



Greening Indonesia

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Executive Summary

Indonesia, despite its rich biodiversity, faces major environmental challenges as the world's second-largest marine plastic polluter. Bali, the nation's tourism hub, struggles with overflowing landfills and plastic waste threatening both nature and the tourism industry. Circular Letter No. 9/2025 bans single-use plastic drink containers under one liter and requires waste separation, aiming to boost sustainability. Community-led models like Taro Village and Ubud Monkey Forest highlight how ethical, environmentally friendly tourism can benefit both people and the planet

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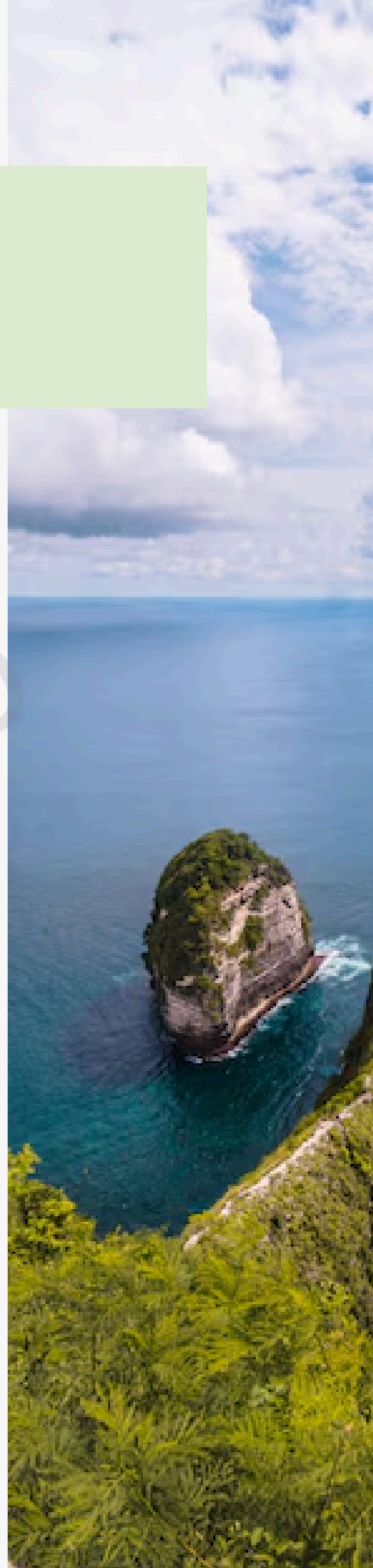
Introduction

INDONESIA STANDS AS ONE OF THE WORLD'S MOST REMARKABLE ENVIRONMENTAL PARADOXES,

This archipelago nation of over 17,000 islands is simultaneously celebrated as a global biodiversity treasure and condemned as an environmental crisis epicenter.

Home to the world's second-highest level of biodiversity, Indonesia harbors approximately 17% of the world's wildlife species, despite occupying only 1.3% of global land area.

The country ranks among the 17 "megadiverse" nations, hosting two of the world's 25 biodiversity hotspots and containing the third-largest area of tropical rainforest after the Amazon and Africa's Congo Basin.



Introduction

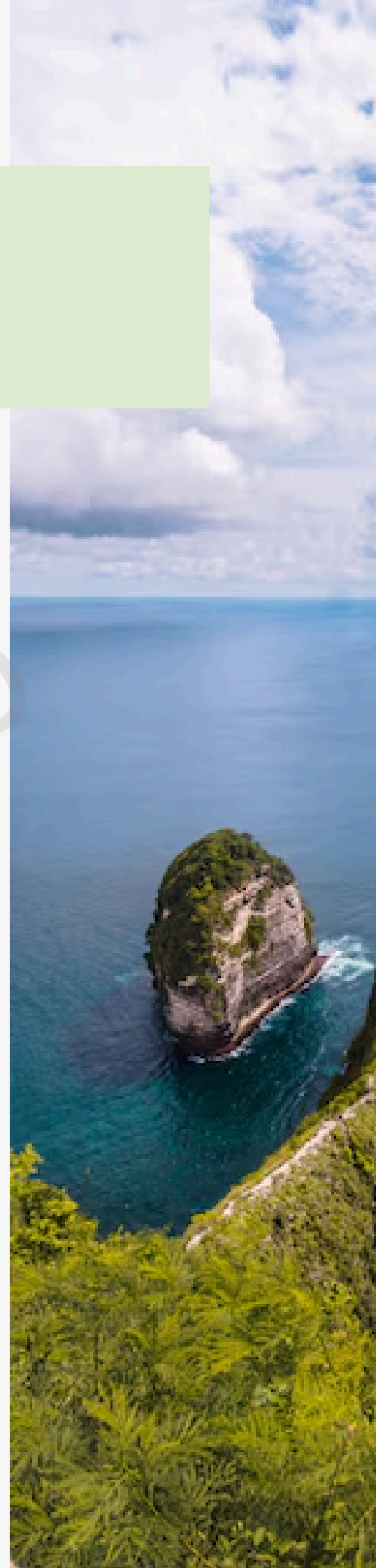
YET BENEATH THIS NATURAL WEALTH LIES A PROFOUND ENVIRONMENTAL CHALLENGE.

Indonesia has been positioned as a global climate crisis focal point, earning the sobering distinction of being the world's third-largest greenhouse gas emitter, primarily due to the systematic destruction of its forests and carbon-rich peatlands.

In **fire* years, Indonesia's daily emissions can exceed those of the entire United States, transforming what should be one of the planet's most important carbon sinks into a massive source of atmospheric greenhouse gases. By 2030, emissions are expected to rise by 30%.

As sustainability becomes a core theme in Indonesia's tourism sector, there is growing momentum to address the environmental challenges that accompany rapid industry growth. Hence, this paper aims to examine the environmental impact of tourism in Indonesia, review current policy responses, and explore innovative solutions for a more sustainable future.

**A fire year is defined as the year in which about twice as many fires occur as the average.*



The Biggest Culprit

INDONESIA IS THE SECOND-LARGEST GLOBAL CONTRIBUTOR TO MARINE PLASTIC AND FOOD WASTE.

Indonesia is the second-largest contributor to marine plastic waste globally, after China, with an estimated 1.29 million metric tons of plastic entering the oceans each year. Tourism hotspots like Bali are particularly affected, with tides of plastic waste regularly washing up on beaches, especially during peak tourist seasons

When it comes to food waste, Indonesia is the largest contributor in ASEAN and ranks second globally for total food waste generation. Much of this waste is generated by hotels, restaurants, and tourism-related businesses.

Hotels and resorts are significant contributors to both plastic and food waste, especially in high-density tourist areas like Bali and Lombok. Furthermore, many tourist destinations unfortunately lack adequate waste management infrastructure, resulting in unmanaged or illegally dumped waste, which exacerbates environmental problems.



Hotels at the Heart of Tourism's Waste Crisis

HOTELS ARE THE LARGEST SINGLE CONTRIBUTORS AMONG TOURISM FACILITIES TO LOCAL LANDFILL WASTE.

While households are the primary source of waste nationally in Indonesia, the situation shifts dramatically in the nation's most popular tourist destinations. In Bali's Badung Regency, for example, star-rated hotels alone generate approximately 32.7 tons of solid waste per day, with food waste making up 40% and plastic waste accounting for 20% of this total.

Indonesia as a whole produces around 64 million tonnes of plastic waste annually, with tourism responsible for roughly **14%** of that figure. The impact is especially visible in Bali, where an estimated 60,000 tonnes of plastic trash washes ashore each year-- much of it linked to tourism activities. Despite national initiatives, recycling rates remain low: only about 10% of waste is recycled nationally, and in Bali, the rate drops to just 5% due to the intense pressure from tourism.

Additionally, the rapid conversion of land for tourism infrastructure is a pressing concern. In Bali, approximately 1,000 hectares of agricultural land are converted annually for hotel and tourism development, further straining local ecosystems and water resources. Hotels are also significant consumers of water, with the average guest in Bali using about 115 litres per day.



Indonesia's Tourism Waste Management Initiatives

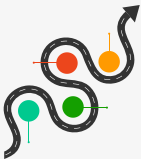
Key Highlights of Indonesia's Tourism Waste Initiatives (2008–2024)

2008: Advent of Waste Management Laws



- Enactment of Law No. 18/2008 on Waste Management, establishing a unified legal framework and introducing producer responsibility principles (Article 20) requiring businesses to use reusable, recyclable, or biodegradable materials.

2012: Issuance of Implementation Laws



- Issuance of Government Regulation No. 81/2012, mandating a 10-year roadmap for gradual waste reduction via improved material and packaging standards.

2017: Ambitious Circular-Economy Targets



- Presidential Decree No. 97/2017 (JAKSTRANAS) set national goals of 30% waste reduction and 70% managed waste **by 2025**, formally integrating circular-economy principles across sectors.

2018: Marine Plastic Action Plan



- Presidential Decree No. 83/2018 launched a national strategy to cut marine plastic debris by 70% **by 2025**, explicitly involving tourism and coastal stakeholders in pollution prevention.

Indonesia's Tourism Waste Management Initiatives

Key Highlights of Indonesia's Tourism Waste Initiatives (2008–2024)

2019: Extended Producer Responsibility Framework



- Ministerial Regulation No. 75/2019 created a binding EPR system covering hotels and restaurants, mandating a 30% reduction in their waste and phase-out of key single-use plastics by 2029.

2021–2022: Green Hotel and PROPER Standards



- Indonesia adopted the ASEAN Green Hotel Standard and expanded its PROPER rating scheme to tourism businesses, publicly grading hotels on waste management, energy use, and community programs.

October 2023: Net-Zero Tourism Roadmap



- In partnership with UNDP, Indonesia committed to a tourism decarbonization roadmap targeting net-zero tourism emissions by 2060, with hotels identified as critical emission and waste-reduction priorities.

November 2024: Landfill Access Restriction

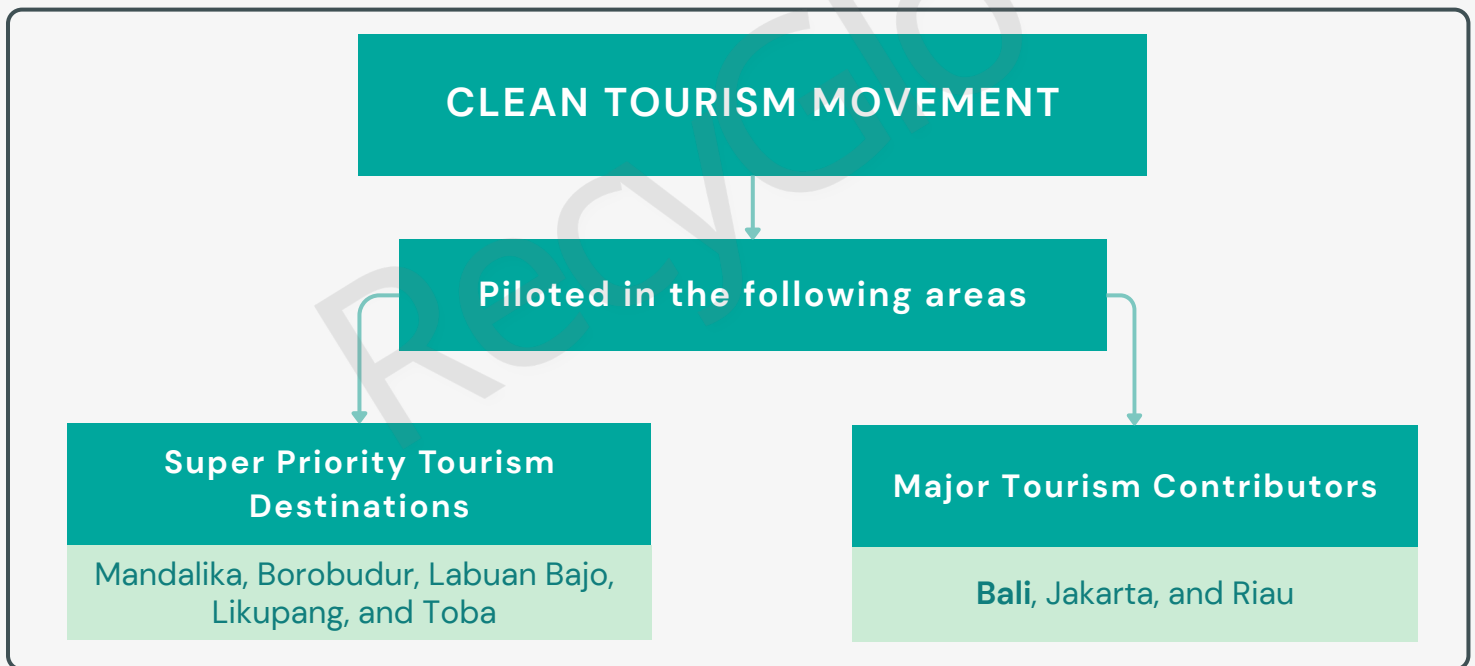


- Bali's main landfill (Suwung TPA) banned waste from hotels, restaurants, and cafes; forcing hospitality operations to develop on-site processing and alternative disposal methods.

Indonesia's Tourism Waste Management Initiatives

2025: Clean Tourism Movement

2025 marked the year of the clean tourism movement, where Deputy Minister of Tourism Ni Luh Puspa declared a nationwide initiative to transform Indonesia's tourism destinations into clean, sustainable environments. The movement was created in response to Indonesia ranking **89th out of 114** in health and hygiene according to the Tourism and Travel Development Index. Pilot programmes were proposed to be held in Bali, Indonesia's premier tourism destination. Bali faced the most severe waste challenges, with 4,281 tonnes of waste generated daily and only 48% properly managed, making the island an optimal testing ground for new regulations.



Key Goals

- Raise hygiene standards and waste management at tourist destinations
- Mobilise communities, businesses, and visitors for sustained cleanliness
- Move Indonesia into the world's top 60 clean tourism destinations

How it Works

- Community clean-up campaigns
- Deployment of new waste processing infrastructure and river/ocean barriers
- Education and outreach to businesses and residents on 3R practices

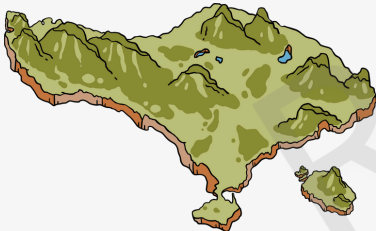
Indonesia's Tourism Waste Management Initiatives

2025: CL 09 / 2025

Circular Letter 09/2025

You will notice in the previous page that the term “Bali” was highlighted. Bali is not only Indonesia’s most iconic tourism destination but also the epicentre of the country’s waste management challenges, with overflowing landfills and mounting plastic pollution threatening both the environment and the tourism industry’s reputation. Up to 80% of Bali’s GDP comes from tourism, culminating in more than 1.2mil tonnes of waste generated yearly. In response to this urgent situation, the provincial government tightened its approach in 2025 by introducing **Circular Letter No. 9/2025**.

BACKGROUND



Bali generates 3,800 to 4,281 tonnes of waste daily.

MAJOR SOURCES OF WASTE ARE INTERCONNECTED



Single-use plastics



Tourism



Population growth



CIRCULAR LETTER NO. 9/2025



Ban on single-use plastic drink containers under 1 litre.



Mandatory Source-based waste separation by Jan 2026.

Violators faced public disclosure and the possible revocation of their business licenses.

These strict measures applied to hotels, restaurants, markets, offices, villages, and schools.

Concerns regarding the Circular Letter

WHILE IT IS TOO EARLY TO DETERMINE THE POSITIVE EFFECTS OF THE LETTER, 3 AREAS OF SKEPTICISM HAVE EMERGED.

Firstly, the Circular Letter No. 9/2025 is **not legally binding**. A letter is not a governor's regulation, gubernatorial decree, or provincial law. Under Law No. 12 of 2011 on the Formation of Laws and Regulations, circular letters unfortunately do not occupy a formal place in Indonesia's hierarchy of binding legal instruments, raising doubts about their legal force and the consistency of enforcement across businesses and local governments.

Secondly, it is **costly** for SMEs to transition from plastic to alternatives such as glass, aluminum, or paper can significantly increase production costs, especially for organisations which tread on thin margins and rely on affordable materials. The Indonesian Employers' Association (APINDO) Bali has publicly criticised the ban on beverage containers under one litre, urging the provincial government to reconsider to avoid unfairly impacting MSMEs and community traders

Thirdly, waste pickers ("pemulung") rely on collecting high-value PET bottles for income, recovering over 80% of Bali's plastic waste. Banning small bottles without bolstering recycling would **risk reducing their livelihoods and shifting waste to less-valuable streams**, rather than reducing total pollution.



Why Businesses Should Still Abide by Circular Letter No. 9/2025

1

Economic Benefits

65% of Indonesian customers prefer green-certified products, creating measurable market advantages for compliant businesses (Rajsanjani, 2025). Companies participating in Indonesia's PROPER (Business Performance Rating on Environmental Management) programme gain access to financial institutions and investors, as banks now require borrowers to have good PROPER ratings.

2

Social Benefits

ESG compliance is becoming more important in Indonesia, where CSR is a key business expectation. Businesses that adopt sustainable practices attract eco-conscious tourists, a crucial advantage in Bali's tourism-driven economy. Public recognition programmes, including awards and certifications under the PROPER programme can also offer tangible reputational benefits.

3

Government Support

The Bali provincial government is investing heavily in waste management infrastructure as part of its goal to be trash-free by 2027. Grants ranging from Rp 500 million to Rp 1 billion are available for customary villages that manage plastic waste effectively, creating a supportive ecosystem for businesses. Recent infrastructure projects totalling IDR 14.7 trillion are expected to boost Bali's GRDP by 9.71%, demonstrating strong government commitment to supporting sustainable business practices.



Successful Case Studies



Taro Village in Gianyar is a model of sustainable community-based tourism managed by locals through Village-Owned Enterprises (BUMDES). It keeps tourism profits within the community, supports jobs, and preserves culture with authentic experiences like ceremonies and rice farming. Taro also leads environmental efforts such as firefly conservation and clean river management, highlighting how tourism can empower communities and protect heritage.

Disclaimer: Mason Elephant Park in Taro Village is fundamentally unethical and unfit as a conservation model due to documented animal welfare abuses. It is thus categorically excluded from any discussion of successful conservation or tourism models.



In the **Monkey Forest**, the sanctuary's approach is considered ethical by ecotourism standards: monkeys are not exploited, their natural behaviours are respected, and all interactions happen on the monkeys' terms, with staff intervening if needed. Profits from ticket sales are fully reinvested in the local community, supporting jobs and conservation. Management is accountable to village residents, ensuring that both animal welfare and community benefit remain central to its operations.

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