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THE ROAD TO COPENHAGEN

Tree Harvester Offers to Save Indonesian Forest

By [NORIMITSU ONISHI](#)

TELUK MERANTI, Indonesia — From the air, the Kampar Peninsula in [Indonesia](#) stretches for mile after mile in dense scrub and trees. One of the world's largest peat swamp forests, it is also one of its biggest vaults of carbon dioxide, a source of potentially lucrative currency as world governments struggle to hammer out a [global climate treaty](#). The vault, though, is leaking.

Canals — used legally and illegally — extend from surrounding rivers nearly into the peninsula's impenetrable core. By slowly draining and drying the peat land, they are releasing carbon dioxide, contributing to making Indonesia the world's third biggest emitter of greenhouse gases, after China and the United States.

The leaks were evident to a family of fishermen from this village, just south of the peninsula, as they paddled up a creek in a dugout canoe.

"I can tell the peat land's leaking because the water here is getting browner and more acidic," said Amiruddin, 31, who like many Indonesians uses only one name, as his wife, Delima, 29, scooped up the creek's coffee-colored water to drink.

Forests like the one on the Kampar Peninsula are at the center of a growing battle over the shape of a new climate treaty and efforts to curb the destruction and degradation of forests. Though countries are expected to reach only a broad agreement at next month's summit meeting in Copenhagen, governments, scientists, businesses and environmentalists are already arguing over what kinds of forests should qualify as carbon reducers and what kinds of projects should be rewarded financially.

The arguments over the Kampar have become particularly heated, not just because of its ecological importance, but because, so far, the most detailed plan to stop the leaks from the peat land comes from an unlikely source: a giant paper and pulp company that, according to its critics, has been one of the driving forces of deforestation in Indonesia. The company, [Asia Pacific Resources International Limited](#), or April, says it wants to create a ring of industrial tree plantations around the peninsula's core to preserve it.

What is more, it hopes to receive carbon credits for doing so under a [United Nations](#) program to reward nations for conserving forests and reforesting degraded ones. The program, [Reducing Emissions From Deforestation and Forest Degradation](#), or REDD, is expected to be part of a new climate treaty. Unlike the 1997 Kyoto Protocol, a new treaty is expected to tackle deforestation, which alone accounts for 20 percent of the world's greenhouse gas emissions. Halting deforestation in tropical forest nations like Indonesia and

Brazil, the world's fourth biggest emitter, is considered crucial to reining in [global warming](#).

Developing nations that preserve forests would be paid with carbon credits that they could sell to industrialized nations seeking to meet emissions reduction targets. Though the program's specifics will probably take months or years to be worked out, more than a dozen projects of the United Nations program are already under way in Indonesia, backed by such diverse entities as conservation groups, the Australian government and [Merrill Lynch](#), in addition to paper and pulp companies.

Environmental groups say the paper and pulp companies, after years of despoiling Indonesia, should not be rewarded under the program.

"They are the ones that did the damage," said Michael Stuewe, an expert on Indonesia at the [World Wildlife Fund](#). "Now they're saying: 'We were bad boys. Now we're good. So give us the money.' "

The companies argue that the United Nations program could provide them with the financial incentives to preserve forests even as they expand their operations, a goal supported by the Indonesian government, which sees the paper and pulp industry as a mainstay of the country's economic development.

"We could perhaps reduce the annual Indonesian emissions by 5 percent with this one project," said Jouko Virta, April's president of global fiber supply, referring to the company's plan to ring the peninsula's core. "It's so significant. One project."

Everyone agrees, at least, on the importance of saving the Kampar Peninsula, a nearly one-million-acre peat bog on the equator inhabited by Sumatran tigers, bears, monkeys, crocodiles and other wildlife.

Most of the peninsula remains free of humans, though small fishing camps can be found up its creeks. More significantly, illegal loggers can be seen operating in bases set up along some canals and creeks. And east of here, near a village called Pulau Muda, more than a dozen houses flank a long canal jutting into the peninsula, in what appears to be the biggest human settlement on the Kampar.

Made up of decomposed trees and plants, sometimes as deep as 50 feet, the waterlogged land stores billions of tons of carbon dioxide. But once drained or cleared, the peat land releases many times more carbon dioxide than the deforestation of [rain forests](#). Most experts believe that, as with rain forests, the protection of peat swamp forests will be eligible for carbon credits under the United Nations program.

The Kampar Peninsula is one of the last tracts of green left in central Sumatra, where forests have been cleared to make way for palm oil plantations and industrial tree plantations, especially those belonging to April and its chief rival, Asia Pulp and Paper, both owned by Indonesian conglomerates. According to the World Wildlife Fund, here in Riau, the province where the two companies have their main mills and plantations, two-thirds of the area's forests have disappeared in the past quarter century.

Illegal loggers have also clear-cut vast chunks of forest. Migrants often slash and burn land for farming, sometimes inside national parks; like people [elsewhere in Indonesia](#), they are often encouraged by local governments seeking to populate areas for economic or political reasons, in defiance of officials from the understaffed Forestry Ministry.

April, which, with its partners, has government-issued concessions across a third of Kampar, says its ring of acacia plantations around the core will block off any such encroachment, though it says it needs to acquire more land to complete the circle. On plantations already in operation, the company uses a sophisticated network of canals and dams that minimizes leakage from the peat land, environmental groups acknowledge.

If April acquired control over the core, it could be paid for protecting it. The company says it believes that it can be, at the very least, rewarded for the ring, about half of which would be turned into acacia plantations and half left as natural forests or what it calls “conservation areas.”

“The carbon we are storing in the conservation areas could be financed through REDD,” Mr. Virta said in an interview at April’s 4,300-acre mill, about two hours west of here by car.

Agus Purnomo, who leads the government’s National Council on Climate Change, said it would take months or years of negotiations after next month’s [climate conference](#) to determine whether April’s ring would be entitled to carbon credits.

Much will depend on whether an agreement includes stipulations against the conversion of natural forests into industrial tree plantations. Indonesia, like other countries with paper and pulp industries, counts industrial tree plantations as forests.

Environmental groups caution against any project of the United Nations program involving the conversion of natural forests into industrial tree plantations. Bill Barclay, policy director at the [Rainforest Action Network](#), said the priority in Indonesia should be to “halt further conversion of natural forests” and “further draining of peat lands.”

But that kind of argument finds little traction in a nation with an economy that is still developing.

Mr. Purnomo, of the country’s climate change council, said government officials were worried that Indonesia’s ranking as the world’s third biggest emitter of greenhouse gases would increase pressure to reduce emissions.

“Are we going to remain underdeveloped because of that?” he asked.

Since starting operations on a new concession near here in September, April has brought jobs to Teluk Meranti. As part of its community outreach, it has brought a new generator to increase the supply of electricity and construction material to renovate two mosques. Still, Teluk Meranti had yet to buy April’s vision of the future. Villagers remained overwhelmingly opposed to the company’s presence here, opponents and supporters of the company said.

“We don’t know what we’ll get,” said Firdaus, a 39-year-old man operating a makeshift convenience store. “What rights do we have?”

He was unaware of April’s ring project. But, yes, he had heard of the importance of peat from environmental groups. “We were told,” he said, “to protect the peat for the climate.”

