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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. 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 and Fisheries
 - B. Forests and Land Use
 - C. Conservation and Protected Areas
 - D. Climate Change, Energy, and Mining
 - E. Pollution and Waste
 - F. Investment and Finance
-
- I. Indonesia between two world powers
 - II. New Indonesia-Norway partnership to reduce deforestation

A. Marine and Fisheries

[Indonesia urged to update fisher training programs to meet international standards](#)

—Basten Gokkon, *Mongabay*, 13 September 2022

Fisheries and human rights observers are calling for a revamp of the Indonesian government's fisher training program ahead of a mandated scheduled evaluation of measures to protect Indonesian seafarers. The country is home to some 2.3 million people who identify as fishers and boat crews working on domestic and foreign-flagged vessels, but many lack proper training for safety and fishing operations, making them vulnerable to exploitative employment practices and endangering their lives. A 2022 survey by the NGO Destructive Fishing Watch (DFW) Indonesia found that only 6% of deckhands working out of the country's largest port (Nizam Zachan in Jakarta) had government-issued safety certification. The problem was attributed to the relatively high cost of basic training and certification combined with low awareness and poor inspection at ports. Indonesia ratified a convention on Standards of Training, Certification, and Watchkeeping for fishing vessels (STCW-F). The International Maritime Organization (IMO) which oversees the STCW-F is scheduled to evaluate Indonesia's implementation in 2024.

[Treaty talks on high seas fisheries management fail again](#)

—Mark Godfrey, *SeafoodSource*, 13 September 2022

Negotiations on a treaty to create a system of management and protection of biodiversity on the high seas have collapsed, in part because Russia and Iceland both called for fisheries to be exempted from any agreement. Negotiators also failed to agree on a process for delineating new high seas marine protected areas (MPAs) in line with increasing the share of global oceans that are protected to 30% by 2030. At present, only 1% of the area of the high seas, which make up 60% of the world's oceans, is protected by international agreements, allowing illegal fishing and related labor abuses to persist, according to Steve Trent, CE of the Environmental Justice Foundation. "If the world's governments are serious about addressing the climate and biodiversity crisis, they must deliver on their promise for an ambitious agreement to protect the high seas by the end of 2022," he said.

[Opinion: Was the Indonesian fisher shot by PNG Defense forces a victim of unlawful use of force?](#)

—Yudhistira Rizky Abdillah, *The Jakarta Post*, 13 September 2022

Sugeng, the Indonesian fisher who was the skipper of Calvin 02 fishing boat, was reportedly shot and killed by patrol officers of the PNG Defense Forces (PNGDF) for trying to escape arrest after allegedly committing illegal fishing in PNG waters. The Law of the Sea Convention (UNCLOS) does not explicitly stipulate the use of force for maritime law enforcement, but an implementing agreement states that the use of force must be avoided as far as possible unless the safety of the inspectors is threatened and execution of duty obstructed. A similar case arising between Saint Vincent and the Grenadines and Guinea in 1997 was classified as excessive force by the International Tribunal for the Law of the Sea (ITLOS). Even if the allegation of illegal fishing in PNG waters by MV Calvin 02 is proven, it cannot justify the use of deadly and excessive force by the PNGDF against the unarmed crew of a wooden fishing boat. Fisheries law enforcement should be enacted in a civilized and lawful manner.

The author is an independent observer of marine and fisheries policy.

[Seafood companies and NGOs call on the FAO to better protect the welfare of fishers](#)

—Emma Desrochers, *SeafoodSource*, 9 September 2022

Seven seafood industry members and seven NGOs have called on the UN Food and Agriculture Organization (FAO) to better protect fishers' welfare on wild capture vessels by improving data

collection and analysis of labor-related accidents. Three major tuna processors—the Bolton Group, Bumble Bee, and Trimarine—along with seafood industry groups Fedespesca, SEA Alliance, and the Hong Kong Sustainable Seafood Coalition have signed the call to reduce fisher mortality at sea. The NGOs involved include Earthworm, ADM Capital Foundation, ClientEarth, the Fishing Industry Association Papua New Guinea (FIA PNG), Friend of the Sea, FishWise, the Global Seafood Alliance, and the Teng Hoi Conservation Organization. They are calling for ratification and implementation of key international agreements to improve fisher safety and welfare, including the FAO Port State Measures Agreement. The International Labor Organization (ILO) says the number of fisher deaths annually may be as high as 100,000 annually, partly a result of climate change and Illegal, Unreported, and Unregulated (IUU) fishing pushing vessels into unsafe waters.

Acid test: Are the world's oceans becoming too acidic to support life?

—Elizabeth Claire Alberts, *Mongabay*, 13 September 2022

Global oceans absorb an estimated 30% of human carbon emissions, creating a powerful argument against climate change by reducing the amount of CO₂ in the atmosphere, but changing the chemistry of seawater by decreasing its pH to make it more acidic. Ocean acidification impairs the ability of marine calcifying organisms [such as reef-building corals, shelled molluscs, including pteropods] to grow calcium carbonate shells and skeletons. Ocean acidification has been designated one of nine planetary boundaries whose limits could threaten civilization and life as we know it if transgressed, because biologically-produced calcium carbonate can permanently sequester carbon. Ocean acidification has already begun to exacerbate stress on coral reefs around the Indian Ocean and Asia, according to one study. “The Arctic Ocean has already gone into being corrosive for calcium carbonate,” according to Ulf Riebesell of the GEOMAR Helmholtz Center for Ocean Research in Kiel. “You could call that a boundary being crossed because all marine calcifying organisms will find it hard to survive under those conditions,” he said.

Paper: Vicky W. Y. Lam et al, “[Dealing with the effects of ocean acidification on coral reefs in the Indian Ocean and Asia](#)”, (April 2019), *Regional Studies in Marine Science* 28.

B. Forests and Land Use

Indonesian palm oil billionaire goes on trial

—A Correspondent, *AsiaSentinel*, 9 September 2022

Surya Darmadi, the boss of PT Darmex Agro Group has gone on trial for alleged corruption estimated to have cost the state the equivalent of US\$5.25 billion and caused major environmental damage from destruction of vast tracts of virgin forest. Darmadi is charged with bribing government officials to allow the expansion of his oil palm plantations. Eyes on the Forest has reported that of 3.3 million ha of oil palm plantations in Sumatra’s Riau province, only 14% are legal—the rest don’t have right-of-exploitation permits (HGU) and are located in protected forests and other areas which do not permit conversion to plantation use. Darmadi is accused of bribing a former regent to grant a forest management permit for a 37,095 ha oil palm plantation in Riau and paying the former governor of Riau Rp 3 billion (US\$200,606) to facilitate conversion of forest to plantation use. Darmadi fled Indonesia to Singapore in 2019 after the Corruption Eradication Commission (KPK) issued a travel ban, but returned and was arrested on 15 August.

[Trial of palm oil tycoon Surya Darmadi begins in Jakarta](#)

—*Mongabay Haze Beat*, 8 September 2022

The Attorney General's Office (AGO) named Darmadi a suspect on 1 August over payments to the then-head of Indragiri Hulu Regency in Riau for issuance of permits to convert 37,000 ha of forest to oil palm estates. The plantations are estimated to have generated monthly revenues of about Rp 600 billion (US\$ 40 million). "The activities of PT Duta Palma group [also] resulted in the loss of rights of the people of Indragiri Hulu Regency who previously benefited from forest products, and damaged the ecosystems," the Attorney General said. On Thursday prosecutors read an indictment including results of soil surveys on the five concessions operated by subsidiaries of PT Duta Palma. "There are no more natural forest trees," a prosecutor said on Thursday.

[Indonesia and Brazil cited as the biggest culprits for forest loss linked to industrial mining](#)

—Gloria Dickie, *Reuters* via *The Jakarta Post*, 12 September 2022

Industrial-scale mining of coal, gold, and iron ore is spurring destruction of forests. The first study to quantify the impacts of industrial mining on tropical forests said 3,264 km² of forest were lost due to industrial mining between 2000 and 2019, 80% of which was accounted for by just four countries: Brazil, Indonesia, Ghana, and Suriname. Indonesia was by far the most affected country, with losses of 1,901 km² accounting for 58.2% of direct forest loss across all 26 investigated countries. Mine expansion in East Kalimantan on the island of Borneo was the main factor behind Indonesia's industrial mining forest losses. The highest rate of mining-related direct forest loss was observed in Indonesia over the period 2010 to 2014. However, compared to other land-intensive activities, such as converting forests to palm oil or soy plantations, or cattle farming, the direct contribution of mining remains small. The 1,901 km² of deforestation within Indonesia's mining areas contributed just 0.7% to the total forest loss of 267,594 km² in that country since 2000.

Paper: Stefan Giljum et al, "[A pantropical assessment of deforestation caused by industrial mining](#)", (September 12, 2022), *Proceedings of the National Academy of Sciences* 119 (38).

[Indonesia amnesties companies operating illegally inside forests areas](#)

—Hans Nicholas Jong, *Mongabay*, 15 September 2022

Indonesia has pardoned seventy-five companies operating illegally inside forest areas, the Ministry of Environment and Forestry (KLHK) announced. Under Law 18/2013 on Prevention and Mitigation of Forest Degradation, mining and plantation companies are prohibited from operating on land zoned as forest areas, but many have done so anyway amid lax oversight. In 2020, Jakarta introduced an amnesty scheme for plantation operators who had obtained local permits but had not received forest release decrees from the KLHK or right-to-cultivate permits from the Ministry of Agrarian Affairs and Spatial Planning. The operators were given a grace period of three years to arrange for rezoning, obtain proper permits, and pay the requisite fines. The KLHK has identified over 616 companies operating illegally in forests, but critics say the amnesty scheme whitewashes the crimes of establishing mines and plantations inside forest areas where deforestation, wildfires, and land conflicts are rife. Sinarmas' Golden Agri Resources was identified as possessing the largest illegal plantation areas inside the forest area with 57,676 ha of illegal concessions.

[Can a new way of measuring the vulnerability of tropical rainforests help save them?](#)

—Craig Welch, *National Geographic*, 23 July 2022

Tropical rainforests from Indonesia to Central America and Madagascar are being cut or burned to make way for ranches, farms, and palm oil plantations, logged for wood, or cleared for roads and other development. A team of scientists and conservationists have created a “tropical forest vulnerability index” based on observations of forest cover, carbon, and water fluxes to identify areas where tropical rainforests are losing resilience to disturbance and changing toward an irreversible state, either as a gradual or abrupt downhill decline of ecosystem services to provide early-warning signals for regions in need of policies that promote conservation and restoration. Their analysis revealed that in Southeast Asia, forests have declined in areas such as Indonesian Borneo and Sumatra due to agroforestry and commodity-driven agriculture and are threatened by fragmentation land-use change, conversion to crops, and drought, while the productivity of tropical forests in China and the Philippines has increased due to recovery from past abuses and reforestation but at rates that are probably not sustainable.

Paper: Sassan Saatchi et al, “[Detecting vulnerability of humid tropical forests to multiple stressors](#),” (23 July 2022), *One Earth* 4:7

[European Parliament passes bill banning imports of deforestation-linked commodities](#)

—[André Schröder](#), *Mongabay*, 15 September 2022

The European Parliament approved a bill to block the import of “dirty commodities” by European Union (EU) countries to combat global deforestation. The bill requires importing companies to verify whether the products they sell within the EU are produced in deforested areas. The rule initially targeted soy, beef, palm oil, timber, cocoa, and coffee, but parliamentarians expanded the scope to include other meats and poultry, corn, rubber, charcoal, and printed paper. The bill does not explicitly target any particular country, but the legislation is expected to affect exports from commodity-producing countries such as Brazil and Indonesia. To be effective, the bill will require approval from the Council of the EU and national parliaments of the 27 nations in the bloc.

C. Conservation and Protected Areas

[An Indonesian battleship transported 39 rare wild animals from Papua](#)

—Riky Ferdianto, *Tempo English*, 12 September 2022

The East Java Natural Resource Conservation Agency (BKSDA) received six birds-of-paradise confiscated from the Indonesian battleship (KRI) Teluk Lada 521 soon after docking in Surabaya. In all, 39 wild animals impounded from the Teluk Lada were turned over to the BKSDA. In addition to several birds-of-paradise, there were also tree kangaroos, yellow-crested cockatoos (*Cacatua sulphurea*), a palm cockatoo (*Probosciger aterrimus*), eclectus parrots (*Eclectus roratus*), black-capped lorries (*Lorius lory*), a wallaby (*Macropus agilis*), and a grey cuscus (*Phalanger orientalis*). Most of the animals seized are protected and some are endemic to the Papuan region. It was reported that the vessel made a prior stop in Ternate, Maluku after departing from Sorong, West Papua and that the total number of smuggled birds and animals on board may have been in the hundreds, including more birds-of-paradise, eagles, and

hornbills. Wild animal traders in Surabaya who ordered the animals reportedly used the services of a navy battleship to avoid being searched by Indonesian customs, quarantine, or police.

Opinion: Protecting Papuan wildlife

— *Tempo English*, 12 September 2022

Naming Papua and West Papua as conservation areas is increasingly necessary. Smuggling of wildlife and destruction of forests, both on the increase, show that the region is being plundered non-stop. Minister of Environment and Forestry Siti Nurbaya Bakar must not ignore this serious threat, particularly because state institutions are involved. Over the last month, two Indonesian Navy vessels were discovered smuggling protected Papuan wildlife such as birds-of-paradise and yellow-crested cockatoos. The Indonesian Navy must not protect any of its personnel involved in environmental offenses, especially since most of the animals vanished without a trace. Of the 140 animals transported by the battleship *Teluk Nada*, only 39 were handed over to the Natural Resources Conservation Agency. Forest cover in Papua decreased by 663,000 ha from 2001 to 2019, mostly to make room for oil palm plantations. According to the Auriga Foundation, the worst deforestation in Papua occurred during the term of office of Siti Nurbaya Bakar, who according to an investigation by *Tempo* was still keeping protected animals herself in 2017.

Big data monitoring tool aims to catch up to Indonesia's booming online bird trade

—Basten Gokkon, *Mongabay*, 16 September 2022

Researchers at the Center for International Forestry Research (CIFOR) have developed a web-trawling tool to monitor Indonesia's online trade in songbirds, proposing it as a conservation tool in the absence of any other platform to crack down on illicit trafficking. From April 2020 to September 2021, the tool found 326,201 records of ads accounting for 284,118 songbirds. More than 18,000 or 6% of the ads listed threatened species such as the Javan pied starling (*Gracupica jolla*) and the straw-headed bulbul (*Pycnonotus zelanicaus*), both considered critically endangered. Most of the sellers were hobbyists, not professional traders, based in Java. Indonesia is home to the largest number of threatened bird species in Asia, according to TRAFFIC, a wildlife trade monitoring group. The government has a protected species list that bans any capture or trade of some endangered wildlife, but many captive breeders don't register themselves or the songbirds they breed, making it increasingly likely that the birds they claim to have bred were captured in the wild.

Opinion: Orangutan conservation needs agreement on data and trends

—Erik Meijaard and Julie Sherman, *The Jakarta Post*, 15 September 2022

We welcome Indonesia Minister Siti Nurbaya's comments on maintaining orangutan habitat in state forest and non-state forest areas and her words about engaging the palm oil and forestry sectors in a multi-stakeholder approach to managing the remaining orangutan metapopulations in production landscapes. Where we differ with the minister is her statement that "ground-based evidence confirms that Sumatran, Tapanuli and Bornean orangutans are far from extinction and instead will continue to have growing populations." A wide range of recent scientific studies shows that all three orangutan species have declined in the past few decades and nowhere are populations growing. This decline is also supported by surveys from the ministry's Natural Resources Conservation Agencies (BKSDA). Not only has orangutan habitat shrunk significantly, but species densities in remaining forests are also declining. For a species such as the orangutan with very low reproductive rates, this means a high likelihood of extinction, thus

their status as Critically Endangered on the IUCN Red List. We call on the Indonesian conservation authorities to retain trust in peer-reviewed science.

Erik Meijaard is managing director of Borneo Futures, Brunei Darussalam. Julie Sherman is president and director of Wildlife Impact, Portland, US. Marc Ancrenaz of HUTAN, Kota Kinabalu, Malaysia; Hjalmar Kühl of Max Planck Institute for Evolutionary Anthropology, Leipzig, Germany; and Serge Wich of John Moores Liverpool University, the United Kingdom also contributed to the article.

Paper: Truly Santika, Julie Sherman, et al, "[Effectiveness of 20 years of conservation investments in protecting orangutans](#)", *Current Biology* 32:8, 25 April 2022

[Education can change local perception of bats and help conserve species](#)

—Sean Mowbray, *Mongabay*, 1 September 2022

Increasing knowledge and understanding of ecosystem services is the key to conserving bats and supporting communities in Indonesia's North Sumatra province, according to a recent study. Researchers found that members of local communities around the Batang Toru ecosystem had limited knowledge about the positive ecosystem services provided by bats, which were primarily viewed as a source of meat. Durian, rubber, and sugar palm grown in agroforestry systems are vital for local livelihoods, but awareness of the important role played by bats in pollinating these crops was low, and many did not know that a loss of bats could affect harvests. Three species—the large flying fox (*Pteropus vampyrus*), cave nectar bat (*Eonycteris spelaea*), and Dayak fruit bat (*Dyacopterus spadiceus*)—are among those frequently hunted in the area. All three species are in decline across their range, primarily due to habitat loss. The study called for education initiatives by government bodies and conservation organizations to be extended to local communities to increase knowledge of the ecosystem services provided by bats.

Paper: Hamid Arrum Harahap and Yonariza, "[Assessing local farmers' perspectives on the role of bats in providing ecosystem services in the Batang Toru ecosystem, North Sumatra, Indonesia](#)", (August 2022), *Biodiversitas* 23:8.

[Indonesia to update conservation efforts for endemic aquarium favorite Banggai cardinalfish](#)

—Basten Gokkon, *Mongabay*, 21 September 2022

The Ministry of Marine Affairs and Fisheries is working on a new conservation roadmap to protect the threatened Banggai cardinalfish (*Pterapogon kauderni*), a species endemic to Indonesia's Banggai Archipelago that is popular in the global aquarium trade. Since the 1990s, the fish is caught in large numbers—as many as 900,000 annually—for export to the global ornamental fish market. The unsustainable trade prompted the US and the EU to push unsuccessfully in 2007 and 2016 to restrict the trade under CITES, the global wildlife trade convention, resulting in Indonesia being tasked with ensuring the sustainable conservation of the species. The ministry has now designated the fish as limited protected, its habitat as a regional conservation area, and made it the national mascot for ornamental fish," said M. Firdaus Agung, the ministry's acting Director of Marine Biodiversity Conservation. The effort will evaluate the Indonesian government's conservation efforts for the cardinalfish and its habitat over 2017-2021 and lay out a nationwide strategy for the next five years.

D. Energy, Mining, and Climate Change CHG

Indonesia unveils new regulation to boost renewable energy use

—Bernadette Christina, *Reuters*, 16 September 2022

A regulation to encourage renewable energy use includes plans to retire some coal plants early, a presidential decree said. The world's largest exporter of coal aims to increase the proportion of renewables in its energy mix to 23% by 2025 but has only reached around 12% so far. Coal currently powers around 60% of Indonesia's electricity needs. Authorities will create a plan for early retirement of some coal power plants, the decree said. Plans to replace 15 gigawatts of coal power over 30 years would require US\$600 billion in capital support, Minister for State-Owned Enterprises Erick Thohir said. No new coal power plants can be built, but those already in the pipeline and those integrated with the natural resources processing industries will be allowed to go ahead. However, emissions by new coal power plants must be reduced within 10 years by 35% compared to average coal plant emissions in 2021 and the plants must be shut down by 2050.

Indonesia's shift to electricity could mean burning even more coal

—Vincent Fabian Thomas, *The Jakarta Post*, 20 September 2022

Critics are attacking the government for pushing consumers to rely more on electricity and less on gas and oil while failing to ensure that the move does not just mean shifting from one fossil fuel to another. The government is replacing gasoline and diesel-powered service vehicles and buses with electric vehicles and funding giveaways worth hundreds of millions of dollars to provide free electric stoves for households currently using heavily-subsidized liquified petroleum gas (LPG). "All these efforts will help us reduce our oil and gas imports," said Djoo Siswanto, Secretary General of the National Energy Board (DEN). PLN estimates the government could save Rp 10.2 trillion annually on LPG subsidies by replacing gas stoves with electric cookers. But Greenpeace Southeast Asia's Tati Mustasya said the government may be aiming to save PLN from financial crisis caused by the excess coal-fired electric power supply. "Before we decide to make everything electric, the electricity itself must come from renewables. Let's not just move the emissions problem from oil to coal," he said.

Emissions and deforestation to spike under Indonesia's biomass transition

—Hans Nicholas Jong, *Mongabay*, 21 September 2022

Indonesia's program to wean itself off coal by burning it alongside progressively larger amounts of wood pellets and other biomass threatens more than a million hectares of rainforest and will result in massive net carbon emissions, a new study shows. Cofiring—cutting coal with wood pellets, oil palm kernels, and sawdust—has been touted by the government as a way to reduce greenhouse gas emissions from coal-fired power plants, which generate most of Indonesia's electricity. The government plan is to increase the portion of biomass burned in coal plants to 10%, requiring 9 million tonnes of biomass annually. Critics say a more realistic figure is 10.2 million tonnes.

There is no way that much biomass could come from agricultural or urban waste, so the bulk would come from new large-scale forest plantations, which would require 2.33 million ha of land. Nearly half of that area would require clearing existing standing forest to build new acacia and eucalyptus plantations, resulting in a million hectares of deforestation and loss of biodiversity and ecosystem services.

The Sahendaruman Protected Forest versus the Gold Mine

—Dina Pramita, *Tempo English*, 19 September 2022

The Sahendaruman Protected Forest on Sangihe Island in North Sulawesi is under threat of destruction by a gold mining company. The forest is a primary water catchment area, a buffer against natural disasters, and the habitat of endangered bird species endemic to the island. In January 2021, the Ministry of Energy and Mineral Resources (MEMR) granted PT Tambang Mas Sangihe (TMS) an operating permit for a concession of 42,000 ha, half of the total area of Sangihe Islands Regency, which islanders say violated Law 23/2007 and Law 1/2014 which together make up the Coastal and Small Islands Management Law. TMS senior legal officer Rico Panderiot explained that the Suhendarumen natural forest is not in the company's exploration plan despite the forest being inside the concession area. Panderiot said the company took the environmental and natural aspects of the site into consideration when carrying out the mine's environmental impact analysis (Amdal), and explained to local residents what the company planned to do. "But socialization is not a forum to ask for people's permission," he said.

E. Pollution & Waste

[One year after a court ruling, Jakarta sees little progress on air pollution](#)

—A. Muh. Ibnu Aqil, *The Jakarta Post*, 16 September 2022

One year after a court found President Joko Widodo and top state ministers guilty of negligence for failing to tackle chronic air pollution in Jakarta, activists say there has been little improvement in air quality in the capital. "Regrettably, the central government filed an appeal with the Jakarta High Court against the ruling instead," said Charlie Albajili of the Jakarta Legal Aid Institute. A panel of judges was only assigned to preside over the case in late August. The head of environmental impact control of the Jakarta Environment Agency told *The Jakarta Post* that his office had responded to the ruling by conducting emissions tests on vehicles, monitoring air quality, and devising a new strategy to control air pollution to be introduced through future legislation.

[Ocean 'garbage patch' is filled with plastic from gear lost or discarded by fishing vessels](#)

—Freda Kreier, *Nature*, 1 September 2022

A recent study found that up to 86% of the large pieces of floating plastic in the garbage patch are items that were abandoned, lost, or discarded by fishing vessels, challenging the assumption that most marine plastic makes its way into the ocean through rivers, and fishing gear from just five regions could account for most of the plastic debris. The plastic accumulates where ocean currents converge in the Pacific Ocean, forming a debris patch that includes an estimated 1.8 trillion pieces of plastic weighing 80,000 tonnes. Researchers say one-third of the debris that has been identified came from Japan (some as the result of the 2011 tsunami) with the rest split between Taiwan, the US, South Korea, mainland China, Hong Kong, and Macau. "What this paper and other investigations have shown is that there is one sector—fishing—responsible for this plastic," said Lisa Erdle of the 5 Gyres Institute. Knowing this should help inform policy choices and clean-up tactics, she added.

Paper: Laurent Lebreton et al, (1 September 2022), "[Industrialized fishing nations largely contribute to floating plastic pollution in the North Pacific subtropical gyre](#)", *Scientific Reports* 12:12666.

F. Investment & Finance

USAID struggles with localization and accountability

—Anna Gawel, [Devex.com](https://www.devex.com), 14 September 2022

The US Agency for International Development (USAID) has a rhetorical love affair with localization, but the fact that the agency is just now figuring out what “local” means is a sign of how lofty USAID’s promises to cede more power and resources to the local communities it is helping still are. Administrator Samantha Power has pledged that USAID will direct 25% of its funding to local partners by the end of the 2025 fiscal year. As of late 2021, a mere 6% of the agency’s funding went to these organizations. If fulfilled, Powers’ promise would be a seismic shift for the most powerful aid agency in the world, but the devil is in the details. USAID is still on the cusp of finalizing two definitions of local that would apply to different parts of its development agenda. Aid advocates say a concrete definition could usurp established beneficiaries of the status quo and usher in a real disruption of how the agency operates. Powers said the issue is the question of what ‘local’ truly means.

Coal mining and financing firms divesting out of coal and coal-fired power plants sectors

—Divya Karyza, *The Jakarta Post*, 18 September 2022

Coal power and mining firms in Indonesia are finding it more difficult to raise funds due to climate crisis concerns and pressure from banks to transition away from dirty energy. Over 100 globally-significant firms with assets under management (AUM) of US\$50 billion or more as well as banks and insurers with AUM or loans larger than US\$10 billion have announced their divestment from coal mining and/or coal-fired power plants, an Institute for Energy Economics and Financial Analysis (IEEFA) report found. IEEFA analyst Elrika Hamdi said it was becoming increasingly difficult for coal power and mining firms to raise funds, but noted that the firms still aimed to maximize their profits from continued coal production. Standard Chartered Bank announced it was ending its partnership with PT Adaro Indonesia, a subsidiary of PT Adaro Energy. The Indonesian Financial Services Authority (OJK) now demands lenders with core capital of more than Rp 30 trillion (US\$2.675 billion) to diversify their lending portfolios from fossil fuels to reduce their climate risks.

I. Indonesia between two world powers

Opinion: Is Indonesia getting “grey-zoned” by China?

—Yayan GH Mulyana, *The Jakarta Post*, 14 September 2022

Recent articles have put forth the view that Indonesia is getting “grey-zoned” by China, [Evan Laksmana, “Indonesia getting “grey-zoned” by China”, *Asia Times*, 30 August 2022] referring to coercive activities that do not reach the threshold of conventional warfare. Analyses of China-Indonesia relations through the lens of “grey-zone” logic contain mistaken assumptions. First, Indonesia’s foreign policy knows no silence and inaction, including on matters relating to its sovereign rights in the North Natuna Sea. Indonesia’s pronouncements on its territory and maritime zones are always coupled with diplomatic steps which are consistent and persistent in upholding the rules of international law. Second, foreign policy leaders do have a sense of urgency and the strategic importance of what is occurring in the region, including competition

and rivalry among major powers. Third, Indonesia knows well when diplomacy needs to be noisy and when to be quiet. Fourth, in the face of multidimensional risks, Indonesia appreciates the significance of cooperation and partnership. Fifth, it is in the country's interest for President Joko Widodo to craft strategic responses to an array of challenges, from major powers' competition and rivalry to the war in Ukraine and its implications, including food insecurity. *The author is the head of the Foreign Policy Strategy Agency of the Ministry of Foreign Affairs. The referenced article by Evan Laksmana article in Asia Times was summarized in the Indonesia Sustainable Development News Digest Issue 18 (18 September 2022).*

Indonesia looks for more than security support from the US

—Derek Grossman, *Nikkei Asia*, 14 September 2022

Indonesia has long been known for its strict adherence to non-alignment in its foreign policy. The Bandung Spirit is alive and well in Jakarta today, with invitations to both the US and Russian presidents to attend the Group of 20 Summit in November. In its own neighborhood, Indonesia's non-alignment breaks down. China has leveraged its coast guard and fishing militia to encroach on Indonesia's Exclusive Economic Zone (EEZ), including tense episodes in 2019 when Indonesia dispatched warships and F-16 aircraft to confront Chinese fishing and Coast Guard vessels that entered Indonesian waters off the Natuna Islands and in 2021 when Beijing sent a survey vessel into Indonesia's EEZ for seven weeks. Bilateral security dialogues between Jakarta and Beijing are essentially dead. In contrast, Jakarta has a multifaceted relationship with Washington with the countries joining in the Garuda Shield military exercises last month. Biden and Widodo discussed maritime security and the importance of a coercion-free Indo-Pacific last year, and US Secretary of State Antony Blinken delivered a high-profile speech in Jakarta on the Biden administration's Indo-Pacific strategy. Indonesia values the US because it helps deter China, while Jakarta's ties with China are purely transactional, but Washington still lacks a viable economic approach to the region.

Derek Grossman is a senior defense analyst at the RAND Corporation and an adjunct professor at the University of Southern California.

II. New Indonesia-Norway partnership to reduce deforestation

Indonesia and Norway plan to launch new pact to curb deforestation

—Bernadette Christina, *Reuters*, 12 September 2022

Indonesia and Norway have agreed to start a new partnership to reduce carbon emissions from deforestation one year after Jakarta ended a similar pact citing a lack of payments. Indonesia has lost large swathes of forest due to the expansion of crops like palm oil, but the government says deforestation has slowed and that balance is needed to allow development. Indonesia's Minister of Environment and Forestry Sisti Nurbaya Bakar and Norway's Minister for Climate and Environment Espen Barth Eide signed the MOU to support Indonesia's efforts to reduce greenhouse gas emissions from Forestry and Other Land Use (FOLU) sources. The new partnership encompasses a results-based model where Indonesia sets the strategy and manages the funds while Norway contributes annual results-based financial contributions for Indonesia's emission reductions. Norway would disburse contributions based on verified emission reductions from deforestation and forest degradation from 2016 to 2020 under the existing measurement, reporting, and verification (MRV) protocol. "Contribution for results generated in 2020-2021 onwards will be based on updated MRV protocol," Eide said.

[Activists say new Indonesia-Norway deforestation deal falls short](#)

—Fikri Harish, *The Jakarta Post*, 16 September 2022

Environmental activists criticized the new climate and forest deal between Indonesia and Norway for not going far enough. The agreement comes a year after Indonesia backed out of the previous decade-long US\$1 billion REDD+ agreement, part of a UN-backed global initiative, which had also been criticized for ineffectiveness. Under the new deal, Norway will grant monetary rewards for Indonesia's efforts to reduce carbon emissions from deforestation and forest degradation from 2016 on to support the country's goal of making its forests a net carbon sink that can store more carbon than is released into the atmosphere. Greenpeace Indonesia campaigner Iqbal Damanik said the "reduce deforestation" terminology used by both parties betrays the government's willingness to aim at merely slowing deforestation instead of stopping it entirely. Citing the official Forest and Land Use (FOLU) net sink 2030 plan, Iqbal said 2.78 million ha remain at high risk of deforestation. Instead of focusing on restoring previously deforested areas, Norway should have pushed Indonesia to intensify efforts to protect what was left of its existing forests, he said.

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