

Green economy brings int'l accolades for RI amidst Rio+20 talks

With negotiations at the Rio+20 Summit leaving a lingering air of disappointment among many attendees at the lack of progress toward truly sustainable development goals, Indonesia has emerged as a bright light on the international horizon with its embracing of a green economic future.

Nowhere was this more evident than at a high level government of Indonesia side event featuring President Susilo Bambang Yudhoyono and many key Indonesian ministers and ambassadors as well as a host of leading international dignitaries including, Norwegian Prime Minister Jens Stoltenberg and the executive director of the United Nations Environment Program, Achim Steiner.

Opening the event, President Yudhoyono made the bold assertion that “we all must move from a greed economy to a green economy” and the speakers who followed all lent support to this notion.

Indeed, the Rio+20 green economy theme proved to be a wonderful opportunity for Indonesia to show world leadership in its efforts to create a green economy in the context of the four pillars of its national development strategy: Growth promotion, job creation, poverty reduction and environmental protection.

Nowhere has this been better demonstrated than in the heart of Borneo, a vast, and largely intact stretch of globally significant rainforest that cloaks the mountains, foothills and adjacent lowlands of Borneo (Kalimantan) — the third largest island in the world.

In February 2007, Indonesia, along with Brunei Darussalam and Malaysia, signed the Heart of Borneo (HoB) Declaration as a sign of their commitment to conserve and sustainably develop a 220,000-square-kilometer treasure trove of unique and endangered animals, such as the orangutan and pigmy elephant, and magnificent plants, like the world's largest flower — the rafflesia.

Global conservation organization World Wildlife Fund (WWF) has long been a supporter of the trilateral approach to conservation and sustainable development in Borneo. At the event in Rio, in recognition of the critical role Indonesia played in this process, WWF director general Jim Leape presented the Yudhoyono with a special advance copy of a new WWF report entitled “The Heart of Borneo: Investing in Nature for a Green Economy”, which outlines a pathway to a green economy in Borneo.

In doing so, Leape reaffirmed WWF's commitment to support the Indonesian government's quest for a sustainable future and paid tribute to its approach to sustainability and the proper valuation of natural capital, which is a feature of the new report.

Showcasing the vitally important values of Borneo's ecosystems and biodiversity, the report highlights environmental costs and forgone revenues in the current economy as a result of a failure to take into account the value of natural capital.

More than just highlighting the problems, the report presents policy solution options and economic instruments to use, as well as on-the-ground and cross-cutting interventions to improve the situation with useful targets and indicators to measure progress along the way.

Put simply, the report supports President Yudhoyono's aspirations by showing how the pursuit of green economic growth can drive both sustained economic development and environmental conservation in a place like Borneo.

This report comes at a critical time as natural capital of Borneo has been sharply eroded in recent years. Ecosystem goods and services have declined and predicted climate change will exacerbate the problem, with increased risk of floods and fires, as well as the duration and intensity of wet and dry seasons.

In particular, the report notes the long-term effect unsustainable practices of the forestry, palm oil and mining sectors are having on other sectors in society.

However, the aim is not to single out these industries for criticism, but rather to highlight the fact that their erosion of natural capital leads to a corresponding erosion of long-term economic viability.

According to economic modeling featured in the report, under a business-as-usual scenario, by 2020, the environmental costs of economic growth are estimated to outweigh revenues from the use of natural capital.

You cannot spend more than you earn without building up a huge and crippling amount of debt. In recent times, the world has seen how mismanagement of the world's financial capital has done drastic and long-standing damage to societies. The same will be true if we mismanage our natural capital — only the damage will be measured in generations of suffering.

What is not well understood is that far from the spirit-crushing austerity packages that are being introduced in European countries as a cure for their financial crises, a move towards the preservation and restocking of our natural capital brings with it many benefits.

WWF modeling, used in the report, shows a move to value natural capital and the adoption of a green economy approach actually reduces poverty, provides more rapid growth, stronger local economies and enhanced resilience to climate change — factors which all support President Yudhoyono's four pillars of national development.

The findings and recommendations of the report were featured in several events during the Rio+20 Summit and the following website, www.hobgreeneconomy.org, provides a window to the world for the green development activities in Borneo.

Despite the many disappointments of Rio, Indonesia has earned the opportunity to lead the world and show, with tangible on-ground examples from places like Borneo, what a green economy can look like. Let's hope the political will and support that now exists can be quickly channeled to implement a green economy in Borneo.

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