrelevant and impossible strata. By this process intial strata for baseline and project scenario as well subsequent strata for baseline scenario are treated.

## **ANNEX 15. MONITORING METHODS OF ABOVEGROUND BIOMASS**

This annex describes the overview of plot types established in project area, parameter to be monitored, field team arrangement, equipment needed for measurement, monitoring schedule, and procedures for field measurement.

## **ANNEX 16. NASA MODIS FIRE HOT SPOT LOCATIONS IN PROXY AREAS**

This annex describes hot spot locations in seven proxy areas for determining the frequency and percentage of burnt areas per year for simulating annual area burnt in the baseline scenario.

## **ANNEX 17. UNCERTAINTY ANALYSIS**

Annex 17 provides a detailed calculation of uncertainty in excel spreadsheet.

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