

Media Briefing Material

National Conference of Land and Forest Governance

Theme: *Strengthening Social Movements for the Improvement of Land and Forest Governance*

- The central and local governments aren't serious about improving land and forest governance.
- Civil society must first be strengthened in order to be involved in the improvement land and forest governance

Participants: *Kabupaten* governments, provincial governments, national NGOs, local NGOs, ministries/agencies, donor agencies

When: 17 – 20 December 2013

- 17 December 2013; Welcome Dinner

Place: Hotel Aryaduta – Tugu Tani – Central Jakarta

Facilitators: FITRA, ICW, ICEL

Introduction

- The government has made a commitment to independently decrease emissions by 26% by 2020.
- Land and forest governance is still problematic. Poor governance is the driving force of deforestation and land/forest degradation.
- 80% of emissions originate from forests, land and peatlands.
- *Kabupaten* governments are responsible for any environmental damage outside of forested areas (APL).
- Deforestation in APL was at its highest (7.31 million hectares or 57.6%) between 2000-2009 (Source: FWI, 2010).
- Hence, there needs to be an intervention aimed at improving governance and the direction of budget policies, whilst preventing corruption in the publication of licenses.

Budget Analysis of Land and Forest Management

Main Findings

1. The government's budget policies don't support the commitment to reduce emissions by 26%.
2. The government's budget policies are in no way progressive; it takes 1.6 centuries to rehabilitate critical land.
3. Political budget policies are exploitative and ignore the risks.

The Commitment to Reduce Emissions by 26% (2020) Threatened by low budgets

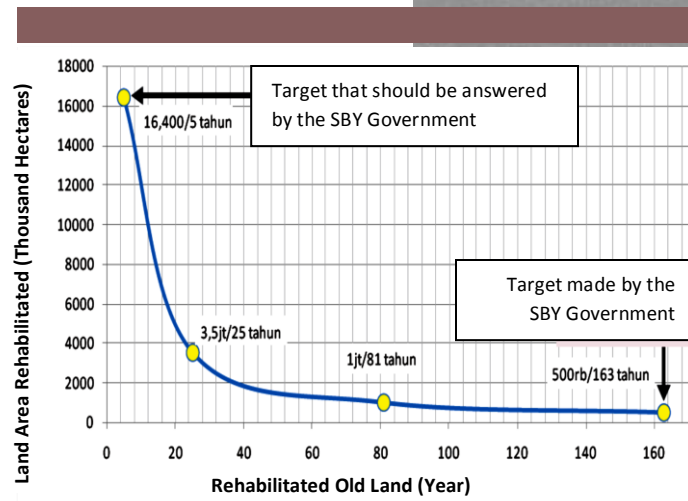
- The central and local governments require Rp 412 trillion by 2020.
- Every year, there needs to be an available and realised budget of Rp 40 trillion.
- The allocated budget in 2011-2012 was only Rp 20 trillion per year, or 50% of the target.
- There is a threat that the commitment to reduce emissions won't be achieved.

Percentage (2020)

Sector	Core Activities	Supporting Activities	RAD-GRK (Rp Trillion)
Transportation	94,65	6,96	79,99
Energy			
Forestry, Land and Peatlands	48,36	2,29	17,45
Agriculture	36,80	0,88	22,45
Industry	1,00	1,29	2,37
Waste	44,71	4,95	46,70
Other	-	2,13	
TOTAL	225,53	18,49	167,95

The Policies **Aren't** Progressive *1.6 centuries to rehabilitate critical land*

- Critical land area in Indonesia covers 81.6 million hectares.
- The rehabilitation target in RPJMN is 500,000 hectares per year or 2.5 million hectares in one period of government.
- The government's efforts so far are below the planned rate; an average of 320,000 hectares



Budget Policy Politics *Depleting nature – Ignoring risks*

- The tax ratio in Indonesia is extremely low, so much so that it won't be able to meet state expenditure.
- 27% of non-tax state revenue (PNBP) can be counted on to sustain state expenditure.
- Expenditure for the environment only received an average allocation of 1% (2009-2012).
- The mitigation of the risks of forest production, the exploitation of mines and the plantation industry isn't reflected in state expenditure policies.
- The Ministry of Forestry prioritises the prevention of deforestation (40.1%), even though the main problem lies with critical land use.
- No expenditure has been allocated for the optimisation of farm production; to prevent the opening of new land.

The Exploitation of Natural Resources Has No Effect On Welfare

- Coal production at 332 million tons.
- 80% for export.
- Only 20% is consumed domestically.
- Exploitation of natural resources; the poorer are above the national average.

