






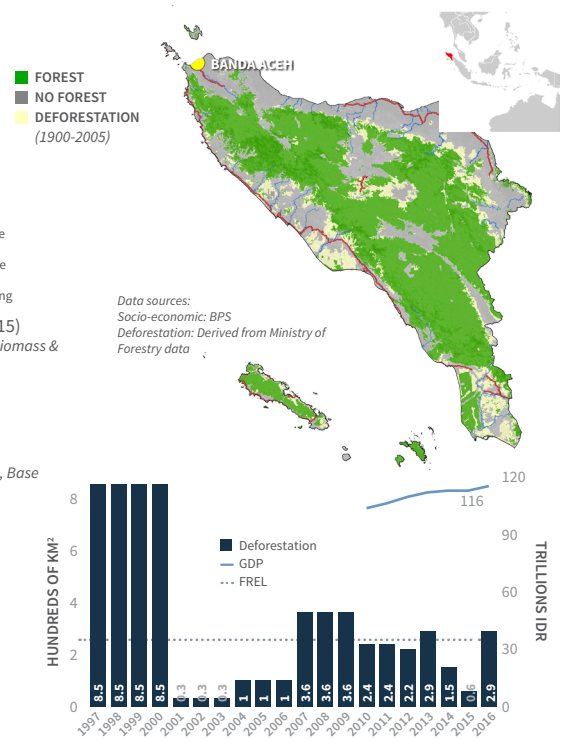


### LOW-EMISSION RURAL DEVELOPMENT (LED-R) AT A GLANCE

- Special autonomous status gives province law-making abilities, more authority over development, & access to a provincial development fund (2008-2028)
- Province-wide commitments established through various policies to reduce deforestation, increase renewable energy, improve land use planning, provide income for ex-military combatants, & provide alternative livelihoods
- Logging Moratorium suspends logging through Redesign, Reforestation, & Reduction (3R) of deforestation
- LED-R initiatives benefit local communities (LC) in & around forests & victims of forest destruction

<b>DRIVERS OF DEFORESTATION</b>	 Large-scale agriculture  Small-scale agriculture  Large-scale legal mining
<b>AVERAGE ANNUAL EMISSIONS FROM DEFORESTATION</b>	9.96 Mt CO <sub>2</sub> (2010-2015) <i>Includes above-ground biomass &amp; peat decomposition</i>
<b>AREA</b>	56,776 km <sup>2</sup>
<b>POPULATION</b>	5,281,300 (2018)
<b>HDI</b>	70.60 (2017)
<b>GDP</b>	USD 9.31 billion (2016, Base year 2010)
<b>GINI</b>	0.329 (2017)
<b>MAIN ECONOMIC ACTIVITIES</b>	 Agriculture  Trade  Transportation and services  Construction
<b>RURAL/URBAN POPULATION</b>	67%/33%



### SPOTLIGHT ON INNOVATION

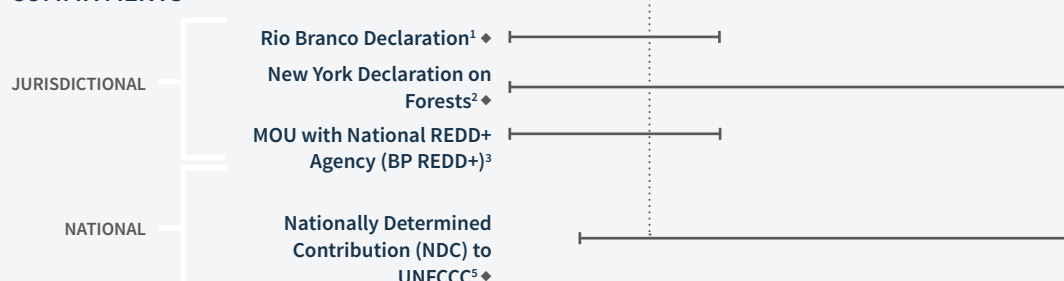
Aceh's provincial **Mining Moratorium**, a series of bans since 2014, is an effort to improve mining governance and reduce deforestation by prohibiting issuance of new permits for mineral and coal extraction, mandating reviews of existing licenses, and revoking licenses allocated in conservation areas and the biodiverse Leuser Ecosystem. Through the moratorium, Aceh reduced the number of Mining Business Licenses (IUP) from 138 to 30 (78%) and land area under mining from approximately 8,410 km<sup>2</sup> to 1,560 km<sup>2</sup>, preserving valuable ecosystems and making Aceh a national role model. The mining sector's

contribution to Aceh's provincial GDP decreased from 12.2% (2013) to 10.6% (2014) to 4.6% (2017). Despite this, provincial GDP increased over that time period. However, companies with revoked IUPs have not fulfilled their reclamation obligations and still owe the Aceh government approximately USD 3 million in non-tax state revenue. These along with additional improvements needed in the sector are being cited by the Aceh Anti-Corruption Movement (GeRAK) during discussions to encourage the extension of the moratorium past June 2018.

### TIMELINE OF IMPORTANT EVENTS



### FORMALLY ESTABLISHED COMMITMENTS



- 1 Reduce deforestation 80% below baseline.
- 2 End deforestation.
- 3 Reduce emissions from deforestation & forest fires 7%.
- 4 Contribute to national goal: Reduce GHG emissions 29%.

## KEY INTERVENTIONS



DISINCENTIVES



ENABLING MEASURES



INCENTIVES



**1** Regional Revenue & Expenditure Budget (Anggaran Pendapatan dan Belanja Daerah – APBD). **2** Aceh Bureau of Forestry & Environment. **3** FMU, Provincial & district govts. **4** Aceh Development Planning Agency, Mayors & district leaders. **5** Aceh Bureau of Mining & Energy, Aceh Bureau of Trade & Industry, Aceh Fishery & Maritime Affairs Bureau, Aceh Integrated Licensing Agency, Aceh Investment & Promotion Agency. **6** Law Enforcement Agency. **7** Any holder of a business license or land title is responsible for implementing preventative and control fire measures.

## PROGRESS TO JURISDICTIONAL SUSTAINABILITY

○ EARLY ● INTERMEDIATE ● ADVANCED

<b>Integrated LED-R Strategy</b>	●	<ul style="list-style-type: none"> <li>SRAP REDD+ incorporates national &amp; provincial spatial plans &amp; increases participation of women, indigenous peoples (IP), &amp; low-income populations</li> <li>SRAP REDD+ integrated into Aceh Development Plan (RPJA 2005-2025)</li> </ul>
<b>Spatial plan</b>	●	<ul style="list-style-type: none"> <li>Aceh Spatial Plan 2013-2033 (RTRW) covers entire jurisdiction, serves as basis for aligning other provincial land use regulations, &amp; aligns with national forest allocation regulations</li> </ul>
<b>Performance targets</b>	●	<ul style="list-style-type: none"> <li>Roadmap for establishing MRV, FREL, Local Action Plan for GHG Emission Reduction (RAD-GRK), &amp; Safeguards expected by Sept. 2018</li> <li>7% emissions reduction target will contribute to NDC goal</li> </ul>
<b>Monitoring, reporting &amp; verification (MRV)</b>	○	<ul style="list-style-type: none"> <li>Historical emissions (FREL) near completion by MoFE for 1990-2012 period</li> <li>MRV system under development for deforestation &amp; biodiversity</li> <li>Local governments, forest rangers, &amp; other organizations receiving training from Hutan Alam dan Lingkungan Aceh (HAKA) &amp; WRI-Indonesia to use near real time system for rapid forest monitoring</li> </ul>
<b>Policies &amp; incentives</b>	●	<ul style="list-style-type: none"> <li>Aceh Green Strategy promotes implementation of sustainability principles &amp; includes disaster mitigation &amp; risk management strategies, &amp; plans for critically endangered species recovery</li> <li>Private companies involved in land use sector (i.e. mining, forestry) required to complete environmental sustainability assessments for permits</li> </ul>
<b>Multi-stakeholder governance</b>	○	<ul style="list-style-type: none"> <li>National Ministry of Home Affairs requires multi-stakeholder consultations in provincial spatial planning processes</li> </ul>
<b>Sustainable commodity production</b>	●	<ul style="list-style-type: none"> <li>Limited private sector involvement in the province</li> <li>Preferential sourcing agreement &amp; sustainable production models established for cacao &amp; coconut</li> </ul>
<b>Indigenous peoples &amp; local community rights</b>	●	<ul style="list-style-type: none"> <li>Indigenous institutional &amp; governance system (Mukim) unique to Aceh</li> <li>Aceh's Forestry Regulation recognizes state, private, &amp; customary forests, &amp; address livelihood needs of LC</li> </ul>
<b>LED-R finance</b>	○	<ul style="list-style-type: none"> <li>Finance to support jurisdictional LED-R programs available through sub-national regulation on SRAP REDD+</li> </ul>

## CHALLENGES & OPPORTUNITIES

### CHALLENGES

- Lack of transparent & accountable oversight system for monitoring policy implementation
- Limited amount of provincial budget allocated for implementing regulations & policies or to incentivize sustainable practices
- Limited extension services available to provide technical assistance for sustainable commodity production
- Conflicting interest between forest protection & livelihoods based on forests or land clearing
- Inadequate representation of key actor groups in multi-stakeholder forums

### OPPORTUNITIES

- Integration of Aceh Green into Aceh's medium-term development plan (RPJMA) provides opportunity to expedite implementation of LED-R policies
- Mining Moratorium renewal & extension contributes to integrating environmental & sustainable development goals into local development visions & planning
- Aceh's special autonomous status allows more flexibility in creating regulations

**CITATION** | M. Komalasari, S. Peteru. 2018. "Aceh, Indonesia" in C. Stickler *et al.* (Eds.), *The State of Jurisdictional Sustainability*. San Francisco, CA: EII; Bogor, Indonesia: CIFOR; Boulder, CO: GCF-TF.

**COMPLETE REFERENCES & DATA SOURCES PROVIDED AT** [www.earthinnovation.org/state-of-jurisdictional-sustainability](http://www.earthinnovation.org/state-of-jurisdictional-sustainability)

### TECHNICAL TEAM



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