



WWF

HoB

2012

# Heart of Borneo

A natural priority for a green economy

Brochure

# Towards a Green Economy in the Heart of Borneo

In 2007, through the historic Heart of Borneo Declaration, the governments of Brunei Darussalam, Indonesia and Malaysia committed to conserve and sustainably manage 220,000km<sup>2</sup> of contiguous tropical forest.

The Heart of Borneo (HoB) is one of the most biologically diverse places on Earth. It supports many species found nowhere else. In the past 15 years, more than 500 new flora or fauna species have been discovered, at a rate of more than three per month.

One of Asia's last great rainforests, the HoB is home to the charismatic but threatened orangutan, pygmy elephant, clouded leopard and the critically endangered Sumatran rhino.

The HoB covers one-third of the island and provides vital fresh water resources to more than 70% of Borneo, including water for drinking and sanitation, as well as industry, agriculture, river transportation and overall development. These forests prevent erosion and maintain good soil quality for agriculture through nutrient cycling, as well as supporting nature-based tourism.




The HoB is the cultural epicenter for one million indigenous community members, who depend on these forests for their livelihoods and well being.

Despite their importance to economic, societal and environmental well being, the forests of the Heart of Borneo have been steadily diminishing since the 1950s (see map below). The 2007 Heart of Borneo Declaration is an attempt to reverse this trend.



# WWF's Heart of Borneo Vision

WWF has long been a partner of the three HoB governments. Following the 2007 tri-lateral Declaration, it developed three goals to support conservation and sustainable development across the HoB.

	<b>Goal 1</b>	By 2020, a 22 million hectare mosaic of protected areas, trans-boundary reserves and sustainably managed corridors and buffer zones will be established to ensure the future of all the Heart of Borneo priority species and ecosystems.
	<b>Goal 2</b>	By 2020, there will be a zero rate of conversion of natural forests to other land use in the Heart of Borneo.
	<b>Goal 3</b>	By 2020, long-term financing mechanisms will provide diversified and equitable benefits for local communities, governments and responsible business and at the same time enhance ecosystem goods and services.

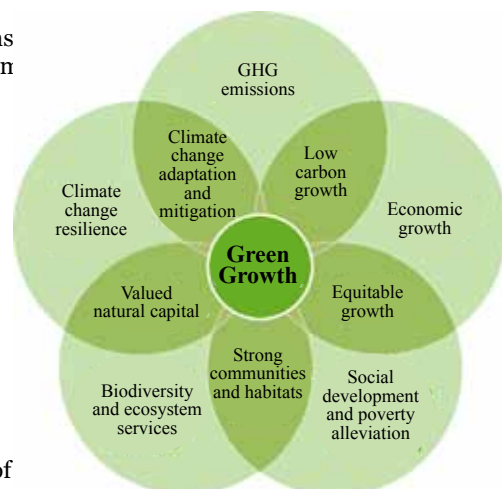
Via its global Network, and with dozens of partners, WWF has implemented many projects, achieving significant gains in protected area conservation and sustainable forest management.

Now, our efforts are needed on a much larger scale across the whole of the HoB and under the unifying conservation and sustainable development theme agreed by the three HoB governments.

In 2010, WWF brought together several partners to design a program to support the governments to transition towards a green economy in which the natural capital values of the HoB help define green growth development.

## Five dimensions of Green Growth:

- 1 Biodiversity and ecosystem services provide valuable contributions to economic growth and human welfare, but are often omitted from decision making. Green growth seeks to address these failures.
- 2 Climate change resilience is about adapting to the impacts of a changing climate and preparing a more stable future linked to near-term mitigation measures.
- 3 Greenhouse gas emissions need to be limited to contribute to efforts to mitigate climate change and minimize future adverse impacts at local and global levels.
- 4 Economic growth that can be sustained must be considered in conjunction with other environmental and social factors.
- 5 Social development and poverty alleviation is a central objective of green growth at local and national levels.



# The case for a Green Economy

The momentum to build a global 'green economy' is growing.

There is a need to curb greenhouse gas emissions, use resources more efficiently, provide long-term sustainable increases in standards of living, and value the natural assets that have underpinned economic success over the centuries.

These pressures go hand-in-hand with opportunities for green jobs, new products and innovations, cost reductions and the long-term benefits of a low-carbon economy.

In many ways, the HoB Declaration was the first step towards creating a green economy for the HoB to deliver both environmental and economic sustainability.

A green economy will only be realized if the values of the HoB's natural capital become part of prevailing economic development plans.

## Natural Capital

Natural capital refers to all our natural assets, such as forests, lakes, wetlands and river basins. The value of natural capital is still under-appreciated in land-use and policy decision making. For example, keeping the forests and waterways of the HoB healthy offers the most cost-effective means of confronting the many environmental challenges we face. In partnership with the HoB governments, WWF is developing a green economy roadmap to guide the transition to a more sustainable future.

## The role of forests in a green economy

Real world examples are beginning to highlight the inherent value-for-money that investing in forests represents. The link between poverty and loss of ecosystems and biodiversity is becoming much clearer, elevating conservation and sustainable development of natural resources to the front line of poverty reduction measures for many countries.

According to the UN, the multi-functionality of forests places them at the foundation of a green economy, sustaining a wide range of sectors and livelihoods. However, forests are still being destroyed for limited private and short-term gains. A new way of thinking is needed where economic policies and instruments are used to incentivize stakeholders who maintain natural capital and penalize those who don't.

The HoB represents an opportunity to demonstrate this new way of thinking through the pursuit of a green economy that both grows the economy and guarantees the long term future of natural assets that underpin it.

WWF and the three HoB governments, aim to show that these forests are worth more standing than cut down.

The Rio+20 Summit, to be held in June 2012 in Brazil, will be on the theme Green Economy in the Context of Poverty Eradication and Sustainable Development. It will be the key international event to catalyze a green economic approach for the Heart of Borneo.

## What do we mean by a green economy?

For a forested region like the HoB, a green economy is where:

Governments, business and communities pursue green growth by recognizing the economic, ecological and social value of forests, and invest in sustaining these values to mitigate climate change, ensure food and water security and maintain crucial ecosystem services.

## Pursuing Green Growth:

The Heart of Borneo Declaration is the ideal platform from which to pursue green growth. This growth incorporates a more efficient use of natural and social assets and gains support from multiple sectors to realize conservation and development that can be sustainable and inclusive.

# The road to Rio+20 Summit



The 2012 UN Conference on Sustainable Development – the Rio+20 Summit – sets out to secure renewed political commitments for sustainable development and to address new and emerging challenges.

By developing a Green Economy Roadmap for integration of HoB goals into development plans and business practices, the three HoB governments can capture input, support and commitment from strategic local and international partners.

To help the three governments reach this goal at the Rio Summit, WWF is working to identify needs, opportunities and clarify incentives and actions to support the transition toward a green future.

## Creating a political platform and partner's forum

WWF's collaborative work builds the critical components needed to develop a green economy in the HoB, from galvanizing the political will and creating the right business climate and incentives for private sector investment, to preparing the case to tap sources of public and private funds for long-term, ecosystem-based projects.

This approach aims to establish a Green Economy Partners Forum with up to US\$100 million in initial support for HoB conservation and sustainable development priorities

## Business leadership to drive a Green Economy in HoB

The overarching threats to the HoB's biodiversity and ecosystems stem from economic activities and drivers.

More than 40% of the HoB's area is under management by forestry, palm oil and mining sectors. WWF engaged with more than 200 businesses in the region to create a practical economic argument for conservation and develop solutions that show how the biodiversity, forests and ecosystems of the HoB can become the engines for green growth and sustainability into the future. *The Business Solutions: Delivering the Heart of Borneo Declaration* report outlines a number of sector-specific solutions that could lead to a more sustainable future.

WWF has launched the *Heart of Borneo Green Business Network (GBN)* – dedicated to collaborating and communicating the information that companies need to build green businesses in the HoB. The GBN aims to provide the tools and support to those organisations willing to work towards a sustainable future.

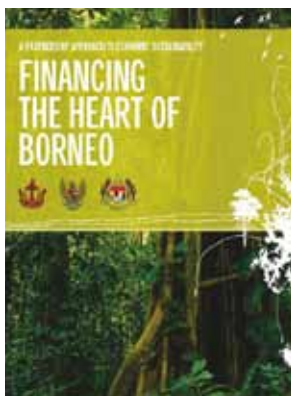
**For more information visit:** [www.panda.org/borneo/greenbusinessnetwork](http://www.panda.org/borneo/greenbusinessnetwork).

*“Indonesia can implement a green economy to achieve 7% economic growth and 26% reduction of greenhouse gas emissions by 2020.”*

Indonesian President  
Susilo Bambang  
Yudhoyono



# On the ground 'forest solutions' in the HoB



*“Malaysia’s ambitious goal is to simultaneously reduce poverty and achieve a green economy.”*

Prime Minister Datuk Seri  
Najib Tun Razak

*[Our country must]... “focus on balancing development with environmental conservation and utilize our natural resources to obtain optimum benefits for current and future generations.”*

His Majesty the Sultan dan  
Yang-di Pertuan of Brunei  
Darussalam

## **Catalyzing green growth based on ecosystem values, including long-term financing**

To pursue a green economic pathway, the three HoB governments must have viable alternative models that deliver conservation and economic results.

WWF is bringing together partners and investors to fund and provide the necessary technical capacity and resources to support the transition to a green economy.

Many of these critical success factors are highlighted in a publication produced by WWF and launched by the three HoB governments during the 10th Conference of Parties in Nagoya, Japan. *Financing the Heart of Borneo – A Partnership Approach to Economic Sustainability* lays out steps the governments and partners will take to mainstream the value of nature into policy and decision making and catalyze market mechanisms that drive green growth.

## **What would the transition to a green economy look like?**

To fully realize the Green Economy opportunity, Brunei, Indonesia and Malaysia will need to make changes in policy, finance and landuse practices.

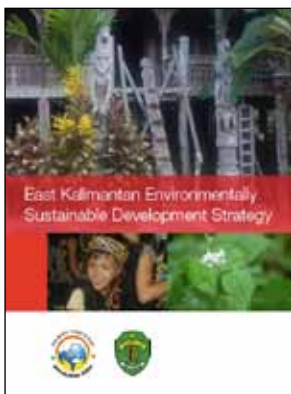
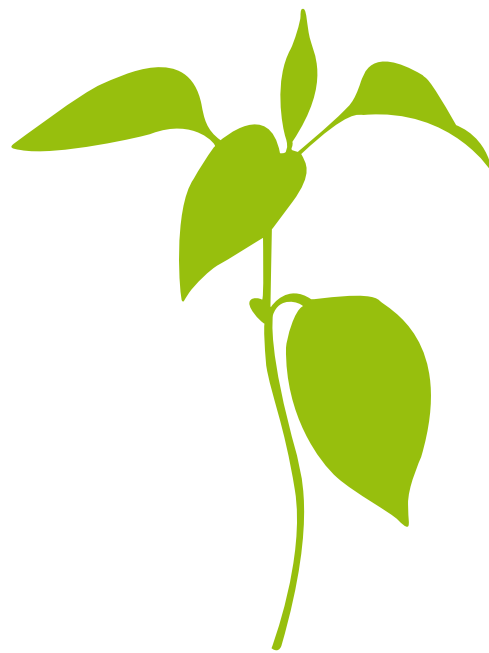
Initiatives in this area include developing policies and practices to support green growth activities, a fund to assist in the transition from ‘business as usual’ and a Centre of Excellence to guide the process. Demonstration projects are also vital.

WWF is working with its local and international partners, and the three HoB governments, to demonstrate the effectiveness of the green economy approach in the HoB.

‘Forest solutions’ include: building local biodiversity-based economies, enhancing community-managed areas, effectively managing protected areas, sustainable and responsible production of timber and palm oil. These solutions also include effective use of degraded land, reforestation and avoiding deforestation, as well as watershed and freshwater management.

In the lead up to Rio+20 WWF will work to prove the case for existing and new solutions by mixing our conservation expertise with new financial, economic and business solutions to show that the forests of the HoB are worth more standing than cut down.

# Building blocks to a green economy in the HoB



## Low Carbon Growth Strategies –Defining the Future of Kalimantan

WWF has collaborated with the Government of East Kalimantan, the Indonesian National Climate Change Council (DNPI) and international consultants, McKinsey & Company, to create a low carbon development plan for East Kalimantan.

The plan focused on key economic sectors and was built around a multi-stakeholder engagement process. A similar strategy has been developed for Central Kalimantan. The strategies deliver a vision for the Provinces based on stopping deforestation and forest degradation, and reducing GHG emissions by millions of tonnes, coupled with a substantial growth in GDP through targeted interventions and investments.

## Sabah Green Economy Conference

In November 2011, with the Sabah State Government Forestry Department, WWF HoB GI co-hosted one of the largest conferences on the Green Economy ever held in the Asian region. More than 500 hundred representatives of business, government, civil society and multilateral development organizations gathered in Sabah, Malaysia. Several initiatives were profiled including the release of the 2011 palm oil score card and launch of the Malaysian chapter of its Green Business Network (and report). This conference provided a launching platform for the serious consideration of green economy initiatives in the state – a vital part of the Heart of Borneo.

## Kutai Barat Pilot: Making a Green Economy a Reality at the District Level

A green economy strategy for the HoB that is both practical and linked to on-ground realities is essential. In East Kalimantan, there is a unique opportunity for WWF and local government to cooperate on the design and implementation phase of a pilot strategy. WWF has developed an integrated action plan to ensure Kutai Barat's natural resources are conserved and sustainably managed as a key part of a green economy, where governments, business and communities value key ecosystem services, stop conversion of natural forests, reduce GHG emissions, and generate equitable livelihoods.

The approach is creating conditions for a district-level REDD+ program that includes spatial planning, governance and stakeholder involvement to improve forest protection and the use of degraded lands for palm oil expansion, Community Conserved Areas for biodiversity, carbon and socio-cultural values.

*“Based on our collective experiences, the best way to enhance the framework for strong, sustainable and balanced economic growth is to put development front and centre, and to invest in a green economic recovery for all.”*

Ban Ki-moon,  
UN Secretary-general

*“We have no choice but to develop a green economy.”*

Jacob Zuma, President,  
South Africa, Green Economy  
Summit in Johannesburg,  
18 May 2010

# Heart of Borneo in numbers

100%  
RECYCLED



Establish values for ecosystem services as a basis for achieving conservation and sustainable use across the entire 22 Million hectares of the Heart of Borneo

Develop sustainable finance mechanisms to fund improved protection of more than 4 million hectares of protected areas

Create a Green Economy Partners Forum with up to \$100M secured for HoB conservation and sustainable development priorities

Develop practical solutions for industry which lead to at least 6 million hectares of land under sustainable management in both Indonesia and Malaysia



Engage international buyers and financiers to support the production of certified timber, palm oil, pulp and paper, minerals and hydropower from up to 40% of the HoB



**Why we are here**

To stop the degradation of the planet's natural environment and to build a future in which humans live in harmony with nature.

[www.panda.org/borneo](http://www.panda.org/borneo)

For more information please contact:  
Chris Greenwood  
International Communications Manager  
Heart of Borneo Initiative  
WWF Malaysia, Sabah Office  
Suite 1-6-W11, 6th Floor, CPS Tower  
Centre Point Complex, Kota Kinabalu  
Sabah, Borneo

Tel: +60 88 262 420  
Mobile: +60 12 828 1214

© 1986 Panda symbol WWF – World Wide Fund For Nature (Formerly World Wildlife Fund)  
® "WWF" is a WWF Registered Trademark.

Written by Chris Greenwood and the Heart of Borneo Global Initiative team. Produced by the green room [www.greenroomenvironmental.com](http://www.greenroomenvironmental.com).

Front cover photo: The critically endangered Sumatran rhino © Lee Shan Khee / WWF Malaysia.