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## Indonesia Sustainable Development News Digest

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*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](http://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](mailto:newsdigest@starlingresources.com).*

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## A. Marine & Fisheries

### [West Papua province joins with partners to restore endangered zebra sharks in Raja Ampat](#)

—Press Release, West Papua Regional Research and Innovation Agency (RRIA), 25 August 2022

West Papua province has partnered with multiple stakeholders to restore the zebra shark population. Seven genetically-appropriate zebra shark eggs are being hand-reared in local marine nurseries for eventual release into the Raja Ampat marine protected areas (MPAs) as part of a global effort to safeguard this endangered shark species. The *Stegostoma tigrinum* Augmentation and Recovery (StAR) Project was initiated by a group of aquariums, conservation NGOs, academic institutions, and Indonesian agencies, including the Ministry of Marine

Affair and Fisheries (KKP), the National Research and Innovation Agency (BRIN), the Indonesian Institute of Sciences, and Presidential Special Staff member Billy Mambrasar. Dr. Charlie D. Heatubun, Head of RRIA OF West Papua, said the project is an innovative approach to restoring zebra sharks as an important species in the “marine global epicenter of biodiversity”. “This project demonstrates the West Papua Provincial Government’s strong commitment to implement sustainable development in West Papua to maintain a healthy environment and protection of species, and provide economic benefits for West Papuan people through sustainable tourism.”

#### [Indonesia pursues agreements to protect its fishers on foreign vessels](#)

—Basten Gokkon, *Mongabay*, 6 September 2022

The Indonesian government is forging bilateral agreements to protect its citizens working on fishing boats under other countries’ flags to tackle labor abuses and modern slavery. Indonesia is said to be the largest source of labor in the global fishing fleet, but Indonesian crew often become victims of labor abuse due to dangerous working conditions and unfair recruitment practices, while forced labor often goes hand-in-hand with illegal fishing. Judah Nugraha, the Foreign Ministry’s director for protection of Indonesian citizens abroad, said Indonesia has signed one such agreement with South Korea and aims to seal similar deals with Taiwan and with China, the world’s largest fishing power. Migrant crews from Indonesia and the Philippines make up a large component of Taiwan’s distant-water fishing fleet, one of the world’s biggest, which reportedly employed 21,994 Indonesians as fishers on coastal and distant-water vessels in June 2019. The agreement with South Korea protects the rights of Indonesians working on South Korean coastal fishing vessels larger than 20 gross tons.

#### [Tuna catches increasingly coming from healthy stocks](#)

—Emma Desrochers, *Seafood Source*, 31 August 2022

A new “Status of the Stocks” report by the International Seafood Sustainability Foundation (ISSF) found that the percentage of total commercial tuna stock worldwide harvested from stocks at “healthy” levels of abundance increased from 80.5% to 86.4% since its last previous report in March 2022, mainly due to a restoration in the Eastern Pacific Ocean skipjack stock. Of the 23 albacore, bluefin, yellowfin, bigeye, and skipjack fisheries surveyed in the twice-yearly ISSF reports, 65% were found to be at healthy levels of abundance, 22% are at intermediate levels, and 13% are overfished. The total catch in 2020 was 4.9 million tonnes, 10% below the total catch in 2019. Overall, 57% of the total catch in 2020 was skipjack tuna, followed by yellowfin (30%), bigeye (8%), albacore (4%), and bluefin (1%). 66% of the global catch is taken by purse-seining, followed by longline (10%), pole-and-line 7%, gillnets (4%), and miscellaneous (13%). The Western and Central Pacific Fisheries Commission (WCPFC) had 317 large-scale purse-seine vessel registrations, the most among global RFMOs.

ISSF (2022). **Status of the World’s Fisheries for Tuna July 2022**, Technical Report 2022-13 covering CCSBT, IATTC, ICCAT, IOTC, and WCPFC and MSC-Certified Tuna Fisheries.

#### [Impact of WTO agreement on fishing subsidies derided as “trivial”](#)

—Mark Godfrey, *SeafoodSource*, 5 September 2022

Oceana senior analyst Daniel Skerritt warned that the June 2022 WTO Agreement on Fisheries Subsidies will only remove a “trivial” amount of harmful fishery subsidies unless further expanded, as promised when the deal was approved, noting that it currently falls short of addressing Target 14.6 of the UN Sustainable Development Goals which aims to “prohibit ... subsidies which contribute to overcapacity and overfishing and eliminate subsidies that contribute to Illegal, Unreported and Unregulated (IUU) fishing.” Skerritt said the agreement does not include explicit reference to capacity-enhancing or harmful fishing subsidies, let alone measures that prohibit their provision. European fishery industry representatives say the deal is too lenient on large fleets from Asia, which make up the largest share of global distant-water fleets. WTO Director-General Ngozi Okonjo-Iweala called the agreement a “first bug significant step forward” to curb subsidies for overcapacity and overfishing by ending fishing on the unregulated high seas. Other groups have welcomed the agreement while calling for follow-up talks to end subsidies for overcapacity and overfishing.

[*Oceana is a non-government organization advocating for marine conservation.*]

## B. Forests & Land Use

### [Minister lays groundwork to achieve Forestry and Other Land Use \(FOLU\) Net Sink targets](#)

—*ForestHints.news*, 28 August 2022

Environment and Forestry Minister Sisi Nurbaya stated that the Indonesia Forestry and Other Land Use (FOLU) Net Sink 2030 operational plan and the energy transition will be one of the most significant climate initiatives in terms of alignment for productive collaboration. “While we need climate partnerships with other Group of 20 members, we must continue to play our part focused on our legally-binding climate targets and not just because we are waiting for support from other countries,” the minister said. “Climate finance from developed countries can follow later to provide parallel support for our ongoing climate actions.” Minister Nurbaya also conveyed her hope that all the delegations to the Joint Environment and Climate Ministers’ Meeting will work effectively to ensure agreeable communications and a meaningful outcome for the Group of 20 summit meeting in November in Bali.

[*Note: “FOLU Net Sink” refers to scenarios in which the total absorption of greenhouse gases (GHG) is balanced or exceeds GHG emissions in the Forest and Other Land Use sectors in 2030 and contributes 60% of the Net Zero Emission Target by 2060.*]

### [Following science for forest reference emission levels](#)

—Monica Evans, *CIFOR Forest News*, 19 August 2022

For countries’ emissions reduction efforts under the Paris Agreement to be effective, baseline emission levels must be as clear and accurate as possible. For Indonesia, which holds outsize shares of the world’s carbon-rich wetland ecosystems including 23% of tropical peatlands and over 20% of global mangrove area, getting forest reference emissions levels (FREL) right is particularly important. In June 2022, the Center for International Forestry Research—World Agroforestry Center (CIFOR—ICRAF) and Indonesia’s National Research and Innovation Agency (BRIN) conducted a national workshop on developing and improving Indonesia’s FREL in the context of global crises related to land degradation, biodiversity loss, climate change, and sustainable food systems and value chains. New elements taken into account in Indonesia’s 2022 FREL report include enhancing forest carbon stocks; below-ground biomass, including leaf litter and soil organic carbon; carbon in mangrove forests; non-CO<sub>2</sub> emissions; and emissions from forest fires. Djoko Hendratto addressed the government’s goal of achieving a net carbon sink for forest and land use (FOLU Net Sink) by 2030.

### [Putting sustainable, equitable palm oil on the G20 recovery agenda](#)

—Monica Evans, *CIFOR Forest News*, 29 August 2022

Indonesia will host the November G20 summit meeting in Bali on the theme “Recover together, recover stronger” to set the agenda for discussions on advancing sustainable and equitable palm oil trading. “Fundamentally, [oil palm] is a very productive plant that yields very good oil with great properties for industry and businesses; and it’s a very important source of livelihood for local people,” stated Robert Nasi, Director-General of the Center for International Forestry Research (CIFOR). “At the same time, it’s often associated with tropical deforestation. So, how can we trade it sustainably?” Growing awareness of deforestation and climate change has created demand in the EU and UK for deforestation-free supply chains, but measures to this end could negatively impact smallholder farmers who currently rely on oil palm production. Herry Purnomo highlighted the need to distinguish between good (sustainable) and bad (unsustainable) palm oil production, and then “strengthen the good while transforming the bad”, including offering smallholder farmers financial and technical support to implement good agricultural practices.

### [EU Environment Ministers agree on new rules addressing global deforestation](#)

—*Majalah Sawit Indonesia*, 12 August 2022

EU environment ministers in a meeting of the Environment Council reached an agreement on new rules addressing global deforestation, defining “deforestation-free” as “not having caused deforestation or forest degradation during their production”. The rules apply to a range of commodities including coffee, cocoa, palm oil, soya, beef, and wood. The Environment Council defined “deforestation” as the conversion of forest to agricultural use, human-induced or not”, while “forest degradation” was defined as “structural changes to forest cover that translate into the conversion of primary forests into plantation forests or other wooded land”, and considered “forest” to mean parcels larger than 0.5 ha with trees higher than 5 meters and canopy cover of 10% or more. Critics faulted the EU commitment for failing to recognize highly-forested landscapes like that of Indonesia’s Papua region; understating the importance of opportunities for indigenous Papuans to economically develop and thrive; disregarding biophysical forests outside of temperate Europe, such as tropical forests.

#### [Policy reform for forest positive agriculture in Indonesia](#)

—Agus Riady Saputra, *UNDP Green Commodities Program*, 24 August 2022

Traditional approaches to sustainable transformation in agricultural commodity supply chains have tended to segregate production, financing, and demand aspects and treated them as separate and unconnected issues, but these systems are interlinked. Effective land-use planning in agricultural commodities helps remove incentives to convert forests, peatlands, and wetlands and, ultimately, deforestation. There have been notable achievements in Indonesia, including 824,424 ha of High Conservation Value (HCV) and/or High Carbon Stock (HCS) areas, including 194,321 ha of High Conservation Value Forest (HCVF) have been brought under protection as a result of UNDP support. In addition, local regulations were developed to provide a legal framework for the protection of important conservation areas which, along with training for smallholders, allowed over 100 million tonnes of direct and indirect CO<sub>2</sub> emissions to be avoided. The UNDP through GGP hopes to provide essential support and facilitation for training staff for the National and Subnational Implementation Teams in charge of the action plans for sustainable palm oil.

#### [Mapping of Indigenous lands ramps up — without official recognition](#)

—Hans Nicholas Jong, *Mongabay*, 7 September 2022

The Ancestral Domain Registration Agency (BRWA), has mapped a total of 20.7 million ha of Indigenous lands in Indonesia since 2010, but only 15% has been officially recognized by the government. An independent initiative, the BRWA was established by a group of NGOs to guide Indigenous groups in mapping their territories. To date, the government has only recognized 189 indigenous territories spanning a total of 3.1 million ha. Unrecognized lands are at risk of being appropriated for economic development projects as the government pushes a slate of massive infrastructural development projects across the archipelago, said BRWA head Kasmita Widodo. Some 70% of ancestral forests overlap with state forests. Before 2013, all forests in Indonesia were considered state forests, but the Constitutional Court issued a landmark ruling that year that control of customary forests where Indigenous people live should be returned to Indigenous groups. That was the job of the Ministry of Environment and Forestry, but to date, the ministry has recognized only 1% of customary forest (*hutan adat*) identified by the BRWA. 173

## C. Conservation & Protected Areas

#### [In revising its criminal code, Indonesia risks unravelling environmental laws](#)

—Hans Nicholas Jong, *Mongabay*, 1 September 2022

A plan by lawmakers to revise the country’s criminal code could make it more difficult to prosecute such environmental crimes as dumping toxic waste in rivers or setting forest fires. “If [the revised criminal code] is passed in [its present form], I can assure you no environmental pollution cases will be criminally prosecuted,” said Andri Gunawan Wibisana, a professor of environmental law at the University of Indonesia. The draft rolls back a provision in the 2009 law stating that prosecutors don’t have to prove a company is violating other laws to charge it with an environmental crime. In 2005, the gold mining company PT Newmont Minahasa Raya used the 1997

standard in its successful defense against a government lawsuit for polluting Buyat Bay in North Sulawesi. Reinstating the 1997 standard would mean that companies would once again be able to evade prosecution for environmental crimes if they hold valid permits to operate.

#### [Futures of conservation funding: Can Indonesia sustain financing of the Bird's Head Seascape?](#)

—*Stockholm Environment Institute (SEI)*, 31 August 2022

In 2004, Conservation International led an unprecedented coalition of international and local partners in launching the Bird's Head Seascape Initiative. Protecting the incredible ecological value of West Papua, Indonesia, the Seascape has grown over the past decade into one of the most ambitious and effective marine conservation programs in the world, a model of indigenous community-driven conservation. Prompted by recent shifts in the Seascape's traditional funding structure, however, the Bird's Head Seascape Coalition must rapidly formulate a strategy to transfer management to local bodies and establish a sustainable funding model. Part of a special collection of case studies focused on sustainability, this case puts the reader in the shoes of Laure Katz, Director of Seascapes Program at Conservation International, who must develop and execute this transition strategy, securing the Bird's Head as a global model for effective, community-driven marine protected area (MPA) conservation.

Katherine Brown, Laure Katz, Arun Agrawal, "[Futures of conservation funding: Can Indonesia sustain financing of the Bird's Head Seascape?](#)", *World Development Perspectives* 26, June 2022

#### [In West Sumbawa, the tide turns on the taste for turtle eggs](#)

—Fathul Rakhman, *Mongabay*, 7 September 2022

Turtle eggs have long been considered a delicacy in West Sumbawa, a region sustained by agriculture, fisheries, and mining. Five of the seven sea turtle species can be found in local waters, but all sea turtle species are threatened and some are critically endangered. Poaching of nests for eggs is the main driver of the crisis. Sea turtles in Indonesia are protected by conservation and fisheries laws enacted in 1999 and 2004, while a 2018 regulation states that six species are protected by law, but changing long-standing cultural and livelihood practices. On a beach at Sekongkan on the southwest coast, fisheries officials found as many as 50 people gathered at night to hunt for turtle eggs, which can sell for Rp 4,500 (US\$ 0.30) in the village and more at a city market. Turtle eggs are routinely sold in wet markets in West Sumbawa and on online platforms.

## D. Energy, Mining, & Climate Change

#### [Government hikes subsidized fuel prices to rein in ballooning subsidies](#)

—Stanley Wikianto, *Reuters* via *Jakarta Post*, 3 September 2022

The government raised subsidized fuel prices by about 30% in a move to rein in ballooning subsidies despite a risk of protests. The per liter price of subsidized gasoline (Pertalite) was increased from Rp 7,650 to Rp 10,000 (US\$0.67), while that of subsidized diesel (Solar) was raised from Rp 5,150 to Rp 6,800, Minister of Energy and Mineral Resources Arifin Tasrif said. President Joko Widodo said the decision to raise subsidized fuel prices was a difficult one and "the last option". The subsidy budget for 2022 had tripled to Rp 502 trillion (US\$34 billion), pushed by rising global oil prices and a depreciating Indonesian currency. Minister of Finance Sri Mulyai Indrawati said additional funds would still be required despite the fuel price hike, depending on changes in international crude prices", adding that the government would provide Rp 24.17 trillion in cash handouts to the poor to cushion the blow. High energy subsidies had previously kept Indonesia's inflation low, allowing the central bank to delay raising interest rates until August, well behind regional and global peers.

#### [Rallies held in major cities opposing decision to raise prices for subsidized fuel](#)

—Yerica Lai and Apriadi Gunawan, *The Jakarta Post*, 7 September 2022

Rallies were conducted in Indonesia's major cities demanding that the government reverse its decision to raise prices on subsidized gasoline and diesel fuel. In Jakarta, protests were concentrated in front of the House of Representatives building, spearheaded by several labor unions. Said Iqbal, a labor leader, said unions would continue to hold nationwide protests until the government revokes its decision. "It's clear the government did not consider the [impact of the decision] on farmers, fishers, and workers," he said, predicting that price increases would hit workers disproportionately. Government spokespersons said there was no other choice but to cut the fuel subsidized fuel prices in order to rein in the costs of ballooning energy subsidies. The administration also announced measures to soften the fuel price blow through a series of social aid packages worth Rp 24.17 trillion (US\$1.62 billion), including cash transfers aimed at lower-income people. Protests were also reported in Medan, Surabaya, Makassar, Kendari, Banda Aceh, Yogyakarta, and Pematangsiantar.

#### [Increase in price of Solar \[diesel fuel\] means East Java fishers are not able to go to sea](#)

—*Indonesia Posts English*, 5 September 2022

Fishers in East Java are worried by the increase in the price of subsidized diesel fuel [Solar] from Rp 5,150 to Rp 6,800 (US\$ 0.46). Most fuel filling stations (SPBN) in fisheries ports are now out of fuel, and many fishers have decided not to go to sea. "The increase in Solar is very concerning because climate change and overfishing already have made the fishers' catch very uncertain," said Oki Lukito, General Chair of a Fisheries Community Forum, adding that the actual price of subsidized fuel at SPBN is now Rp 7,800, but the supply of fuel is still not sufficient. Oki has asked the Governor of East Java to impose a fishers' emergency to reduce other fees and levies.

#### [Kerry and Luhut agree on a framework to accelerate deployment of renewable energy](#)

—Yerica Lai, *The Jakarta Post*, 5 September 2022

The US and Indonesia have agreed on a framework for accelerating renewable energy deployment in the Southeast Asian country following a meeting between US Special Presidential Envoy for Climate John Kerry and Coordinating Minister of Maritime Affairs and Investment Luhut Pandjaitan. The agreement came as Japan and other country partners are mobilizing significant public and private finance for investing in Indonesia's energy transition, the US Embassy said. Kerry and Luhut discussed the urgency of decarbonizing energy systems by accelerating the shift from coal to renewable generation. Kerry, who was in Bali to attend the Group of 20 (G20) Climate and Environment Ministerial Meeting, expressed US commitment to mobilize finance in support of the transition. Luhut and Kerry also held talks with major financial institutions, including members of the Glasgow Financial Alliance for Net Zero (GFANZ). Luhut and Kerry agreed to meet again in two weeks to work toward finalization of the agreement.

#### [IEA: policy reform needed for a clean energy transition in Indonesia](#)

—*Reuters via ChannelNewsAsia*, 2 September 2022

Indonesia must enact reforms to pave the way for renewable electricity and reduce reliance on coal as part of its goal to achieve net-zero emissions by 2060, the International Energy Agency (IEA) said. One of the world's biggest sources of carbon emissions, Indonesia has pledged to phase out coal, which currently accounts for about 60% of the country's electric power. The country aims to increase renewables in its energy mix to 23% by 2025 but has only reached around 12% so far. The report said the technologies Indonesia needs to shift to cleaner energy, such as solar power systems, are already commercially available and cost-effective, provided the government puts supporting policies in place. Solar projects in Indonesia cost more than twice as much as in similar emerging economies, making them economically uncompetitive compared to coal. Costs could be slashed by introducing transparent and competitive tariffs and predictable project pipelines. Indonesia could have 25 Gigawatts of solar and wind capacity by 2030, up from around 0.4 GW today.

[Enhancing Indonesia's Power System: Pathways to meet the renewables targets in 2025 and beyond](#), International Energy Agency (IEA), August 2022.



[An Energy Sector Roadmap to Net Zero Emissions in Indonesia](#), International Energy Agency (IEA), September 2022.

### [Surging coal prices buoy mining firms' performance](#)

—Divya Karyza and Fadhil Haidar Sulaeman, *The Jakarta Post*, 2 September 2022

Big publicly listed coal mining companies have seen their financial conditions improve on the back of surging global coal prices. PT Bumi Resources, Indonesia's largest thermal coal miner, booked US\$3.8 billion in revenues in the first half of 2022, up 66% from the previous year, even though production and sales volumes decreased by 14% and 16% respectively. Bumi's net income shot up 8.726% to US\$167 million from US\$ 1.9 million in the first half of 2021. Dileep Srivasava, the corporate secretary, said Bumi produced 34.5 million tonnes of Coal through June this year and aims to ramp up to a total of 78-83 million tonnes by yearend. Indonesia's benchmark price for coal reached US\$323.90 per tonne in June, the highest ever recorded. PT Adaro Energy also saw a record 613% increase in net profits during the first half of 2022, a company spokesperson said. State-owned Bank Mandiri energy analyst Ahmad Zuhdi Dwi Kusuma said investing in coal would remain lucrative in the short-term, but pressure to pursue the transition to renewable energy might make the industry untenable in the future.

### [Nickel smelter pollution](#)

—Irsyan Hasyim, *Tempo English*, 29 August 2022

The Bantaeng Industrial Park (KIBA) in South Sulawesi is home to a nickel smelter belonging to PT Huadi-Alloy Indonesia. Since it began operations, villagers say ten public wells have gone dry because the groundwater has all been taken up by the smelter's deep wells and complain about the noise, thick smoke, and dust produced by the furnace. Other residents say marine pollution from the smelter has impacted seaweed cultivation. Tests of the wastewater by the Bogor Chemistry Academy showed that dissolved nickel and ferrous metal levels exceeded the maximum limits set by the Ministry of Environment Regulation No. 5/2014 for wastewater. Contacted by *Tempo*, Huadi General Affairs Manager Lily Dewi Candinegara said the company should have been consulted before taking samples of the wastewater. Lily explained that the company routinely submits an Environmental Management Monitoring Report to the Bantaeng Regency Environmental Agency and the South Sulawesi Province Environment Agency, but added that "This is still in development—during implementation, there could be work that is not in line with theoretical conditions."

### [Nickel, Indonesia's poisoned chalice](#)

—Muhamad Zulfikar Rakhmat and Yeta Purnama, *Asia Sentinel*, 30 August 2022

US EV manufacturer Tesla's decision to buy US\$5 billion of its nickel products has focused attention on Indonesia as one of the world's biggest repositories of the rare earth element. The danger is that Indonesia may become almost a manufacturing colony of China, while nickel mining and smelting both have the potential to cause extensive environmental damage. Indonesia's ban on exports of raw ore in 2020—requiring processing of nickel in domestic smelters—backfired. Of the 23 smelters in Indonesia, 21 are now owned by Chinese interests, giving China near full control of exports. Chinese firms have mainly invested in the Rotary Kiln-Electric Furnace (RKEF) technology, which produces inferior nickel for making stainless steel. With demand skyrocketing for higher-quality nickel, the Harita Group (controlled by the Lim family) is one of the few companies with High-Pressure Acid Leaching (HPAL) smelting technology suitable for batteries. Reports by environmental groups say that considerable environmental damage has taken place on Obi Island, Halmahera, North Maluku, Harita's main base of nickel operations.

### [World Bank watchdog warns that China-backed mine poses extreme risks](#)

—Hans Nicholas Jong, *Mongabay*, 29 August 2022

A China-backed zinc and lead mine under development on Sumatra Island "would be almost certain to result in a human and environmental disaster", according to an assessment by the World Bank's Compliance Advisor Ombudsman (CAO). The Bank's International Finance Corporation (IFC) has provided working capital loans to Dairi

Prima Mineral (DPM), the mine developer and a subsidiary of the China Nonferrous Metal Industry's Foreign Engineering and Construction Co. Ltd. (NFC). The CAO's review cited the risk that the mine's tailings dam might fail due to its unstable geological foundations and high levels of rainfall and seismic activity. "Whatever the strength of the dam wall, if it rests on unstable foundations, it will fail [and] may substantially empty the tailings storage facility with discharge to the lands below". DMC responded that the earthquake risk at this site was no greater than for most other projects in Indonesia. "In our location, there is also a hydropower plant and a 23-km underground tunnel which sit right on the fault line, and there's no problem with them, so [our project] should be fine.

### [Resistance against a gold mine](#)

—Sunudyantoro, *Tempo English*, 5 September 2022

Mochamad Nur Arifin, Regent of Trenggalek in East Java, refused to let a gold mine operate in his district due to the threat of environmental damage and disaster. Sumber Mineral Nusantara (SMN) received a license to mine and a mining business permit in 2005 and 2009 through the former regent. SMN is controlled by an Australian company, Far East Gold. However, Arifin noticed that the mining permit was for a conservation area of natural caves, waterfalls, mountains, and protected karst geological structures as well as 30 densely populated villages and productive agricultural areas growing food crops, clove, durian, coffee, mangosteen, cacao, and sugarcane. The permit area, 12,833.6 ha, is also incompatible with the regency's regulation on spatial planning. Arifin's letters to the Ministry of Energy and Mineral Resources asking that SMN's permit be revoked have not received any response, but the mine remains stalled. SMN officials say they have tried to arrange a hearing with Arifin, but Arifin has declined to meet.

## E. Pollution & Waste

### [The clock is ticking on clean-up of the world's dirtiest river in West Java](#)

—Donny Iqbal, *Mongabay*, 31 August 2022

The Citarum River, which extends almost 300 km from source to mouth in West Java, is considered one of the world's most polluted watercourses. The vast structure of plastic waste and toxic chemicals has for decades choked what used to be a safe source of drinking water. In 2005, the Asian Development Bank provisionally approved a US\$500 million 15-year plan to rehabilitate the Citarum. In 2018, President Joko Widodo initiated Citarum Harum ("Fragrant Citarum") to transform the troubled river into a source of potable water by 2025, including ordering more than 7,000 soldiers from the Indonesian military to remove garbage clogging the river. But despite progress by community groups at some sites, evidence of pollution and other impacts remain all too apparent. Around 200,000 families living in the watershed dump their wastewater directly into the river and reports of septic tanks being flushed into the river are common. Levels of Fecal coliform bacterial levels have been detected at 5000 times the safe limit. In the outskirts of Bandung, effluents from textile and garment factories still flow into the river's tributaries.

## F. Investment & Finance

### [Indonesia's food insecurity and Islamic finance](#)

—Ali Chamani et al, *Jakarta Globe*, 24 August 2022

Indonesia remains vulnerable to food shortages, with skyrocketing prices for food commodities such as eggs, chilis, and others. From an Islamic perspective, food security is defined as a situation where the right to *halal* (allowed) and *tayyib* (good) food for everyone is fulfilled, so no one is hampered from worshipping Allah because of starvation. However, the share of agricultural financing in Islamic banks is a negligible 5.4% compared to 19.5% for real estate and 12.3% for retail trade. The classic Islamic financial contract provides *salam* to increase food supplies. *Salam* happens when two parties enter into a contract of sale of agricultural commodities to be delivered in the future, for which the price is paid in cash at the time of contract signing. Generally, setting delayed delivery



is prohibited under Islamic law. The *salam* exception is there to assist farmers and demonstrates the importance of food security in Islamic finance, but according to the Financial Services Authority, *salam* is not employed by any Islamic bank in Indonesia.

### [How to make Indonesia's sovereign wealth fund work](#)

—Kyunghoon Kim, *Lowy Institute*, 19 July 2022

Huge windfalls from resource exports in many commodity-rich countries have led to a rapid emergence of sovereign wealth funds (SWFs). The Indonesia Investment Authority (INA) was established in 2021 with the task of making long-term investments to support sustainable national development by pulling together domestic and foreign financial resources to invest in economic projects. The INA is distinct from infrastructure-focused “special mission vehicles” (SMVs) such as the Sarana Multi Infrastruktur (SMI) in that INA is designed to participate in development projects as an investor, while SMI’s main focus is on lending. In addition, while SMI and other SMVs are classified as state enterprises, INA is a special institution owned by the government but with full capacity to operate independently. INA is expected to play a central role in managing the final stage of Widodo’s state-led infrastructure development strategy by supporting the deleveraging of state enterprises in the infrastructure construction sector by acting as a patient investor and potential last resort investor, for example buying up newly-constructed toll roads.

## I. Promoting GMOs to boost agriculture

### [Government set to boost cultivation of GMOs to combat food price inflation](#)

—Vincent Fabian Thomas, *Jakarta Post*, 14 August 2022

Despite skepticism from critics and farmers, the government is set to boost the cultivation of genetically modified crops (GM), blaming recent inflation on skyrocketing increases in food prices that reached 11.47% YoY in July. Coordinating Economic Minister Airlangga Hartarto said shifting to GM corn could double yields. “We have asked the Ministry of Agriculture to change the regulations to make it easier for GMOs,” Airlangga said. Musdalifah Mahmud, Undersecretary for Food and Agribusiness at the Office of the Coordinating Economic Minister said there was no plan to relax regulations, but confirmed that the government wanted to step up the use of GM crops within the scope of existing rules. Risfaheri “Heri”, acting undersecretary for Food Availability and Stabilization at the National Food Agency, said Indonesia needed GMOs to grow more corn and soybeans, but he acknowledged that many consumers would be opposed. A 2020 survey found more than 70% of respondents were reluctant to purchase GM food, but 90% did not realize they may have eaten tempeh or tofu made from GMO-based soybeans.

## II. Trouble with China

### [Muhammadiyah leader calls on government to speak to China on the treatment of Uygur minority](#)

—A. Muh. Ibnu Aqil, *The Jakarta Post*, 5 September 2022

Abdul Mu’ti, Secretary General of Muhammadiyah, Indonesia’s second-largest Muslim organization, called on the Indonesian government to voice to the Chinese government the importance of fulfilling human rights and stopping human rights violations against its Uygur minority in Xinjiang province. “Indonesia can even bring this matter to the Jeddah-based Organization of Islamic Cooperation (OIC) so the problem of human rights in Xinjiang can be given serious attention,” Mu’ti added. Mu’ti’s statement followed the release of the latest assessment by the Office of the UN High Commissioner of Human rights (OHCHR) which reported “serious human rights violations” and “interlocking patterns of severe and undue restrictions on a wide range of human rights” against Uyghur and other Muslim communities in Xinjiang. Nahdlatul Ulama, the largest Muslim organization in Indonesia, has not yet issued a statement regarding the OHCHR report. Muhammad Zulfikar Rakhmat, a professor at Indonesia Islamic University (UII), said that Indonesia’s status as one of China’s biggest trade partners in ASEAN means the Xinjiang issue “should become a point of discussion when bargaining with China.”

### **Indonesia getting ‘gray-zoned’ by China**

—Evan A. Laksmana, *The Asia Times*, 30 August 2022

<https://asiatimes.com/2022/08/indonesia-getting-grey-zoned-by-china/>

China is subjecting Indonesia to maritime gray-zone tactics—competitive acts short of all-out warfare—in the North Natuna Sea. Major incursions of Chinese fishing vessels backed by the Chinese Coast Guard and maritime militia into Indonesia’s Exclusive Economic Zone (EEZ) took place from December 2019 to January 2020, but Indonesian maritime enforcement officials say these incursions never stopped. Claiming “overlapping maritime rights” with Indonesia in the territory, China is essentially trying to get Jakarta to inadvertently or implicitly acknowledge China’s claimed maritime rights. Up to now, however, Indonesia has failed to push back. Indonesian policymakers disagree about a response, in part due to their insistence that the country does not stake a claim in South China disputes, though its position in the South China Sea is legally recognized under international law. Indonesian elites are also increasingly dependent on private benefits and public goods that China provides, making it difficult for policymakers to conceive of meaningful responses between surrendering quietly or going to war over fisheries.

### **China spiking Indonesia’s offshore oil and gas risks**

—John McBeth, *Asia Times*, 2 September 2022

<https://asiatimes.com/2022/09/china-spiking-indonesias-offshore-oil-and-gas-risk/>

After unilaterally extending its South China Sea territorial claims into Indonesia’s Exclusive Economic Zone (EEZ), China has yet to respond to British oil company Harbour Energy’s plans to pipe natural gas from its Tuna bloc across the maritime border into Vietnam’s offshore network. Harbour discovered the Tuna field in 2014 and was drilling appraisal wells in July 2021 when a Chinese coast guard vessel approached the company’s rig and told it to stop operations. This and a subsequent message from the Chinese Foreign Ministry were the first that Jakarta became aware Beijing was intent on enforcing its vague territorial claims in Indonesian waters. Harbour and Russia’s state-owned JSC Zarubezhneft have equal 50% shares in the Tuna bloc, which may give China pause given the growing relationship between Moscow and Beijing as a result of the Ukraine War. With most big oil majors either gone or heading for the exits, Harbour and Spanish oil company Repsol are leading the search for what may be Indonesia’s largest offshore gas discovery in two decades.

## **III. Reforestation and investigations in Papua**

### **Eden Reforestation Projects work on Biak Island in Papua Province**

—*Tree-Nation*, 3 September 2022

Eden Reforestation Projects’ work with communities experiencing extreme poverty in Eastern Indonesia provides consistent employment through mangrove reforestation. Local communities on Biak Island in Papua Province rely on healthy mangroves to support fisheries and protect the coast vulnerable to extreme weather events. The US-based Eden launched its Indonesia mangrove reforestation program on Biak Island in 2018. Biak is one of Indonesia’s most impoverished areas. Subsistence farmers and fishers make up 75% of the total 112,873 population, whose culture is predominantly Melanesian. One restoration area is located on the eastern edge of Biak near the village of Mnurwar; the other is on the small Padaidori Island east of Biak. Both sites were severely damaged by the 1996 Irian Jaya earthquake and subsequent tsunami, which laid waste to many coastal mangrove buffers, destroying forests, homes, and infrastructure. Eden plants only native mangrove species including *Avicennia marina*, *Rhizophora mucronata*, and *Bruguiera gymnorhiza* across reforestation sites to properly restore coastal ecosystems.

### **TNI and police to investigate army officers over Papua killings**

—*Reuters via The Jakarta Post*, 30 August 2022

Authorities have detained six army officers and launched an investigation by the Indonesian military (TNI) and police into their alleged involvement in the brutal killing of four civilians in Papua last week, a senior military officer in Papua said in a televised news briefing. Papua police said the victims' bodies were mutilated, stuffed into sacks, and thrown into a river near the city of Timika. Indonesia maintains a heavy military presence in Papua, where small groups of separatist fighters have for decades waged a low-level, but increasingly deadly battle for independence. The military has faced accusations of human rights abuses in Papua, which it has denied, but investigations into such allegations are rare. Armed conflict in Papua has escalated significantly since 2018, with attacks by the separatist West Papua National Liberation Army (TPNPB) becoming deadlier and more frequent, a recent report by the Jakarta-based Institute for Policy Analysis of Conflict (IPAC) said.