



**JURISDICTION COLLECTIVE ACTION
FORUM, DIALOGUE #16**

**SUSTAINABLE JURISDICTIONS'
PROGRESS IN 2022 AND
OPPORTUNITIES FOR 2023**

Executive Summary

Indonesia has recorded progress in deforestation reductions and forest fires, with particular success in commodities production, such as palm oil and pulp and paper. Shifting practices at the jurisdictional fronts have contributed to the Government commitments at both national and subnational levels encompassing the enactment of moratorium policies, green growth vision at the subnational level, fiscal policies incentives, and the development of financing agencies.

The emergence of the Jurisdictional Approach, taking the subnational leadership at the core to reconcile both social and economic issues in an integrated way to include multi sectors and stakeholders to ensure transitioning towards deforestation, low carbon development, and inclusive communities are achieved within the subnational coverage to contribute to nation's target of climate agenda and SDGs within the administrative boundary. Amongst many progressive Jurisdictions, Siak, Kubu Raya, and Sigi are districts that have committed to tackling climate change issues through subnational policies and commitment through the establishment of:

- Multi-stakeholders governance
- Roadmap integration and implementations
- Monitoring and evaluation systems


All through mobilizing investment and financing towards committed jurisdictions. The establishment of Sustainable Jurisdictions Indicators initiated by National Development Planning facilitates stakeholder's interest in accessing complete information commitments and performances of commodity-producing regions that are sustainable and inclusive that align with international commitments (SDGs) and existing certification schemes (ISPO and RSPO), which translated into pillars of:

- Environmental
- Social
- Economic
- Governance

The SJI has accommodated 7 Districts in Indonesia to pioneer within the Sustainable Jurisdictions Indicators. Two of them, Siak and Sigi Districts, will share their progress in the #16 JCAF dialogue.

The Jurisdictional Collective Action Forum (JCAF) is a convening platform for sharing best practices where the 16th dialogue will present three leading Jurisdictions (Districts) in their pursuit of Green Growth and their potential opportunities for stakeholders to collaborate.

Kubu Raya, Siak, and Sigi Districts demonstrated progress in advancing their green growth target through policy enactment and implemented actions throughout 2022. Kepong Bakol Strategy highlights inclusion with multi-stakeholders collaborations, including private and forestry sectors, to ensure low-carbon development target attainment. Amongst many, the Kubu Raya District government has developed a Geoportal platform to feature sustainable investment opportunities, developing the Strategy to accelerate Green Growth Implementation, issuing the regional decree on the Kubu Raya sustainable investment and mobilizing the fiscal incentives based on the green investment in the village level. Siak District, on the other hand, established the Green Siak Coordination Team in 2022, accompanying the issuance of Bupati's decree on Green Siak in February 2022 that regulates District transformation from a bottom-up approach. Even though peatland makes the District at the centre of global attention due to the forest fires,



Siak subnational views the issues as the milestones to transforming governments' commitment to tackling and mitigating forest fires in Siak. Creating village-based enterprises, developing TORA governances, and establishing SME accelerator incubations are efforts Siak Governments have been pursuing to strengthen local communities' economies. The government has been progressing these efforts to enhance the local economy.

Developing partners LTKL, IDH, and Sekretariat Hijau (Green Sekretariat), who have been supporting the regional government in implementing their JA works through developing business ecosystems and collaborations across sectoral demonstrated the need to scale up existing endeavours to link the market with sustainable districts, intensifying commodities down to diversifying income for smallholders. Nonetheless, there remaining challenge is the need for more private-sector involvement. Yet, it serves as an opportunity to include private sectors and investors in the existing multistakeholder partnership to ensure sustainable jurisdictions by mobilizing more investment and financing, scaling up current supply chains, blended finances, and multi-size of market access.

Sustainable Jurisdictions from LTKL, Gita Syahrani

Sustainable Districts platforms, LTKL, highlighted the importance of understanding what performances packages in the Jurisdictions look like through targeting the fulfilment of :

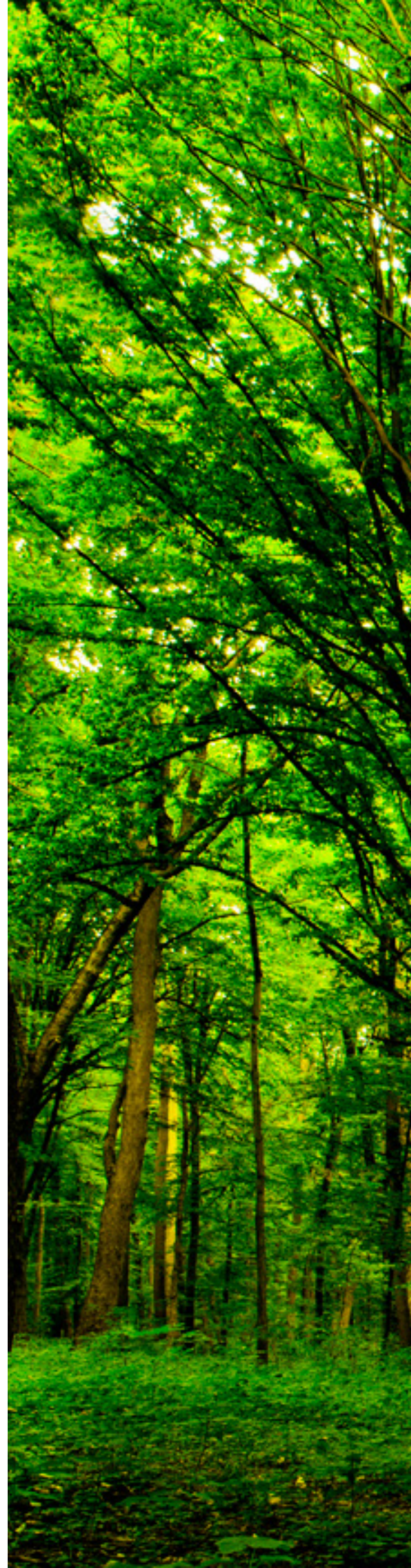
- ✓ protection
- ✓ production
- ✓ inclusions

The districts are required to ensure:

- ✓ policy
- ✓ planning
- ✓ governance
- ✓ reporting
- ✓ portfolio

Are present in the process of implementing Jurisdictions Sustainability.

Therefore, public-private collaboration enables jurisdictions to gain incentives through a multi-stakeholders approach and market-securing offtakes. Combining development funds and blended finance with supply chains, investments, and innovative finances to pull out the resources and unleash existing complex challenges are solutions to incentivize taking up in the jurisdictions. Integrated regional investment pipeline through linking leading regions/ jurisdictions' readiness (through national instruments for sustainable commodities) and business actors' readiness are currently underway will pave the way for more credible investable jurisdictions in Indonesia.





Financing Climate Change Commitment, Badan Kebijakan Fiskal (BKF), Joko Hartanto

Indonesia Government Commitment to Climate through Enhanced Nationally Determined Contribution (NDC) Government's commitment towards climate change funding has been facilitated through taxing and duty, technical ministry's financing in adaptive and climate change, regional transfer and village funds, and innovative financing to support regionally sustainable. Indonesia's climate change funding strategy is funded through national, non-national, international, bilateral, and multilateral funding.

Future challenges in implementing climate change funding are the limitations of fiscal policy, mobilization of financing resources through non-national funding, economic recovery towards green transition, strengthening the existing green infrastructure, and expanding market mechanism beyond green financing through greening the funding to support the

sustainable development agenda. In particular, the financing ministry has two avenues to strengthen and green channel investment, which serves as potential funding opportunities that the region can tap into through The Indonesian Environment Fund (BPD LH), SDG Indonesia One, and International Support. The BPD LH, combining the environment center funding and the Environment and Conservation Ministry of Forestry and Financing, allocates funding support to fund protection and conservation and mitigation and adaptation programs for climate change. SDGs One is a collaboration platform between PT SMI managing blended finance public fund and private to finance infrastructure projects relating to SDG One achievement. SDG one funding derives from blended financing of Philanthropy, sponsoring institutions, investors, and bilateral and multilateral agencies. International funding, such as the green climate fund, is the most significant climate funding available in the world to finance mitigation and adaptation programs in developing countries, providing different and various financing instruments. The GCF can strategically tap into Indonesia's efforts in achieving NDCs as they are the implementor of UNFCCC, established during COP 2010..

The Progress of Sustainable Jurisdictions in Indonesia: From Kubu Raya, Siak District, and Sigi District

Webgis Kepong Bakol Strategy to Accelerate Kubu Raya Green Growth Strategy

Integrated, aligned, and updated data is critical for developing, enforcing, and monitoring land-use-related policies to transition towards sustainable jurisdictions. Geoportal platform and Webgis Kepong Bakol strategy in Kubu Raya have transformed Jurisdiction commitment to creating a sustainable monitoring framework and precise development planning and targets across balancing targets of social, economic, and environmental components, where regional apparatus are leading where developing partners and private sectors can take part to contribute to in line with Jurisdiction's target. Kubu Raya District innovations are aligned with the Government Regulation (PP) number 38th, 2017, highlighting regional innovations and Governor Regulation no 211, 2021, about jurisdictions' innovation to strengthen public policy and public services towards regional competitiveness attainment.

Kepong bakol strategy has not only sustained Kubu Raya's economic recovery post covid, yet ensuring the continuing process, despite the economic uncertainties, that rely on the local community's economies, with 35,39% largely contributed from commodity (palm oil) and 13,5% from agriculture, forestry, and fisheries.

Kubu Raya is situated across 75,84 %, one of the most extensive lines of Mangrove in West Kalimantan, with 60% being peatland area making the District environmentally fragile towards land conversion for agricultural commodities expansion causing forest fires and other land-use associated threats.

However, with Kepong Bakol Strategy, a jurisdictional approach in Kubu Raya takes a realization through six aspects: First, the development of ecological fiscal transfer to the 31 leading villages implementing environmental protection based on social and

ecological factors with social forestry license. Second, establishing a multi-stakeholders platform through PPI Compact and CSR platform facilitates multi sectors and stakeholders' contributions to the Kepong Bakol Strategy. Third, the issuance of District Regulations in regional investment with mid-term planning (2019 - 2024) to realize Kubu Raya Green Growth and operational terms to mobilize sustainable investment. Regional Regulations 6/2023 was issued in the context of investment, declaring Kubu Raya is environmentally good for investment. Awareness and education on mangroves and peatlands are integrated within the school curriculum to ensure human resources with a good understanding of society and environments. Supporting partner IDH through PPI Compact: Production, Protection, and Inclusion also outlines the importance of outlining the green growth acceleration strategic approach to ensure districts or jurisdictions gain economic gains while remaining to protect the forest and environment, amongst others is through green Growth Acceleration Program (Working Group P3H). This platform is the Kepong Bakol manifestation approach that enables private companies, communities, and civil societies to align their target and contributions to the goal of Kubu Raya Green Growth. A particular area where the IDH plays a role is developing a feasibility study to identify a business model scheme in the forest product for social forestry, Outlining Action Plan Strategy for Non-Forest products, and Multi-stakeholder governance supports through the Green Growth Accelerator Program.

With present ecosystems, Kubu Raya presented eight potential green investible projects consisting of sustainable palm productions, coconut meat, mangrove ecosystems, village forestry, liberica coffee from the peatland, paludiculture nursery, rubber and ecosystem restorations, and multi-business forestry.

You may download the detailed potential investible project [here](#).

The District encouraged more private sector involvement and financing and highlighted the need for more funding blended for Kubu Raya to advance the Green Growth Strategy. Read [here](#) for more presentation from Kubu Raya Head of Investment Agency.



Building sustainable economy with climate resilience, A Tale of Cocoa and Bamboo, from Sigi

As a disasters-prone District, Sigi is well aware of building and integrating policy planning in sustainable and climate resiliency bases. Through Green Sigi's commitment, District Government set up the spatial policy to determine a particular area by combining their commitment into the regional spatial planning and development plan (budgeting) to pursue local economy inclusions and environmental protection.

20% of cacao production in Central Sulawesi is from Sigi District, making Sigi envision itself as the center of cacao production in Sulawesi. Economic improvement in Sigi shows an increasing trend of 8,78%, with human development index growth of 69.05%. From agricultural commodities, the district government provides food support, organic fertilizers, training, and irrigation development management to the farmers and communities. While from Small and medium-income communities, Sigi distributed zero percent loans to communities.

A multi-stakeholder's platform is developed to secure potential investment and economic incentives to produce sustainable commodities through data and reporting to attain its Green Sigi Target. Sigi envisioned itself as central to cacao by establishing a seedling bed after Jember Puslitkoka and Seedling Development Agency establishment as a seedling nursery. From the climate resiliency front, the District aims to develop a piloting village with a bamboo and cacao integrated system as the realization of sustainable commodity and climate resiliency visions. Strengthening the involvement of multi-stakeholder's collaborations is critical to the achievement of Green Sigi. Read here for more information.

Learning from Sigi District's journey to push economic growth while implanting resiliency in multi-stakeholders collaborations, the LTKL, through the best-practices learnings, demonstrates that Sigi District needs more stakeholder participation. And the platform of multi-stakeholders is essential to build relationships and connect with stakeholders in their collective vision to support Sigi Green Growth.

[Click here for the presentation](#)

Green Siak, from problems to solutions

57,4% of Siak District is dominated by peatland, making the region vulnerable to climate-induced disasters, such as forest fires and land conversion to agricultural commodities expansion. Every dry season's loom, some fire hotspots emerged, sending the District into the global spotlight in 2018. The hazardous and challenging situation drove Green Siak's declaration from the Jurisdiction Leader, Bupati Siak.

The District of Siak highlighted its commitment to the 2021 - 2026 Local Government Medium-Term Development Plan (RPJMD). Regional Regulations No.4/2022 about Green Siak to complement the earlier Perbup No 22/2018 is where the Jurisdiction of Siak is heading toward advancing its Green Growth planning.

The multistakeholder partnership was established in May 2022 as multistakeholder governance, consisting of a coalition of private sectors and NGOs and representative of coalition platform, to support government-led actions, encompasses:

- Poverty reduction pivoting on community- and village economy
- Natural-resources down streaming toward intensification and conservation efforts
- Economic growth in the principle of Sustainability

On the village front,

The village economy is strengthened through empowerment and the creation of village-Owned Businesses (BUMKAM), developing the governance of TORA, diversifying economy building on the traditional economy, and developing the SME's accelerator platform to support MSMEs.

From a private sector lens,

The cross-stakeholder support is getting stronger, as seen through environmental management and MSME empowerment. The regional and national co-financing scheme is a funding solution to support Siak Hijau. Strengthening cooperation with philanthropic actors through strengthening commodities is another effort



to mobilize non-governmental parties. While on the forest and biodiversity front, Siak Government promote disaster mitigation programs, fire and non-fires prevention program, biodiversity and water management program, disaster control and environmental damages, and compliance systems.

From the multistakeholder front,

The secretariat that has been set up has successfully supported the government by monitoring and evaluating Green Siak's progress and continued alignment cross-sectoral. However, the journey shows more private sector and development partners' participations are critical to mobilizing more blended finance and engagement to the present and forward-looking initiatives of Green Siak, strengthening the governance of Green Siak partners through empowering partners' social capital to ensure and accelerate the implementations of the green towards the attainment of Green Siak goal.

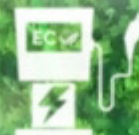
The presentation can be downloaded [here](#). Presented by the Head of BAPPEDA Siak, Wan Muhammad Yunus. And the BAPPEDA presentation is supported by elaboration from Tarmidzi from Green Siak Secretariat.

Key takeaway & Conclusions

The Year 2022 has been recorded as a critical time for the district to implement and strengthen its economic growth through an inclusive and sustainable economy, commodities intensification and financing access, and diversification of down streaming agricultural commodities to reduce deforestation-free from commodities while advancing the jurisdiction's green growth. Transformation across Sigi, Kubu Raya, and Siak has been positively pronounced through improving economic trends and investment climate and creating and strengthening multi-stakeholder forums.

These JCAF sessions, however, leave various opportunities for cooperation in 2023 on green funding, cross-sectoral policy synergy, commodity strengthening in the village front, and more involvement of private and development partners in supporting green growth in Sigi, Siak, and Kubu Raya districts on the climate agenda and Indonesia's SDGs can be achieved evenly throughout Indonesia.

Please click here for JCAF #16 video



Jurisdiction Collective Action Forum (JCAF)

Jurisdiction Collective Action Forum aims to provide an open and safe environment for all parties to contribute constructively. It offers opportunities to empower the JCAF Collaborators in identifying current challenges, opportunities, and priorities in the respected Jurisdictions for scalable solutions. The JCAF approach is cost-effective and can bring wider communities, unlock investment opportunities, and to develop evidence-based publications. The forum is initiated and collectively co-created by 11 forum collaborators, which are : Cocoa Sustainability Partnership (CSP), Daemeter Consulting, Indonesia Business Council for Sustainable Development (IBCSD), Inisiatif Dagang Hijau (IDH), IPMI Case Centre, Landscape Indonesia, Lingkar Temu Kabupaten Lestari (LTKL), Indonesian Philanthropy Association (PFI), Partnership for Indonesia's Sustainable Agriculture (PISAGRO), Proforest, and Tropical Forest Alliance (TFA).

The Forum Objectives and Outputs

JCAF intends to catalyse shared-lessons learned from the perspective of multi-stakeholders to promote collective actions, strengthening the enabling environment, and advancing investment into jurisdiction. Highlighting challenges and opportunities to strengthen the multi-stakeholder approach, identify the common approach, and share best practices. As well as identify, demonstrate and develop evidence-based business and investment cases on best practices of collective actions, good governance, leadership, and investment to advance jurisdiction sustainability.

With the series of dialogues, the JCAF events will create greater understanding of successful strategies and common approaches that will enable stakeholders to learn, experience and jointly develop evidence-based business cases. Successfully identify policies and regulations gaps and harmonization that will require stakeholders' collaborations to jointly develop holistic policy briefs and recommendations. The dialogue is envisioned to offer a model for co-creating, collaboration, and mobilization of collective action toward a durable solution which address critical sustainability issues at a meaningful and appropriate scale whilst at the same time collectively pursuing green prosperity at the jurisdiction level and contribute toward national strategy of Low Carbon Development and Sustainable Development Goals.

Acknowledgement

JCAF Collaborators would like to express sincere gratitude to all JCAF partners, Jurisdictional Approach (JA) proponents in Southeast Asia and everyone involved in the ideation, development and finalization of the JCAF series of dialogues.

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