



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 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.*

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A. Marine and Fisheries

[Aquaculture start-up eFishery reels in US\\$200m in funding](#)

—Ruth Dea Juwita, *TheJakartaPost*, 9 July 2023

Indonesia's largest aquatech start-up eFishery founded in 2013, which became a unicorn this May after it was valued at US\$1.3 billion, has secured another US\$200 million in funding. The tech company has supported over 70,000 fish and shrimp farmers across 280 cities in

Indonesia, and aims to target over 1 million aquaculture ponds by 2025 and export fully traceable antibiotic-free shrimp products. The company also serves as a platform for business-to-business (B2B) sales of fresh fish and shrimp products. Aquaculture is the fastest-growing sector in the global fisheries industry, and eFishery CEO Gibran Huzaifah highlights that “The strategic support we receive from our investors will help us revolutionise the entire industry, especially by integrating Indonesian smallholder fish farmers into the eFishery ecosystem that spans the entire value chain”. eFishery’s business model is innovative and disruptive to the traditional aquaculture market and has made a significant impact on the aquatech industry and benefits small farmers across the archipelago.

Opposition to Indonesia’s resumption of sea sand exports grows

—Basten Gokkon, Sarjan Lahay, *Mongabay*, 8 July 2023

Opposition to Indonesia’s resuming export of sea sand is growing among marine conservation and fisheries activists who say the practice threatens the future of fishing and coastal communities. Other critics say resuming exports would only benefit foreign interests, including Singapore—which expanded its land area by 20% thanks to Indonesian sand—and China, which is building artificial islands in the South China Sea. Indonesia banned the export of dredged sea sand in 2003, but reversed the policy in May this year. Susan Herawati, general secretary of the Coalition for Fisheries Justice (KIARA) said sand dredging has disrupted traditional fishing grounds and harmed fishing and coastal communities. The Ministry of Fisheries and Marine Affairs will issue a decree elaborating more stringent measures for environmental protection and is forming a study team to assess sites proposed for dredging. Indonesia’s reclamation projects aim to mimic Singapore’s island-building activities, which peaked before the export ban took effect.

US\$55 billion capital investment in aquaculture needed to meet seafood demand by 2050

—Emma Desrochers, *SeafoodSource*, 5 July 2023

A 50 million tonne seafood production deficit will manifest by 2050 unless an additional US\$55 billion is invested in aquaculture technology, according to a new report by Planet Tracker, contributing to global food insecurity and destabilizing food markets. As wild capture fisheries have become fully exploited, aquaculture now generates more seafood than fishing, but aquaculture production is over-concentrated and does not replicate the extraordinary species and geographic diversity of wild marine ecosystems. Competing claims for coastal space and new regulations are likely to cap aquaculture’s growth while compounding impacts on biodiversity and environment. Investments in offshore and land-based aquaculture will only cover 2% of the anticipated additional seafood demand. Since feed is the largest cost in aquaculture, a solution will be expanding production of non-feed aquaculture: bivalves (mussels, oysters, clams) and seaweed, which contribute to regenerating ecosystems through the ecosystem services they provide. Regenerative aquaculture could produce 45 million tonnes of seafood, enough to feed a global population of 97 billion, requiring US\$55 billion in new investment.

Report: Wang F., Cage A., Mosnier F., [Avoiding Aquafailure](#), Planet Tracker (May 2023).

B. Forests and Land Use

Degraded or converted land still has value

—Carolyn Cowan, *Mongabay*, 7 July 2023

Repeated conversion of already modified land is increasingly prevalent in Indonesia and other parts of Southeast Asia, where oil palms now dominate many landscapes that were once tropical forest and then underwent initial conversion to rubber plantations. Averting cumulative species loss during such transitions is an urgent concern for land managers and conservationists alike. In oil palm plantations, retaining and/or restoring “islands” of natural forest can boost biodiversity and improve ecosystem functioning while maintaining crop yields. But putting mechanisms in place to implement environmental safeguards can be even more difficult for landscapes that are already heavily modified. Set aside areas of original natural habitat can still be beneficial for plantation companies by providing natural integrated pest control, pollination, flood prevention, and other services.

Paper: Lindenmayer *et al.*, [“Biodiversity response to rapid successive land cover conversions in human-dominated landscapes”](#), *Global Ecology and Conservation* 45 e02510 (September 2023).

Amnesty and legalization proposed for 3.3 million ha of oil palm plantations in forests areas

—Edi Suhardi, *The Jakarta Post*, 5 July 2023

Coordinating Minister of Maritime Affairs and Investment Luhut Panjaitan recently revealed government plans to grant amnesties to legalize 3.3 million ha of oil palm plantations which an audit investigation revealed had been developed in forest estate areas. Luhut argued that legalizing the “illegal” plantations and putting them into the tax system and under the supervision of relevant government agencies while punishing them with heavy administrative penalties would be the ideal solution in terms of maximizing employment and state revenues. He said this approach would also be less devastating than the risks of moral hazard, as these estates also involve large numbers of smallholder farmers. Nonetheless, the revelation of 3.3 million ha of illegal oil palm estates validated perceptions of how bad public and corporate governance of the country’s natural resources has been, and particularly the highly lucrative oil palm industry. As the world’s largest palm oil producer, with an estimated total 16.8 million ha of oil palm plantations, Indonesia is in a strong position to lead the industry and shape its markets globally.

President Widodo focuses on El Niño as Indonesia’s dry season heats up

—Mongabay Haze Beat, *Mongabay*, 5 July 2023

Indonesian president Joko Widodo warned of potentially dangerous weather conditions across the archipelago in the coming months. “Anticipate the potential for a long dry season due to El Niño,” the president said at a cabinet meeting on 3 July. Agencies across Indonesia are allocating resources and shifting policy to confront the first El Niño since the 2015 haze crisis which burned 4.6 million ha. Data from the Meteorology, Climate and Geophysics Agency (BMKG) showed 186 medium hotspots on 2 July, with Papua and Maluku accounting the largest share. The BMKG said it expected El Niño to cause severe droughts, which could impact irrigation and household access to water. “The anticipation is that we have prepared better infrastructure than in previous years,” said Suharyanto, the head of Indonesia’s disaster management agency (BNPB). However, some civil society researchers say that progress in rewetting the peatlands where fires are most damaging has fallen short since the 2015 crisis.

Paper giant Royal Golden Eagle linked in deforestation In Kalimantan

—Hans Nicholas Jong, *Mongabay*, 4 July 2023

Singapore-based pulp and paper giant Royal Golden Eagle (RGE) has been linked to deforestation in Indonesia despite supposedly having a no-deforestation policy in place since

2015. A new report says Asia Symbol—RGE’s pulp and paper unit in China—received 1.5 million m3 of wood over 2021-2022 from nine pulpwood suppliers in Kalimantan. Using geospatial remote sensing data from TheTreeMap, the report found that three of the suppliers (PT Industrial Forest Plantations (IFP), PT Adindo Hutani Lestari (AHL) and PT Fajar Surya Swadaya (FSS)) had cleared a combined 37,105 ha of natural forest in Kalimantan from 2016 to 2022. Almost all of IFPs concession area, including the forest that was cleared, has been identified as orangutan habitat by the Ministry of Environment and Forestry (KLHK). Since it occurred within concession areas, the clearing of natural forests may have been technically legal, but it contradicts claims by the RGE Group and its subsidiaries that the RGE companies had eliminated deforestation in their supply chains, said Sergio Baffoni, senior campaign coordinator for the Environmental Paper Network (EPN).

Report: Environmental Paper Network, Greenpeace, Auriga, Wood & Wayside, and Rainforest Action Network, [Pulping Borneo: Deforestation in the RGE Group’s supply chain and RGE’s hidden links to a new mega-scale pulp mill in North Kalimantan, Indonesia](#) (May 2023).

With El Niño likely, Indonesia’s volunteer firefighters gear up with new gear

—Mongabay Haze Beat, *Mongabay*, 4 July 2023

In the past, volunteer firefighters battling to protect peatlands during wildfire crises confronted the infernos hampered by dire shortages of equipment and other resources. In 2015, the strong El Niño delayed the arrival of sustained rains needed to douse wildfires beyond October, resulting in the immolation of about 4.6 million hectares of land in Sumatra and Kalimantan. A 2016 study of the public health impacts of the 2015 fires in Indonesia concluded that the thick smoke blanketing Equatorial Asia was the worst haze episode since 1997, resulting in 100,300 excess deaths across Indonesia, Malaysia, and Singapore. This time, more than 11,000 community firefighters across Indonesia are preparing for the likely El Niño with better gear and preparation. In a broadcast interview with CNN Indonesia in late June, Laksmi Dhewanthi, the Indonesian environment ministry’s director for climate change, said the role of the community firefighters had been “proven” since President Joko Widodo issued sweeping new policy instructions in 2020 in the hope of finding a “permanent solution” to wildfires.

Paper: Shannon N. Koplitz *et al.*, [“Public health impacts of the severe haze in Equatorial Asia in September-October 2025: demonstration of a new framework for informing fire management strategies to reduce downwind smoke exposure”](#), Environmental Research Letters, 19 September 2016.

C. Biodiversity, Conservation, and Protected Area

Only 16% of Indonesia’s peatlands are protected

—Basten Gokkon, *Mongabay*, 6 July 2023

Less than 16% of Indonesia’s 6.7 million ha of peatlands are protected by law and 4.2 million ha (62.6% of the areas investigated in the study) need restoration interventions, a total area significantly larger than the Indonesian government’s 2.6 million ha peatland restoration target. The largest unprotected peatland area, 2.5 million ha, are in the Papua provinces, but the largest area in need of restoration efforts (2 million ha) is in Sumatra. “Our results show clearly that targets proposed by the Peatland Restoration Agency (BRG) seem not to be enough to face land degradation processes taking place in Indonesian peatlands,” the study said. The lead author of the paper, Dilva Terzano—a climate finance expert who has worked

in Indonesia on peatland sustainable management and restoration for years noted that the 2.6 million ha target was adopted when the BRG was first established in 2016 as a response to the massive peatland burning in 2015. The agency's mandate has since been extended after it failed to meet its 2020 target, Terzano said.

Paper: Dilva Terzano *et al.*, [“Prioritization of peatland restoration and conservation interventions in Sumatra, Kalimantan and Papua”](#), *Journal for Nature Conservation* 73 (June 2023).

Pangolin Scales Smuggling Syndicates

—Riky Ferdianto, *Tempo*, 3 July 2023

The Indonesian Ministry of Environment and Forestry (KLHK) law enforcement team arrested several members of two unrelated pangolin scale smuggling syndicates in West and South Kalimantan last month. The pangolin (*Manis javanica*) is a critically endangered and protected species, and albeit included in the CITES Appendix I, pangolin poaching is rampant due to its great economic value, which has resulted in State losses of Rp 140 billion (US\$9,374,974). The price of the scaly animal becomes 10 times more expensive at Rp 50 million (US\$3,347) per kilogram on the international black market—poachers need to catch four pangolins to collect one kilogram. Major consumer countries include China, Vietnam, Malaysia, Laos, the Philippines, and the United States. The animal is consumed for its meat and its scales, which are used for non-scientifically proven health benefits, cosmetics and narcotics. China is the largest pangolin consumer in the world with most of the supply coming from Indonesia where transit ports include Pontianak, Surabaya, and Medan.

Why did the orangutan cross the toll road to Indonesia's new capital city?

—Hans Nicholas Jong, *Mongabay*, 27 June 2023

On May 23 an endangered orangutan (*Pongo pygmaeus*) was filmed crossing the under-construction toll road to Indonesia's new capital city Nusantara on the island of Borneo. This is not the first sighting of endangered wildlife near the development; there have been at least five sightings of the clouded leopard (*Neofelis diardi borneensis*). The toll road, which aims to reduce travel time, cuts through the forested buffer zone fringing the southwest and northwest of the Sungai Wain protection forest, cutting off natural corridors between the wider integrated ecosystem including the coastal zone and mangroves of Balikpapan Bay. This fragmentation also poses threats to other native species including sun bears (*Helarctos malayanus*), proboscis monkeys (*Nasalis larvatus*), and Irrawaddy dolphins (*Orcaella brevirostris*). The Indonesian government has claimed the US\$32 billion “green city” of Nusantara will cause minimal disruption to the natural environment. But sightings of some of the world's most threatened wildlife in construction zones indicate lack of attention from developers regarding the project's environmental impact.

D. Climate Change, Energy, and Mining

Australia-Indonesia in a budding EV symbiosis

—John McBeth, *AsiaTimes*, 6 July 2023

Buoyed by rapid growth of the electric vehicle (EV) industry, Indonesia and Australia may have finally found the basis for a stronger and more sustainable relationship. Australia is the world's largest lithium producer, accounting for nearly half of global production. Indonesia is the world's largest producer of nickel, but along with some rare earth minerals, lithium is the one significant EV battery component material the country lacks. About 96% of Australia's

lithium exports last year went to China, which currently accounts for 58% of global lithium processing capacity and nearly 80% of global lithium battery manufacturing capacity. “[T]his will be a massive transformation of the bilateral economic space,” former Australian diplomat Kevin Evans said, but it will depend on the active involvement of the Indonesian private sector and willingness of Indonesia-based companies to take a stake in West Australian lithium mines to shore up their supply chains.” The potential partnership could be facilitated by the 2020 Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA), but the mindset that it is unpatriotic to invest in other countries could be an impediment.

Survey: Most Indonesians support early shutdown of coal power plants

—Yohana Belinda, *TheJakartaPost*, 6 July 2023

Most Indonesians favor early shutdown of coal-fired power plants to reduce carbon emissions, according to a survey by the Center of Economic and Law Studies (CELOS). The results showed that a large majority of 1,245 respondents agree with plans to accelerate closure of coal-fired power plants even though only a minority know about the Just Energy Transition Partnership (JETP) which would provide funding for the transition. Among those aware of the JETP, support for early phase out of coal was 89%, but among those who do not know about the JETP a majority (62%) still favored phasing out coal-fired plants sooner. However, despite the government’s declared commitment, Sustainable Fitch reportedly projected that the share of coal-fired electricity in Indonesia will increase. The reason is that the JETP does not cover captive power plants that are not connected to the main energy grid. There is likely to be an increase in generated power from plants providing power directly to factories and industrial parks.

Indonesia plans to “counter-attack” US, EU policies on processing minerals

—Yohana Belinda, *TheJakartaPost*, 4 July 2023

The government said it will counter policies from the US and EU meant to encourage the domestic processing of minerals crucial for electric vehicle batteries, which Jakarta says would threaten the development of its own downstream metals industries. Investment Minister Bahlil Lahadalia told media that Indonesia would require 60-70% of mineral output to be processed in-country before being exported, with increased export taxes applied to shipments below that threshold. In the EV supply chain, the government plans to allow the export of nickel only if it has been processed into cathode, an intermediate product a few steps from becoming part of a battery. Bahlil’s comments were in response to the Inflation Reduction Act (IRA) passed by the US Congress and the Critical Raw Materials Act (CRM) proposed by the EU, both of which aim to shift processing of critical mineral ores and the manufacture of EVs within their borders.

Indonesia’s coal burning hits record high—and ‘green’ nickel is partly why

—Hans Nicholas Jong, *Mongabay*, 3 July 2023

Indonesia burned more coal in 2022 than in any previous year, putting the country on track to be one of the six largest carbon emitters from fossil fuel after Japan in the world. Data from the Ministry of Energy and Mineral Resources showed that coal consumption was equivalent to 745.72 BOE (Barrels of Oil Equivalent), a 33% increase from 2021. Coupled with increases in fossil fuel consumption of oil (12%) and gas (1.2%), the net increase in total carbon emissions was 20.3% to 619 million metric tonnes CO₂ equivalent (CO₂e), according to Robbie Andrew, a member of the Global Carbon Project. “None of the world’s top ten carbon emitters has seen annual growth of 20% in the last 15 years,” Andrew said. This massive rise in coal consumption has been fuelled by new coal-fired power plants as well as expansion of the nickel mining and processing, which is energy intensive. The world’s largest producer of

nickel, a key element in lithium-ion batteries, Indonesia's nickel production rose by 60% in 2022.

E. Pollution and Waste

Plastiglomerates from burning plastic waste on beaches contain organic pollutants

— Dwi Amanda Utami *et al.*, *Nature*, 27 June 2023

Plastiglomerates, plasticrusts, and pyroplastics are new forms of plastic pollution mainly formed by uncontrolled burning of plastic wastes on Indonesian beaches. The major impacts of plastic debris in the marine environment include entanglement or entrapment and ingestion by marine fauna. Polyethylene and polypropylene (PE/PP) are the most common plastic types, but acrylates, polyurethane/varnish (PU) and styrene and acrylonitrile copolymers were found as well. A subset of the samples analyzed for associated chemical contaminants found high concentrations of phthalates and polycyclic aromatic hydrocarbons (PAHs) likely due to burning the plastic in open fires. The burning leads to physical and chemical changes such that plastiglomerate and plastic waste of similar origin are often more weathered and contaminated with organic pollutants than their parent polymers. The highest PAH concentration was found in a sample of plastitar, an agglomerate of tar and plastics that adheres to coastal rocks. The study also documents a more mobile, clastic plastitar type that could pose additional ecological risks. These new types of plastic pollution could be important vectors for chemical contamination of nearby coastal habitats such as coral reefs, seagrass meadows, and mangroves.

What is the air quality index of Indonesia

—*IQAir*, 12 July 2023

In 2019, Indonesia ranked as the 6th most polluted country of 98 contenders worldwide. The average AQI figure for 2022 was 141 with levels of PM_{2.5} five times higher than the World Health Organization's (WHO) maximum exposure recommendations. In South Tangerang, "unhealthy" pollution levels range between 55.5 and 150.5 µg/m³, but in the city of Pekanbaru a "very unhealthy" figure of 214.9 µg/m³ was recorded in September last year. Most of Indonesia's air pollution comes from forest fires. Transport and energy sectors also pollute. Emissions from coal fired power plants are rapidly increasing on the west side of Java, where seven power plants have been built within 100 km of Jakarta, with plans for five more. Coal-fired power stations and transport emissions are responsible for the terrible air quality in Jakarta. The best air conditions for any city are found in Denpasar, on the island of Bali.

F. Investment and Finance

Unravelling the Belt and Road Puzzle in Indonesia

—Nur Rachmat Yuliantoro, *Tempo*, 9 July 2023

Economic cooperation between Indonesia and China has strengthened over the last decades, with the latter gradually cementing itself as one of Indonesia's top three foreign investors. Indonesia's participation in China's Belt and Road Initiative (BRI) was seen as a strategic move to accelerate infrastructure development and enhance regional connectivity, whilst receiving the investment to do so. But Indonesia has already accumulated a US\$67 billion debt, and former Indonesian Vice President Jusuf Kalla has expressed his concern over China dominating the Indonesian economy as a failure to repay loans could lead to a loss of

control over the funded infrastructure projects. Other risks include potential social tension arising as a result of the influx of Chinese workers into Indonesia, in light of the recent findings of a study by the Center for Strategic and International Studies (CSIS) in Jakarta which highlighted the mixed opinions Indonesians have regarding China's intentions, and concerns about the potential threat to Indonesia's national interests. No doubt BRI holds great potential for Indonesia's development, but the challenge lies in aligning this with the country's broader national development goals.

The choice between a poorer today and a hotter tomorrow

—*TheEconomist*, 1 July 2023

A huge amount of money is needed to help developing countries go green. Poor countries will need to spend US\$2.8 trillion annually to reduce emissions and protect their economies against climate change, and another US\$3.0 trillion on sectors like health care and education to tackle poverty. The world is spending nowhere near this amount. Some investments—sustainable agriculture and mangrove protection, for example—contribute both to development and protecting the planet, but this alignment is rare. Growing new industries requires a lot of power and often causes more pollution. Although green growth is possible in theory, it isn't happening. Replacing old grids and installing new technology is just too expensive. To reach zero emissions by 2050, developing countries would need to spend at least US\$300 billion on renewable energy grids until 2030, five times current outgoings, according to the International Energy Agency. An enormous increase in aid spending by developed countries is equally unlikely. Developing countries are among the most vulnerable to climate change, but new coal-fired power plants will provide Indonesia with 60% of its electricity until at least 2030, while last year Indonesia's coal-powered energy industry released more CO₂ into the atmosphere than the entirety of sub-Saharan Africa (minus South Africa).

G. Human Rights and Gender Equality

13 Indonesians Return Safely after Being Victims of Human Trafficking in Myanmar

—Petir Garda Bhwana, *Tempo*, 9 July 2023

13 Indonesian victims of human trafficking have been safely returned home from Myanmar last week thanks to close cooperation between the Indonesian Embassies in Bangkok and Yangon, the Ministry of Foreign Affairs, the Indonesian Migrant Worker Protection Agency, and the Ministry of Social Affairs. The Indonesian citizens escaped from their place of work located in the conflict area of Myawaddy, Myanmar, and crossed over to Maesot, Thailand. Thai authorities provided security and worked closely with the Indonesian Embassy to repatriate the victims. Indonesia has recently committed to ramping up their efforts to address human trafficking and forced labour, which has revealed itself as a major issue across the country.

Govt rescues nearly 2,000 human trafficking victims

—Nur Janti, *TheJakartaPost*, 5 July 2023

Several recent human trafficking cases in Indonesia could be “the tip of the iceberg” according to an official from the country's human trafficking task force. Between June 5 to July 3, the Indonesian police named 698 suspects in the trafficking of more than 1,934 victims, 65.5% of which were migrant workers, 26.5% forced sex workers, 6.6% under age, and 1.4% lured into working illegally on ships. The Indonesian Migrant Worker Protection Agency (BP2MI) estimated that 48.8% of migrant workers abroad are working unlawfully, with

no reliable documentation of their occupations or places of residence overseas. Despite having clear regulations on human trafficking, the country continues to face widespread violations. The crime networks responsible were once untouchable, due to involvement of government officials themselves. Earlier this year however, President Joko Widodo instructed the country's human trafficking task force to intensify their efforts in combating exploitation and safeguarding vulnerable job seekers.

Joko Widodo seeks to clean up Indonesia's bloody past

—Our Correspondent, *AsiaSentinel*, 29 June 2023

President Joko Widodo has undertaken to rectify the worst human rights violations in Indonesia's history, the mass killings that began in 1965 with the killing of seven generals, allegedly part of a coup attempt by the Indonesian Communist Party (PKI) and ended with the overthrow of strongman Suharto's New Order government in 1998. Human rights activists have estimated that as many as 500,000 people were killed in the course of the anti-communist purge. Suharto remains a hero to many Indonesians and his family remains prominent in the Jakarta business and political world. Several important figures suspected of involvement in cases still hold high positions and don't want their cases examined closely. The government is tiptoeing around Prabowo Subianto, the Minister of Defense and a candidate for the presidency in 2024. Suharto's son-in-law, he was fired as commander of Indonesia's Special Forces after being accused of civil rights violations in the abduction of students in 1988 who were never heard from again. Prabowo was barred from entering the US by three US presidents until the ban was lifted by President Donald Trump in 2020.

I. Health care and threats

Government steps up efforts to curb anthrax after outbreak kills 3

—Nina A. Loasana, *TheJakartaPost*, 7 July 2023

Health authorities are scaling up efforts to curb the spread of anthrax following an outbreak that infected dozens of local residents and killed three people in Gunung Kidul Regency, Yogyakarta. Imram Pambudi, the Health Ministry's director of infectious disease prevention and control, said the outbreak began in May when a cow belonging to a resident of Candirejo village died. "The owner cut up the dead cow and distributed the meat to other families as part of a local tradition called purak or brandu," Pambudi said at a press briefing. "From May 18 to June 4, Candirejo residents consumed meat from at least three dead livestock in their village." Local authorities previously surmised that residents had dug up and consumed dead livestock that officials had previously disinfected and buried in order to contain the spread of the disease. Anthrax is considered endemic in Yogyakarta and infections are reported in the province almost every year, but this was the first time since 2016 that the disease had caused human deaths there, Pambudi said.

Concern over removal of mandatory health spending in omnibus bill

—Nina A. Loasana, *TheJakartaPost*, 6 July 2023

Health experts have expressed concern over a decision by lawmakers to scrap mandatory spending provisions in the latest draft of the omnibus bill on health. Under the existing 2009 Health Law, the government must allocate at least 5% of the state budget for public health and provincial administrations must allocate at least 10% of their regional budgets, not including salaries and benefits for government employees working in the health sector. The government says mandatory spending has led to misuse of health budget funds for unnecessary purposes. "We want local health officials to formulate their programs first and

then allocate the budget according to their needs,” Health Ministry spokeswoman Siti Nadia Tarmizi told The Jakarta Post. Diah Saminarsih, CEO of the Center for Indonesia’s Strategic Development Initiatives (CISDI), said removing mandatory spending formulas would hurt efforts to reform Indonesia’s health care system. “The mandatory minimum spending ensures the government’s commitment to improving public health and makes sure all regional administrations will continue to prioritize the health sector as well,” Diah said.

Rushed marathon deliberations on the omnibus health bill

—Egi Adyatama, *TempoEnglish*, 26 June 2023

The bill combines ten existing health care laws and revises two other regulations. The bill will rearrange the authority of the Indonesian Doctors Association (IDI), but most attention has focused on the elimination of mandatory spending requirements. Some members say the government does not wish to lock in a budget for health care. There is concern that the opportunity for public participation in the deliberation was inadequate. Diah Satyani Saminarsih, CEO of the Center for Indonesia’s Development of Strategic Development Initiatives (CISCI) said there had been no public consultation or meaningful engagement of civil society groups. “The discussion was invitation-based, not open to the general public, and there was no follow-up mechanism for the inputs provided, Diah said. Health Minister Budi Gunadi Sadikin claimed his institution received inputs from various circles. The CISDI and other civil society organizations met with Health Bill Working Committee Chairman Emanuel Melkiades on 30 May, but the meeting held at the Health Committee Waiting Room lasted only 15 minutes.

II. Oceanic diplomacy

President Widodo meets Papua president James Marape in Port Moresby

—Kirsty Needham and Ananda Teresia, *Reuters*, 5 July 2023

Indonesian president Joko Widodo met his Papua New Guinea (PNG) counterpart James Marape in Port Moresby, the latest leader to visit the country as major powers compete for influence in the region. A new border agreement and trade are expected to be the focus of talks, coming after India’s Prime Minister Narendra Modi and US Secretary of State Antony Blinken met Pacific island leaders in Port Moresby in May. During the Blinken visit, PNG signed a defence cooperation agreement that allows the US military access to PNG ports and airports. Indonesia and PNG share the island of New Guinea along a 760 kms border. Diplomatic relations have been complicated by the separatist ambitions of Papuan groups on the Indonesian side of New Guinea, an area that was absorbed by Indonesia after the “Act of Free Choice, a controversial plebiscite in 1969. A basic border agreement between Indonesia and PNG, which had been stalled for ten years by PNG’s parliament, was ratified in March.

President Widodo meets Australian Prime Minister Albanese in Sydney

—Kirsty Needham, *Reuters*, 4 July 2024

Indonesian President Joko Widodo said strategic cooperation with Australia on electric vehicle batteries was a priority after talks on Tuesday with Australian Prime Minister Anthony Albanese that focused on green economy and regional security. Widodo wants to build an electric vehicle battery production industry in Indonesia, which has the world’s largest nickel reserves, and is seeking cooperation from Australia, a major supplier of battery component lithium. The Western Australia state government signed an “action plan” with the Indonesia Chamber of Commerce and Industry (Kadin) on critical mineral supply chain and worker skills, Indonesia’s Ministry of Economic Affairs said. Albanese said the global move toward

electric vehicles was an “incredible opportunity” and announced an A\$50 million (US\$33 million) initiative to attract private finance to Indonesia, and announced that Export Finance Australia would establish a US\$200 million capital financing facility with PT Perusahaan Listrik Negara (PLN), Indonesia’s state-owned electric power company, to support Indonesia’s energy transition.

End

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