

KFCP: begun with a bang, ending with a whimper

by Stephen Howes
1 July 2013

Few projects have been launched with greater fanfare. The Kalimantan Forests and Climate Partnership (KFCP) was announced in September 2007 by two senior Australian ministers (Downer and Turnbull) and no less than the Indonesian President himself.

But now, almost six years later, having yielded very few of the “immediate and tangible results” promised by Downer, the controversial KFCP project is being quietly shut down. The website of the program of which it is part announces, in a very short [statement](#) and without explanation, that “KFCP will not extend in its current form, but both governments are discussing which parts might benefit from additional work in the next 12 months to maximise outcomes.”

No detail is given on the website on which parts will be carried forward. At the most recent [Senate Estimates](#), AusAID revealed that carbon monitoring and community development work would continue. But the previously central objective of KFCP to reflood the Kalimantan swamplands drained under former President Suharto has now been dropped, as this second, equally brief web statement from AusAID [reveals](#).

The decision has received no publicity in Australia, but has been sharply criticized in the Indonesian press by my colleague and environmental expert Professor Luca Tacconi.

‘This project was intended to demonstrate how to conserve peatlands and rehabilitate degraded ones by blocking a series of canals that had drained the peat for a failed agricultural development project initiated by former President Suharto,’ Tacconi and his co-author Daniel Murdiyarso write in an [opinion piece](#) published in the Jakarta Post and the Malaysian Insider. ‘Unfortunately, [AusAID] will be closing down and withdrawing from the project without having had sufficient time and opportunity to demonstrate how to block even a single canal.’ Tacconi and Mudriayso claim that all permits were in place, tenders had been issued, and that the relevant Indonesian ministries had asked Australia to continue supporting it.

The only [hint](#) of a reason provided for the closure of KFCP is that June 2013 was its planned closing date. But it was clear for several years that the project was behind

DEVPOLICYBLOG

schedule, and many aid projects are extended, so this is hardly a justification. Why some components are being extended but not the critical canal reblocking is, at this stage, a mystery. A year ago, AusAID's [2011 Indonesia annual program performance report](#) conceded difficulties with KFCP and challenges ahead (see p.24), but the distance from that balanced discussion to this abrupt and unexplained decision is a long one.

Last year I co-authored a critical [review](#) of KFCP with Erik Olbrei. We concluded that “there was no point continuing along current lines” and that KFCP should be either abandoned or radically re-shaped. Clearly, the former has been the option chosen. Whether the correct decision or not, the failure to provide any reason for the effective closure of KFCP carries on a tradition of a lack of transparency which, as we argued in our review, has plagued the project since its inception.

Author/s:

Stephen Howes

Stephen Howes is Director of the Development Policy Centre and Professor of Economics at the Crawford School of Public Policy at The Australian National University.

Link: <https://devpolicy.org/kfcp-begun-with-a-bang-ending-with-a-whimper-20130701-2/>