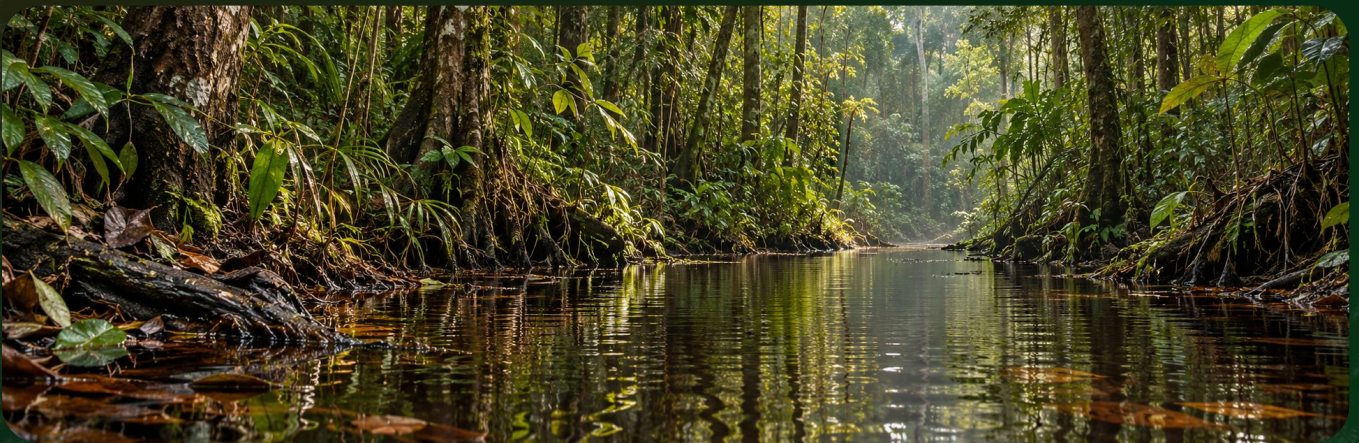


CASE STUDY

KATINGAN: AN IMPERFECT EARLY EXAMPLE OF A PRIVATE PEATLAND CARBON PROJECT



Peatlands are wetlands where plant matter has built up over thousands of years. They store large amounts of carbon, which is released into the air when people drain or cut down the land. The Katingan project in Central Kalimantan, Indonesia, is a company-run effort to protect one of these forests. The company, PT Rimba Makmur Utama, wanted to stop drainage and tree-cutting across a whole peat area. It planned to earn money by selling “carbon credits” to buyers who want to offset their emissions. The project planned to share some of that money with nearby villages. It is often mentioned as one of Indonesia’s first private projects of this kind. Its story shows both what these projects can offer and the difficulties they face.

What was planned

01

Protecting the peat forest from drainage and tree-cutting

02

Sharing carbon money with villages

03

Helping communities build new ways to earn a living

WHAT HAPPENED

The project had mixed results:

01

Slow approval:

The company applied for permission to run the project in 2008 and got its final approval in 2013. The approval covered about half of the originally proposed area, so the rest of the peat area was not protected. By 2014, the company was still trying to get approval for the rest.

02

Little money so far:

By 2014, the project had not yet sold any carbon credits, so villagers had not seen real money from it. Nearby businesses, such as oil palm plantations, were offering jobs.

03

Changes to forest use:

Most families (82–97% of those surveyed) used firewood for cooking. New village rules were expected to limit how people used the forest. This raised worries about losing access to firewood and other things families depend on.

04

Unclear income sharing:

The plan was for villages to share in the income through formal agreements and community programs. A 2014 government rule also says 10% of carbon sales goes to the government.

05

Villagers had mixed opinions:

Mapping work with villagers helped them agree on village borders. People valued activities like selling rattan and running women's savings groups. Some wanted the project to start quickly, while others were cautious. Some villages were also approached by palm oil companies, which split opinions.

06

Limited early contact:

Before getting approval, the company did not talk much with communities, to avoid building up hopes that might not come true. In March 2014, it set up local firefighting teams after the approval was granted.



OPEN QUESTIONS

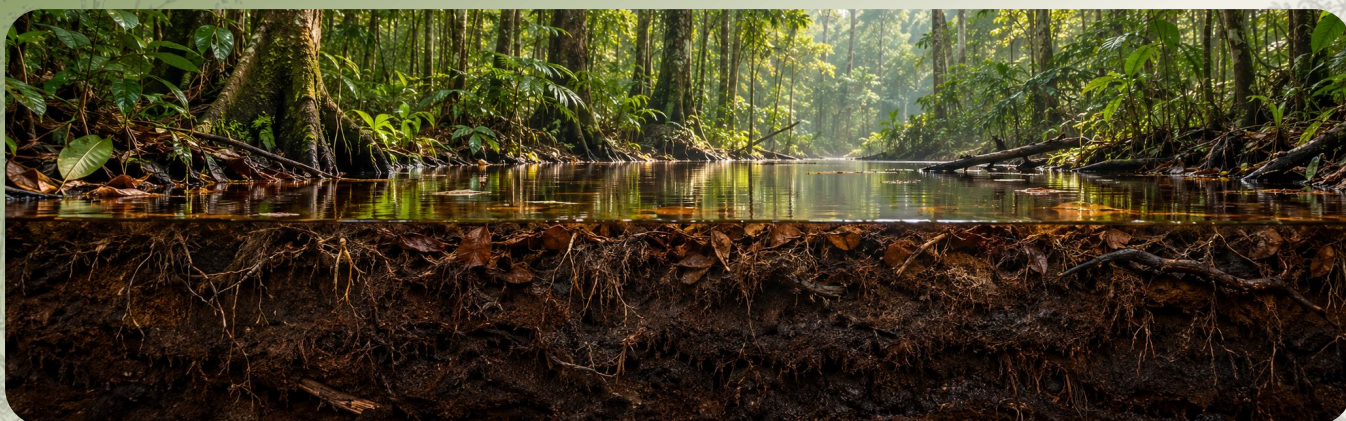
Several things were still unclear:

Whether the company would get approval for the whole peat area

How the money would be shared

How the project would pay its costs if carbon money did not come in

The company said the project could continue without carbon money, but it did not explain how.



Note: This case is not a direct result of our own project. It comes from published research on a different project. It still raises issues that matter to our work, including land permission, forest rules, sharing of money, and community involvement.

Source: Indriatmoko, Y., Atmadja, S., Utomo, N. A., Ekaputri, A. D., & Komalasari, M. (2014). Katingan peatland restoration and conservation project, Central Kalimantan, Indonesia. In E. O. Sills et al. (Eds.), REDD+ on the ground: A case book of subnational initiatives across the globe (pp. 237–252). CIFOR.