

UNDER THE SHADOW OF THE CLIMATE CRISIS AND DISASTERS

Kaleidoscope of People and Nature in Indonesia 2025



Executive Director's Message

The year 2025 was marked by profound contradictions and served as a critical reminder that ecological limits have now become political boundaries. It has become a defining moment in the increasingly consequential relationship between people and nature. On the one hand, we have witnessed the introduction of a range of new environmental regulations, from the Carbon Economic Value (Perpres 110/2025), the Environmental Protection and Management Plan (PP 26/2025), and the Regulation on Mangrove Ecosystem Protection (PP 27/2025).

Meanwhile, these policy developments have unfolded alongside plans for the massive expansion of 20,6 million hectares of forest areas for food and energy production. An approach which based on our analysis, carries a high risk of triggering further deforestation.

These contradictions became increasingly evident with the occurrence of nearly 3,000 hydrometeorological disasters, culminating in a deadly ecological catastrophe caused by Cyclone Senyar in Sumatra. Taken together, these events provide stark evidence that the extractive development model has exceeded the environment's carrying capacity and absorptive limits.

Through the Kaleidoscope 2025, we seek to underscore that the crises unfolding are not merely weather anomalies, but the cumulative risks produced by structural policies that disregard ecosystems. Partial law enforcement and the limited recognition of customary forests further entrench existing power asymmetries. Consequently, the most critical reflection of 2025 is this: the future direction of development can no longer be determined by how much space remains available for exploitation, but by **how much space is still capable of sustaining life**. This report is a call for an immediate and fundamental correction to the orientation of national development, before it is too late.

Nadia Hadad

Executive Director

MADANI Berkelanjutan



Prologue

The year 2025 did not start from scratch. Instead, it arrived with a burden that had been building since the end of 2024. In the final weeks of that year, the government announced plans to open **up to 20 million hectares of forest land** for food and energy projects. A decision that immediately sparked a wave of anxiety,¹ not only because of its massive scale, but because it revived old patterns. Expansion that often leaves behind conflict, ecosystem degradation, and long-lasting social wounds.

The plan became an unwanted "New Year's gift." As the calendar turned, the public had not yet had time to process the shock of the end of the year. The year 2025 began with many questions. What will happen to the forests that have been the mainstay of Indonesia's climate commitments? What will happen to indigenous communities and villages whose livelihoods continue to be eroded by large-scale economic projects? And how does the state intend to balance its food and energy ambitions with increasingly fragile ecological limits?

Not long after that, nature spoke, and its voice could no longer be ignored. From the beginning of the year, floods appeared in various large and small cities. By the end of the year, BNPB data showed that Indonesia had experienced more than **3,000 disaster events**.² Floods were the most frequent disasters, followed by extreme weather, landslides, and **more than 500 incidents of forest and land fires**.³ This series of disasters was not a coincidence, but a reflection of spatial planning that was no longer able to withstand the pace of development that ignored the carrying capacity and resilience of the environment.

Amidst this ecological pressure, 2025 also saw the issuance of a number of important policies. **Presidential Regulation 110/2025** on Carbon Economic Value positions carbon economics as a key instrument for controlling emissions. However, this regulation still leaves questions about how structural issues in forest governance will be addressed. Government Regulation 26/2025 on Environmental Protection and Management Planning (RPPLH) is a long-awaited regulation. Through this regulation, RPPLH has an operational basis, although we still need to wait and see how effective its implementation will be.

Government Regulation No. 27/2025 on the Protection and Management of Mangrove Ecosystems was issued after the dissolution of the mangrove restoration agency, so the continuity of mangrove ecosystem restoration also remains a big question mark. Meanwhile, other forestry regulations are being developed to streamline the licensing and data systems. However, unequal access to public information also remains a challenge.

At the same time, the government is committed to accelerating the recognition of 1.4 million hectares of customary forests at the COP30 forum.⁴ In fact, BRWA data shows that there are still around 2 million hectares of customary areas that do not yet have legal protection.⁵ This disparity highlights the difficulty of ensuring spatial justice amid ongoing competition between interests.

In the realm of law enforcement, hopes and disappointments go hand in hand. Several environmental pollution lawsuits have been won, setting positive precedents for citizens.⁶ However, lawsuits over forest fires and haze have once again failed.⁷ Ironically, in the same year, hundreds of forest and land fires continued to occur, adding to the health burden and economic losses for the community.

And as the year drew to a close, Indonesia witnessed one of the deadliest ecological disasters in modern Sumatran history. Flash floods and landslides triggered by Cyclone Senyar destroyed infrastructure, claimed over 1,000 lives, and left lasting social scars.⁸

The year 2025 was a year when both humans and nature showed the limits of their patience. It was a year when political decisions and ecological turmoil revealed a long-neglected imbalance.



Kicking off 2025: Under the Shadow of the 20 Million Hectare Policy

At the end of 2024, the government announced plans to allocate **20,6 million hectares of forest area** as a "food and energy reserve."⁹ The official explanation from the Minister of Forestry shows that this figure comes from the administrative sum of land categorized as unlicensed, inactive PBPH (Forest Utilization Business Licenses), and social forestry that is considered allocable.¹⁰

However, this is an administrative bureaucratic reading, not based on scientific evidence. From the official statement issued by the Ministry of Forestry, it was found that the 20,6 million hectares consisted of:

- Unlicensed land declared "allocable": **15,53 million hectares**. This consists of "unlicensed" protected forests (**2,29 million hectares**) and "unlicensed" production forests (**13,24 million hectares**).
- Licensed land considered "reserveable": 5,07 million hectares. This consists of inactive PBPH (3,17 million hectares) and Social Forestry areas (1,9 million hectares).¹¹

There is no explanation of the ecological methodology, no public indicative map, and no risk analysis. The government insists that this is "not deforestation," but instead includes protected forest and natural forest areas in the category that can be allocated for food and energy.¹² This is a contradictory statement that has been officially released by the government.

Based on this explanation, Madani conducted an independent spatial analysis to test the government's claim. The results contradict the official narrative.



Government Claims vs MADANI's Spatial Analysis

Madani conducted an independent spatial analysis to test the government's claim. The results contradict the official narrative.

MADANI's analysis of the policy indicates that:

- 9 million hectares** – Natural Forests
- 7 million hectares** – Overlap with FOLU Net Sink (FNS)
- 2,1 million hectares** – Key Biodiversity Area
- 5,1 million hectares** – Permit Overlaps

43%

Covered by natural forests, clearly refuting the government's claim that the plan involves "no deforestation".

33%

Overlaps with the FOLU Net Sink operational plan, directly threatening Indonesia's climate commitments.

The 20,6 million hectares policy represents a large-scale political decision to reclaim control over forest areas that have previously been beyond the reach of conventional licensing instruments. The policy also establishes a land-banking mechanism for state-led food and energy projects, including plans for bioethanol development.



From a forestry policy perspective, the government is mixing 3 different instruments in one basket.

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- Protected forests and "unlicensed" production forests are treated as if they were vacant land.
- Inactive PBPHs are considered revocable and allocable, even though many of them are still forested and have an ecological role.
- Social forestry is being repositioned as potential food land, shifting the mandate of community empowerment and opening up opportunities for *top-down* state project intervention.

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This construction shows that the 20,6 million hectare policy is a large-scale political decision to regain control of forest areas that have been untouchable through ordinary licensing instruments. This policy also provides *land banking* for state food and energy projects, including bioethanol development plans.

When viewed through MADANI's spatial analysis, this policy has the potential to be the largest forest restructuring effort since 1998. The ecological risks are significant, the tenure overlaps are substantial, and the impact on indigenous peoples and forest villages has never been explained in official government documents.

Since 2021, the government, through the Ministry of Environment and Forestry (KLHK), which is now becoming the Ministry of Forestry, has frequently released data on the downward trend in deforestation in Indonesia. The government claims that deforestation in Indonesia in 2021-2022 has decreased by 8.4% compared to the results of monitoring in 2020-2021.

Indonesia's net deforestation in 2021-2022 is 104 thousand hectares. Meanwhile, Indonesia's deforestation in 2020-2021 was 113,5 thousand hectares.¹³ This year, this claim continues to surface. In a working meeting with Commission IV of the Indonesian House of Representatives, the Minister of Forestry stated that the national deforestation rate had decreased from 216,216 hectares in 2024 to 166,450 hectares as of September 2025, a decrease of 23.01 percent.¹⁴

However, this claim is an aggregate calculation on a national scale. When the calculation is done in more detail for each province, a completely different picture emerges. The deforestation trend in West Kalimantan, Central Kalimantan, East Kalimantan, Riau, North Kalimantan, Aceh, and West Sumatra has actually increased.

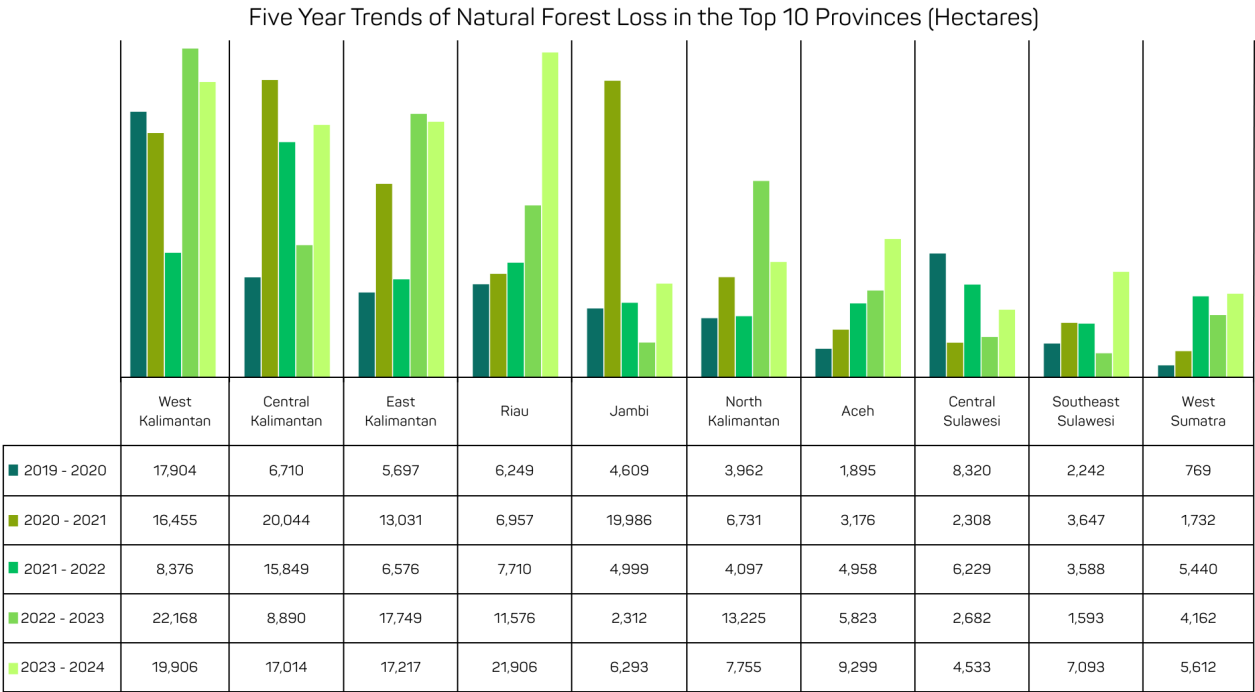


Figure 1: Trends in Natural Forest Loss 2019–2024
Data source: Deforestation and Land Cover Data, Ministry of Environment and Forestry (KLHK); processed by MADANI, 2025.

Ultimately, this forest clearing policy is not only a threat in terms of its large scale, but also a gamble on the direction of Indonesia's forestry and climate policies. This is because forests are expected to be the foundation of climate stability (with Net Sink FOLU), but at the same time their existence is being gambled away.

Similarly, the role of forests as living spaces for indigenous and local communities is being jeopardized by this policy. On the contrary, forests are ultimately viewed by the state only as economic land that can be relocated according to short-term political priorities. This section shows that since the beginning of the year, the direction of the policy chosen by the government has been moving in the wrong direction.



Three Thousand Disasters: A Product of Extractive Governance

Throughout 2025, Indonesia experienced nearly **3,000 hydrometeorological disasters**. Data from BNPB and SITABA show that **+1,600 floods, +600 extreme weather events, +200 landslides, and 546 forest and land fires** occurred in one year.¹⁵ Disasters caused by the climate crisis are still often considered as God's divine punishment. Research from the Center for Digital Society (CfDS) at Gadjah Mada University found that out of 2,401 respondents, 21.5% agreed and 11% strongly agreed that the climate crisis was caused by non-compliance with religion.¹⁶ This shows that the increasingly extractive management of space and natural resources as the root cause of disasters and the climate crisis has not been fully understood.

Flooding is the most dominant disaster. However, the 2025 floods are not merely a result of high rainfall. In many regions, flooding patterns are directly related to deforestation, massive land conversion, and spatial compaction due to the expansion of plantations, mines, and infrastructure. When upstream areas lose their ecological function and downstream areas are forced to bear the brunt of extreme runoff, the resulting disasters become indicators of systemic damage to the ecosystem.

This view is not without scientific basis. In 2024, MADANI, Lokahita, Sawit Watch and Satyabumi conducted a comprehensive study on the carrying capacity and environmental capacity (D3TLH) of oil palm plantations in Indonesia. The study empirically determined that plantation expansion, which is one of the roots of systemic damage, must be limited so as not to exceed the ecological capacity of the environment. The upper limit of this study is 18,15 million hectares.¹⁷ The study concludes that when this upper limit (*cap*) is exceeded, there will be a drastic decline in Environmental Services, such as disaster regulation functions (floods), which are now confirmed to be indicators of systemic damage that cannot be ignored.

“...the upper limit of this study is set at 18,15 million hectares. The study concludes that once this upper limit (cap) is exceeded...”

The second largest category is extreme weather. However, extreme weather only becomes a disaster when the landscape has lost its absorption capacity. Even moderate rainfall can turn into flash floods when absorption areas are lost, peat swamps are drained, and watersheds are filled with production activities. Ultimately, extreme weather becomes a trigger for disasters caused by ecological damage.

Landslides also follow the same pattern. Many landslides occur in locations where construction should not be permitted. However, permits are still issued. Slope construction does not follow risk standards. Soil-retaining vegetation is lost. The 2025 landslide disaster is proof that construction permits in disaster-prone areas are determined more by economic interests than by risk maps.

Meanwhile, there were **546 forest and land fire incidents** throughout Indonesia. Throughout 2025, these incidents had a significant impact across Indonesia. Madani's analysis using the AIT (Indicative Burned Area) spatial analysis method shows that throughout 2025 (January to November 2025), the area indicated to be affected by forest and land fires reached 366 thousand hectares.¹⁸ Although published every 4 months throughout the year since 2019, this warning does not seem to have received sufficient attention from the government. The cause is a classic problem that often recurs.

More than 3,000 disasters that have occurred in Indonesia are proof that the development model that has been implemented for too long has normalized extractive patterns. The disasters that occur are the result of structural policies that disregard ecological interests. The year 2025 shows a significant contradiction.

“MADANI’s analysis shows that 366 thousand hectares were affected by forest and land fires in 2025 (January–November).”

On the one hand, the government is trying to make improvements by issuing Government Regulation No. 25 of 2025 concerning the Environmental Protection and Management Plan (RPPLH) and updating regulations on the economic value of carbon. However, on the other hand, disasters are increasing and causing enormous impacts. This means that the policies taken do not address the root cause of the development model that treats ecosystems as objects of exploitation. The 2025 disaster is a signal that as long as the development model remains extractive, ecological risks will continue to increase as a logical consequence of policy choices.

2025 Policy Package: Administrative Instruments Without Governance Corrections

The year 2025 was marked by the issuance of a number of national-scale environmental policies. The government positioned these as efforts to strengthen governance and fulfill climate commitments. However, when these policies are juxtaposed with the direction of development, ecological disasters, and land expansion plans, it is clear that most of the regulations only reinforce the administrative layer. Structural problems in spatial governance remain untouched.

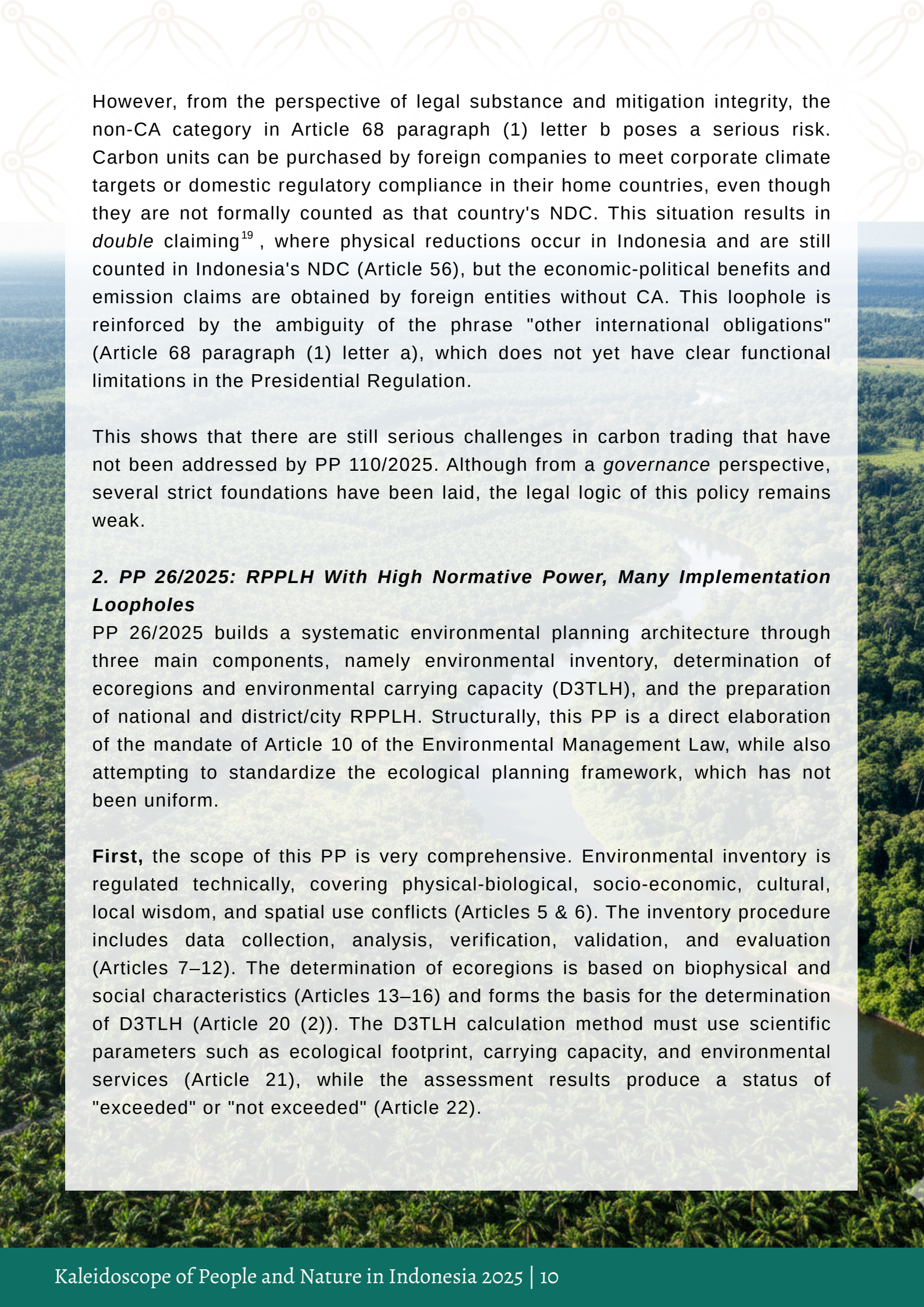
1. Presidential Regulation 110/2025: Carbon Market Infrastructure Without Spatial Control

Presidential Regulation 110/2025 establishes a framework for GHG emissions control and the implementation of a more comprehensive Carbon Economic Value (NEK) instrument than Presidential Regulation 98/2021. The main strengthening is seen in the regulation of carbon allocation (Article 3), accommodating mitigation and adaptation planning (Articles 8 and 35), and refining CEV instruments including carbon trading, Performance-Based Payments (PBK), and carbon levies (Article 55), as well as the consolidation of the national registry system through the SRN PPI (National Registry System for Climate Change Control) and SRUK (Carbon Unit Registry System). From a technocratic perspective, this design provides a foundation for consistency in accounting and cross-sector coordination.

However, a critical aspect arises in the regulation of foreign carbon trading, particularly in Article 68 paragraph (1). The Presidential Regulation distinguishes two categories:

1. Transactions that require Authorization and *Corresponding Adjustment* (CA) if carbon units are used to fulfill another country's NDC and/or other international obligations; and
2. Transactions that do not require Authorization or CA, namely offsets that are declared "not used to fulfill NDCs and/or other international obligations".

In terms of calculation, Article 56 stipulates that all emission reductions through offsets are still counted as Indonesia's contribution to the NDC as long as no CA is issued. Formally, this provision aims to prevent a reduction in the "national carbon quota" due to transactions in the voluntary carbon market (VCM).



However, from the perspective of legal substance and mitigation integrity, the non-CA category in Article 68 paragraph (1) letter b poses a serious risk. Carbon units can be purchased by foreign companies to meet corporate climate targets or domestic regulatory compliance in their home countries, even though they are not formally counted as that country's NDC. This situation results in *double claiming*¹⁹, where physical reductions occur in Indonesia and are still counted in Indonesia's NDC (Article 56), but the economic-political benefits and emission claims are obtained by foreign entities without CA. This loophole is reinforced by the ambiguity of the phrase "other international obligations" (Article 68 paragraph (1) letter a), which does not yet have clear functional limitations in the Presidential Regulation.

This shows that there are still serious challenges in carbon trading that have not been addressed by PP 110/2025. Although from a *governance* perspective, several strict foundations have been laid, the legal logic of this policy remains weak.

2. PP 26/2025: RPPLH With High Normative Power, Many Implementation Loopholes

PP 26/2025 builds a systematic environmental planning architecture through three main components, namely environmental inventory, determination of ecoregions and environmental carrying capacity (D3TLH), and the preparation of national and district/city RPPLH. Structurally, this PP is a direct elaboration of the mandate of Article 10 of the Environmental Management Law, while also attempting to standardize the ecological planning framework, which has not been uniform.

First, the scope of this PP is very comprehensive. Environmental inventory is regulated technically, covering physical-biological, socio-economic, cultural, local wisdom, and spatial use conflicts (Articles 5 & 6). The inventory procedure includes data collection, analysis, verification, validation, and evaluation (Articles 7–12). The determination of ecoregions is based on biophysical and social characteristics (Articles 13–16) and forms the basis for the determination of D3TLH (Article 20 (2)). The D3TLH calculation method must use scientific parameters such as ecological footprint, carrying capacity, and environmental services (Article 21), while the assessment results produce a status of "exceeded" or "not exceeded" (Article 22).

Based on this assessment, national, provincial, and district/city RPPLHs are formulated (Articles 26–40) with a 30-year planning period that includes an environmental vision, *foresight* scenarios (Article 31), and plans for natural resource utilization and protection, environmental control and restoration, and climate change adaptation and mitigation (Article 32).

Second, the accuracy of the norms in this Government Regulation is strong in technocratic aspects but not strong enough in binding cross-sector collaboration. The inventory norms and scientific methods used can reduce administrative discretion in the environmental inventory process. However, ecoregions as an ecological basis do not fully serve as a limiting norm for spatial use, as they are only stipulated through a Ministerial Decree (Article 16) without direct legal consequences for other sectoral policies such as spatial planning or licensing. Similarly, although the RPPLH is "used as the basis for natural resource utilization" (Article 40), the PP does not explicitly stipulate that business licenses or development plans must be adjusted or canceled if they conflict with the RPPLH, so its binding force is declarative rather than operational. This gap has the potential to weaken the function of the RPPLH as an ecological control instrument.

Third, the planning aspect of this regulation is complete from a procedural standpoint, but it lacks enforcement mechanisms. This PP provides comprehensive governance, from inventorying, determining ecoregions and D3TLH, drafting RPPLH, to guidance, funding, and information systems. However, there is no obligation to harmonize the RPPLH with the RTRW, environmental permits, business permits, or other sectoral policies. The absence of administrative sanctions for local governments or ministries/institutions that fail to implement the RPPLH weakens the effectiveness of its implementation. This means that the provisions of this PP are complete in terms of planning structure, but leave a large gap in the enforcement mechanism (*enforcement gap*).

Fourth, the social and environmental guarantees in this Government Regulation are procedural in nature, not substantive. Community involvement in the formulation of future scenarios is regulated in Article 31 paragraph (3), and guidance for communities and environmental organizations is listed in Article 46. Environmental inventory also recognizes local wisdom and conflicts of use (Article 5 paragraphs (2) & (3)).

However, this PP does not provide substantive protection such as the rights of indigenous peoples, FPIC mechanisms, or objection mechanisms if the RPPLH is not implemented. The status of "exceeded" D3TLH does not automatically trigger restrictions on utilization or priority for restoration, so that ecological protection guarantees are still indicative in nature.

Fifth, the aspect of justice in this PP is implicit but not realized as a norm. The use of ecoregions and D3TLH provides a scientific basis that is conceptually more equitable in the distribution of ecological burdens between regions. However, the PP does not regulate priorities for vulnerable regions or groups in adaptation-mitigation (Article 32), does not affirm intergenerational justice, and does not provide mechanisms to prevent overexploitation in regions with exceeded carrying capacity/support status (Article 22). Without these substantive norms, environmental planning risks remaining biased toward the interests of the extractive sector and powerful stakeholders.

Overall, PP 26/2025 provides a strong, standardized, and scientific technocratic framework for national environmental planning, but its effectiveness is highly dependent on derivative regulations and the government's courage to integrate the RPPLH as the basis for decisions on spatial and natural resource use. Without clear binding mechanisms, socio-environmental guarantees and ecological justice remain vulnerable to being sidelined by sectoral development interests.

3. PP 27/2025: Mangrove Protection Without Clarity on Execution

PP 27/2025 is the state's first structural response after the dissolution of BRGM, marking a shift from an *ad-hoc*, project-based approach to a regulatory approach based on the mandate of the Environmental Protection and Management Law. This is indeed the right approach, but unfortunately, the power relations between sectors in Indonesia are very palpable. Technocratically, this PP presents a complete chain of policies, ranging from the inventory of mangrove ecosystems (Article 5), the establishment of Mangrove Landscape Units/KLM (Article 7), the determination of protection and cultivation functions (Article 9), to protection and management plans (Article 12). In terms of policy structure, this PP is more systematic than the previous framework and normatively fills the legal void left by the BRGM.

However, its institutional effectiveness is far from adequate. The dissolution of the BRGM without a transition mechanism confirms the state's recurring pattern of forming institutions during crises and dissolving them when political pressure subsides, without institutionalizing restoration as a permanent state function.

The restoration task is then assigned to ministries that do not have the power to "enforce" it.

*The major policy measures of 2025 appear to strengthen environmental governance, but **at a systemic level, they do not alter the extractive development paradigm.** Instead, they create grey areas that allow expansion to proceed alongside sustainability narratives.*

PP 27/2025 attempts to place this function within a "regulatory box," but fails to address the core issue, namely the absence of an institution with a coordinating mandate, political stability, and cross-sectoral executive power.

First, PP 27/2025 places the Ministry of Environment (KLH) as the *leading sector*, but KLH is now a ministry "without a sector". After the separation of the KLH and Forestry under the Prabowo regime, the KLH lost a significant amount of authority. Meanwhile, PP 27/2025 assigns the KLH to establish a National Mangrove Map (Article 7 paragraph (2)), establish KLM (Article 7 paragraph (3)), and determine the functions of mangrove ecosystems (Article 9 paragraph (4)). Without control over forestry, coastal, agricultural, or spatial planning permits, which are each under separate ministries, the authority of the Ministry of Environment is administrative, not executive. The coordination required by PP 27/2025 (e.g., Article 9 paragraph (5)) is only consultative in nature, opening up the potential for sectoral ego clashes.

Second, the Mangrove Landscape Unit (KLM) approach is an important element of PP 27/2025, but it has implications that need to be critically examined. Article 7 establishes KLM as a protection-management unit based on land systems, land-sea interactions, and socio-economic conditions, which are then determined through **a KLM map** with a minimum scale of 1:25,000 (Article 7 paragraph 6). This map forms the basis for the Minister's determination of the functions of mangrove ecosystems for **protection and cultivation** (Article 9), as well as for the preparation of the KLM master plan and the mangrove protection and management plan (Article 14).

However, **the binding force of the KLM on sectoral policies is still weak.** Article 11 only states that the mangrove ecosystem function map "*is used as material*" for spatial planning, not as a basis that must be adopted. As a consequence, the protection-cultivation boundaries in the KLM do not automatically bind the ATR/BPN, Forestry, or KKP in spatial planning and licensing.

In addition, **the utilization framework in the cultivation function opens up room for compromise on protection.** Article 21 paragraph (5) allows for utilization such as industry, ports, agriculture, and defense, with a minimum obligation to "*maintain ecosystem functions*" (Article 21 paragraph 6) without clear conversion parameters. As a result, the KLM can change from an instrument of protection to an instrument of justification for utilization.

Another weakness arises in **the standard criteria for damage.** Article 24 paragraphs (2)–(3) set the damage threshold at 25% (protected) and 50% (cultivation), a limit that is too high for coastal ecosystems. From a scientific perspective, mangrove species richness is directly correlated with forest size, so a significant reduction in cover will trigger a drastic decline in biodiversity and the collapse of ecological functions due to low functional redundancy in the system.²⁰ Furthermore, a damage tolerance of up to 50% is highly risky, given that the global consensus considers a loss rate of 1–2% per year to be a critical threat leading to ecosystem extinction.²¹ For cultivation functions, the determination of damage is even left to *other provisions* (Article 24 paragraph 4), opening up opportunities for *norm shopping* (choosing looser norms) by the more dominant sector.

Finally, although KLM is an innovation, its supporting norms do not provide adequate executive power over the space utilization sector. As a result, mangrove protection remains highly dependent on inter-ministerial coordination, rather than on the binding power of KLM itself.

The direction of the 2025 policy shows that sustainability instruments are used as administrative legitimacy while spatial decisions continue to follow patterns of production and expansion. Key policies introduced in 2025 give the impression that the state is strengthening environmental governance. However, when analyzed systemically, it appears that most regulations do not change the basic patterns of development. This year's environmental policies do not serve as a corrective to the extractive model, but rather create a gray area that allows expansion to proceed alongside the narrative of sustainability.

Customary Forests: 1.4 Million Hectare Target and Spatial Restriction Policies

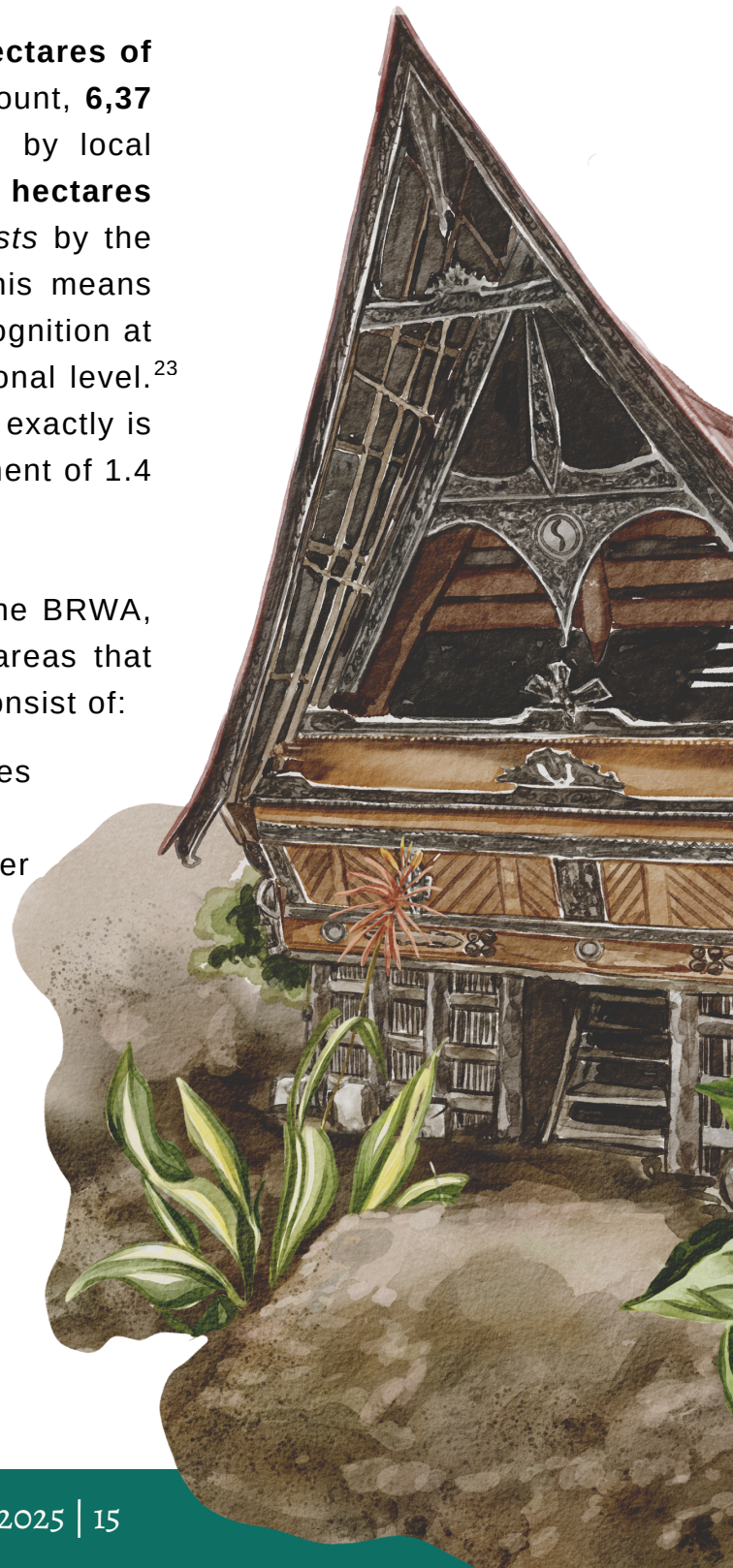
The recognition of customary forests became a national issue again in 2025 after the government announced a commitment of 1.4 million hectares at COP30.²² However, data from the BRWA (Aboriginal Territory Registration Agency) shows that this commitment does not reflect the potential of customary territories, but rather the political boundaries chosen by the state.

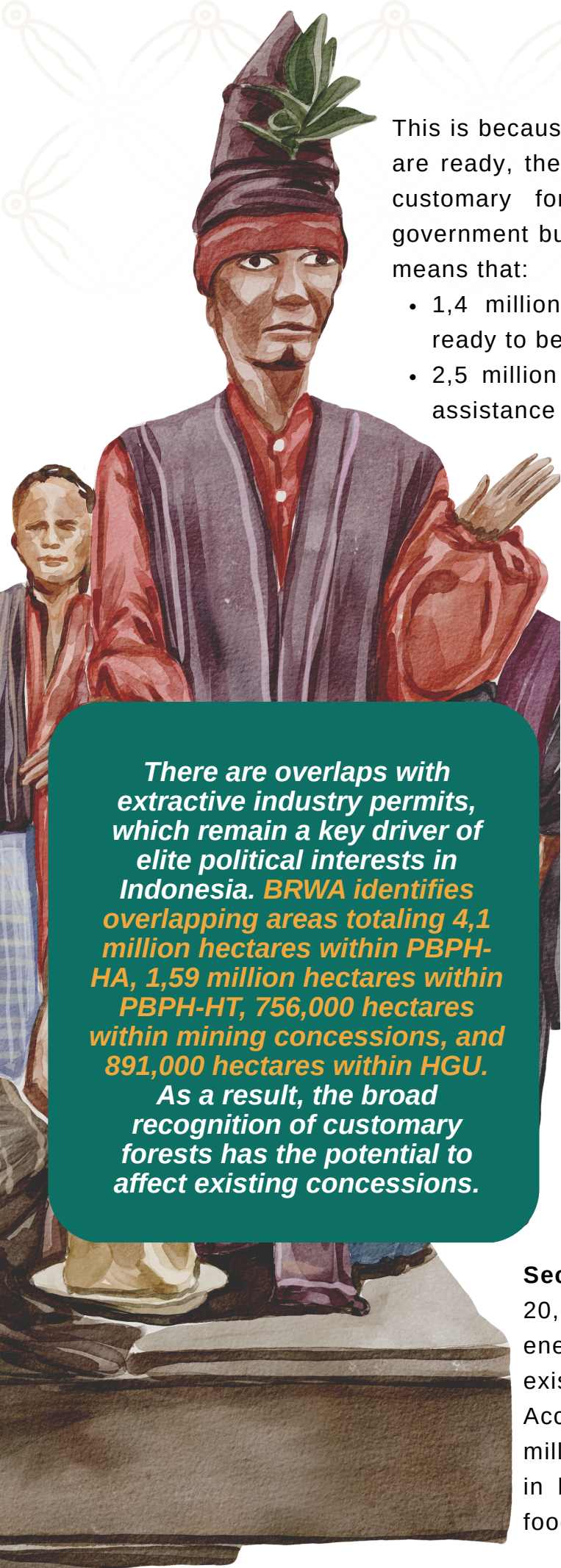
BRWA recorded a total of **33,6 million hectares of customary land** in Indonesia. Of this amount, **6,37 million hectares** have been designated by local governments. However, only **332,000 hectares** have been designated as *customary forests* by the Ministry of Environment and Forestry. This means that there is still a huge gap between recognition at the local level and recognition at the national level.²³ The question that may arise then is, what exactly is the meaning of the government's commitment of 1.4 million hectares?

According to the official statement from the BRWA, the 1.4 million hectares announced are areas that have fulfilled all the requirements. They consist of:

- 1,1 million hectares from 10 communities in Malinau, and
- 300,000 hectares from a number of other areas.²⁴

This means that the 1,4 million hectares should **already be ready for designation now**, without the need to wait until 2029. When this figure is used as a five-year target, it appears that the state has chosen to lock in recognition at a certain volume, rather than accelerating the process in line with available capacity.





This is because, in addition to the 1,4 million hectares that are ready, there are still 2,5 million hectares of proposed customary forests that have been submitted to the government but do not yet meet all the requirements. This means that:

- 1,4 million hectares are customary forests that are ready to be designated
- 2,5 million hectares of customary forests still require assistance to complete the requirements.

When combined, there are 3,9 million hectares of customary forests that should be the government's target until 2029.

So, why should the government's target be 'cut' to only 1,4 million hectares? The exact answer is unknown to anyone except the government as the policy maker. However, the public can also assess the logic behind this target reduction.

There are overlaps with extractive industry permits, which remain a key driver of elite political interests in Indonesia. BRWA identifies overlapping areas totaling 4,1 million hectares within PBPH-HA, 1,59 million hectares within PBPH-HT, 756,000 hectares within mining concessions, and 891,000 hectares within HGU.

As a result, the broad recognition of customary forests has the potential to affect existing concessions.

First, there is an overlap with extractive industry permits, which remain the main fuel for elite politics in Indonesia. BRWA identified overlaps covering 4,1 million hectares (in PBPH-HA), 1,59 million hectares (in PBPH-HT), 756,000 hectares (in mining concessions), and 891,000 hectares (in HGU). Therefore, recognizing customary forests on a large scale has the potential to affect existing concessions. The state tends to prefer a low-risk approach.

Second, there is the aspect of the plan to clear 20,6 million hectares of land for food and energy, which is not yet synchronized with the existence of forests and customary areas. According to our records, there are at least 2,2 million hectares of indicative customary areas in landscapes that are currently projected for food and energy expansion.

Third, there are significant implications for the carbon market. Presidential Regulation 110/2025 requires the registration of carbon units through the SRN. However, the relationship between customary rights and carbon rights is not explicitly regulated. This makes the state inclined to maintain control, especially in areas with the potential to become large-scale carbon project sites.

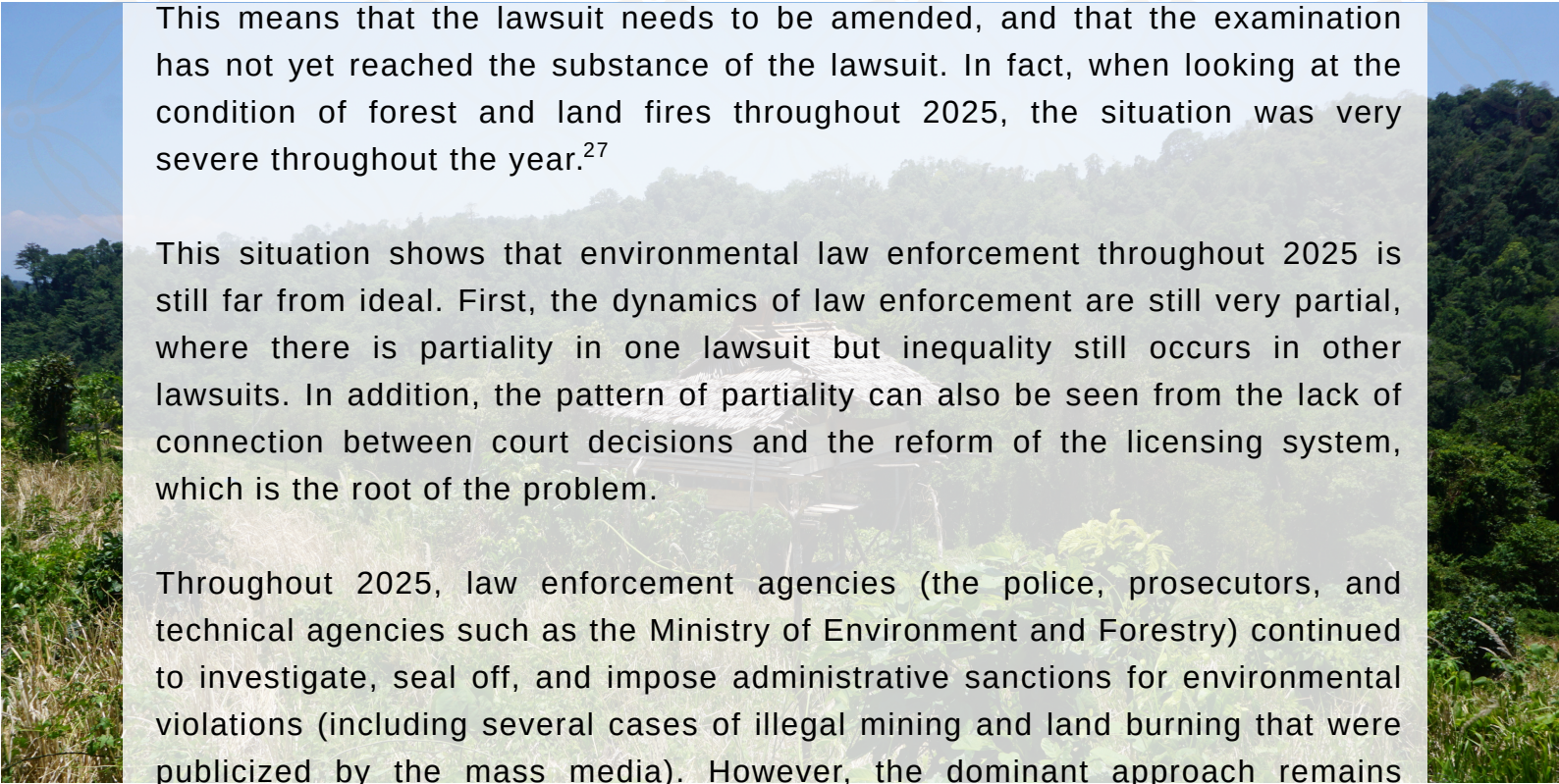
The 2025 policy on the recognition of customary forests reflects the state's strategy to maintain licensing stability, preserve the flexibility of the food-energy agenda, and maintain control over the carbon market. In this configuration, indigenous peoples remain objects of policy rather than subjects who determine the direction of the recognition of their own rights.

Law Enforcement: Still Far From Ideal

Environmental law enforcement in 2025 shows both hope and disappointment. This is not just a matter of looking at cases individually. However, the pattern that emerges reflects the limitations of the legal system in correcting power imbalances in spaces that are still dominated by the logic of extractive industries. This year, a lawsuit filed by a civil society group (WALHI) was won through a decision by the Palembang District Court numbered 202/Pdt.Sus-LH/2024/PN Pso. This lawsuit challenged the environmental impact caused by river water pollution by several nickel mining companies in North Morowali.²⁵ This victory is a sign that legal channels are still relevant for challenging actions by the state or corporations that harm the ecosystem. Such decisions reinforce scientific arguments and the principle of precaution in licensing.

However, victories like this tend **to be partial and ad hoc**. They affect specific cases, but *do not change the licensing framework, do not revoke structurally problematic licenses*, and do not shift the pattern of domination by large economic sectors in the forest landscape. In other words, legal victories often only correct the effects, not **the systemic causes**.

On the other hand, 11 residents of Ogan Komering Ilir (OKI) Regency lost their lawsuit against a company for causing haze.²⁶ Unfortunately, however, the judge rejected the lawsuit because it was deemed that no lawsuit had been filed to demand remedial action and/or reimbursement of restoration costs.



This means that the lawsuit needs to be amended, and that the examination has not yet reached the substance of the lawsuit. In fact, when looking at the condition of forest and land fires throughout 2025, the situation was very severe throughout the year.²⁷

This situation shows that environmental law enforcement throughout 2025 is still far from ideal. First, the dynamics of law enforcement are still very partial, where there is partiality in one lawsuit but inequality still occurs in other lawsuits. In addition, the pattern of partiality can also be seen from the lack of connection between court decisions and the reform of the licensing system, which is the root of the problem.

Throughout 2025, law enforcement agencies (the police, prosecutors, and technical agencies such as the Ministry of Environment and Forestry) continued to investigate, seal off, and impose administrative sanctions for environmental violations (including several cases of illegal mining and land burning that were publicized by the mass media). However, the dominant approach remains reactive: enforcement is carried out after damage has occurred, never systematically severing the link between misguided spatial policies and ecological events.

The failure of the legal system to address the root causes is not essentially a technical failure. Rather, it is more a matter of the asymmetry of power relations between the state/corporations and the community. Ultimately, environmental law enforcement in Indonesia only manages the symptoms without addressing the root causes.

Sumatra Reaps Disaster: When Carrying Capacity and Support Capacity are Exceeded

Since 2024, Madani has frequently reminded all parties through various studies and campaigns conducted in collaboration with academics and other civil society organizations that the Environmental Carrying Capacity and Capacity (D3TLH) of all major islands in Indonesia needs to be a key concern for policy makers. Based on a study conducted by Lokahita - Madani - Satya Bumi - Sawit Watch, the area of existing oil palm plantations on the island of Sumatra in 2022 has **exceeded** the environmental carrying capacity and load capacity (D3TLH). The maximum limit set was **10,697,295.45 hectares**, but the actual area reached **10,704,110.48 hectares**.²⁸

In its development, this research was updated and revealed that the maximum limit set was **10,256,779.89 hectares**, meaning that there was a difference of **447,330.59 hectares** or **4.36%**.²⁹

However, this warning seems to have fallen on deaf ears for the government. This is because the 2025 environmental statistics released by the Ministry of Environment (KLH) show that, in aggregate, Indonesia, including Sumatra, is still described as being in a "safe" condition in terms of carrying capacity and capacity. The availability of land and water resources at the national level is stated to still be able to support a population that is much larger than the actual current conditions. Furthermore, there are no apparent signs of danger associated with the expansion of certain commodities such as palm oil. The KLH states that D3TLH is calculated at the island and provincial levels based on the availability of water, land and marine food, without specifying the sectors or commodities that are the main drivers of land cover change.

This contrast highlights the wide gap between scientific knowledge and policy. On the one hand, studies by civil society and academics have clearly signaled that Sumatra has entered a phase of *overshoot* in terms of carrying capacity and capacity for palm oil. On the other hand, official state statistics still present the narrative that Indonesia's ecological space is generally still ample. Without the recognition and integration of findings such as the palm oil *cap* into the official D3TLH instrument, the risk that arises is an illusion of abundance, where spatial planning policies, licensing, and production targets continue to be pushed as if the ecosystem's carrying capacity is still widely available, when in fact, at the commodity and landscape levels, ecological limits have already been exceeded.

The consequences are clear to see, with 2025 ending with a series of the worst disasters of the year. Aceh, West Sumatra, and North Sumatra were affected by **Cyclone Senyar**, which triggered extreme rainfall. As a result, the impact of flash floods and landslides not only spread, but also destroyed many areas simultaneously. When looking at previous analyses conducted by civil society, it is reasonable to conclude that this was not an isolated weather event. It was **an accumulation of risks** built up over many years through spatial planning decisions and the absence of structural corrections.

Looking at the Trail of Destruction on the Island of Sumatra

Looking at the trail of ecological damage that has occurred, MADANI's spatial analysis shows a trend of increasing deforestation in Sumatra from 2020 to 2024 (see Figure 1), with widespread distribution of deforestation (see Figure 2).

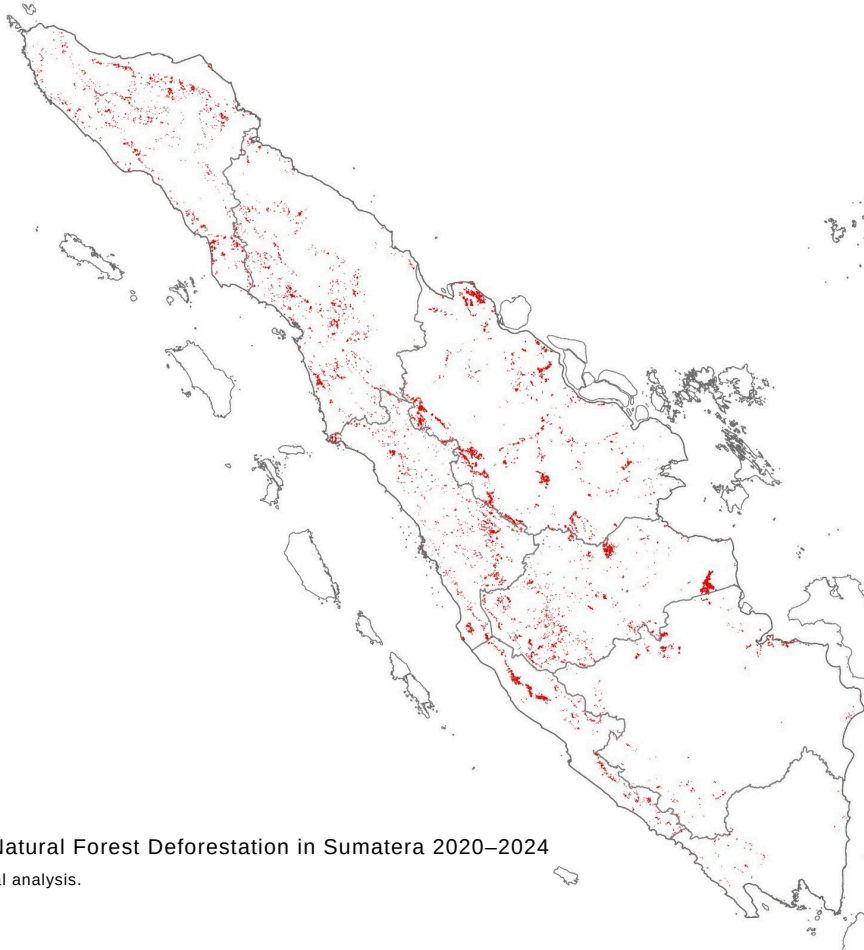


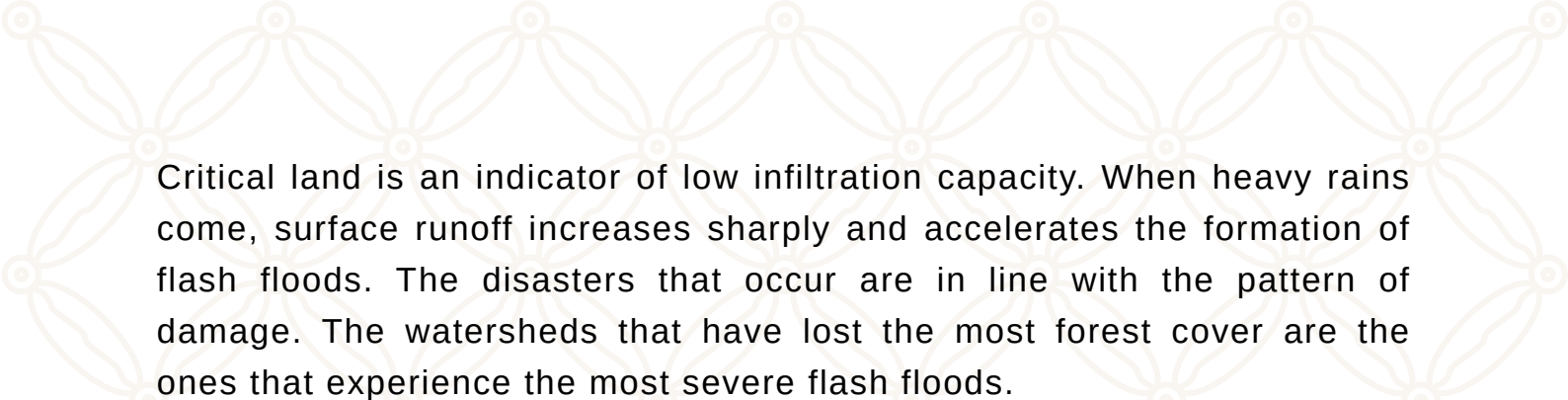
Figure 2: Map of Natural Forest Deforestation in Sumatra 2020–2024

Source: MADANI's spatial analysis.

The rate of natural forest deforestation during 2020-2024 in Aceh Province reached 5,814 hectares/year, in West Sumatra around 4,236 hectares/year, and in North Sumatra about 4,088 hectares/year.

In Aceh, 28.89% of this damage occurred within permit and concession areas, while in North Sumatra it was 27.22%. With this rate of forest cover loss, soil absorption, slope stability, and watershed capacity to retain water are declining year by year. This condition creates a high risk of disasters even without extreme rainfall.

Critical land in the three provinces is also very extensive, namely 389 thousand hectares in Aceh, ±689 thousand hectares in West Sumatra, and ±778 thousand hectares in North Sumatra. This critical land is spread across several major watersheds, such as Krueng Aceh, Wampu–Sei Ular, Agam, Batanghari, and Asahan.



Critical land is an indicator of low infiltration capacity. When heavy rains come, surface runoff increases sharply and accelerates the formation of flash floods. The disasters that occur are in line with the pattern of damage. The watersheds that have lost the most forest cover are the ones that experience the most severe flash floods.

The trail of damage does not stop there. The trail of forest and land fires has made the already vulnerable landscape of Sumatra Island even more vulnerable. Based on data from the Ministry of Environment and Forestry's geoportal, in the last 10 years, forest and land fires have affected 15,000 hectares in Aceh Province, 20,800 hectares in West Sumatra Province, and 24,300 hectares in North Sumatra Province. Land that has been burned loses its organic structure. When it receives extreme rainfall, it collapses more easily and produces mudflows. Many of the 2025 landslide sites overlap with previous forest fire locations, reinforcing the link between past fires and this year's flash floods.

Cyclone Senyar brought together all of Sumatra's ecological vulnerabilities in one moment. According to reports from BNPB, BMKG, and various national news outlets, this cyclone brought moist air masses that triggered extreme rainfall in northern and central Sumatra. Within hours, rivers in Aceh Besar, Pidie, and Agam overflowed, triggering flash floods that carried wood and mud from upstream, cutting off national roads, damaging thousands of homes, and hampering evacuations due to the loss of many bridges. The characteristics of the floodwaters, mixed with wood, thick sediment, and organic material, confirm that damage to the upper reaches of the watershed was the main factor that amplified the impact. Extreme rainfall was indeed the trigger, but the damaged spatial structure was the multiplier of its impact.

The major floods at the end of 2025 ultimately became proof that climate extremes and development that ignores carrying capacity have become interlocked. When deforestation removes water retention, critical land reduces infiltration, forest fire scars weaken slope stability, permit dominance eliminates infiltration space, and new expansion plans continue to add pressure, the Sumatran landscape no longer has the ability to hold or slow down water.

The arrival of Cyclone Senyar under such conditions made the impact of the disaster far more destructive because the risks had been produced through policy, not by the weather alone.

The 2025 Sumatra disaster was not merely the result of extreme rainfall intensity, but a direct consequence of long-term forest degradation, increasing spatial pressure from various concessions and new development plans, and the declining ability of ecosystems to retain and regulate water.

When Cyclone Senyar arrived at a time when the landscape was at its most fragile, all these vulnerabilities reinforced each other and produced destructive impacts. This event was the climax of Indonesia's ecological crisis in 2025 and a warning that without a correction in the direction of development, extreme events like this will not be anomalies, but part of a pattern of disasters in the future.

Reflections on 2025: Vulnerable Amidst Crisis

The year 2025 taught us that environmental issues in Indonesia are a complex intertwining of the relationship between humans and nature. The role of ecosystems, which should be the living space for humans, has instead been eroded by extractive development patterns that ultimately weaken the role of ecosystems. The disasters that occurred were the result of unsustainable development patterns. The disasters only accelerated what had already been weakened by human actions. Reflection 2025 is about learning that **ecosystem vulnerability will inevitably lead to disaster**. Deforestation, land conversion, and permit pressure do not create instant impacts, but accumulate into fragile conditions that lead us to a climate crisis. When damage is left unchecked, we should not be surprised. Because it is the consequence of a long process that has been allowed to continue without correction.

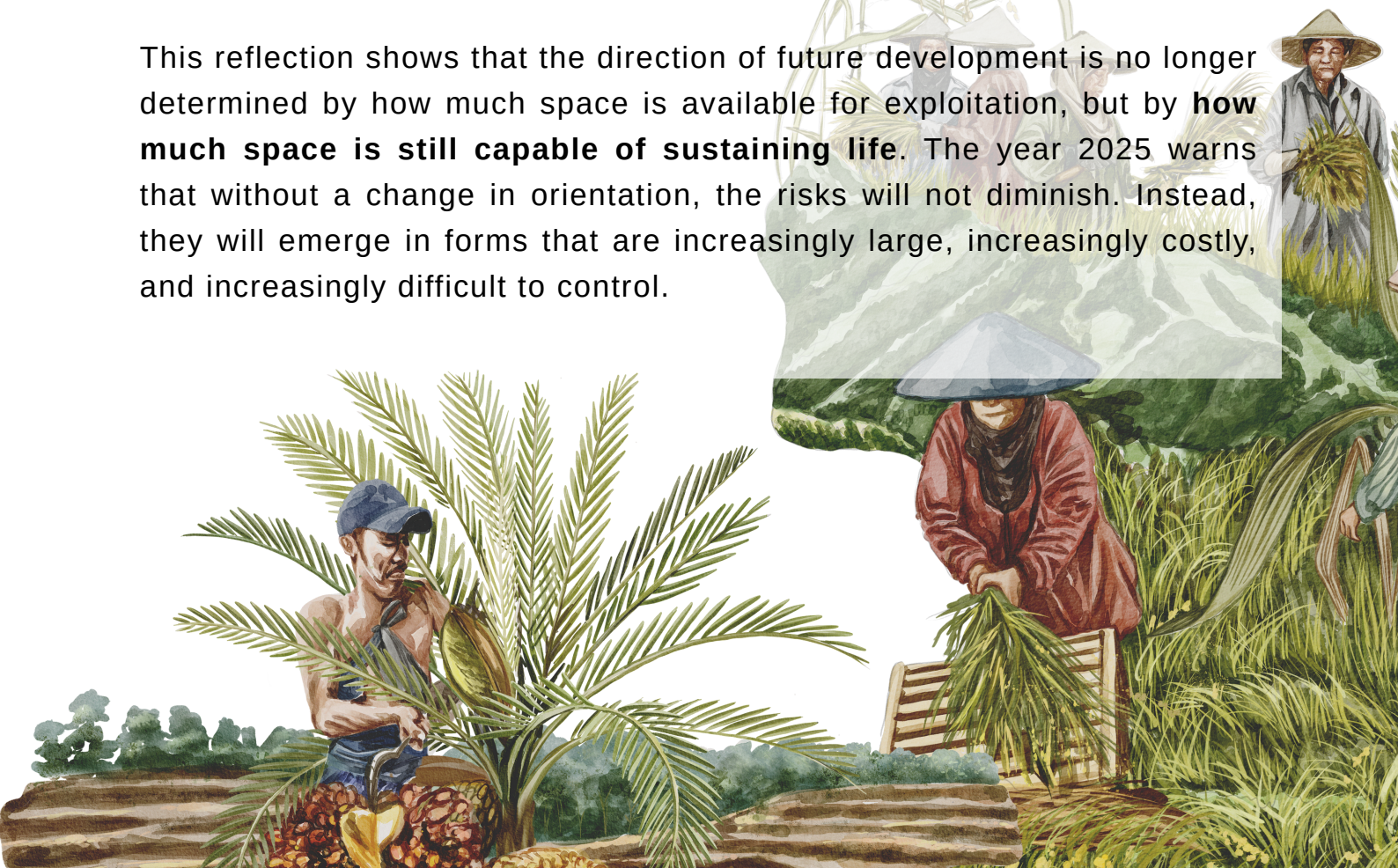
Another lesson to be learned is that **Indonesia's current development policy framework still operates within the logic of growth**, while the risk framework operates within a much more complex ecological logic.

When the state expands production space without considering nature's ability to support it, this imbalance will always manifest as a crisis. Not because extreme events are occurring more frequently, but because the ecological structure is no longer able to withstand the pressure.

This situation is exacerbated by the fact **that law enforcement is insufficient to deter the risks produced by policy**. Law enforcement is downstream, while spatial decisions and permits are upstream. As long as the legal construct continues to place permits as the primary protection, rather than as an object of systematic and measurable evaluation, the law can only regulate the consequences, not prevent the causes.

In conclusion, **Indonesia is in a phase where ecological limits have become political limits**, not the other way around. Forest destruction, watershed degradation, and spatial vulnerability now determine the extent to which development ambitions can be realized. When carrying capacity collapses, the state not only faces disaster, but also pressure on the legitimacy of its own policies.

This reflection shows that the direction of future development is no longer determined by how much space is available for exploitation, but by **how much space is still capable of sustaining life**. The year 2025 warns that without a change in orientation, the risks will not diminish. Instead, they will emerge in forms that are increasingly large, increasingly costly, and increasingly difficult to control.



Endnotes

- [1] Various environmental organizations and academics have also voiced these concerns. See Fadli Ahmad Naufal, Sadam Afian Richwanudin, and Riza Egi Arizona, *Expansion Without Reflection: Criticism of the 20 Million Hectare Land Clearance Policy* (Jakarta: Yayasan Madani Berkelanjutan, 2025), accessed December 22, 2025, <https://madaniberkelanjutan.id/wp-content/uploads/2025/05/MADANI-Insight-Ekspansi-Tanpa-Refleksi-Kritik-atas-Kebijakan-Pembukaan-lahan-20-Juta-Ha-Final.pdf>. See also Jelita Agustine, "UGM Experts Urge Government to Review Plan to Clear 20 Million Hectares of Land," Gadjah Mada University, January 16, 2025, p. x, accessed December 22, 2025, <https://ugm.ac.id/id/berita/pakar-ugm-desak-pemerintah-tinjau-ulang-rencana-pembukaan-lahan-20-juta-hektar/>
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- [4] Ministry of Forestry of the Republic of Indonesia, "Indonesia Announces Commitment to 1.4 Million Hectares of Customary Forests at the LCIPP COP30 Forum," Press Release from the Ministry of Forestry, November 15, 2025, p. x, accessed December 22, 2025, <https://www.kehutan.go.id/pers/komitmen-1-4-juta-hektare-hutan-adat-diumumkan-indonesia-pada-forum-lcipp-cop-30>
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- [7] Smoke Haze Victims Disappointed with Palembang District Court Ruling," *Tempo.co*, accessed December 22, 2025, <https://www.tempo.co/lingkungan/warga-korban-kabut-asap-kecewa-putusan-pn-palembang--1905266>
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- [9] Iyvon Sari, "20 Million Hectares of Forest Identified as Potentially Usable for Food and Energy," *Kompas.com – Lestari*, December 31, 2024, p. x, accessed December 22, 2025, <https://lestari.kompas.com/read/2024/12/31/100000286/20-juta-hektare-hutan-diidentifikasi-bisa-dimanfaatkan-untuk-pangan-hingga?page=all>
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^[18] Indicative Burn Analysis (AIT) by MADANI

^[19] Double Claiming is a condition where one unit of emission reduction is claimed by more than one party to achieve their respective mitigation targets, for example, simultaneously by the country of origin as an achievement of its NDC and by a company in another country as fulfillment of its corporate climate target. This concept is described in international carbon integrity literature as one of the main risks of carbon markets without corresponding adjustments (see Schneider & La Hoz Theuer, 2019; Michaelowa et al., 2019; IC-VCM, 2021).

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