Lessons from Indonesia: Building a Nature-Based Economy through Jurisdictional Approaches
Background

Nature-based solutions (NbS) are integrated approaches that can reduce trade-offs and increase synergies among Sustainable Development Goals. The International Union for Conservation of Nature (IUCN) defines NbS as “actions to protect, sustainably manage, and restore natural or modified ecosystems that address societal challenges effectively and adaptively, simultaneously providing human well-being and biodiversity benefits.” Recognizing the economic risks of biodiversity loss and ecosystem collapse, NbS are increasingly viewed as a way to reconcile livelihood generating economic activities with biodiversity and ecosystem conservation and thus enable sustainable development. However, NbS as a concept encompasses a wide range of actions and it is necessary to translate NbS into tangible actions and strategies that consider communities and local livelihoods.

Complementary to NbS, a jurisdictional approach attempts to balance environmental and development goals by addressing multiple objectives across sectors and scales within regions defined by political boundaries. Specifically, sub-national levels such as provinces and districts are increasingly seen as a strategic level of governance for achieving sustainability, in part due to closer engagement with communities and small businesses. Illustrating the combined application of these two concepts, this GLF session focuses on the efforts by the Sustainable Districts Association (LTKL) of Indonesia to develop a district-level NbS implementation plan, called CommuNature, that focuses on creating a “nature-based economy.” A nature-based economy comprises of industries that produce sustainable products utilizing natural resources.

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LTKL is a collaboration forum established and managed by Indonesian district governments, which focuses on sustainable land use through collective action. Composed of nine active district members that declared themselves to be ‘Sustainable Districts’ or Kabupaten Lestari, LTKL supports district governments in taking the lead and developing jurisdiction-wide policies, planning, and programs towards sustainability. LTKL’s work with the districts has demonstrated the need to establish narratives about the involvement of multiple stakeholders and incorporate livelihood enhancements into sustainability efforts and environmental protections.
Building a nature-based economy through a jurisdictional approach

LTKL identified three specific challenges that an NbS implementation plan needs to tackle: (1) lack of coordination between various initiatives and stakeholders, (2) attracting investments, and (3) effective monitoring. To address these challenges, CommuNature proposes a collaborative, bottom-up planning through dialogues involving stakeholders across sectors from local (village) to national levels.

CommuNature is a realistic development strategy focused on supplying value-added products from raw materials only available in healthy ecological areas within the districts, such as forests, river basins, lakes, agricultural areas and coastal regions. The strategy allows LTKL districts to develop a community-based intermediate industry that responds to market demands by using biodiversity and ecosystems in a sustainable manner that minimizes impacts. CommuNature recognizes the need for support from primary sectors such as agriculture, forestry, and fisheries for successful implementation. Further, district governments take on the role as a facilitator and regulator of the process.

The first step in implementing CommuNature is for LTKL and the district government to coordinate stakeholders from different sectors to build trust and identify points of collaboration. Stakeholders include but are not limited to: local youth communities, national and sub-national governments, research and development labs, private sector and associated coalitions, and donor organizations. The next steps include: field assessment with trained local partner organizations; co-creating a district-specific execution strategy; establishment of community-based businesses and facilities; and scaling up to link production to larger markets. The implementation process also incorporates a reporting and monitoring mechanism to evaluate and re-adjust planned actions at the district level. The mechanism utilizes the LTKL monitoring tool created in collaboration with member districts and partners, the Regional Competitiveness Framework (KDSD), to evaluate government policies and governance across scales.
Lessons learned and pathways forward

This session will discuss experiences, lessons learned, and pathways forward in implementing a NbS via a nature-based economy. It brings together various perspectives from government, civil society, community and the private sector to discuss CommuNature implementation, progress, and its key pillars: (i) regulation & policy, (ii) human resources (community involvement), (iii) investment readiness (including data), (iv) business models, and (v) communications & outreach.

By convening a panel with perspectives from partners working in Southeast Asia and Latin America, the insights gained will inform other jurisdictions embarking on a similar journey.

Some additional issues to be discussed during the session include:
1. Although there are many available incentive schemes for sustainability, what are solutions to the difficulties district stakeholders face in tapping into these schemes; and to linking district-level initiatives with global incentives?
2. District-level initiatives need holistic support from all involved stakeholders, even those that may have different or conflicting interests. What are the best ways to find synergies between stakeholders’ interests, both horizontally and vertically?
3. To access incentives and attract investments, it is important to be transparent and measure progress. How best to measure the impact of a nature-based economy industry on biodiversity and ecosystems?
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**Time** | **Activity**
---|---
12.45 - 12.52 | Welcome and introduction by moderator (Gita Syahrani)

12.52 - 12.55 | Short video introducing a nature-based economy or CommuNature concept by LTKL

12.55 - 13.00 | **Bridging Information:**
Eka Chandra Buana, National Planning Agency (BAPPENAS, Indonesia)

"National regulations on sub-national level economic transformation to nature-based industry"

13.00 - 13.15 | **Talks:**
District Government of Sintang

How can regulations and policies help in implementing CommuNature at the district level?

Community representative: Explore Siak

What contributions can local communities make to CommuNature?

13.15 - 13.45 | **Fireside chat:**
Unilever (Nurdiana Darus)

What types of business models can be developed within CommuNature?

SAIL Ventures (Sanjiv Louis)

How can impact investment help upscale CommuNature?

CIFOR (Amy Duchelle)

How can data, analysis & reporting support CommuNature?

13.45 - 14.05 | Interactive Discussion

14.05 - 14.10 | **Reflection**
Keynote Listener:
Eka Chandra Buana, National Planning Agency (BAPPENAS, Indonesia)

“The alignment of Indonesia’s plans to boost a nature-based economy”
References


More on the panelists

- Jurisdictional Investment Portfolio managed by SAIL Ventures: https://www.andgreen.fund/portfolio/#pipeline
- Unilever MSMEs support for sustainable soy: https://www.unilever.com/about/every-u-does-good/bango/
Participating organizations

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Global Landscapes Forum

The Global Landscapes Forum (GLF) is the world’s largest knowledge-led platform on integrated land use, dedicated to achieving the Sustainable Development Goals and Paris Climate Agreement. The Forum takes a holistic approach to create sustainable landscapes that are productive, prosperous, equitable and resilient and considers five cohesive themes of food and livelihood, landscape restoration, rights, finance and measuring progress. It is led by the Center for International Forestry Research (CIFOR), in collaboration with its co-founders UN Environment Programme and the World Bank and Charter Members.

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