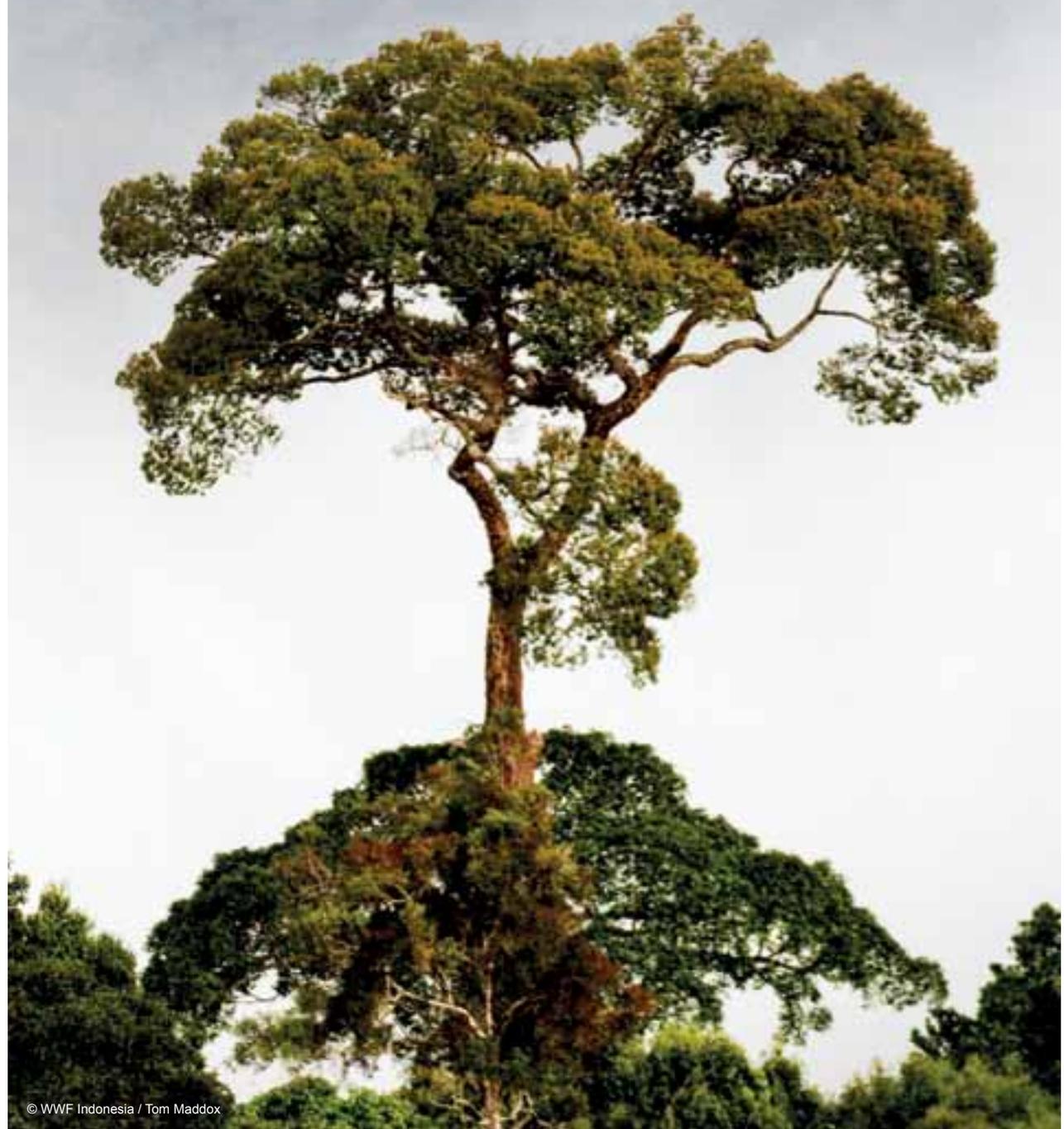




WWF in Borneo

and how it supports the Heart of Borneo Initiative



THE IMPORTANCE OF BORNEO



350 SPECIES



13 SPECIES



15000 SPECIES



20 MAJOR RIVERS



> 50 ETHNIC GROUPS

> 140 LANGUAGES

Borneo is the world's third largest island and home to some of the world's largest remaining areas of tropical rainforest. Despite representing just 1% of the Earth's terrestrial surface, Borneo holds an estimated 6% of global biodiversity. At least 13 primate species, 350 bird species and 15,000 species of plants live in Borneo. These include charismatic flagship species of global concern such as the Bornean orangutan, Sumatran rhinoceros and the Asian elephant as well as locally distinct species such as the rhinoceros hornbill, proboscis monkey and giant *Rafflesia* flower. New species are still being discovered at a rate of three a month and these include species as large as the Sumatran rhinoceros, which in 2013 was shown to still exist in Kalimantan despite previously thought to be locally extinct.

But Borneo is not just a melting pot for biodiversity, it is also an island of fantastic cultural and political complexity and diversity. Three sovereign nations are found in Borneo. Middle-income Indonesian Kalimantan covers two thirds of the island. The upper middle-income Malaysian states of Sabah and Sarawak occupy most of the other third and the high-income Brunei Darussalam accounts for a small area on the northern coast. The 18 million people who live on Borneo also vary widely. Of these, the people with the closest connections and dependencies on the environment are the Indigenous People, commonly grouped as 'Dayak' but actually representing over 50 separate ethnic groups and over 140 languages. Many continue to practice shifting cultivation, primarily for rice and the continued close dependence on natural resources mean the value of rivers, land and forest hold an important part of Dayak identity.



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THE IMPORTANCE OF THE HEART OF BORNEO

The Heart of Borneo (HoB) is the part of the island where most of these values are concentrated. Covering 22 million hectares – roughly the size of Utah in the US, Victoria in Australia or England and Scotland combined – and including the territory of all three Bornean nations it encompasses the main area of contiguous forest left on the island, the sources of 14 of Borneo's 20 major rivers, all of the flagship biodiversity species and is home to roughly one million Dayak living in close dependency with their environment. WWF has calculated that the ecosystem services generated by the HoB region provide ecosystem services for at least 11 million people in Borneo. However, the

HoB is also a working landscape. Protected areas account for less than 20% of the area. Most of the area is allocated to economic development. Selective logging is the dominant industry by area, with plantation agriculture (oil palm and timber) quickly increasing. Mining activities occur in small areas of the HoB, but exploration rights have been issued over 40% of the region.

The HoB is not the only area of biodiversity value in Borneo – there are many important peat forests and orangutan populations outside the HoB for example – but it is the biodiversity jewel in Borneo's environmental crown.



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THE THREATS TO BORNEO

Compared to other areas in the same region the forests of Borneo are still in relatively good condition compared to some areas of the same region, covering about half of the island. However, the same pressures and threats that have driven deforestation and biodiversity loss in other parts of Asia are catching up fast in Borneo. Current deforestation rates average 3.2% *per annum* and one third of the islands forests have been lost in the last few decades, with rates highest in Sabah and lowest in Brunei.

In the early days the primary cause of forest loss was shifting cultivation, along with the rise of rubber plantations and the impacts of transmigration. But far more significant was the rise of industrial scale logging which started having significant impacts in the 1970s. In the thirty to forty years that followed more timber was removed from Borneo than from the Amazon and Congo basins combined. At the same time there was a rise in clearance for oil palm. This began in the 1960s in Malaysia, with the environmental conditions in Sabah representing one of the most productive places in the world to grow oil palm. Malaysia soon became the world's leading producer in what was a rapidly growing global market. Indonesia soon followed suit and has now overtaken Malaysia as the world's largest producer, with Kalimantan a primary production area. Fire has also taken its toll, usually associated with agricultural processes, and coal and gold mining have also had

impacts, although more so as pollutants than drivers of deforestation. Today, one of the most important drivers of deforestation and associated biodiversity loss is the perfectly legal re-classification of land from relatively low selective logging concessions, to more profitable but also far more intensive plantation agriculture.

The impacts of such pressures on biodiversity and the associated ecosystem services generated are huge. WWF has calculated that since 2007 45% of the Asian elephant's habitat and 16% of orangutan habitat in the HoB has been lost. Meanwhile additional threats, such as wildlife hunting and trade, further erode the biodiversity values that remain in the forests that are still standing. Impacts on human well-being are also significant, with most Indigenous People receiving few benefits from existing patterns of resource exploitation despite being the first to suffer the impacts of environmental degradation.

THE TRILATERAL HEART OF BORNEO INITIATIVE

In 2007 the three governments of Borneo came together to sign the Heart of Borneo Declaration in recognition of the particular value of the Heart of Borneo region. They committed to cooperate with one another in the achievement of a shared vision to ‘promote people’s welfare’ by ensuring ‘conservation of a network of protected areas, productive forests and other sustainable land uses’ in the Heart of Borneo. The Declaration was followed with the development of a trilateral strategic plan of action focusing on five programmes of work:



1. Protected Areas
2. Transboundary cooperation
3. Sustainable resource management
4. Ecotourism
5. Capacity building

Each country has produced its own strategic plan and set up national and local management structures. The countries’ commitment to the Initiative was renewed in 2013, with each of the new ministers in post coming together to sign an additional declaration reaffirming their commitment to the 2007 vision and highlighting an encouragement of a ‘green economy’ in Borneo.

The three countries have each recorded various successes within the Initiative. In Brunei over half of the country has been designated as part of the HoB, a new Wildlife Division has been set up and various expeditions have been conducted. In Indonesia the HoB area is in the process of being designated an ‘Area of Strategic National Importance’ (KSN) whilst green development plans have been developed at the national and local level. In Malaysia the HoB has been formally recognised in the national development plan, with both the 9th and 10th National Malaysia Development Plans specifically allocating national funds to the HoB. Sabah, in particular, has demonstrated clear leadership on the HoB Initiative, actively embracing green economy approaches and has developed a State REDD+ Strategy. Sabah has also reached out to various partners in Brazil and the US for knowledge sharing and finance for its HoB programme.

However, numerous challenges face the three governments in realising the vision of the Declaration, particularly around governance mechanisms, funding and political drive. Furthermore, environmental data reported by WWF show that there is still much to do in the HoB. Since the Declaration a further 2 million hectares of forest have been lost from the region and deforestation rates have actually risen in recent years. In partial response, an external review of the HoB Initiative was commissioned by the three governments in 2014 to identify lessons learned from the first five years and outline recommendations for the future.

WWF played a central role in campaigning for the Initiative and today continues to act as one of the key civil society organisations supporting all three governments to achieve the goals of the HoB (see below).



WWF IN BORNEO

Borneo is recognised as one of WWF’s global priority places and six of the species found in Borneo are WWF priority species. WWF has been active in Borneo for several decades through its national offices in Indonesia and Malaysia and, more recently, through its Heart of Borneo ‘Network’ or ‘Global Initiative’. Today WWF’s activities in Borneo have been consolidated into a single programme, jointly governed by WWF Indonesia and WWF Malaysia and managed by a single Core Team. This programme represents a new operational model within WWF’s Truly Global reformation: a transnational field programme that is financed by the network but owned, managed and driven by the offices on the ground. Much of WWF’s work in Borneo focuses on supporting the government’s HoB Initiative, but many activities also lie outside the HoB.

WWF shares the general vision for Borneo that the three governments stated for the Heart of Borneo in the 2007 Declaration: the promotion of human welfare through effective management of natural resources. WWF’s specific mission in Borneo is to promote the concept of biodiversity as a natural asset that generates goods and services of immense value to people which therefore must be conserved as part of a smart, green economic approach to sustainable development.

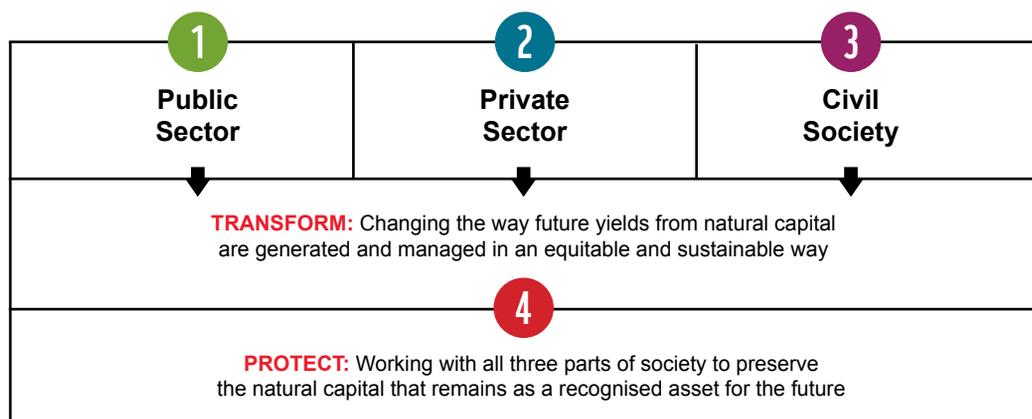
The strategy for achieving this draws heavily from WWF’s global approach to conservation: balancing ‘defence’ of the core natural values that remain (key species and places) with an ‘attack’ on the business as usual approach to the management of nature in the future (natural resource governance, financial flows, resource production and consumption). In Borneo, the work is focused onto three, key stakeholder groups. WWF wants to see a transformation in the way each of them interacts with their natural environment (Pillars 1-3)

and it wants to see each play its role in the protection of the natural environment that remains (Pillar 4).

Governments need to recognise the values of nature in the societies they govern, they need to implement policies that promote the good management of these values and they need to introduce transparent measures of performance.

Businesses need to recognise the full extent of their impacts on nature, they need to adjust their practices to minimise these impacts and they need to transparently report on performance progress.

Civil society particularly Indigenous People, already have a good understanding of the importance of their natural resources, but need to have greater control over their management and receive increased benefits when resources are managed sustainably.



WWF'S ACTIVITIES ON THE GROUND

Pillar 1: Changing the future by working with governments

Some of WWF's most important work is also some of its least visible. The national and local governments of Borneo play a fundamental role in Bornean conservation. Through their planning and policies they set the frameworks that define the way everyone else behaves. At the same time, they are responsible for protecting the common resources that are valuable to all. A green Borneo needs governments that recognise the values of nature, take action to conserve and manage these values and, ideally, report on their results.

Benefiting from being both a global brand and dominant representative of national civil society in both Indonesia and Malaysia, WWF is privileged to be involved with various levels of government in Borneo. One success has been the promotion of a green economic approach to development. Through its reports, economic analyses and advocacy, WWF has helped 'green economics' become a central component of government thinking in Borneo culminating, for example, in the Indonesian government's launch of its green economic plan in 2014.

WWF also works closely with each of the Heart of Borneo working groups in all three countries. WWF's specific role varies in each, but it generally acts as a constructively critical friend and partner, providing technical and occasional financial assistance when requested in the implementation of various work plans whilst encouraging investment in ambitious new activities. Key examples of progress made during these relationships include the Malaysian government's formal recognition of the HoB in its national development plan and associated budgets, the Indonesian government's formal recognition of the HoB region as an area of 'National Strategic Importance' (KSN) or the Bruneian government's establishment of a new, dedicated Wildlife Division.

WWF is also involved with integrating WWF's extensive knowledge and analysis of Bornean natural values into government spatial planning. In Indonesia, for example, WWF facilitated the production of one of the island's first



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green district plans in Kutai Barat. Similarly in Malaysia, WWF is promoting the incorporation of 'primary conservation areas' into State planning in Sabah and Sarawak and using latest conservation mapping data to support the State Forestry Departments on planning.

WWF also works on leveraging the finance available for conservation and green development. For example, it was closely involved in the establishment of the \$28 million Debt for Nature fund and the awarding of two multimillion dollar GEF grants that will directly fund civil society and government conservation work in and around the HoB. It continues to work with the Indonesian government on releasing the considerable potential of carbon funds, such as the Forest Carbon Partnership Facility and Biocarbon Fund, to support HoB conservation and sustainable resource management.

Pillar 2: Changing the future by working with businesses

Whilst governments set the regulatory frameworks for how natural resources are managed on the ground, it is often the private sector that translates these into real world action. Furthermore, it is the business sector that directly manages much of the most important land in Borneo. Companies directly manage over 40% of the Heart of Borneo. At least 60% of orangutans live outside protected areas, predominantly on private sector-controlled logging concessions. A green Borneo needs a long term, sustainable private sector that understands its interdependencies and impacts on nature, that acts to minimise impacts and that transparently reports on progress. WWF takes a pragmatic approach to conservation and sees engagement with business as an essential part of conserving biodiversity.

Most business engagement in Borneo is guided by the philosophy of WWF's global Market Transformation Initiative, which seeks to change the behaviour of key players across the supply chains for key commodities across the globe. In Borneo the focus is on the supply of two key commodities – timber and palm oil. Historically, timber production has been part of the problem in Borneo, due to unsustainable practices and poor law enforcement. However, done well, timber production can be an important part of a green economy, with recent research showing some concessions have overall deforestation rates comparable to protected areas. To address this, WWF is working with numerous logging companies in Borneo, initially

to facilitate compliance to the national Timber Legality Assurance Systems but also to encourage transition to fully certified sustainable wood production.

A second key commodity is palm oil, with Borneo representing one of the most productive places in the world for this monoculture crop. Conversion of forest to create oil palm plantations is one of the largest drivers of forest loss in Borneo, but the resulting palm oil industry is also one of the key sources of revenue, jobs and infrastructure in both Malaysia and Indonesia. Addressing the problems of the former clearly needs to take into account the latter. Globally, WWF is engaged with the promotion of a shift



towards more sustainable palm oil production through the RSPO. WWF supports this work in Malaysian Borneo through pressure on companies to act on RSPO commitments through the Malaysian Palm Oil NGO Coalition and in Indonesian Borneo by focussing on the issue of smallholder production. Representing almost half the sector in terms of area, but only a fraction of production, smallholders represent a particular challenge for adopting more sustainable practices due to their limited resources and access to knowledge. WWF therefore specifically works with community farmers in West and East Kalimantan to assist them through this process.

Within Borneo, WWF also targets three other areas of business with significant impacts on biodiversity. Hydropower is so far restricted to the state of Sarawak alone but represents a potentially huge industry, particularly in the mountainous HoB region, with new projects now coming in to Kalimantan. Done well, hydropower can be a key source of green energy production for a green economy, but done poorly it can be an extremely destructive force. With a target of 20MW of hydropower electricity generation, Sarawak has embarked on a massive hydropower development programme. WWF has been involved in the first stages of this programme, promoting adherence to the Hydropower Sustainability Assessment Protocol and obtaining the environmental information required for informed decision-making. Mining is another sector that represents both a major part of the local economy and a potentially major impact on the environment. Whilst only accountable for 1% of deforestation at present, some 20% of the Heart of Borneo is allocated to mining exploration and the impacts of the associated infrastructure are potentially vast. Mining, by its very nature, cannot be done truly sustainably, but it can be done responsibly, with minimal net impacts on the environment whilst playing a positive and equitable role in the local economy. WWF is now starting work to ensure this happens.

Finally, the financial flows that feed these industries are key to determining their success. WWF is again addressing the impacts of finance through its global MTI programme, with action in South East Asia focusing on working with local banks to help them understand and implement good environmental and social governance factors.



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Pillar 3: Changing the future by working with Civil Society

Environmental programmes are frequently guilty of neglecting the social impacts of their activities and risk simply replacing one problem with another, as well as undermining their own sustainability. A green Borneo requires a civil society that knows what it needs, has a say in the management of the natural resources it relies on and benefits fairly from green economic activities. With support from the global network's Sustainable Development for Conservation Programme, the Borneo Programme works to achieve this across the region, but focusing in particular on the 0.5-1 million Indigenous People living within and around the Heart of Borneo forests.

One of the priorities of the Programme is to give the communities of the HoB forests a stronger voice on the future of Borneo and its natural environment. An important part of this is empowering and mobilising communities to convey their aspirations. WWF facilitates this by providing platforms for discussion and bridging the gaps with political and academic knowledge centres, allowing local groups to decide how they see pro-poor, pro-green economies, or what they want to input to the local district plan. WWF also facilitates representatives of such groups to get better representation on specific decision-making bodies. Improving representation and consideration within the HoB governance body has been a particular priority and, thanks in part to WWF, civil society representatives are now regularly invited to meetings and proposals to further improve integration are currently under consideration. The Panda CLICK! Project represents yet another way WWF is helping communities voice their feelings - by giving community members cameras and letting them tell their stories- the project has resulted in a beautifully graphical way of letting Borneo residents express themselves and Borneo policy makers see the issues that matter to their constituents.

Ensuring communities benefit from green economic activities is another important part of WWF's work. Ecotourism has long been recognised as a green economic activity with unrealised potential and WWF is now working closely with both governments and communities to try and realise this, moving from working with individual communities to develop local activities to a coordinated network of activities across the three countries of Borneo to offer to the global market. Another important area of work is the 'Green and Fair Products' project. This takes products that are already being produced in traditional, low impact way (such as Adan rice, rattan, honey or mountain salt) and helps promote them to increase the benefits they bring to their producers. The G&F work has focused on Kalimantan but is now moving into Malaysia.



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Finally, conservation education of the younger generations is also an important part of WWF's work in Borneo. WWF's Education for Sustainable Development project seeks to address the lack of teaching on environmental issues in schools on the Indonesian side of Borneo, working to strengthen environmental teaching in the curriculum and providing environmental teacher training across 11 districts in Kalimantan. Elsewhere, education is being tied into other environmental projects. In Sebangau the NEWtrees project harnesses private company support to finance reforestation programmes, but it implements the work through local schools allowing simultaneous education on why forests are important. Meanwhile, in Sabah environmental education is being tied to national parks and river projects through the Eco-Schools programme.



Pillar 4: Protecting priority places and species here and now

So far, the work described with governments, companies and civil society illustrates how WWF is working with key stakeholders to transform the future of Borneo. But at the same time, all three of these groups also have a vital role to play in protecting the present and conserving the species and places that still exist. WWF works with all three sectors of society in Borneo on conserving a number of specific flagship species, and the protected areas they live in.

Improving protected area management by working with governments and the people who live in and around them is a key target in Borneo. In Malaysia WWF is working closely with the Sabah and Sarawak governments to identify new areas for protection, such as the Sugut Forest Reserve, as well as to improve training, monitoring and reporting in existing protected areas in Sabah. In Indonesia, a long-term focus has been the Kayan Mentarang National Park where WWF has worked with government and communities to produce a new collaborative management plan. In Bukit Baka Bukit Raya National Park the focus is more on harnessing the potential power of carbon funding to address deforestation whilst in Gunung Lumut WWF is involved in the campaign to gazette the region as Indonesia's newest national park.

Law enforcement is another important focus. Awareness building is carried out in both countries, with events timed to coincide with weekly market days in Malaysia and focusing particularly on the orangutan pet trade in Indonesia. Training has been provided for the authorities in both countries and in Malaysia, where most of the species captured are sold, WWF is working with partners to set up a wildlife trade-monitoring network.

Fire prevention is another key activity. This forms part of the ranger training in Malaysia but in Indonesia, where forest fires generate haze that causes health and travel impacts across the region on a regular basis, WWF's fire fighting work is major project. Working closely with the government the team focuses on everything from regional policies to address the impacts of haze to engagement with private companies on fire management within their concessions to working with local communities on fire-fighting and prevention.



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Finally, habitat restoration and tree planting is an important feature of WWF's work in Borneo. Major restoration projects are on-going in and around Sebangau and the Labian-Leboyan corridor in Indonesia and in Ulu Segama, Sabah. Much of the restoration work focuses on restoring orangutan habitat connectivity and each project involves local communities as much as possible, either employing local labour and/or linking the work with local education programmes.

Together, these programmes of work combine to drive the conservation of a number of flagship species. Perhaps the most famous of all is the Bornean orangutan, numbers of which have declined by half over the last 60 years due to habitat loss and hunting. Various approaches are being taken to tackle these issues. In the Arabela region of West Kalimantan the focus is on working with companies to conserve populations in active logging concessions. In the same province around Danau Sentarum and Betung Kerihun National Parks and Labian-Leboyan region the focus is more on working with local people and government on law enforcement and on restoring habitat connectivity through corridors. The same focus on corridors and restoration is taken in Sabah in the Bukit Piton Forest Reserve whilst in Sebangau National Park in Central Kalimantan the focus is on combining orangutan research and conservation with ecotourism.

Orangutans are not the only focal species in Borneo. Much work is also being done on the two Sumatran rhino populations known on the island. In central Sabah, WWF and partners showed what was long thought to be a small but stable population was in fact down to a handful of individuals, meaning the only viable conservation option left is to capture individuals



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for captive breeding. In East Kalimantan, where rhinos were long thought to be extinct, WWF was involved in the re-discovery of a small population of rhinos living on logging concessions. The focus in Kalimantan now is on protecting and understanding the individuals that remain, before deciding on the most appropriate response. In the north east of Borneo elephants are the target species, with WWF working to address the massive losses in habitat, which are impacting a population that straddles Sabah and North Kalimantan, Meanwhile in Sabah the Bornean clouded leopard is a focal species, with WWF undertaking research into the ecology of this elusive and little known sub-species.



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MONITORING PROGRESS

Finally, monitoring progress in Borneo is an essential component of WWF's work in Borneo, both WWF's own progress towards its stated goals but also overall progress across the Heart of Borneo and beyond. Historically, WWF progress has tended to be monitored on a project-by-project basis, whilst overall progress was monitored by the Environmental Status of the Heart of Borneo report, which monitored the state of forests primarily in the HoB region. These monitoring programmes are now being integrated into a single, expanded monitoring and evaluation component coordinated by the core team. Future editions of the Environmental Status report will not just cover the state of forests in the HoB, but will also cover drivers, pressures and responses giving a far more comprehensive overview of the progress towards a 'green economy' in Borneo. At the same time, WWF's internal monitoring on progress is currently being integrated with WWF International's global monitoring and evaluation framework, ensuring results on global targets are fed directly into a central system.



http://wwf.panda.org/about_our_earth/all_publications/?220750/The-Heart-of-Borneo-Environmental-Status-Report-2014

WWF IN BORNEO



1. Kutai Barat / Mahakam Ulu

- Green spatial planning
- Carbon sequestration / REDD
- Rhino conservation
- Oil palm
- Education
- Community forest management

2. Kapuas Hulu

- Green spatial planning
- Oil palm
- Carbon sequestration / REDD
- Community empowerment
- Green and Fair products
- Ecotourism
- Reforestation
- Orangutan conservation
- Education
- Sustainable forestry

3. Arabela

- Sustainable forestry
- Community empowerment
- Wildlife crime enforcement
- Orangutan conservation

4. Muller-Schwanner

- Protected area management
- Sustainable forestry
- Green spatial planning
- Oil palm

5. Betung Kerihun – Danau Sentarum - Lanjak-Entimau

- Protected area management
- Green spatial planning
- Carbon sequestration / REDD
- Reforestation
- Ecotourism
- Orangutan conservation
- Hydropower

6. Sebangau-Katingan

- Reforestation
- Carbon sequestration / REDD
- Orangutan conservation
- Ecotourism
- Forest fire mitigation
- Education
- Community empowerment

7. Kayan Mentarang / Highlands

- Community empowerment
- Community forest management
- Green and Fair products
- Ecotourism
- Education

8. Kayan Mentarang – Betung Kerihun Corridor

- Green spatial planning
- Carbon sequestration / REDD
- Reforestation
- Community empowerment

9. Kinabatangan – Corridor of Life

- Green spatial planning
- Oil palm
- Reforestation
- Ecotourism
- Civil society support
- Wildlife crime enforcement
- Carbon sequestration / REDD
- Forest fires mitigation

10. North Ulu Segama / Danum Valley

- Reforestation
- Orangutans
- Rhino conservation
- Wildlife crime enforcement
- Protected area management
- Wildlife crime enforcement

11. Kubaan-Puak

- Sustainable forestry
- Protected area management

12. Maliau Basin

- Protected area management
- Elephant conservation
- Rhino conservation
- Wildlife crime enforcement



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.

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