

Indonesia Sustainable Development News Digest

2022 Issue 10 — 19 May 2022

The Indonesia Sustainable Development News Digest is a biweekly collection of summaries of articles related to conservation, the environment and sustainability in Indonesia which have appeared in print or online in local, regional and global English-language media. We welcome comments, suggestions, and corrections. To learn more about us and to access previous editions of the News Digest, please visit our website at www.starlingresources.com. If you would like to add colleagues or friends to our distribution list or unsubscribe, please contact us at newsdigest@starlingresources.com.

CONTENTS

- A. Marine & Fisheries
- B. Forests & Land Use
- C. Conservation & Protected Areas
- D. Energy, Mining, & Climate Change
- E. Pollution & Waste
- F. Investment & Finance
- G. Other
 - I. The Covid-19 pandemic
 - II. Present Widodo attends US-ASEAN summit
 - III. The palm oil export ban

A. Marine & Fisheries

Fisher groups are the marine militia in Indonesia's war on illegal fishing

—Basten Gokkon, *Mongabay*, 6 May 2022

Indonesia maritime area, covering 5.8 million km², is home to the highest coral reef fish diversity in the world, but the government lacks sufficient government personnel to carry out effective patrolling, surveillance and monitoring against illegal and destructive fishing. Budget cuts have further reduced patrolling by the Ministry of

Maritime Affairs and Fisheries (KKP) from 270 days in 2015 to just 84 days in 2019. West Papua's Raja Ampat archipelago has only 47 official patrol staff. A grant from the Indonesia Climate Change Trust Fund (ICCTF) under the Ministry of National Development Planning (BAPPENAS), supported by World Bank funding, has made it possible to create nine local *Pokmaswas* (community-run monitoring groups) each composed of 10-20 men and women fishers on five different islands in Raja Ampat to patrol twice a week. Their reports about illegal and destructive fishing practices are submitted to a WhatsApp group including the Marine Police, the Raja Ampat Marine Conservation Park agency and the Indonesian Navy.

Paper: S. Neil Larsen et al, "Fisher perceptions of threats and fisheries decline in the heart of the Coral Triangle", Ocean Life 2:2 (December 2018). doi:10.13057/oceanlife/o020201

<u>Indonesia lacks funds to build promised fisheries infrastructure projects in Maluku</u>

-Nurdin Tubaka, Melati Kaye, Mongabay, 11 May 2022

The Ministry of Maritime Affairs and Fisheries (KKP) announced there would be no funding in the 2022 national budget for the National Fish Bank or the new port in Ambon, projects which President Joko Widodo had announced in March 2021. The former would have been an integrated fisheries center with international and domestic container terminals, a liquefied natural gas terminal, power plant and pier, as well as fish auction and processing buildings. This was the second time in a decade the central government has promised and scuttled the project. A feasibility study revealed the proposed site still had unexploded mines and an active underwater volcano, the Coordinating Minister for Maritime Affairs and Investment said. "Progress has been up and down under the leadership of four ministers" since 2010, said Amrullah Usemahu, General Secretary of the Society of Indonesian Fishers, an NGO. "The projects would have been a boon to eastern Indonesia, reviving existing fishing ports around the Maluku region and improving logistics and fishery supply chains."

Small-island fishers in Riau petition Indonesian president to end coastal sand dredging

—Suryadi, Mongabay, 13 May 2022

Fishers on Rupat Island in Riau Province have petitioned President Joko Widodo and Minister of Energy and Mineral Resources (MEMR) Arifin Tasrif to end offshore sand dredging operations that threaten their livelihoods and marine ecosystems. The letter calls for the government to revoke a permit allowing PT Logomas Utama to dredge sand along 5,030 ha on Rupat's northern coast. The fishers accuse Logomas of destroying their fishing areas, leading to reductions in average daily catch from 10-20 kg before to only 1-2 kg. Environmental activists have also expressed concern over the dredging, which they say violates the Law 27 of 2007 on Management of Coastal Areas and Small Islands. Logomas obtained its original permit in 1999, and then obtained a permit renewal in 2017, apparently without having updated its original environmental impact assessment (amdal), according to Walhi, an environmental NGO. It did not begin dredging for sand until September 2021, but ceased operations three months later in response to protests from local fishers.

Sumbawa to develop whale shark ecotourism in Saleh Bay

Supriyantho Khafid, Tempo English, 10 May 2022

The Sumbawa Regency government and Konservasi Indonesia, an NGO, signed an agreement to promote ecotourism based on charismatic marine animals and preserve endangered whale sharks in Saleh Bay, Sumbawa. Meizani Irmadhiany, chair of the board of Konservasi Indonesia, said cooperation in the development and management of sustainable resources in the tourism sector is needed to generate economic benefits for the community. "This collaboration is expected to support development of ecotourism for charismatic marine animals as a blue economy model [and to] support the mission of the Sumbawa Regency Government in improving its tourism sector and managing it sustainably." Meizani said whale shark ecotourism can also increase community participation in conservation and boost local development that will improve the welfare of coastal communities. Whale sharks (*Rhincodon typus*), which can grow to 11 tonnes and reach a length of up to 12 meters, are a protected species in Indonesia. Saleh Bay is known to have the second-largest whale shark population in the country, with an estimated 99 resident whale sharks.

US imports of blue swimming crab from Indonesia grew in the first quarter

—María Feijóo, Undercurrent News, 17 May 2022

The US imported 3,866 tonnes of blue swimming crab from Indonesia during the first quarter of 2022 with an estimated value of US\$145 million, a 42% increase in terms of volume and a 125% jump in value year-on-year, according to data published by the US National Oceanic and Atmospheric Administration (NOAA).

ISSF commits to helping tuna fisheries meet MSC standards without conditions

—Emma Desrochers, SeafoodSource, 13 May 2022

The International Seafood Sustainability Foundation (ISSF)'s 2021 annual report, "Transparent Accountability Across Tuna Fisheries", commits to working with industry partners and regional fishery management organizations (RFMOs) to promote best practices in tun and ocean conservation with fishers, companies, and RFMO in collaborations with marine researchers, NGOs, and scientific agencies. "This long-term perspective and commitment to continuous improvement remain fundamental to ISSF's guiding objective: helping tuna fisheries meet the Marine Stewardship Council (MSC) standard without conditions," ISSF President Susan Jackson wrote. The report examines two major topics related to more sustainable tuna fisheries: electronic monitoring (EM) and supply chain transparency. The foundation announced that its Conservation Measures and Commitments Compliance Report showed a conformance rate of 99.6% of 25 participating countries in its conservation measures, which include demonstrating the ability to trace products, submitting quarterly purchase data to RFMO bodies, establishing policies to prohibit shark-finning, and avoiding transactions with vessels on RFMOs' IUU Fishing lists.

Note: Indonesia is a member of the Indian Ocean Tuna Commission (IOTC), the Western and Central Pacific Fisheries Commission (WCPFC), and the Commission for the Conservation of Southern Bluefin Tuna (CCSBT), and a cooperating non-member of the Inter-American Tropical Tuna Commission.

Report: International Seafood Sustainability Foundation, "<u>Transparent Accountability Across Tuna Fisheries: 2021 Annual Report</u>", ISSF (22 April 2022).

B. Forests & Land Use

Indonesia seeks joint ASEAN efforts to sustainably manage peatlands in Southeast Asia

—Subagyo, Azis Kurmala, Antara News, 5 May 2022

Indonesia is inviting countries in Southeast Asia to work together to sustainably manage peatlands as a means of enabling economic growth and maintaining ecological balance in the region. Gandi Sulistyanto, Indonesia's Ambassador to the Republic of Korea, said tropical peatlands in Southeast Asia provide many benefits, including timber and non-timber forest products, water reserves, and flood control. "Peat in Southeast Asia also stores large carbon stocks and is home to biodiversity," Ambassador Gandi said as he delivered a keynote speech at a discussion of peatland at the 15th World Forestry Congress in Seoul on 2 May. Peatlands in Southeast Asia are estimated to cover 24 million ha. An initiative implemented by business actors is the Riau Ecosystem Restoration (RER), funded by the APRIL group, committed to restoring 150,693 ha of peat in the Kampar Peninsula and Padang Island, Riau, including closing of a 146-km stretch of the old canal and conducting protective patrols involving local communities.

BRGM head: Manage mangrove areas to prevent their becoming source of carbon emissions

—Prisca Violleta, Uyu Liman, Antara News, 19 April 2022

Indonesia's mangrove areas containing large carbon reserves must be managed to prevent them from becoming sources of carbon emissions, Hartono, head of the National Peatland and Mangrove Restoration Agency (BRGM) said at a virtual workshop on Blue Carbon in Developing the Blue Economy. Carbon is not only reserved above the ground in mangrove areas but also beneath it. The total carbon sequestered in soils may reach 500-950 tonnes per ha. Indonesia has an estimated 3.36 million ha of mangroves, but according to the Ministry of Environment and Forestry (KLHK), the country's mangrove area is expected to decline by 12,818 ha per year. A number of areas under mangrove cover do not have forest area status as they have already been released by the KLHK and reclassified as "areas for other purposes" (APL), Hartono said. "APL is determined in accordance with the spatial plan, [but] we have no regulations stipulating which areas are protected peatland and which are cultivated peatland", he explained.

Paper: Anthropogenic impacts on lowland tropical peatland biogeochemistry

—Susan Page et al, Nature Reviews Earth & Environment, 17 May 2022

Tropical peatlands occupy 440,000 km² across Southeast Asia, Central Africa and the Americas are among the world's most carbon-dense ecosystems, with a below-ground carbon stock of about 105 gigatonnes (Gt), but tropical peatlands in Southeast Asia have undergone widespread transformation due to deforestation, drainage, and agricultural conversion resulting in rapid peat carbon loss, reduced carbon storage, increased greenhouse gas emissions, loss of hydrological integrity, and peat subsidence, accompanied by increased risks of fire and flooding. The resulting nutrient storage and cycling changes will require additional fertilizer inputs to sustain crop production, further disturbing the ecosystem and increasing greenhouse gas emissions. Under a warming climate, these impacts are likely to intensify, with both disturbed and intact peat swamps at risk of losing 20% of current carbon stocks by 2100.

Paper: Addressing indirect sourcing in zero deforestation commodity supply chains

—Erasmus K. H. J. Zu Ermgassen at al, Science Advances, 22 April 2022

Trade in agricultural commodities is a backbone of the global economy but also a major cause of negative social and environmental impacts, not least deforestation. Commodity traders are key actors in efforts to eliminate deforestation—they are active in the regions where the commodities are produced and represent a "pinch" point in global trade that provides a powerful lever for change. However, the procurement strategies of traders remain opaque. Here we catalogue traders' sourcing across four sectors with high rates of commodity-driven deforestation, including Indonesian palm oil, showing that traders often source more than 40% of commodities "indirectly" via local intermediaries and that indirect sourcing is a major blind spot for sustainable sourcing initiatives. To eliminate deforestation, indirect sourcing must be included in sectoral initiatives, and landscape or jurisdictional approaches, which internalize indirect sourcing, must be scaled up.

C. Conservation & Protected Areas

'It's just a bird': Online platforms selling lesser-known Indonesian avian species

—Sean Mowbray, Mongabay, 17 May 2022

On top of the growing online trade in endangered and endemic Indonesian birds, the online trade in less well-known species sold as novelties or exotic pets could reach sufficient numbers to impact wild populations, according to Vincent Nijman, with the Oxford Wildlife Trade Research Group. Nijman recently scanned online groups and platforms for offers to sell pink-headed fruit doves (*Ptilinopus porphyreus*), an "inconspicuous" endemic species rarely found in marketplaces but widely available on-line. *P. porphyreus* is classified as "least concern" on the IUCN Red List, but that status may soon be revised to "near threatened". International online demand for captured Indonesian songbirds and other species may also be driving interest to acquire these species in Asian markets where they had not historically been valued as captive subjects, including threatened species such as the critically endangered silvery pigeon (*Columba Argentina*), endemic to Indonesia and Malaysia. Online

trade should now be considered a threat to a much larger group of bird species, not only those currently recognized as endangered," Nijman said.

Article: Vincent Nijman, "Online trade threatens even inconspicuous wildlife", Oryx 56:3, May 2022. https://doi.org/10.1017/S0030605322000187.

Short Communication: Simon Brusland et al, "Online trade as a serious additional threat to the Critically Endangered silvery pigeon Colomba Argentina in Indonesia", Nature Conservation 46, 22 February 2022. https://doi.org/10.3897/natureconservation.46.80064

D. Energy, Mining, & Climate Change

Banks bet big on thermal coal in Indonesia, defying global shift away from fossil fuel energy

—Hans Nicholas Jong, Mongabay, 12 May 2022

Banks like Citigroup, BNP Parabas and Standard Chartered make it more difficult for Indonesia to transition to sustainable renewable energy as lending to Indonesian coal-mining companies rapidly grows on the back of soaring global coal prices. Indonesia's Financial Services Authority (OJK) said lenders channelled 26.8% more funds to the country's mining industry in January 2022 compared to January 2021, significantly higher than the 5.79% increase in overall lending. Non-bank lenders are also tapping into the demand from miners for credit to finance purchase of heavy equipment, channelling 56.6% more in loans in February 2022 compared to a year earlier. The boom is most dramatic in East Kalimantan, Indonesia's coal mining heartland, where bank loans to the mining industry in the province grew 74.4% year-on-year in February 2022, compared to a 18.87% uptick in overall lending. Made Yoga Sudharma, who heads the OJK office in East Kalimantan, said the provincial economy is still dominated by the mining industry and financial institutions are bullish on the industry due to rising global coal prices.

New restrictions could cut overseas sales of carbon offset credits from major rainforests

—Jon Emont, *The Wall Street Journal*, 15 May 2022

Indonesia and PNG are halting the issuance of carbon offset credits from rainforest projects, unsettling global carbon markets. Indonesia is the world's biggest supplier of forestry-based carbon credits under the Verified Carbon Standard (VCS), the world's leading program for certifying greenhouse gas emission reductions. In recent months, however, the Indonesian government has restricted carbon credit sales and told companies to stop work on new projects. Voluntary carbon markets enable entities to offset their own emissions against carbon credits purchased from projects that reduce greenhouse gas (GHG) emissions elsewhere. At issue, however, is who gets credit for reducing carbon emissions. Under the UN climate accords, to prevent double counting, emissions reductions covered by carbon offset credits sold to external parties cannot be counted toward the countries' own carbon emissions Nationally Determined Commitments (NDCs). Dharsono Hartono, CEO of PT Rimba Makmur Utama (RMU), declined to comment, saying Indonesia is developing new regulations. RMU operates the Katingan Mentaya Project in Central Kalimantan, the world's largest Verified Carbon Standard (VCS) REDD+ project.

<u>Credit Suisse: Demand for voluntary carbon credits could rise five-fold to 1 billion tonnes/year</u> —Carbon Pulse, 17 May 2022

Voluntary carbon credit demand could rise five-fold to 1 billion tonnes/year by 2030, spurred by corporate climate commitments outpacing those of governments, a bank analyst report said. The Credit Suisse report said a third of the world's 2,000 largest companies have made net zero emission pledges or similar, with 56% planning an execution strategy nearly half planning to use voluntary carbon offsets to help meet those goals, which could trigger an upsurge in demand to 1 billion credits a year by the end of the decade. Credit Suisse said it expected offset quality to improve as corporates are held more accountable by investors for their climate efforts, with both emissions avoidance and removals-based efforts needed to sufficiently meet global warming targets. But the bank

warned that the voluntary markets are still the "Wild West" of global carbon markets as they remain self-regulated with poor transparency across the value chain.

Indonesia's President Joko Widodo meets Tesla's Musk after nickel talks

—Stanley Widianto et al, Reuters, 15 May 2022

Indonesian President Joko Widodo met Tesla Inc. CEO Elon Musk on 14 May after a round of working-level discussions on a potential investment by Tesla in Indonesia's nickel industry and supplying batteries for electric vehicles (EVs), Indonesian officials said. Widodo travelled to the SpaceX launch site in Texas from Washington DC. Musk said there could be room for "partnerships in many things, because Indonesia has a lot of potential," the statement said. Indonesia has the world's largest nickel reserves, and President Widodo is keen to develop a nickel-based EV industry at home, from producing nickel metal to manufacturing battery components and assembling EVs. In the past, Widodo has also urged Musk to consider a rocket launch site in Indonesia. In April, a consortium led by South Korea's LG Energy Solution Ltd. announced plans to invest US\$9 billion in nickel refining and producing battery cells. LG's rival, China-based Contemporary Amperex Technology, a Tesla supplier, also recently announced a US\$9 billion Indonesia investment.

Pertamina, Chevron collaborate to help Indonesia reach 2060 net-zero emissions target

—Jakarta Globe, 13 May 2022

Indonesia's state energy company Pertamina and US oil giant Chevron have agreed to collaborate on low-carbon business opportunities in Indonesia in order to help the country reach its 2060 net-zero emissions target. These could include developing geothermal technology; carbon offsets through nature-based solutions; carbon capture, utilization and storage (CCUS); and development of production, storage, and transportation of low-carbon hydrogen. Coordinating Minister of Maritime Affairs and Investments Luhut Pandjaitan and Minister of Investment/Head of Investment Coordinating Board (BKPM) Bahlil Lahadalia were present at the MOU signing in Washington DC between Pertamina President Director Nicke Widyawati and Chevron Vice President of Business Development Jay Pryor. Minister Luhut said a collaborative approach was vital for Indonesia to reach its carbon goals, including sourcing 23% of energy from renewables by 2051 reaching net-zero emissions by 2060. Renewables accounted for 9.2% of Pertamina's energy mix in 2019, but it plans to increase the contribution to 17.7% by 2030. Pertamina has a total installed geothermal capacity of 1,877 MW from 13 geothermal work areas.

Renewable Energy Transition—Germany comfortable in Indonesia partnership

—Daniel Ahmad, Tempo English, 12 May 2022

Germany's State Secretary and Special Envoy for International Climate Action Jennifer Morgan said she is confident Germany and Indonesia would manage the global transition toward clean renewable energy. As the Group of 7 (G7) and Group of 20 (G20) events will take place in parallel this year, the two countries have increased their partnership toward this goal. The secretary indicated that Germany is ready to strengthen collaboration with Indonesia to accelerate action toward sustainable energy in the fields of climate, energy, and the environment by sharing Germany's experience with energy transitions and the phase-out of coal-fired power plants. Morgan met with Coordinating Minister of Maritime Affairs Luhut Binsar Pandjaitan, Minister of Finance Sri Mulyani Indrawati, and Minister of Environment and Forestry Siti Nurbaya Bakar. "I feel the momentum is here for us to step up together and act to take over our political leadership, our G7, and our G20," Morgan said. "This is a moment for all of us to go beyond our comfort zones."

E. Pollution & Waste

Minister Uno lauds Bali Waste Cycle for easing environmental burden

—Baqir Alatas, Uyu Liman, Antara News, 15 May 2022

Tourism and Creative Economy Minister Sandiaga Uno has lauded Bali Waste Cycle (BWC) for helping ease environmental burdens and supporting the implementation of a tourism and creative economy development strategy based on environmental sustainability. Established in 2019, BWC is expected to help the government achieve its targets of reducing the volume of plastic waste by 30% as well as managing 70% of waste by 2025. Minister Uno, who visited the BWC office in Denpasar on 14 May, also praised BWC for creating new job opportunities for local workers amid the Covid-19 pandemic. Uno said BWC's works are aligned with the *Tri Hita Karana*, a Hindu concept that emphasizes a caring, peaceful and tolerant lifestyle through humans' relationship with God (*Parhyangan*), with each other, (*Pawongan*) and between humans and nature (*Palemahan*). "We can also use the Tri Hita Karana concept as a guide to transform [Bali's] economy—now heavily dependent on tourism—to become more diversified, for instance through implementation of the green economy," the minister said.

Comparing the condition of waste management workers in Indonesia and other countries

—Amanda Bahraini, waste4change, 21 April 2022

Most waste landfills in Indonesia are in danger of being closed because they are full of residual waste or unmanaged recyclable materials. The majority of regions still apply traditional methods of waste disposal, such as burning, burying in the ground, or dumping into rivers, ditches and the sea, which can block rivers, pollute groundwater, soil and air, and create sources of disease. In developed countries, waste processing no longer requires waste workers to go to the field to pick up waste, while in developing countries, waste workers still pick up waste which is then transported by trucks for disposal or processing. Garbage workers in developed countries who go directly to the field receive protective clothing and security devices and are well-paid and provided with health care. In Indonesia, waste workers often still use their unprotected hands to pick up trash. They can be injured by nails, broken wood or glass, edges of cans and sharp objects, and risk poisoning by methane, carbon monoxide, hydrogen sulfide.

F. Investment & Finance

Better prospects for Indonesia's Islamic banks amid economic recovery

—Edbert Tionardi, FitchRatings, 14 February 2022

Economic recovery and regulatory forbearance underpin brighter prospects for Indonesia's Islamic banking sector. Medium-term growth drivers include supportive government policies and regulations, greater availability of Islamic liquidity-management products, increased digitalisation, and organic growth by the newly-formed PT Bank Syariah Indonesia. However, the smaller capital base of most sharia banks, their limited product offerings, still-developing branch and digital-banking networks, and limited skilled human capital remain obstacles. The conversion of three regional lenders into sharia banks in 2022 will increase the share of sharia financing from 7.1% of the industry to around 9%. Sharia banks' financial profiles are now more in line with those of conventional peers. Their focus on consumer financing helped them to maintain their non-performing financing ratio at 3.1% as of late 2021. Capitalisation, as reflected in their average capital adequacy ratio of 25%, as well as average return on assets of 1.6%, were both in line with conventional peers.

G. Other

Revoking permits for logging, plantation, and mining concessions marred by "maladministration"

—Hans Nicholas Jong, Mongabay, 10 May 2022

The Ministry of the Environment and Forestry (KLHK) may have committed maladministration in announcing revocation of nearly 200 permits for logging, plantation, and mining concessions, Indonesia's Office of the Ombudsman said. President Joko Widodo announced the mass revocation of permits in January because the companies had been moving too slowly in exploiting natural resources. If concession holders were negligent in managing their concessions, the Ombudsman Office noted, then problems should have been detected earlier and dealt with case-by-case. Moreover, forest release decrees issued by the KLHK rezone "forest area" land into "areas

for other purposes" (APL), in effect allowed forests to be cleared for plantations, but companies still need a "right-to-cultivate" permit, or HGU, from the Ministry of Agrarian and Spatial Planning and the National Land Agency (ATR/BPN). Therefore, the KLHK had no authority to revoke palm oil concessions, whose final "right to cultivate" permits are under the National Land Agency (BPN).

Police use water cannons against Papuans protesting against plan to break up Papua Province

—AFP via The Jakarta Post, 11 May 2022

Police used water cannons against protests in Papua Province on 10 May after thousands of people came out to oppose plans to divide Papua Province into six provinces. Jakarta said redrawing jurisdictional lines would accelerate development and make the region easier to govern, but many Papuans fumed that they had not been consulted and said the move would tighten Jakarta's control over the resource-rich region. Several thousand people gathered in several locations near the provincial capital of Jayapura to protest the plan, and similar protests were carried out in other parts of the country. Water cannon was used to disperse protestors in Waena, on the outskirts of Jayapura. "The students were blocking the road, which was disturbing the public, and the officers opened the blockade, a spokesman for the national police said. Images showed anti-riot police deployed with heavy equipment and gunshots were heard. In March, two people were killed and several others injured when a protest against the plan turned violent in Papua's Yahukimo district.

Indonesia arrests 24 militant suspects for pledging loyalty to new leader of Islamic State

—Reuters via Jakarta Post, 18 May 2022

The elite Densus 88 counter-terrorism taskforce of the National Police arrested 24 suspects in raids on 14 May, including 22 who were detained in central Sulawesi and were alleged to have links to the East Indonesia Mujahideen (MIT) network, a terrorist network that formerly operated out of Poso, Sulawesi. Some of the suspects had performed *bayat* or pledge of allegiance to the new leader of the Islamic State (IS), Abu al-Hassan al-hashimi al-Qurashi, a police spokesman said, adding that the ceremony was performed by reading a text message circulated on their WhatsApp accounts. As many as 1,100 men, women and children left Indonesia to join Islamic State at the height of the group's control of territory in Syria and Iraq from 2014 to 2016, according to Jakarta-based security expert Sydney Jones. Abu al-Hassan was named caliph of IS in March. A UN report in 2020 estimated that around 10,000 IS fighters remain active, mostly in Syria and Iraq.

I. The Covid-19 crisis

Indonesia to drop outdoor mask mandate and negative pre-departure tests for arriving travellers

—Reuters via Jakarta Post, 18 May 2022

Indonesia will drop requirements to wear masks outdoors and for vaccinated travellers to present negative predeparture Covid-19 tests on arrival. Masks will no longer be required outdoors because "the pandemic is getting more and more controlled", President Joko Widodo said in a streamed statement. Masks will still be required in some indoor venues and on public transportation, the president said. Indonesia will no longer require negative pre-departure Covid-19 tests for arriving foreign and domestic travellers, Minister of Health Budi Gunakin Sadikin said at a news conference, describing the measures as part of the country's transition to living with the virus.

Concerns over low rate of Covid-19 booster coverage in Indonesia persist

—Elly Burhaini Faizal, The Jakarta Post, 14 May 2022

Indonesia's low rate of Covid-19 booster coverage has sparked concerns over a return to high hospitalization and death rates amid the global risk of new coronavirus variants. The government had hoped its program of allowing Idul Fitri *mudik* (exodus) travellers who received a third shot to skip certain health protocols would significantly increase booster coverage, but as of 3 May, the Covid-19 booster rate stood at only 19.3% of the targeted population, attributed in part to public hesitancy to get another vaccine dose. Pulmonologist Erlina Buhan said the

effectiveness of Covid-19 vaccinations typically decrease within six months of administration of the second vaccination. A recent study clarified that Astra Zeneca's viral vector vaccine and available mRNA vaccines could protect people from hospitalization in 91.3-92.5 of cases and death in 91.4-93.3 of cases. In areas with limited resources or logistical challenges, an effective way to reach booster vaccine targets is to use any available booster vaccine to reduce the risk of hospitalization or death, Erlina said.

Supreme surprise for Covid-19 vaccine

-Opinion, Tempo English, 16 May 2022

When matters of health come up against narrow religious interpretations and the short-term interests of a small number of people, it can become a threat to the national vaccination program and the prevention of Covid-19. The Supreme Court issued a ruling in April obliging the government to use *halal* vaccines to battle the Covid-19 pandemic as a correction to a circular from the Ministry of Health. The circular had stated that AstraZeneca, Pfizer and Moderna vaccines can be used as boosters, but none of these three vaccines have obtained *halal* certification from the Indonesian Ulemas Council (MUI). The government has been given 90 days to begin relying solely on vaccines with *halal* certification, namely Red-and-White, Sinovac, Sinopharm and Zifivax. Zifivax, a new vaccine from China, has not yet been used in the vaccination program. The supply of Zifivax in Indonesia involves members of families in the elite of the ruling Indonesian Democratic Party of Struggle (PDI-P). The involvement of party politicians and their families in the supply of the Zifivax vaccine could be in violation of the law. President Joko Widodo should not sacrifice the public interest when pressure from a group supporting halal vaccines tries to force its intentions and disrupt his political position.

II. President Joko Widodo attends US-ASEAN Summit

US hails 'new era' with ASEAN as summit commits to raising level of ties

—Jeff Mason et al, Reuters, 14 May 2022

Indonesian President Joko Widodo travelled to Washington DC to attend the summit between leaders of the US and ASEAN, which US President Joe Biden said marked a "new era" in US relations with the bloc. In a joint "vision statement", the two sides committed to raise their relationship from a strategic partnership to a "comprehensive strategic partnership" (CSP) at the next summit in November 2022, [matching the level of ASEAN ties with China (2021) and Australia (2022)]. The statement calls for advancing maritime cooperation through ASEAN-led mechanisms; ensuring maritime security and safety as well as freedom of navigation and overflight; and keeping the South China Sea "as a sea of peace, stability and prosperity". The parties resolved to work together to conserve ASEAN's rich biodiversity and natural capital, "including through preventing, halting, and reversing deforestation and the degradation of ecosystems, as well as the restoration of critical ecosystems including forests and wetlands, coastal and marine ecosystems." New US commitments will include US\$150 million for infrastructure, maritime security, pandemic preparedness, and clean energy, as well as US\$60 million to deploy a US Coast Guard cutter and personnel to the region.

Multilateral Statement: Joint Vision Statement of the ASEAN-U.S. Special Summit 2022, Association of Southeast Asian Nations (ASEAN)14 May 2022

Note: The **Association of Southeast Asian Nations (ASEAN)** is a political and economic union of ten Southeast Asian states: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam.

Is the Biden administration serious about 'ASEAN centrality'?

—Xirui Li, *The Diplomat*, 14 May 2022

Adherence to "ASEAN Centrality" has become a major pillar of US policy toward Asia. The just-concluded U.S.-ASEAN Special Summit marked the first time ASEAN member states were invited to Washington as a group. In

addition, US President Joe Biden's decision not to hold bilateral meetings with any of the Southeast Asian leaders during the special summit period further reinforced the idea that the US team is treating ASEAN as a whole as an institutional collective, as a key node for Washington to deepen a cluster of relationships in the region, and as an important platform for communication. Biden and senior cabinet members have attended a number of dialogues and forums hosted by ASEAN, indicating a recognition of ASEAN as a convenor and facilitator in regional affairs. As Biden said at the US-ASEAN Summit last year, the US treats ASEAN centrality as "essential to the regional architecture of the Indo-Pacific" and "a linchpin for maintaining the resilience, the prosperity, and security of our shared region."

III. The palm oil export ban

Indonesia's palm oil export ban a flash in the pan?

—Johannes Nugroho, The Interpreter, 12 May 2022

The global vegetable oils industry was stunned when President Joko Widodo announced Indonesia would ban export of palm oil. Widodo cited domestic shortages of cooking oil as the reason for the ban, but the reality is more complex. Indonesia produced 51.3 million tonnes of palm oil in 2021, two thirds of which was exported. Of the remainder [17.1 mt], only 8.9 mt was used to produce cooking oil. In February, the government imposed maximum retail prices (HET) for palm-based cooking oil as part of its Domestic Price Obligation (DPO) policy, but set prices well below market levels, so the industry rebelled. While publicly acquiescing to the directives, major distributors withheld supply from retail centers and markets, leading to higher prices, panic buying and hoarding. In March, Trade Minister Muhammad Lufti revoked the HET. The government had been humiliated when the palm oil industry did its best to scupper the DPO. In turn, the ban on palm oil exports was the government's countermove to strong-arm the industry into toeing the line.

Farmers protest against rising costs of the palm oil export ban

—Bernadette Christina, Heru Asprihanto, Reuters, 17 May 2022

Hundreds of smallholder farmers staged a protest on 17 May in Jakarta and other Indonesian cities demanding that the government end a palm oil export ban that has slashed their income. Indonesia has halted exports of crude palm oil (CPO) and its derivatives since 28 April in a bid to control soaring domestic cooking oil prices, rattling global edible oil markets. Marching with a truck filled with palm oil fruit, farmers rallied outside the office of Airlangga Hartanto, the Coordinating Minister of Economic Affairs. The price for palm fruit has dropped 70% below the floor price set by regional authorities since the ban began and at least 25% of palm oil mills have stopped buying palm fruit from independent farmers, according to the smallholder farmers' group APKASINDO. Minister Airlangga hartarto said the ban would remain in place until bulk cooking oil prices drop to Rp 14,000 (US\$0.96) per liter.

Indonesia's flip-flops on palm oil come under fire

-John McBeth, Asia Times, 5 May 2022

In a single-minded effort to protect domestic consumers, Indonesia has earned the ire of countries around the world with a series of haphazard decisions that have roiled the global palm oil market and inevitably dented its reputation as a reliable investment destination. President Joko Widodo's government came under fire earlier this year for a similarly sudden ban on coal exports to ensure adequate feedstock for its coal-fired power stations, which still account for half of power generation. The latest flip-flops have had far more serious consequences, however, coming when the Russia-Ukraine war had already worsened global shortages of alternative edible oils. Palm oil buyers, commodity traders and economists have vocally criticized the abrupt policy changes which producers blame on "an opaque supply chain" and a startling lack of careful analysis. Smuggling becomes inevitable whenever there is a large difference between domestic and world prices, in this case leading to the arrest of the Director-General of Foreign Trade and three other senior officials accused of issuing illegal export permits.