



**BPS – STATISTICS INDONESIA**



# Communication Strategy: Linking Environmental Accounts to Development Policies

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Committee of Experts on Environmental-Economic Accounting

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# POLICIES MADE BASED ON SEEA



**Ministry of Development Planning** prepares analysis on Indonesia vision 2045 and 2085 and expected to establish the next National Medium Term Development Planning 2020-2024 accompanied by Strategic Environmental Assessment (SEA) by conducting policy exercise involving data and information of stocks and flows of natural resources and environment.



**Ministry of Finance** plans to disclosure natural capital in the consolidated report (assets accounts), as a follow-up action from fiscal transparency review by Supreme Audit Board and House of Representatives of Indonesia



**Ministry of Environment and Forestry** drafted (and have been legalized by Ministry of Justice) government regulation on Economic Instruments for Environmental Protection and Management (PP-IELH) which include depletion adjusted GDP/GRDP

# COMMUNICATION STRATEGY TO MINISTRY OF NATIONAL DEVELOPMENT PLANNING



BPS-Statistics Indonesia has been producing asset accounts for selected natural resources since 1997.



**NCA/  
SISNERLING**



**Forest  
inventory,  
agriculture  
statistics,  
energy  
statistics**



**Missing  
Link...??**

Long-list of development priorities – Competing sectoral agendas



*How to create linkage between NCA and Development Policy Exercise (among competing sectoral agendas) in Indonesia?*



Line ministries produce their own data



# ADDRESSING THE MISSING LINK (CASE OF INDC)

Conceptualisation of Indonesia INDC

POVERTY

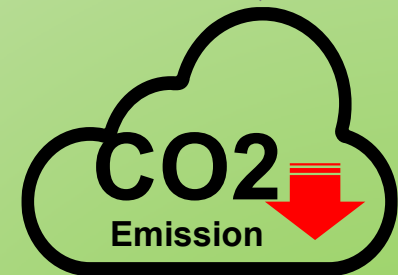
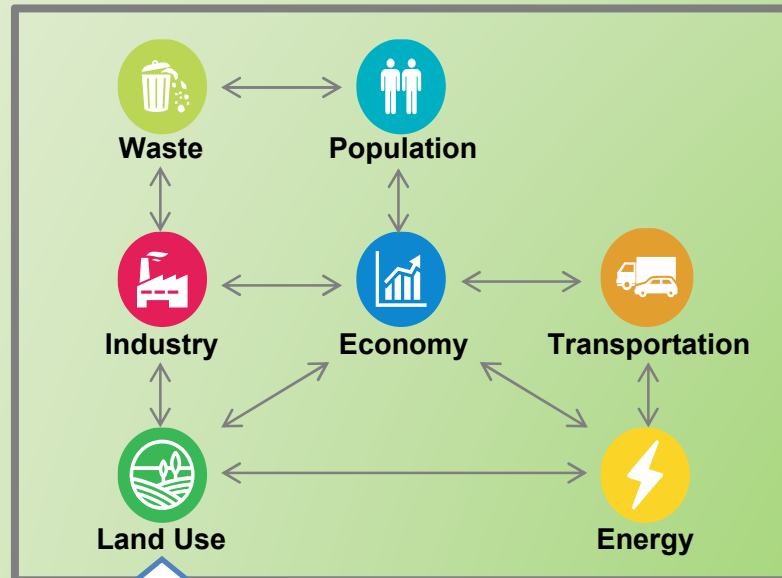


ECONOMY



TRADE OFFS

Development Policies ?



Note: Assessing structure of sectoral inter-linkage requires information on natural resources, human and physical capital stock and flow

NATURAL CAPITAL ACCOUNTING



# Plan to Reporting and Disclosure of Natural Capital

- In line with WAVES Programme, Ministry of Finance plans to disclosure natural capital in the consolidated report (assets accounts), as a follow-up action from fiscal transparency review by **Supreme Audit Board** and **House of Representatives** of Indonesia
- In short-term, Ministry of Finance plans to conduct piloting of the valuation and reporting on mineral
- In long-term, the report (assets accounts) of Natural Capital is expected to be integrated into the National Balance Sheet (as non-produced assets)
- **Focus of reporting on natural capital:**
  - fiscal analysis
  - financing analysis for conservation of natural resources
  - data support for Government Finance Statistics (GFS) of Indonesia
  - net worth (non-financial assets)






KEMENTERIAN  
LINGKUNGAN HIDUP DAN KEHUTANAN

## COMMUNICATION STRATEGY TO MINISTRY OF ENVIRONMENT AND FORESTRY

- Government regulation on **Economic Instruments for Environmental Protection and Management (RPP IELH)** as derived from **Law No. 32/2009** will include natural resources accounting and GDP adjusted depletion on natural resources.
- Economic Instruments for Environmental Protection and Management include instruments for development planning and economic activities, environmental financing, and incentives and/or disincentives.
- Instruments for development planning and economic activities include natural resources and environment accounts, depletion adjusted GDP, compensation/reward of environmental services between regions, and internalization of environmental costs.

A hand in a dark suit jacket points upwards towards a single glowing lightbulb. Several other unlit lightbulbs are visible in the background, hanging from above. The scene is set against a dark background, emphasizing the central glowing bulb.

“..what we measure shapes what we collectively strive to pursue - and what we pursue determines what we measure”.

*Report by the Commission on the Measurement of Economic Performance and Social Progress*

**THANK YOU**  
**Terima Kasih**