



OPINION

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Can Indonesia balance its development?

Many people have acknowledged Indonesia as one of the world's mega-centers of biological diversity. The ecosystems of this archipelagic nation, however, are being increasingly degraded, leading to natural resources depletion, impacting on people's livelihoods and causing significant environmental damages.

As part of its coastal and marine areas, for instance, Indonesia harbors a huge portion of the world's center of marine life otherwise known as the Coral Triangle (CT), which is home to 30 percent of the world's coral reefs, more than 35 percent of its coral reef fish species and much of the tuna eaten around the world.

Located along the equator at the confluence of the Western Pacific and Indian Ocean, not only the CT comprises valuable marine environments but also is a much sought-after tourist destination, providing a daily income to hundreds of millions of people as well as generating revenues for businesses and governments in Indonesia and neighboring countries.

A 2008 study led by Professor Ainsworth from the University of South Florida reveals that the coastal and marine ecosystems in the CT are already under extreme pressures such as from declining water quality, resource extraction, destructive fishing practices and over-fishing. If the destruction continues, this will

disrupt the multi-billion dollar economic activities associated with the tuna, tourism and coral reef ecosystems, disturbing one of the planet's economic hubs.

A similar situation occurs in Indonesia's forest ecosystems. The majority of the country's forests such as those in Sumatra, Kalimantan, Sulawesi and Papua are recognized in the Global 200 Ecoregions — nature regions, landscapes or seascapes that are exceptionally important and symbolic for the survival of rich biodiversity features.

As with the country's marine ecosystems, forests on many islands of Indonesia have come under the constant threat of destructive and illegal logging activities, expansion of agriculture and pulp plantations, destructive mining activities, as well as infrastructure development.

In some cases, even the supposedly 'safe places' such as protected areas are diminishing in conservation value as poorly planned and unsustainable development leads to poaching, encroachment, habitat fragmentation and forest fires.

Such problems affecting both terrestrial and marine ecosystems have been building for decades, dated back from the New Order regime. Economic development objectives focusing so much on natural resources exploitation have led to promising economic growth

but with serious collateral consequences, including seasons of floods and landslides, droughts, fires and haze, and coral bleaching.

In recent years, the government of Indonesia appears to be increasingly proactive in trying to advance its environmental protection agenda along with its economic development targets.

There have been pledges and written commitments issued by the government, such as the famous pledge at the G20 meeting in 2009 announced by the president to cut the country's greenhouse gas (GHG) emissions, or the forest and peat land conversion moratorium, and other initiatives including the Coral Triangle Initiative and the Heart of Borneo.

In many of his speeches, the Indonesian president re-affirmed the importance of environmental protection along with economic development and poverty alleviation.

Also, the country has equipped itself with new regulations concerning environmental protection and management, and sustainability. As an example, in October 2009, the government adopted Law No. 32 of 2009 on Environmental Protection and Management, replacing Law No. 23 of 1997 on Environmental Management which was deemed to be no longer sufficient in handling new environmental challenges.

With the above mentioned policy actions committed and carried out by the government, one big question remains as to whether such actions are sufficient for Indonesia to have effective environmental governance resulting in better environmental outcomes and balanced development.

Balanced development, or globally known as sustainable development, emphasizes a holistic, equitable and forward-looking approach to decision making at all levels — not just focusing on economic performance but also on the environmental and social aspects of development, including intra-generational and inter-generational equity.

Commitments to protect the country's environment and achieve sustainable development are arguably ambitious. These require tremendous support from different layers of governments and different spectrums of society, including from the private sector and the general public.

Albeit very slowly, platforms formulated and supported by civil society groups and the private sector to promote best practices in sustainable development (e.g. in forest management, fishery and agriculture) have emerged and some

progress resulting from these platforms is being accomplished.

In the case of forest management, prior to 2009, only 1.1 million hectares of forests were certified under the FSC (Forest Stewardship Council) amounting to 2 per cent of the country's production forests. To date, approximately 26 companies with a total 2.6 million hectares of forests are undertaking a rigorous process for FSC certification.

As of 2011, there are also at least 1.8 million hectares of certified forests under the Indonesian Ecolabeling Institute (LEI). In addition to voluntary timber certification, the government introduced the Timber Legality Verification System (SVLK), which aims to verify the legality of all traded Indonesian timber products

Both timber verification and forest certification is seeing Indonesia gradually move toward more responsible forestry practices. Yet, as those forests certified under FSC and LEI still make up only a small proportion of Indonesia's total forests, achieving sustainability in this sector is still an enormous challenge.

Progress has also been made in fishery management indicated by the works carried out by the Marine Stewardship Council (MSC) in Indonesia,

in collaboration with the Indonesian government and national NGOs.

Such works in promoting collaborative sustainable natural resource management further requires not only political willingness but also concrete incentives and practical solutions on the ground.

Innovative designs of financial and fiscal mechanisms that can support sustainable practices seemingly are still far behind. Without the provision of appropriate and adequate incentives, it will be challenging to address threats to sustainable development and conservation, especially those coming from business activities and capital investment.

A 2011 study conducted by the Indonesian Corruption Watch shows that as a result of deforestation in a year, the country has lost about Rp14 trillion (US\$1.6 billion). During the period of 2005-2009, the same study calculated an equivalent of Rp71.28 trillion as the costs of deforestation.

Therefore, balanced development can only be achieved if the country can combine their measured policies on sustainable development and environmental protection with strong economic incentives, and further mainstream these into the overall government's development agenda.

In brief, to achieve sustainability that ensures economic growth and environmental protection, Indonesia and its people have a massive challenge to transform and adjust their current development approach.

As a developing country, Indonesia has enormous potential and a good model to show that the country can protect, maintain and even enhance its natural capital for current and future generations.

More importantly, this commitment should not be used as merely a 'mantra'. It needs to be shaped as continuous progress and coloring the daily life of the nation. 



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