

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 that 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 <u>www.starlingresources.com</u>. If you would like to add colleagues or friends to our distribution list or unsubscribe, please contact us at <u>newsdigest@starlingresources.com</u>.

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A. Marine and Fisheries

Indonesia and Vietnam to seal maritime deal – will China respond?

-Resty Woro Yuniar, SouthChinaMorningPost, 21 March 2025

Indonesia and Vietnam are set to formalize their exclusive economic zone (EEZ) boundaries after over a decade of negotiations, aiming to enhance maritime security and combat illegal

fishing. President Prabowo Subianto announced the plan for ratification in April, with hopes to sign the agreement during a future visit to Hanoi. The deal, initially reached in December 2022, marks a significant diplomatic milestone but may stir tensions with China, which claims much of the South China Sea. Indonesia, despite not claiming the disputed waters, has resisted Beijing's nine-dash line assertion. Analysts view the agreement as reinforcing Jakarta's maritime stance and addressing persistent issues with Vietnamese illegal fishing in the North Natuna Sea, which has harmed local fishers and caused economic losses. The deal also strengthens Indonesia-Vietnam ties through defense and maritime cooperation. Meanwhile, China may protest the ratification, having previously sent large coastguard vessels to the area. However, experts suggest broader Indonesia-China relations will remain stable despite potential friction over the maritime boundary.

Japanese Govt Partners with Indonesian Ministry to Strengthen Fisheries Industry

-Savero Aristia Wienanto, TempoNews, 20 March 2025

Japan International Cooperation Agency (JICA) signed a cooperation agreement with Indonesia's Ministry of Marine Affairs and Fisheries (KKP) in Jakarta on March 19, to launch 'Project for Indonesia-Japan Circulation of Human Resources in Blue Economy.' Signed by JICA Senior Representative Okamura Kenji and KKP Secretary General Rudy Heriyanto Adi Nugroho, the project aims to enhance skills training in Indonesia's fisheries sector and promote Japanese language proficiency to facilitate employment opportunities in Japan. The initiative aligns with Indonesia's Blue Economy Policy by supporting human resource development and sustainable marine management. With Indonesia's youth unemployment rate at 15.34% in 2024, JICA sees this project as a solution to job shortages while addressing Japan's declining fisheries workforce, which fell from 238,000 in 2003 to 123,000 in 2022. Japan has set a target to accept 17,000 skilled fisheries personnel by 2029. The program seeks to ensure Indonesian workers gain relevant skills abroad and contribute to the fisheries industry upon their return.

MMAF and FAO's collaboration digitizes Indonesia's fish disease response system

—Press Officer, FAO, 19 March 2025

The Ministry of Marine Affairs and Fisheries (MMAF) and the UN's Food and Agriculture Organization (FAO) on March 18 announced the achievements of their collaborative project aimed at strengthening Indonesia's fish disease preparedness as part of its blue economy transformation. A key success is the digitization of the country's fish disease early warning system through the development of SiCekatan, an Android-based application enabling fish farmers to report and manage fish diseases more effectively. The project, running from 2023 to early 2025, has improved emergency response capacity for over 130 fisheries stakeholders and trained 25 officers in outbreak investigations. The initiative also updated Indonesia's Aquatic Animal Disease Alert System and developed contingency plans for major fish diseases management as crucial to food security. FAO affirmed its commitment to supporting Indonesia's sustainable aquaculture efforts, highlighting the role of digital tools in enhancing disease monitoring and policymaking.

Indonesia Expands Marine Conservation Efforts Through OECM Approach

-Luthfie Febrianto and Andi Raisa Malaha Thambas, SEAToday, 18 March 2025

The Ministry of Marine Affairs and Fisheries is reinforcing its commitment to marine conservation by expanding protected areas and implementing Other Effective Area-Based Conservation Measures (OECM) to safeguard ecosystems beyond designated zones.

Kusdiantoro, Secretary of the Directorate General of Marine and Coastal Space Management, stated on March 17 that OECM will help regional stakeholders identify new conservation areas, aligning with the 2025 National Medium-Term Development Plan (RPJMN) and Asta Cita's second vision. The initiative supports Indonesia's goal to conserve 30% of its waters by 2045 under the Kunming-Montreal Global Biodiversity Framework. Firdaus Agung, Director of Conservation of Aquatic Ecosystems, emphasized that OECM fosters inclusive conservation by involving Indigenous communities, the private sector, and local governments. Vice President of Rare, Hari Kushardanto, highlighted OECM's role in strengthening coastal governance, food security, and poverty reduction. The initiative was discussed at a Focus Group Discussion in Manado, attended by conservation partners such as WWF, Coral Triangle Center, and Yayasan Pesisir Lestari, underscoring Indonesia's commitment to sustainable marine management.

Empty promises won't save marine ecosystems

—Dadang Mujiono, *TheJakartaPost*, 15 March 2025

Despite being a marine protected area (MPA), Derawan Islands in East Kalimantan face rampant poaching, illegal fishing, and plastic pollution, threatening one of the world's most biodiverse marine ecosystems. Known as the "Amazon of the Seas" for its rich biodiversity, the archipelago supports marine life and sustains local communities, yet suffers from insufficient enforcement due to chronic underfunding. While global initiatives like the 30x30 campaign aim to protect 30% of oceans by 2030, Derawan's decline underscores the gap between ambitious targets and real-world implementation. The government allocates only Rp 200 million (\$12,275) annually for monitoring the 285,000-hectare Berau MPA, leaving rangers under-resourced and unable to combat environmental destruction effectively. The lack of financial and institutional support drives some locals toward illegal activities like turtle egg poaching. Experts stress that effective conservation requires more than policy declarations; it demands sustained funding, enforcement, and local engagement. Without stronger government commitment, MPAs risk becoming conservation failures, jeopardizing marine biodiversity, coastal livelihoods, and global ecological stability.

B. Forests and Land Use

Palm Oil Land Regulation Must Be in Line with Agrarian Reform

—Dionisius Reynaldo Triwibowo, Kompas, 26 March 2025

The government has intensified its crackdown on illegal oil palm plantations in forest areas, confiscating 259,613 hectares since January 2025 under the Forest Area Order Task Force (Satgas PKH), formed by Presidential Regulation No. 5 of 2025. Led by the Ministry of Defense and the Attorney General's Office, the task force has seized land in Central Kalimantan and Riau, transferring control to state-owned PT Agrinas Palma Nusantara. Critics, including the Agrarian Reform Consortium (KPA), argue the move fails to resolve agrarian conflicts, as land should be returned to communities rather than state enterprises. KPA's Benni Wijaya warns that simply redistributing land to companies perpetuates inequality. Meanwhile, forestry expert Sudarsono Soedomo stresses the need for comprehensive forest management, not just targeting palm plantations. With 3.7 million hectares of oil palm plantations in forest areas, ongoing government verification has flagged

1.67 million hectares with permit issues. Authorities claim these measures uphold legal certainty, but concerns remain over land rights and fair agrarian reform.

Indigenous communities in Indonesia demand halt to land-grabbing government projects

-Hans Nicholas Jong, Mongabay, 26 March 2025

More than 250 Indigenous and local community members gathered in Merauke, Papua, on March 14, demanding an end to government-backed National Strategic Projects (PSN), which they say have displaced them, fueled violence, and stripped them of their rights. The PSN initiative, expanded under President Prabowo Subianto, has led to conflicts over 1 million hectares of land, affecting 103,000 families, with Indigenous groups reporting forced evictions and environmental destruction, particularly in Papua. The government plans to clear three million hectares for food estates, despite opposition. Community members like Vincen Kwipalo, who refuse to sell their ancestral land, face threats and violence, deepening clan divisions. Officials have yet to offer solutions, with experts warning that continued expansion could escalate tensions, fueling resentment against Jakarta. At the Merauke dialogue, facilitated by the NGO Pusaka, affected communities issued a declaration calling for the PSN projects' termination, marking the beginning of a broader resistance movement against large-scale land dispossession in the name of national development.

Tran, D. B., & Dargusch, P. (2016). <u>Melaleuca forests in Australia have globally significant</u> <u>carbon stocks</u>. *Forest Ecology and Management*, 375, 230-237.

Forestry Ministry: Indonesia Records 175.4 Thousand Hectares of Deforestation in 2024

—Irsyan Hasyim, *TempoNews*, 24 March 2025

Indonesia's forest area in 2024 reached 95.5 million hectares, covering 51.1% of the country's land, according to the Forestry Ministry's latest report. Director of Forest Inventory and Monitoring Agus Budi Santosa announced on March 24 that 91.9% of this forested land falls within designated forest zones, based on annual monitoring using Landsat satellite imagery from the National Research and Innovation Agency BRIN. Net deforestation was recorded at 175.4 thousand hectares, derived from gross deforestation of 216.2 thousand hectares offset by 40.8 thousand hectares of reforestation. Most deforestation, around 92.8%, occurred in secondary forests, with East Kalimantan identified as the largest contributor. Forest and land fires accounted for 10% of the total loss. In response, the government rehabilitated 217.9 thousand hectares of land in 2024, continuing a decade-long trend of annual reforestation efforts averaging 230 thousand hectares. Agus stated that despite an increasing deforestation trend, policies such as permit restrictions, peatland protection, sustainable forest management, and law enforcement are beginning to yield positive results.

'Sustainable' palm oil firms continue illegal peatland clearing despite permit revocation

-Hans Nicholas Jong, Mongabay, 21 March 2025

A new report by Indonesian environmental NGOs Pantau Gambut and Kaoem Telapak reveals that palm oil companies continue to operate illegally on protected peatlands despite revoked forestry permits and sustainability certifications. Investigating PT Agrindo Green Lestari (AGL), PT Citra Agro Abadi (CAA), and PT Bangun Cipta Mitra Perkasa (BCMP) in Central Kalimantan, the report documents illegal peatland conversion, deforestation, and recurring fires. AGL and CAA, subsidiaries of PT Ciliandry Anky Abadi—Indonesia's largest deforesting palm oil company in 2023—have cleared 2,753 hectares of protected peat ecosystems, including critical orangutan habitat. Field inspections confirm ongoing expansion, violating Indonesian peatland protection laws. BCMP's concession overlaps with the government's food estate program and has experienced repeated fires. Despite past sanctions, weak enforcement allows continued violations, contributing to substantial carbon emissions. The report urges stricter law enforcement, mandatory Indonesian sustainable palm oil ISPO certification reform, and broader EU deforestation regulations to include peatlands, emphasizing transparency and Indigenous land rights to mitigate climate risks from peatland destruction.

Global outcry as petitioners demand no mining expansion in orangutan habitat

—Hans Nicholas Jong, *Mongabay*, 19 March 2025

Nearly 200,000 people have signed a petition urging U.K. multinational Jardine Matheson to halt its planned expansion of the Martabe gold mine in Indonesia's Batang Toru Forest, the only known habitat of the critically endangered Tapanuli orangutan. The mine, operated by Jardines' subsidiary Agincourt Resources, has already cleared 100 hectares of forest and plans to clear up to 583 hectares for tailings storage, roads, and infrastructure. Environmental groups, including Satya Bumi and WALHI, warn that any deforestation will further endanger the fewer than 800 remaining Tapanuli orangutans. On Feb. 27, NGOs submitted the petition to Indonesian authorities and protested in Jakarta, accusing the government of failing to protect key biodiversity areas. Jardines defends the expansion as necessary for safety and claims environmental mitigation efforts, but activists argue these measures amount to greenwashing. Critics also question discrepancies in Agincourt's deforestation estimates and call for full transparency. Conservation groups insist the expansion must be stopped to prevent irreversible damage to one of the world's most fragile ecosystems.

C. Biodiversity, Conservation and Protected Area

Sumatran culinary heritage at risk as environment changes around Silk Road river

—Taufik Wijaya, *Mongabay*, 24 March 2025

In early March, Palembang's pempek restaurants were packed as demand surged for the city's famed fish cakes during Ramadan. Pempek traders like Nining, 37, worked overtime, crafting the delicacy from snakehead murrel (*Channa striata*) caught in the Musi River. Palembang, once a hub of the Srivijaya Empire, has long relied on its wetlands and rivers for food, but rapid industrialization and land conversion threaten this heritage. Nearly half of South Sumatra's tree cover has been lost in two decades, and wetlands are shrinking due to plantations and mining, worsening river pollution and impacting fish populations. The price of snakehead murrel, essential for pempek, can triple during Ramadan, raising concerns about food affordability. Experts warn overfishing and habitat loss could endanger Palembang's culinary identity, while farming alternatives struggle with environmental drawbacks. Civil society groups urge stronger protection for wetlands to sustain fisheries and preserve cultural traditions. Without intervention, experts fear both Palembang's historic fish-based cuisine and its wetlands may disappear.

Arisuryanti, T., Agiestina, P., Fajar, I., & Firdaus, N. U. (2020). <u>16S mitochondrial sequence</u> characterization of striped snakehead (Channa striata Bloch, 1793) from Ogan River, South <u>Sumatra</u>. *AIP Conference Proceedings*, 2260, 020002.

Navy, H., Minh, T. H., & Pomeroy, R. (2016). <u>Impacts of climate change on snakehead fish</u> value chains in the Lower Mekong Basin of Cambodia and Vietnam. *Aquaculture Economics* & *Management*, 21(2), 261-282.

Indonesia's Unique Corpse Flower Blooms Again at Cibodas Botanic Garden

—Anwar Siswadi, TempoNews, 23 March 2025

The rare and giant corpse flower (Amorphophallus titanum) bloomed again at Cibodas Botanic Garden in Bogor, West Java, on March 21, defying its usual four-year blooming cycle. The flower, reaching 313 cm in height and 142 cm in width, last bloomed in April 2024. According to the National Research and Innovation Agency BRIN researcher Destri, this anomaly occurred because the plant skipped its leafy phase, likely due to its healthy condition and sufficient nutrient reserves. This specimen, propagated from a 2004 seed originating from Kerinci Seblat National Park in Sumatera, is typically expected to bloom again in 2028. The corpse flower, known for its foul odor and status as the world's largest flower, is endemic to Sumatra and classified as endangered by the IUCN. First discovered in 1878, it remains protected under Indonesian law. The unexpected early bloom highlights the importance of ongoing research and conservation efforts to safeguard this iconic species from extinction.

'Like kidnapping your grandpa': why relocating orangutans threatens their survival

-Patrick Greenfield, TheGuardian, 19 March 2025

The endangered great apes of Malaysia and Indonesia struggle when translocated despite efforts to protect them. A recent study has raised concerns over the translocation of orangutans, revealing that many struggle to adapt when moved from their original habitats. Authorities frequently relocate the great apes to protect them from human conflict, deforestation, or crop damage. However, researchers found that nearly a third attempt to return home, sometimes traveling over 100 km, and many suffer from hunger and territorial disputes. The study, published in PLOS One, examined nearly 1,000 translocations between 2005 and 2022, warning that the practice disrupts orangutan social structures and may do more harm than good. Experts stress the need for alternative conservation approaches, urging coexistence strategies between local communities and orangutans. With over 75% of the species living outside protected areas, conservationists fear further habitat loss from palm oil expansion and development. As Indonesia remains home to the last critically endangered orangutans—Bornean, Sumatran, and the rare Tapanuli—scientists call for sustainable solutions to preserve the species before populations decline further.

Sherman, J., Voigt, M., Ancrenaz, M., Meijaard, E., Oram, F., Williamson, E.A., et al. (2025). <u>Outcomes of orangutan wild-to-wild translocations reveal conservation and welfare risks</u>. *PLOS ONE*, 20(3), e0317862.

Ministry blocks illegal wildlife trade online

-Prisca Triferna and Resinta Sulistiyandari, AntaraNews, 19 March 2025

The Indonesian Forestry Ministry has thwarted an international illegal wildlife trade operation, arresting two suspects, BH and NJ, in Sukabumi, West Java, on March 18. The arrests followed a tip-off from the U.S. Fish and Wildlife Service after a shipment of protected animal parts from Indonesia was confiscated in the U.S. Authorities seized 70 primate skulls, including orangutans and macaques, along with hornbill beaks, bear skulls, deer skulls, bear claws, shark teeth, and civet skulls. The suspects admitted to running the illegal trade for a year, completing over 10 transactions with buyers in the U.S. and the U.K. The Ministry, citing illegal wildlife trade as a major transnational crime, has formed a special enforcement team in

collaboration with domestic and international agencies. The suspects face charges under Indonesia's Conservation Law, carrying a maximum penalty of 15 years in prison and a Rp5 billion (US\$295,000) fine. Authorities continue investigating the network behind the trade to prevent further smuggling of protected species.

Indonesia's cocoa farmers work with businesses to fight the bitter impact of climate change

-Victoria Milko and Dita Alangkara, APNews, 16 March 2025

Cocoa farmers in Indonesia, the world's third-largest producer, are struggling with climate change and underinvestment, pushing cocoa prices to record highs. In Tanjung Rejo, Lampung, farmers like Tari Santoso are adopting sustainable practices with the help of businesses and NGOs to improve yields and protect crops from extreme weather, pests, and diseases. The industry faces declining production as unpredictable climate patterns make cocoa farming less viable, with prices tripling in 2024 to \$12,000 per ton. Companies like Indonesian chocolate maker Krakakoa train farmers in pruning, grafting, and agroforestry while offering financial support. Collaborations with organizations like Indonesia's National Research and Innovation Agency and Mars have led to higher-yield cocoa variants. Despite progress, challenges remain, with many farmers switching to palm oil due to financial uncertainty. FAO's Indonesia director, Rajendra Aryal, emphasizes that continued cooperation is crucial to revitalizing the sector. Experts believe sustainable partnerships and improved access to loans could make cocoa farming attractive again amid the ongoing global chocolate supply crisis.

D. Climate Change, Energy and Mining

Airlangga says others won't follow US exit from JETP

—Agencies, *TheJakartaPost*, 25 March 2025

The United States' withdrawal from the Just Energy Transition Partnership (JETP), a \$20 billion climate finance initiative supporting Indonesia's clean energy transition, will not affect other partner nations' commitments, Coordinating Economic Affairs Minister Airlangga Hartarto said on March 24. The US, which had pledged over \$2 billion in non-concessional loans, MDB guarantees, and grants, also pulled out of JETP deals with South Africa and Vietnam. Now co-led by Japan and Germany, JETP aims to help Indonesia cut annual carbon emissions by over 50 million tons to 250 million tons from its power sector by 2030 and increase renewable energy's share to 44% from 12% in 2022. Despite the US exit, JETP has already committed \$1.1 billion to 54 projects, including the Muara Laboh geothermal plant. Indonesia's JETP Secretariat head Paul Butarbutar confirmed the US withdrawal was part of a Trump administration executive order, potentially affecting grants and transition studies. Indonesia, the world's top thermal coal exporter, still sources 60% of its energy from coal, making JETP's success crucial to its net-zero target by 2060.

Energy sector decarbonization higher than target: ministry

—Ahmad Muzdaffar Fauzan and Yashinta Difa, AntaraNews, 25 March 2025

Indonesia's Energy and Mineral Resources Ministry announced that the country's energy sector has surpassed its 2024 decarbonization target, a crucial step toward achieving net-

zero emissions by 2060. The ministry had aimed to reduce carbon emissions by 142 million tons of CO2 this year, but actual reductions reached 147.61 million tons, exceeding the goal by 5.61 million tons, according to Director of Various New and Renewable Energy, Andriah Feby Misna. She detailed that emissions reductions came from energy efficiency (30.25 million tons), low-carbon fuels (15.18 million tons), renewable energy (74.73 million tons), and new low-emission technologies (15.16 million tons). The government targets a 358-million-ton reduction by 2030, aligning with Indonesia's Enhanced Nationally Determined Contribution. Key strategies include boosting electrification in transport and agriculture, expanding renewable energy, retiring coal-fired power plants early, and improving energy efficiency. A national electricity plan is also in place to prioritize renewable sources, tapping into the country's 3,600 GW potential, further supporting its climate commitments.

Political appointments in Indonesian climate program spark outcry over accountability

-Hans Nicholas Jong, Mongabay, 14 March 2025

Indonesia's Forestry Minister Raja Juli Antoni is under scrutiny for appointing political allies from his party, the Indonesian Solidarity Party (PSI), to key positions overseeing the FOLU Net Sink 2030 program, a climate initiative largely funded by Norway. The program aims to curb deforestation and increase reforestation to ensure Indonesia's forests absorb more carbon than they emit by 2030. Critics argue the appointments lack transparency and expertise, raising concerns over political favoritism and high salaries amid budget cuts. Norway engaged Indonesia's government in March to stress accountability, but has yet to take further action. Environmental groups warn that donor funds risk being misused, with Greenpeace calling for transparency and oversight. Civil society groups have urged the UK and Norway to reevaluate funding, fearing political interference may derail conservation efforts. Despite defending the appointments, Raja's restructuring lacks a clear timeline for merit-based replacements. The controversy threatens Indonesia's credibility in managing international climate funding, as social media campaigns amplify demands for a full audit.

Indonesia's coal gasification reboot faces backlash over economic, environmental risks

-Basten Gokkon, Mongabay, 13 March 2025

Indonesia's renewed push to convert coal into gas and liquid fuel faces strong opposition from climate experts, who warn it could be both economically and environmentally damaging. President Prabowo Subianto ordered the development of coal gasification plants in Sumatra and Borneo during a March 3 meeting in Jakarta, aiming to produce hydrogen and dimethyl ether (DME) to replace imported liquefied petroleum gas (LPG). Energy Minister Bahlil Lahadalia said the Danantara sovereign wealth fund would finance the project without foreign investment, though Indonesia must import the necessary technology. Previous attempts at coal gasification, including a \$15 billion deal with U.S.-based Air Products, collapsed due to high costs. Analysts from the Institute for Energy Economics and Financial Analysis (IEEFA) argue the project will require heavy government subsidies to be viable. Environmentalists warn the process is highly carbon-intensive, contradicting Indonesia's climate commitments and posing risks of deforestation, water pollution, and financial burdens. Greenpeace Indonesia urges investment in renewables instead, calling coal gasification an unsustainable energy transition strategy.

Indonesia, UK collaborate on low-carbon energy transition in NTT

-Uyu Septiyati Liman and Cindy Frishanti Octavia, AntaraNews, 13 March 2025

East Nusa Tenggara (NTT) is advancing its low-carbon energy transition through the Indonesia-UK *Mentari*program, which supports public policy governance and renewable energy development. The program, in collaboration with the Energy Ministry, National Development Planning Agency, National Energy Council, KP3A, and the IESR think tank, has facilitated the construction of a 95-kilowatt peak (kWp) solar power plant in Mata Redi and Mata Woga, inaugurated in 2022 and transferred to local government control in 2024. On March 12, Sahid Junaidi of the Energy Ministry reaffirmed the government's commitment to equitable and sustainable energy access, particularly in remote areas. The UK's Minister-Counsellor for Development, Amanda McLoughin, highlighted the program's success in producing Indonesia's first General Energy Plan (RUED) integrating gender, disability, and social inclusion (GEDSI) principles. NTT Governor Emanuel Melkiades Laka Lena supports adopting the RUED as a regional regulation to guide inclusive energy policies. With an estimated 26,190 MW of renewable energy potential, NTT sees *Mentari* as key to realizing Indonesia's constitutional mandate for sustainable energy development.

E. Pollution, Waste and Disaster

Eid Holiday May Worsen Yogyakarta's Waste Crisis with 550 Tons Additional Trash Daily

—Irsyan Hasyim, *TempoNews*, 26 March 2025

Ahead of Eid 2025, the Yogyakarta Special Region Tourism Office estimates that 1.1 million tourists will visit the city, a 9% increase from last year. However, the Indonesian Forum for the Environment (Walhi) warns this influx will worsen the region's waste crisis. Walhi Yogyakarta's Campaign Division chief, Elki Setiyo Hadi, estimated that if each visitor produces 0.5 kg of waste daily, the city could face an additional 550 tons of waste per day. Referring to the 2025 New Year holiday, when the government dumped waste at the closed Piyungan landfill, Elki criticized authorities for failing to provide long-term solutions. Although Yogyakarta's government plans to clear several waste depots, Elki argues this only shifts the problem elsewhere. Walhi highlighted worsening waste issues at the Ring Road Selatan and illegal dumping by Sleman trucks in Klaten. Citing Law No. 18/2008, Elki urged local and provincial governments to take responsibility for waste management and inter-regional disputes, warning that poor oversight continues to exacerbate the crisis.

Prabowo Establishes Waste Management Task Force; Greenpeace Emphasizes Reduction at Source

—Defara Dhanya, *TempoNews*, 20 March 2025

Greenpeace Indonesia criticized President Prabowo Subianto's directive to Coordinating Minister for Infrastructure and Regional Development Agus Harimurti Yudhoyono (AHY) to form a national task force for waste management, arguing that the current approach remains overly focused on technology and downstream waste management. On March 19, Greenpeace's Plastics Project Lead, Ibar Akbar, stated that large investments in waste-toenergy technology are costly and ineffective, as local governments struggle with limited budgets. Instead, he urged prioritization of waste sorting at the source, in line with Law No. 18/2008, and an increase in district and city-level waste management budgets. Akbar warned that waste-to-energy solutions could harm the environment by releasing toxic dioxins. He emphasized that the task force should focus on reducing single-use plastic production rather than relying on downstream solutions. AHY previously stated on March 12 that the task force would create comprehensive waste policies with technological support, including waste processing at Integrated Waste Processing Sites, but Greenpeace argues this approach fails to tackle the root cause of Indonesia's waste crisis.

Waste Management in Hotels and Restaurants Hampered by Irresponsible Practices from Partners

—Pradipta Pandu Mustika, Kompas, 14 March 2025

Hotel, restaurant, and café sector is a major contributor to waste, particularly food waste, which accounts for 39.43% of total waste, according to the National Waste Management Information System (SIPSN). With Indonesia generating 32.6 million tons of waste in 2024, food waste alone is projected to reach 12.9 million tons. The hospitality sector faces challenges in waste management, as sorted waste is often mixed again by collection partners. Deputy Chairperson for Sustainable Tourism of the Indonesian Hotel and Restaurant Association, Lucia Karina, highlighted that event venues generate significant organic and inorganic waste, including leftover buffet food and decorations. To improve waste management, Karina emphasized the need for auditing collection partners and enhancing infrastructure. The Ministry of Environment's Agus Rusli urged local governments to prioritize hospitality sector waste, with 114 regional governments already implementing policies on single-use plastics. Businesses like Sarirasa Group have adopted waste sorting since 2019, demonstrating the importance of sustainable waste practices. Experts stress that regulations, incentives, and law enforcement are crucial for fair and effective waste management.

F. Technology, Investment and Finance

New TNI Law could have economic ripples: Experts

—Deni Ghifari, *TheJakartaPost*, 26 March 2025

Experts have warned that Indonesia's newly revised Indonesian Military (TNI) Law could negatively impact the investment climate by raising concerns about democratic backsliding and economic inefficiencies. Bhima Yudhistira of CELIOS cautioned that allowing active military members to take civilian roles, especially in government projects, could hinder private sector participation and stifle competition. The Economist Intelligence Unit's Wen Chong Cheah added that the law's passage, alongside widespread protests in Jakarta, Surabaya, Yogyakarta, and Makassar, signaled growing public discontent, which might deter investors. While the government insists TNI officers must resign before assuming civilian positions, exceptions—such as appointments to the Attorney General's Office—have sparked fears of military encroachment on governance. National Economic Council head Luhut Pandjaitan dismissed concerns, but the Indonesia Stock Exchange (IDX) saw a temporary 7% plunge, partly due to fiscal policy worries. The American Chamber of Commerce acknowledged Indonesia's democratic process but urged better dialogue on investment-related policies, emphasizing the need for regulatory stability and strong governance to maintain investor confidence.

Southeast Asian stocks feel the heat from economic, U.S. tariff worries

—Patturaja Murugaboopathy and Ankur Banerjee, Reuters, 25 March 2025

Foreign investors are pulling out of Southeast Asian stock markets, with a combined outflow of \$4.16 billion from Thailand, Indonesia, the Philippines, and Vietnam in the first quarter of 2025—the largest since 2020. The exodus is driven by fears of U.S. tariffs, sluggish domestic growth, and the rising appeal of Chinese equities. While ASEAN markets previously benefited from U.S.-China trade tensions, proposed reciprocal tariffs now pose risks to the region. Analysts cite weak consumer demand, declining trading volumes, and lack of AI sector exposure as reasons for investor skepticism. Meanwhile, Chinese stocks have attracted \$3.3 billion in foreign investments, fueling a 17% surge in Hong Kong's Hang Seng Index, the best-performing major market this year. In contrast, the FTSE ASEAN 40 index has fallen over 4%, marking its worst first-quarter performance since 2020. Indonesia's Jakarta Composite Index has dropped nearly 14%, rattled by fiscal concerns over President Prabowo Subianto's spending plans. Analysts expect investor caution toward ASEAN to persist as global capital shifts toward stronger economies with clearer growth prospects.

Danantara Promises Professionalism and Transparency, Market Awaits Realization of Promise

—Agustinus Yoga Primantoro, Kompas, 25 March 2025

A month after its launch, Indonesia's sovereign wealth fund BPI Danantara announced its executive management team on March 24 in Jakarta. The agency, managing IDR 15,000 trillion in state assets, named Rosan Roeslani as CEO, Pandu Patria Sjahrir as CIO, and Dony Oskaria as COO, alongside 18 new executives overseeing governance, risk, finance, investment, and sustainability. Prominent figures, including investor Ray Dalio, economist Jeffrey Sachs, and former Thai Prime Minister Thaksin Shinawatra, joined the advisory board. Danantara, committed to professionalism and transparency, ensured appointments were merit-based and free from political influence. Despite market concerns, executives emphasized the fund's role in strengthening state-owned enterprises, boosting job creation, and driving investments in food security, energy, and infrastructure. However, analysts cautioned that market trust depends on consistent adherence to good governance principles, warning against past mismanagement cases like Malaysia's 1MDB. The fund aims to position Indonesia among top global SWFs while restoring investor confidence.

Sovereign fund Danantara Indonesia names 'dream team' of former presidents, Sachs, Dalio and ex-Thai PM Thaksin

-Stefanno Sulaiman and Stanley Widianto, *Reuters*, 24 March 2025

Indonesia's sovereign wealth fund, Danantara, unveiled its executive team on March 24 in Jakarta, aiming to manage over \$900 billion in state assets. Led by CEO Rosan Roeslani, the fund includes global advisors such as Ray Dalio, Jeffrey Sachs, and Thaksin Shinawatra, with former Indonesian Presidents Joko Widodo and Susilo Bambang Yudhoyono on its steering committee. Established to drive Prabowo Subianto's goal of 8% economic growth by 2029, Danantara consolidates all state-owned enterprises under its management. Despite market concerns over government intervention, officials emphasized professionalism and transparency to secure investor trust. The fund's initial \$20 billion investment targets natural resource processing, AI, and energy and food security. Market turbulence following Danantara's launch saw Indonesia's stock index drop by 7%, but analysts suggest the fund's high-profile leadership could restore confidence if governance concerns are addressed. Prabowo has assured that Danantara will be open to independent audits to ensure accountability and prevent mismanagement.

Danantara to fund new SOEs holding company Agrinas, senior minister says

—Aditya Hadi, TheJakartaPost, 25 March 2025

Indonesia's newly formed agriculture holding company, Agrinas, will receive funding from the sovereign wealth fund Danantara, rather than the Finance Ministry, according to Coordinating Food Minister Zulkifli Hasan. Agrinas was created by merging three state-owned infrastructure firms—PT Virama Karya, PT Yodya Karya, and PT Indra Karya—into subsidiaries focusing on food, palm oil, and fisheries. Tasked with key projects, including 20,000 hectares of fish farms, food reserves, and a 1-million-hectare palm plantation, Agrinas will also manage land confiscated from Duta Palma Group, a move criticized by environmental groups advocating reforestation. Despite existing state holdings in agriculture, such as ID Food and PTPN, Prabowo Subianto's administration moved forward with Agrinas, emphasizing job creation. The name Agrinas was previously linked to a Defense Ministry foundation under Prabowo, which faced allegations of mismanagement. Meanwhile, Danantara, now Agrinas' parent, appointed global advisors like Ray Dalio and Jeffrey Sachs to address governance concerns, following criticism over potential political interference in Indonesia's sovereign fund leadership.

G. Human Rights, Indigenous People and Gender Equality

Indonesians suing pulpwood firms over haze face intimidation, seek human rights protection

-Hans Nicholas Jong, Mongabay, 25 March 2025

A group of South Sumatra residents suing three pulpwood companies—PT Bumi Mekar Hijau, PT Bumi Andalas Permai, and PT Sebangun Bumi Andalas Wood Industries—over recurring haze pollution has sought protection from Indonesia's National Human Rights Commission after facing alleged intimidation. The plaintiffs, including teachers and farmers, claim the companies, linked to Asia Pulp & Paper, are responsible for large-scale fires that have severely impacted their health, education, and livelihoods. Some plaintiffs, like Yeyen, reported bribery attempts and threats urging them to drop the case. Mediation attempts failed, and the lawsuit, now in the evidentiary stage at the Palembang District Court, seeks financial compensation and environmental restoration. Plaintiffs demand the restoration of degraded peatlands and corporate accountability for persistent haze crises, which have caused severe respiratory illnesses and school closures. The case could set a legal precedent in Indonesia for corporate responsibility in environmental destruction. Despite ongoing threats, plaintiffs remain committed to seeking justice for their community and future generations.

New TNI Law strengthens hegemonic masculinity in Indonesia

—Laila Hanifah, TheJakartaPost, 24 March 2025

The Indonesian Military (TNI) Law revision, passed on March 20, has sparked widespread public outrage and protests, including a demonstration in Banyumas, Central Java, on March 21. Critics argue that the law strengthens military influence in policy making and governance, reinforcing hegemonic masculinity and threatening democracy. The revision recalls past military dominance, raising concerns about authoritarianism, gender inequality, and the marginalization of civilian voices. Survivors of military violence, such as those in Aceh, fear justice will remain elusive. The law allows military officers to occupy strategic civilian roles, raising fears of power concentration and undermining checks and balances. Additionally, it prioritizes defense spending over social protections like domestic workers' and Indigenous

rights. Many see the revision as a step backward, normalizing militarization in governance while limiting democratic participation. Activists stress the need for continued resistance to prevent further erosion of democratic principles and gender inclusivity in Indonesia.

Why Indonesia's new military law is alarming pro-democracy activists and rights groups

-Niniek Karmini, Edna Tarigan and Fadlan Syam, APNews, 21 March 2025

Indonesia's Parliament unanimously passed a controversial revision of its military law on March 20, allowing active military officers to serve in more government posts without resigning from the armed forces. All eight political parties, largely aligned with President Prabowo Subianto, a former general, backed the bill despite opposition from pro-democracy groups. The new law expands military placements from 10 to 14 civilian institutions, including the Attorney General's Office and Supreme Court, and grants the president authority to appoint military personnel elsewhere. Critics warn the move revives elements of Suharto's authoritarian-era "dual function" system, risking democratic backsliding. Activists also denounce the bill's rushed, closed-door drafting, including secret discussions at a luxury hotel. Rights groups argue the law undermines post-1998 democratic reforms, while the government defends it as necessary for adapting to geopolitical and technological challenges. Defense Minister Sjafrie Sjamsoeddin insists it strengthens national security, but analysts caution it could erode Indonesia's constitutional democracy.

West Papuan Indigenous people call for KitKat boycott over alleged ecocide

—Damien Gayle, *TheGuardian*, 20 March 2025

West Papua's Indigenous people have called for a boycott of KitKat, Smarties, Aero chocolate, Oreos, Ritz crackers, Pantene, and Herbal Essences over alleged ecocide linked to palm oil production. More than 90 Indigenous tribes, political organizations, and religious groups support the campaign, urging recognition of their right to self-determination. The United Liberation Movement for West Papua (ULMWP) accuses Indonesia of human rights violations and environmental destruction, with spokesperson Raki Ap condemning forced displacement and deforestation. Since 1963, West Papua has been under Indonesian control, with millions of acres of rainforest cleared for palm oil, sugarcane, and biofuel plantations. The controversial Tanah Merah project plans to establish plantations across 140,000 hectares, while Merauke is set to become a 2-million-hectare agribusiness hub. Activists claim West Papuans have suffered repression, with over 500,000 killed. Nestlé, a major palm oil buyer, insists on strict deforestation-free sourcing, while Mondelēz and Procter & Gamble have not responded. Campaigners urge international scrutiny of Indonesia's policies in West Papua.

Indigenous peoples' rights: The ASEAN paradox

—Aditya Hadi, TheJakartaPost, 25 March 2025

Southeast Asia lags in protecting indigenous rights, with Indonesia, Laos, Thailand, and Vietnam among the worst offenders. Despite ASEAN states backing the 2007 UN Declaration on the Rights of Indigenous Peoples, legal protections remain weak. Indonesia's constitution recognizes *Masyarakat Adat*, yet enforcement is lacking. Malaysia, as ASEAN chair, faces indigenous rights challenges, including land encroachment in Sabah by China-based Kibing Group's silica mining project, disrupting local communities and ecosystems. Advocates urge ASEAN to prioritize indigenous issues, particularly as it drafts the Declaration on Environmental Rights, which currently excludes indigenous concerns. Robeliza Halip of the Right Energy Partnership calls for the ASEAN Intergovernmental Commission on Human

Rights (AICHR) to strengthen indigenous engagement. With ASEAN Vision 2045 under discussion, experts propose a permanent indigenous mechanism within ASEAN to ensure representation in policy making. While the Philippines recently hosted a AICHR workshop on indigenous knowledge and climate change, broader reforms are needed to secure indigenous rights across the region.

I. Government Priority Program

Free "Dangerous" Food

—Ahmad Arif, Kompas, 26 March 2025

President Prabowo Subianto's Free Nutritious Meals (MBG) program, aimed at improving public health and economic growth, has faced criticism for its reliance on ultra-processed foods. Reports from schools, particularly outside Java, reveal that factory-made products such as biscuits, instant cereals, and flavored milk dominate the menu, raising concerns about nutritional value. An analysis by the Center for Indonesia's Strategic Development Initiatives (CISDI) found that the sugar content in MBG meals far exceeds WHO recommendations, potentially contributing to rising childhood obesity. Studies highlight the dangers of ultra-processed foods, linking them to obesity, poor metabolic health, and chronic diseases. The program also lacks local food integration, echoing past food policy mistakes. With a projected budget of Rp25 trillion per month by September 2025, concerns persist over whether the program benefits communities or primarily supports large food industries and importers. Comparisons to Brazil's successful decentralized school meal program suggest that Indonesia must rethink its approach to ensure MBG genuinely promotes health and food sovereignty rather than exacerbating existing nutritional challenges.

Khoury, Nadine, et al. (2024) <u>Ultraprocessed Food Consumption and Cardiometabolic Risk</u> <u>Factors in Children | Nutrition, Obesity, Exercise</u>. *JAMA Network Open*.

Indonesia Can Be Self-Sufficient in Food Without Creating Rice Fields

—Ahmad Arif, Kompas, 24 March 2025

Indonesia's food self-sufficiency should not focus solely on rice production but must align with diverse agroecological conditions. During an online discussion on March 24, Professor Hermanu Triwidodo of IPB University warned against high-cost, ineffective rice field expansion, particularly in unsuitable regions like Papua. Maria Loretha, founder of the Agro Sorghum School in Flores, highlighted sorghum's success in East Nusa Tenggara's arid climate, advocating for crop diversity over forced rice cultivation. Reports show food estates in Central Sumba and Belu suffering drought-related failures. Apni Olivia Naibaho, an organic farming advocate from North Sumatra, stressed the importance of reducing dependency on imported fertilizers. Professor Suryo Wiyono of IPB University noted that 90% of Indonesia's food is produced by small farmers and called for participatory approaches and climate-adaptive crops. He criticized the construction of dams for rice irrigation in water-scarce regions, arguing that resources should prioritize clean water access and resilient crops like sorghum, corn, and millet to ensure sustainable food security.

Salor and Rempang Become Models for Transmigration Transformation in the Prabowo Era

—Hendriyo Widi, *Kompas*, 20 March 2025

During a coordination meeting in Jakarta on March 18, Minister of Transmigration Muhammad Iftitah Sulaiman Suryanagara announced a paradigm shift in Indonesia's transmigration policy under President leadership. No longer solely aimed at reducing population density, transmigration now seeks to create integrated economic ecosystems that sustain livelihoods, education, and healthcare. The government is launching pilot projects in Salor, South Papua, as a food-based transmigration zone, and in Batam-Rempang-Galang, Riau Islands, as a hub for maritime, manufacturing, and renewable energy industries. Addressing historical land disputes and social conflicts, the initiative includes legal land ownership, infrastructure development, and economic incentives. The plan also involves revitalizing existing transmigration areas, deploying skilled youth under the Patriot Transmigration program, and fostering private sector investments, such as a Rp 200 trillion glass factory and a solar farm in Rempang. The new model aims to ensure transmigrants and local communities benefit from sustainable economic growth rather than facing displacement or instability.

II. Indonesia in Politics and Geopolitics

Government Optimistic Indonesia's Economic Fundamentals Are Good

—Nina Susilo, *Kompas*, 26 March 2025

The government remains optimistic about the country's economic fundamentals despite the rupiah's sharp decline on March 25, reaching Rp16,622 per US dollar—its lowest level in five years. Coordinating Minister for Economic Affairs Airlangga Hartarto assured that Indonesia's strong export performance, robust foreign exchange reserves, and favorable trade balance would help stabilize the currency. Speaking at the Presidential Palace in Jakarta, after a meeting led by President Prabowo Subianto on the 2026 State Budget Plan, Airlangga highlighted the implementation of a foreign exchange earnings policy requiring natural resource exporters to deposit their earnings in Indonesia's financial system. The government is also pushing for export continuity and deregulation to ease trade flows. Meanwhile, Finance Minister Sri Mulyani Indrawati declined to comment on the rupiah's depreciation. President Prabowo also emphasized streamlining state-owned banking management to improve efficiency. To restore market confidence, the Presidential Communications Office (PCO) is strengthening communication with market analysts and financial experts, planning regular discussions on economic policies.

Indonesia decides to join New Development Bank to accelerate growth

—Huaxia, Xinhua, 26 March 2025

Indonesian President Prabowo Subianto announced on March 25 that Indonesia has decided to join the New Development Bank (NDB) following a meeting with NDB President Dilma Vana Rousseff at the Presidential Palace. The discussion, described as warm and productive, covered short-, medium-, and long-term development plans, with a key focus on the official invitation for Indonesia to become an NDB member. Prabowo confirmed that after an evaluation by the Ministry of Finance, Indonesia has decided to move forward with the membership process, committing to follow the necessary procedures and requirements. He expressed hope that joining the NDB would accelerate national development transformation, particularly in infrastructure and economic growth. Rousseff welcomed the decision, emphasizing Indonesia's significance as a regional and global partner. She highlighted that Indonesia's development priorities align with the NDB's key focus areas, including

infrastructure, connectivity, and energy transition. Rousseff assured that the bank respects the sovereignty of its members and expressed confidence that Indonesia's participation would bring mutual benefits and strengthen international development cooperation.

Togetherness and Simplicity Color Ramadhan in Several Indonesian Representative Offices

—Iwan Santosa, *Kompas*, 26 March 2025

Indonesian embassies worldwide, from Cambodia to China and the Netherlands, are celebrating the holy month *Ramadhan* with simplicity and togetherness, strengthening ties with the diaspora. In Phnom Penh, Ambassador Santo Darmosumarto confirmed that the Embassy will host Eid prayers, a *halal bihalal* gathering, and a communal meal to maintain cost efficiency. Similar events are planned in Bangkok, where Ambassador Rachmat Budiman invited all Indonesian citizens to an open Eid prayer and gathering at the embassy's soccer field. In Beijing, Ambassador Djauhari Oratmangun announced 300 meal packages prepared for the celebration, with the diaspora actively involved in organizing festivities. Meanwhile, in The Hague, Eid prayers will be held at the Al Hikmah Mosque, accommodating up to 1,000 attendees, followed by a friendly gathering for embassy staff. The breaking of fast events in various locations, including Nairobi and Mombasa, have also been marked by simplicity, with potluck-style meals fostering community bonds. Across the globe, Indonesian representatives are embracing Eid with a spirit of unity, reinforcing cultural ties in foreign lands.

3 Indonesian soldiers arrested for allegedly supplying weapons to separatists

—Huaxia, Xinhua, 26 March 2025

Indonesian security forces arrested three soldiers suspected of selling weapons and ammunition to separatist rebels in Papua. The arrests are linked to an ongoing investigation into seven civilians accused of supplying arms to the West Papua National Liberation Army (TPNPB), the armed wing of the Free Papua Movement. The suspects, allegedly operating across multiple provinces, were involved in illicit arms sales to the separatist group, which has waged a decades-long insurgency for independence. The three soldiers were interrogated on March 21 in Bandung, West Java, and are now being held at the Indonesian Army's Siliwangi Military Command. The arrests come amid continued clashes between Indonesian security forces and Papuan separatists, which have resulted in casualties on both sides. The government has intensified efforts to curb the insurgency, deploying the Cartenz Peace Operation Task Force—a joint military-police initiative—to dismantle rebel networks. The TPNPB has targeted military personnel, police, and civilians in its campaign, escalating tensions in the resource-rich but conflict-prone region.

Indonesia passes controversial law allowing greater military role in government

—Kate Lamb, *TheGuardian*, 20 March 2025

Indonesia's parliament ratified a controversial law expanding the military's role in civilian governance, raising concerns about a return to the dominance seen during Suharto's authoritarian rule. The revised law allows active military personnel to hold more civilian positions, including in the attorney general's office, state secretariat, counterterrorism agency, and narcotics agency, while also extending officers' retirement age. Critics, including activists and human rights groups, warn the move threatens democracy and weakens civilian oversight. Prabowo Subianto, a former general and Suharto's ex-son-in-law, has denied these concerns, arguing the changes are necessary to address geopolitical and security challenges. Defence Minister Sjafrie Sjamsoeddin justified the revisions, citing the need to

adapt to evolving military threats. Parliament, dominated by Prabowo's ruling coalition, unanimously passed the bill, with Speaker Puan Maharani defending it as aligned with democracy and human rights. Activists condemned the rushed and secretive legislative process, with student groups planning protests, calling the law a "democracy killer" that could erode public trust in the military.