

Agus, who is also the REDD task force secretary, said that the involvement of the two sectors was crucial to speed the establishment of the REDD agency.

The term of the first task force ended in June, but failed to complete certain jobs, including preparing the new REDD agency to implement and monitor the forest moratorium.

The REDD task force is headed by Kuntoro Mangkusubroto, who is also head of the Presidential Work Unit for Development Monitoring and Control (UKP4).

The task force members include Anny Ratnawati from the Finance Ministry, Lukita Dinarsyah Tuwo from the National Agency for Development Planning (Bappenas), Bayu Krisnamukti of the Agriculture Ministry, Joyo Winoto of the National Land Agency (BPN), Hadi Daryanto from the Forestry Ministry, Arief Yuwono from the Environment ministry, Agus Sumartono of the Cabinet Secretariat office, Evita Legowo of Energy and Mineral Resources Ministry and Heru Prasetyo from the UKP4 office.

The task force was also tasked with setting up the financing mechanisms for the REDD project and implementing REDD activities during a pilot project in Central Kalimantan.

The task force should also develop criteria to select the second REDD pilot project in the province.

The government appointed Central Kalimantan as the first pilot project province for the REDD project last year.

On Friday, the REDD task force signed the Memorandum of Understanding (MoU) with the Central Kalimantan administration in Jakarta to begin the implementation of emission reductions in the province.

The two-year moratorium is part of Indonesia's pledge to stem deforestation in a US\$1 billion deal with the Norwegian government made in May 2010.

According to a letter of intent with Norway, Indonesia is required to stop issuing new permits for exploiting natural forests and peat land within two years.

In return, Indonesia would receive money based on the total amount of carbon emissions reduced within the two years.

The moratorium was to have been implemented earlier this year, but officials, including from Forestry Ministry and REDD task force, were divided over the definition of natural forests as stipulated in the deal.

After a four-month delay, Yudhoyono issued a decree in May to implement the forest moratorium banning conversions of primary forest and peat land, including for plantations and mining companies.

The presidential decree on the forest moratorium, however, still allowed business people dealing with geothermal and food-related projects to run businesses in primary forestland.

Indonesia has the world's third-largest expanse of forest with 120 million hectares of rainforest, 40 million of which are protected forest and conservation areas that cannot be exploited for commercial purposes.