



# **SUSTAINABLE COMMODITIES, CONSERVATION AND COLLABORATION**

**Katingan Regency Jurisdictional Investment Outlook 2023**

**JULY 2023**



## **Disclaimer**

Sustainable Commodities, Conservation, and Collaboration: Katingan District Investment Outlook 2023 is based on observations, discussions, and analyses with relevant stakeholders. This first edition is a living document, so additional content may be in subsequent editions.

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# WELCOME REMARK

## SAKARIYAS, SE

The District Head of Katingan

Best wishes to all of us,

Praise and gratitude to God Almighty. Thanks to His grace, we can present the Katingan Regency Investment Outlook 2023 document to all readers.

Katingan Regency will always be attractive in terms of investment. Katingan Regency was formed based on Law No. 05 of 2001. This district has considerable potential for natural resources and land, so it needs to be utilized optimally. The land area of Katingan Regency reaches 20,403 km<sup>2</sup>, divided into various land uses.

Katingan Regency's investment policy is directed to support the policy of "Katingan Conservation for Borneo" on the one hand and increased economic growth for the welfare of the people in a sustainable manner on the other. Therefore, this Katingan Regency Investment Outlook 2023 document is an effort to showcase potential and sustainable investment potential with a jurisdictional approach.

Finally, we would like to thank all parties who have contributed to the preparation of this document. We hope the jurisdictional investment information in this Investment Outlook document can bridge jurisdiction-based sustainable investment growth in Katingan Regency.

Welcome to invest in Katingan.

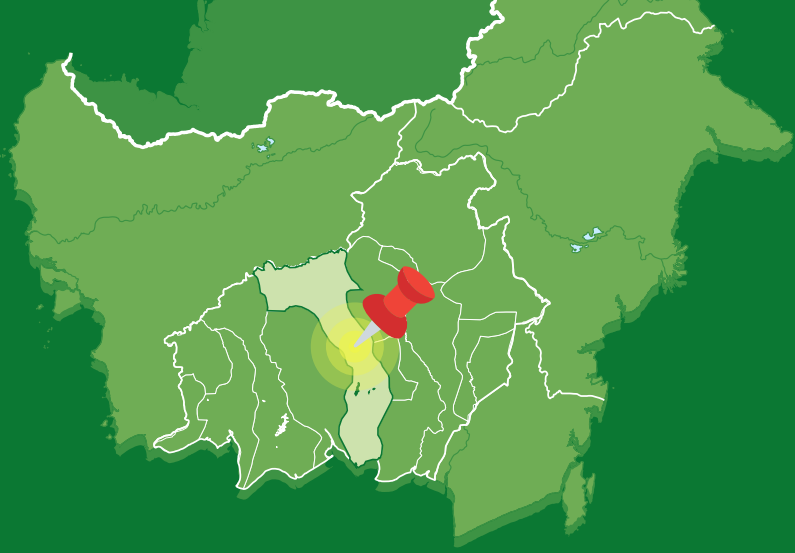


# ACKNOWLEDGEMENTS

Thanks to several institutions that contributed to the preparation of the Katingan Investment Outlook, including:



# ADVANTAGES OF INVESTING IN KATINGAN



**Geographically, Katingan Regency has a very strategic position because it is located in the middle of Indonesia, in the middle of Kalimantan Island, and in the middle of Central Kalimantan Province.**

Katingan District is directly adjacent to the National Activity Centre (PKN) of Palangkaraya City in the 2008-2028 RTRWN. Katingan is an essential buffer of accelerated infrastructure development and economic growth in the PKN.



**Katingan is also very strategic because it is in the area on the Trans Kalimantan route, the axis of transport traffic for goods and services in Kalimantan.**

The development of a primary collector road network from Jalan Tjilik Riwut km 31 to Petak Bahandang in Katingan Regency along 33 km will facilitate the flow of goods and services between Palangkaraya and Katingan.



**Katingan Regency is easily accessible from Jakarta and Palangkaraya.**

From Jakarta, a flight to Palangkaraya takes about 1.5 hours. Traveling by road from Palangkaraya to the capital of Katingan Regency, Kasongan also takes 1 hour to 1.5 hours.



**Post covid-19, Katingan's economy grew to 5.18% in 2022, most of which (26.51%) is supported by the agriculture, forestry, and fisheries sectors, especially oil palm plantations.**

Katingan's aggregate economy (GRDP) at current prices in 2022 reached Rp—9.968 Trillion (US\$ 673.5 million).



**Katingan Regency is in the Demographic Bonus phase, which will support the availability of labor for sustainable investment development.**

In 2022, the productive age population in Katingan Regency (aged 15 - 64 years) was 112,134 people, or around 68% of the total population of Katingan.



**The readiness of jurisdiction-based sustainable investment is supported by two essential policies of Katingan Regency, namely the Katingan Conservation Policy for Borneo and the Katingan Regional Development Plan (RPD) 2024-2026 Goals.**

Katingan Conservation for Borneo is regulated in Perda No. 4/2016, while the Katingan RPD 2024-2026 continues the Katingan RPJMD 2018-2023.



**The Katingan Regency Government is building collaboration through a Local Economic Development (PEL) Forum to accelerate green growth.**

The PEL Forum involves the government, academics, business people, and civil society to strengthen, improve, and develop superior regional products so that they have high competitiveness at the local, national, and international levels.



**Katingan District is one of 9 districts in Indonesia designated by Bappenas as a pilot project for sustainable jurisdictions in 2022.**

This status will support Katingan's position in assessing several indicators to ensure the district's sustainable production of various commodities.

# SUSTAINABLE COMMODITIES, CONSERVATION AND COLLABORATION:

## Katingan Regency Jurisdictional Investment Outlook 2023

**Katingan District has nine sustainable investment initiatives with a jurisdictional approach.** These include agriculture/plantation, social forestry, nature tourism, non-timber forest products, ecosystem restoration and multi-business forestry, and peat conservation in Sebangau National Park.



### Sustainable Palm Oil

Palm oil contributes significantly to Katingan's economic growth. Sustainable palm oil initiatives are driven collaboratively by the government, private sector, and civil society organizations, including strengthening ISPO and RSPO certification, strengthening the capacity of independent smallholders, and reducing deforestation from palm oil areas.



### Sustainable Natural Rattan

Katingan natural rattan is the best rattan in Indonesia. Developing natural rattan commodities requires national revitalization and strengthening of industrialization at the Katingan Regency level.



### Food Crops and Paludiculture

Food crops and paludiculture are Katingan's leading commodities to be developed, including rice, durian, banana, and several other commodities. It is crucial to strengthen good agricultural practices to implement sustainable paludiculture.



### Sustainable Ecotourism

The potential for ecotourism is huge in Katingan as most of the area is forest and peatland. Various parties, including the Katingan District Government, KPHP Katingan Hulu, KPHP Katingan Hilir, the private sector, and civil society, are developing sustainable ecotourism initiatives.



### Social Forestry and Carbon

As of 2023, Katingan District has 23 Village Forest Management Rights (HPHD), 12 Community Forest Management Business Licences (IUPHKm), and 6 Community Plantation Forest Management Business Licences (IUPHTR). Opportunities to be developed are business sustainably strengthening for various SF products.



### Non-Timber Forest Products

NTFPs are one of the critical commodities and have not been widely developed in Katingan. Some types of NTFPs that have the potential to be developed as essential economic commodities are kelulut honey, bamboo, aren palm, essential oils, and extracts.



### Ecosystem Restoration and Forestry Multi-business

One private Ecosystem Restoration company and 4 HTI companies in Katingan (inactive) exist. HTI revitalization is vital to boost Katingan's economic growth.



### Sebangau National Park: Sustainable Peat Conservation

Sebangau National Park is one of Indonesia's largest peat swamp conservation areas, with 568,700 ha. Ecotourism and NTFPs are wide open for collaborative development.



# INTRODUCTION







# INVESTMENT OUTLOOK OBJECTIVES

Katingan Regency Investment *Outlook* 2023 is a tool to promote, inform, and attract domestic and foreign investors to invest in Katingan Regency to support green growth, strengthen the achievement of Sustainable Development Goals (SDGs) targets, and improve efforts to mitigate and adapt to climate change within the jurisdiction of Katingan Regency, Central Kalimantan Province.



## HOW TO USE THE INVESTMENT OUTLOOK?

This Katingan Regency Investment *Outlook* 2023 is a public document. As a public document, it can be accessed by all parties, especially investors interested in developing sustainable investment in the jurisdiction of Katingan Regency.

This document contains investment opportunities for various leading commodities in the district. In addition, this document is supported by information on the geographical, demographic, and socio-economic conditions, infrastructure support, and policies of the Katingan Regency government to support sustainable investment.

This Investment Outlook *is a living document* that develops dynamically, where periodically, the Katingan Regency government will update data and information about the investment potential of superior commodities in this region.

This document also guides investors and stakeholders interested in developing sustainable investments using a jurisdictional approach. Investors and parties need to read and study this document as a whole to understand all the *enabling conditions* and information on various superior commodities that have the potential to be developed.



# INVESTMENT WITH JURISDICTIONAL APPROACH



**The jurisdictional approach is an approach to sustainable investment within the administrative boundaries of district governments with the involvement of stakeholders.**

*The Little Sustainable Landscape Book describes the jurisdictional approach as a type of landscape approach that uses government administrative boundaries, primarily subnational, to define the scope of action and involvement of stakeholders. Thus, the district government is the main stakeholder in developing a jurisdictional approach supported by various other parties, including the private sector and civil society, collaboratively.*



**Investors will get more substantial business certainty with the jurisdictional approach due to the support of the district government as the main person in charge of the jurisdiction, as well as the support of other stakeholders.**

The central role of local governments in the jurisdictional approach provides business certainty to investors. On the other hand, investors can collaborate with communities, civil society organizations, and various international institutions to strengthen sustainability investment initiatives within the jurisdiction.



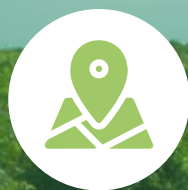
**The jurisdictional approach allows for developing sustainable investments that contribute to a green economy and growth.**

Sustainable investment under the jurisdictional approach works with strong policy support from district governments, infrastructure development, commodity development, and ecosystem sustainability. The jurisdictional approach aligns investment objectives for growth and how encourages responsible investment while remaining within the framework of resource sustainability, ecological protection, and inclusive processes.



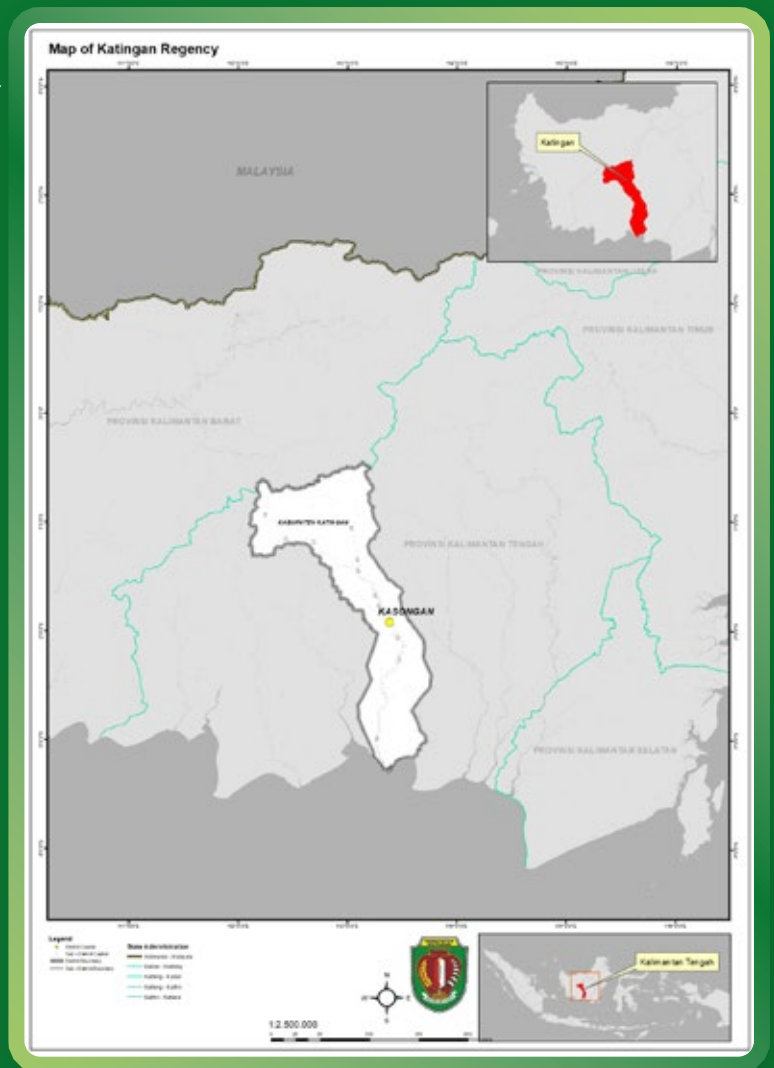
**Funding for sustainable investment in jurisdictions can be consolidated from various *blended finance* sources.**

These blended finance sources can come from public funding (APBN, APBD), grants (domestic and foreign), and philanthropic funds, which can be used to strengthen sustainable investment initiatives by the private sector/investors in the jurisdiction. This blended financing can reduce investment risk on the one hand and increase stakeholder support in promoting sustainability on the other.



# **KATINGAN AS A STRATEGIC INVESTMENT AREA**

# GEOGRAPHICALLY STRATEGIC



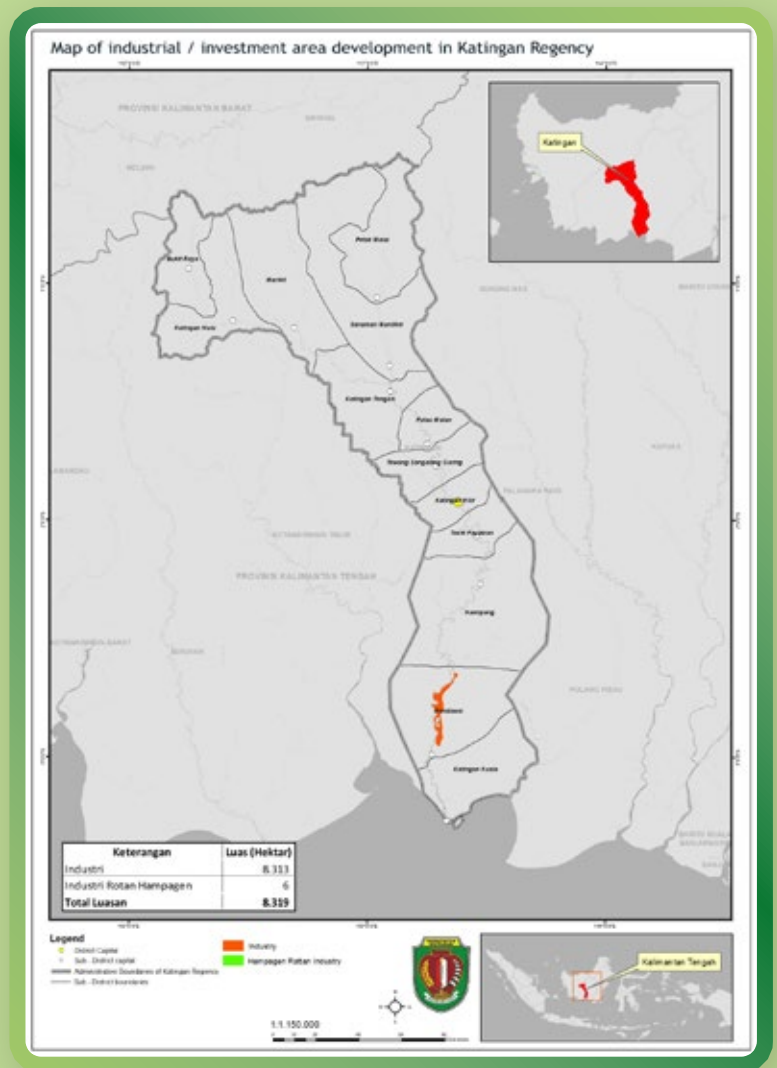
Geographically, Katingan Regency has a very strategic position because it is located in the middle of Indonesia, in the middle of Kalimantan Island, and the center of Central Kalimantan Province. Geographically, the district is located in the position of 0°20' to 3°38' LS and 112°00' to 113°45' East. Katingan Regency is also very strategic because it is on the Trans Kalimantan route, the axis of transport traffic for goods and services in the Kalimantan region. Katingan Regency has 13 sub-districts, 154 villages, and seven sub-districts.

Katingan Regency has an area of 20,410.90 km<sup>2</sup> with great potential in natural and land resources. These potentials are the principal capital in driving a green and sustainable economy. 35.6% of Katingan District's area, or 725,934 ha, is peatland.

Katingan Regency is easily accessible from Jakarta and Palangkaraya. From Jakarta, a flight to Palangkaraya takes about 1.5 hours. A road trip from Palangkaraya to the capital of Katingan Regency, Kasongan, also takes about 1 hour to 1.5 hours with a distance of 88 km.

Katingan Regency is flanked by two National Parks: Bukit Baka Bukit Raya National Park and Sebangau National Park. Bukit Baka Bukit Raya National Park is located in the northern part of Katingan with an area of 126,400 ha, and Sebangau National Park is located in the southern part of Katingan with 324,680 ha.

# ECONOMY CONTINUES TO GROW



Despite being hit by the covid-19 disaster, **Katingan's economy continued to grow up to 5.18% amid the recovery process carried out by the current Katingan Government.** In 2020, the Katingan economy experienced a contraction due to covid-19, with growth of -3.25. However, the Katingan economy experienced positive growth to 2.9% in 2021 and improved to 5.58% in 2022.

**Most of Katingan's economy (26.51%) is supported by the contribution of the agriculture, forestry, and fisheries sectors, especially oil palm plantations.** Katingan's aggregate economy (GRDP) at current prices in 2022 reached Rp. 9.968 Trillion or US\$ 673.5 million. Other sectors that contributed the most to Katingan's economic growth in 2022 were the processing industry (17.02%) and the construction sector (12.55%).

**Katingan's Regional Original Revenue (PAD) shows significant growth yearly.** The realization of Katingan Regency PAD in 2022 reached 112 billion rupiahs, an increase compared to 2021 67 billion rupiahs. This considerable growth in PAD shows that the economic recovery process is going well.

# WELFARE AND DEMOGRAPHIC BONUS

**The Katingan Regency Government continues to make various efforts to improve community welfare.** The GRDP per capita of Katingan Regency in 2018 was IDR 44.9 million and increased to IDR 60.8 million (US\$ 4,108) in 2022. Through a green and sustainable economic growth strategy, GRDP per capita is expected to continue to grow in the coming years and is projected to be above \$6,000 per person per year by 2035.

**Katingan Regency has superior human resources that support green and sustainable economic growth.** The population of Katingan in 2022 is 163,989 people, consisting of 85,089 men and 78,900 women. The population growth of Katingan Regency from 2020-2022 is 0.55%.

**Katingan Regency is in the Demographic Bonus phase.**<sup>1</sup> In 2022, the productive age population in Katingan Regency (aged 15 - 64 years) was 112,134 people, or around 68% of the total population of Katingan. This demographic bonus is a significant source of labor in supporting green and sustainable economic growth in Katingan.

**The number of poor people in Katingan has increased slightly in recent years.** The increase in the number of poor people is a future challenge for the Katingan District Government. In 2022, Katingan's poverty rate was 5.5%, or 9,710 people below the poverty line. This figure is an increase compared to 2021 of 5.25% and 2020 of 4.79%.

**Katingan Regency has a medium to high HDI.** The Katingan Regency Government continues to strive to improve the quality of human development. Katingan's Human Development Index (HDI) in 2022 is 69.74, an increase from 2021 68.89. This figure shows that Katingan's HDI is heading toward high, where in 2030, it is expected to be above 75. Meanwhile, the HDI of Central Kalimantan Province in 2022 was 71.63.



Farmers harvesting rice in the rice field [Mokhamad Edliadi/ CIFOR, Flickr]

<sup>1</sup> A demographic bonus is a situation where the population in the productive age (15-64 years) is more than the population in the non-productive age.

# INFRASTRUCTURE SUPPORT

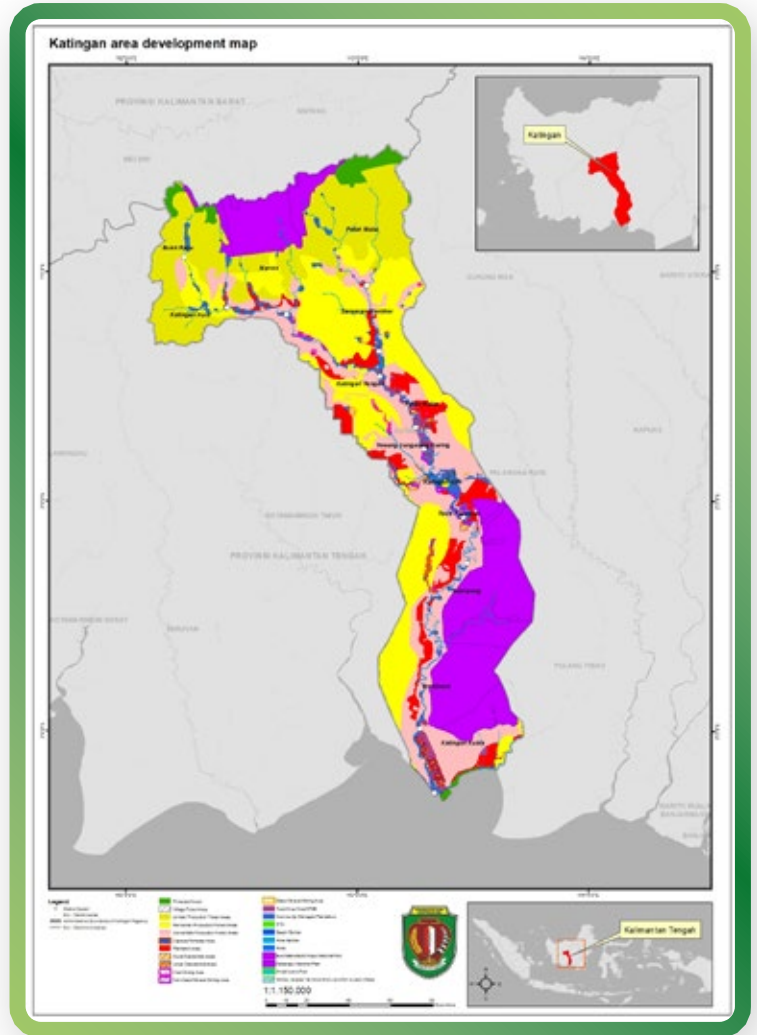


Streets in the Capital of Katingan Regency [Kaltimtimes, 2023]

**Katingan Regency is strategically located because it is directly adjacent to the National Activity Centre (PKN) of Palangkaraya City.**

The PKN Palangkaraya is included in the National Spatial Plan (RTRWN) 2008-2028. Thus, Katingan is an essential buffer for accelerating infrastructure development and economic growth of the PKN to support sustainable economic growth.

**The government developed a 33 km primary road network from Tjilik Riwut Road km 31 to Petak Bahandang in Katingan Regency.** This road development will facilitate the transport of goods and services between Palangkaraya and Katingan. Moreover, the cross-Kalimantan road between Palangkaraya and the capital of Katingan



(Kasongan) is already excellent and smooth, so it significantly supports the development of sustainable investment in Katingan.

**The Katingan Regency Government guarantees the availability of electricity and clean water to support sustainable investment.** PLN guarantees the availability of electricity for the development of new investments in Katingan Regency. In general, the electrification ratio of Katingan Regency reaches 68.73%. In addition, PDAM Katingan also continues to improve clean water services for communities and industries in the region.







# BLENDING FINANCING FOR JURISDICTIONAL INVESTMENTS

## **Several studies<sup>2</sup> prove that blended finance is the most appropriate financing strategy for sustainable investment with a jurisdictional approach.**

*Blended finance is the use of catalytic capital from public or philanthropic sources to increase private sector investment in sustainable development.*<sup>3</sup>

Blended finance attempts to use public and philanthropic funds to leverage and mobilize additional private investment financing to support sustainable development. Sources of public finance include government financing, bilateral and multilateral financial assistance, and public-private partnerships. At the same time, philanthropic funds can be used to support sustainability missions carried out by the private sector through grants, heavily subsidized loans, etc.

**Blended finance is suitable for preparing the enabling conditions for sustainable investment with a jurisdictional approach.** The prerequisite conditions for sustainable investment with a jurisdictional approach need to be well prepared, including district government policy support for the jurisdictional approach, commitment of the district government and stakeholders, capacity building of the government and stakeholders, and building a shared commitment of the government, private sector and other parties on the importance of the jurisdictional approach in supporting sustainable investment. Typically, philanthropic funds in the form of grants tend to be more efficiently utilized to prepare the prerequisite conditions for implementing a jurisdictional approach.

**The Katingan District Government supports blended finance schemes for jurisdiction-based sustainable investment.** Jurisdiction-based sustainable investment is already part of the Katingan District Government's green growth strategy. Preconditions to support the implementation of jurisdictional investments are supported through public financing from the Katingan District Government and philanthropic financing by several civil society organizations, such as WWF Indonesia, Palangkaraya University, and others. The Katingan District Government also prepares jurisdictional investment processes and procedures through the Investment and One Stop Integrated Service Office, which makes investment processes and procedures more accessible, concise, and efficient.

2 See several studies on blended finance, such as (1) Credit Suisse, WWF, and McKinsey and Company, 2014. *Conservation Finance: Moving beyond donor funding towards an investor-driven approach*. Credit Suisse, World Wide Fund for Nature International, and McKinsey and Company; (2) Blended Finance Taskforce, 2018. *Better Finance Better World: Consultation Paper of the Blended Finance Taskforce*. Business and Sustainable Development Commission and SystemIQ, London; (3) Shames, Clarvis, and Kissinger, 2014. *Financing Strategies for Integrated Landscape Investments: Synthesis Report*. EcoAgriculture Partners on behalf of the Landscapes for People, Food and Nature Initiative, Washington, DC.

3 <https://www.convergence.finance/blended-finance>, downloaded on 23 June 2023.



# INVESTMENT OPPORTUNITIES IN KATINGAN

## **Katingan Regency continues to improve in strengthening sustainable economic growth and realizing the vision of “Katingan Conservation for Borneo”.**

This vision is a form of commitment from the Katingan District Government and the entire community to support a balanced development strategy between growth and sustainability.

### **Currently, there are nine sustainable investment initiatives in Katingan District.**

These are sustainable palm oil, sustainable rattan, food crops and paludiculture, sustainable ecotourism, sustainable rubber, social forestry, non-timber forest products, ecosystem restoration, and multi-business forestry, and Sebangau National Park for ecotourism and sustainable peat management.

### **Land-based investment in Katingan Regency combines 35.6% peatland and the rest non-peat mineral land.**

Sebangau National Park is the largest peat swamp conservation area in Indonesia. Meanwhile, non-peat lands are developed for a variety of different jurisdictional investments.

### **Palm oil is the district’s most important commodity, contributing the most (26.51%) to the district’s economic growth.**

Therefore, sustainable palm oil management must receive significant attention from all parties through certification and implementation of good agricultural practices.



Further information on various jurisdiction-based investment initiatives in Katingan Regency can be communicated through the contact person:

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Peat Forest in Katingan Regency [Nanang Sujana/CIFOR, Flickr]

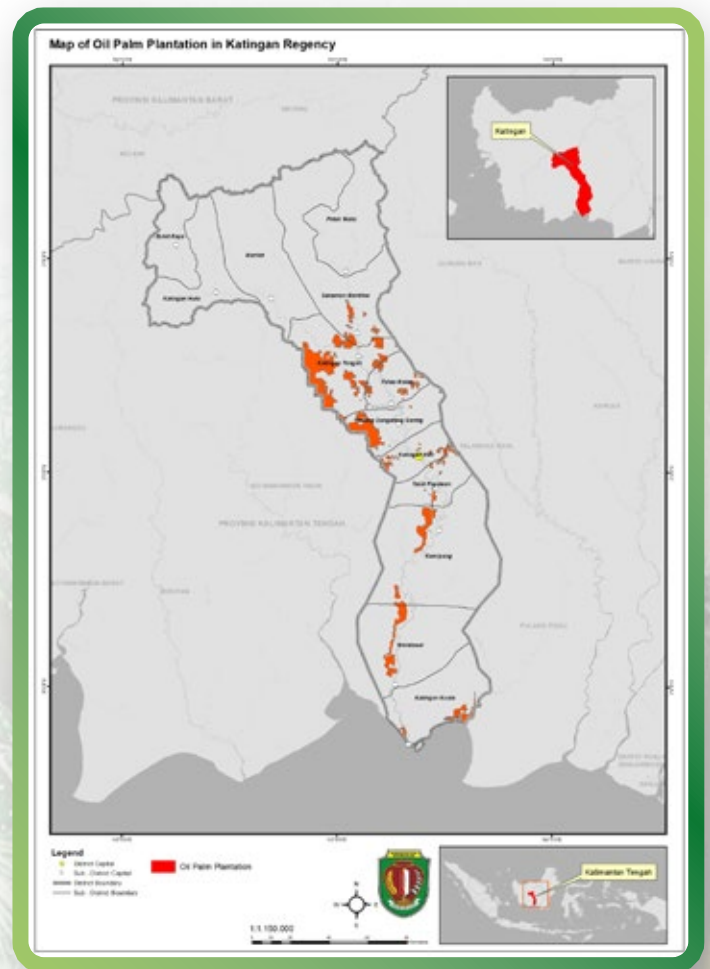
# SUSTAINABLE PALM OIL

## OVERVIEW

Palm oil is one of the essential commodities contributing 26.51% to the economic growth (GRDP) of Katingan in 2022. Katingan Regency has 139,704 ha of private oil palm plantations managed by 12 companies and 17,168.44 ha of independent oil palm plantations managed by 5,878 independent smallholders.<sup>4</sup> The sustainable palm oil initiative is a collaboration between the Katingan government, private palm oil corporations and several civil society organisations to support Katingan District's vision: **"Katingan Conservation for Borneo"**.

The Katingan District Government and stakeholders are making various efforts to strengthen this sustainable palm oil initiative, including encouraging RSPO and ISPO certification for private palm oil and facilitating independent smallholders to register their independent palm oil cultivation businesses through STDB (Surat Tanda Daftar Budidaya). Therefore, capacity building of stakeholders, and strengthening multi-stakeholders platforms are essential agendas for the Katingan District Government in strengthening sustainable palm oil.

<sup>4</sup> Data from Katingan District Food Security and Agriculture Office, 2023.





## Information Programme

- The Katingan District Government continues to strengthen multi-stakeholder collaboration to realize the vision of Katingan Conservation for Borneo in the palm oil sector.
- Strengthen sustainable palm oil management for nine oil palm Plantation Business Permit (IUP) holders covering 104,576 ha to obtain ISPO or RSPO certification, and make three oil palm IUP holders who have obtained ISPO certification covering 35,128 ha as *benchmarks*.
- The Katingan government has issued cultivation registration letters (STDB) to 55 independent smallholders and one independent farmer group (KT Tenera) covering 611.6 ha.
- It provides capacity building for 5,878 independent smallholders covering 17,168.44 ha to obtain STDB as one of the requirements for independent palm certification.
- The Katingan government has facilitated 55 independent smallholders and one farmer group (KT Tenera) who have received STDB to obtain ISPO certification on 611.6.



## Social and Environmental Impacts

- Employing 5,878 independent smallholders.
- Employing 10,000 workers in private palm oil companies.
- Resolve tenurial conflicts in oil palm plantation areas using the TORA and customary approaches.
- Supporting habitat conservation and protection of 13,092 Orang Utan individuals in the Sebangau-Katingan Landscape.<sup>5</sup>
- Protecting Peat Hydrological Areas, especially peat domes covering 264,242 ha.
- Maintain the water level at an ideal distance between the surface of the peat soil and the water table at a depth of 25cm to 40cm.<sup>6</sup>
- Implemented *good agricultural practices* in 17,168.44 ha of independent oil palm.
- Protecting protected forest areas of 54,690.7 ha (within KPHP Katingan Hulu) and 3,739 ha (within KPHP Katingan Hilir).

<sup>5</sup> WWF Indonesia compilation data, 2023.

<sup>6</sup> Research by Nurhalimah, Ruslan, and Suyanto, (2021), Groundwater Level Analysis and Mapping in Peatlands of Liang Anggang Protected Forest Area, South Kalimantan, *Journal of Silva Scientiae*, Vol. 4 No. 4, p. 755. 755.



## Governance

Strengthening jurisdiction-based sustainable palm oil investment is conducted collaboratively by the Katingan District Government (Bappedalitbang, Investment, and PTSP Office, and Food Security and Agriculture Office), private palm oil companies, independent palm oil smallholders, and supported by development partners including civil society organizations (WWF Indonesia, Javlec, TFLC, Hukatan, Elpam), banking institutions, certification bodies, and palm oil business associations.



## Development Opportunities

- Sustainable palm oil investment development is still wide open in Katingan, including building a new Palm Oil Mill (PKS).
- The collaboration of sustainable palm oil investment with independent smallholders is also wide open in increasing the productivity of independent palm oil, which is currently only 2.25 tonnes of FFB per ha.
- Encourage the target of 100% ISPO/RSPO certification for oil palm companies by 2030.
- Prepare 5,878 independent smallholders to obtain STDB and ISPO certification by 2030.



## Investment Opportunities

**US\$ 36,000,000**

for five years.

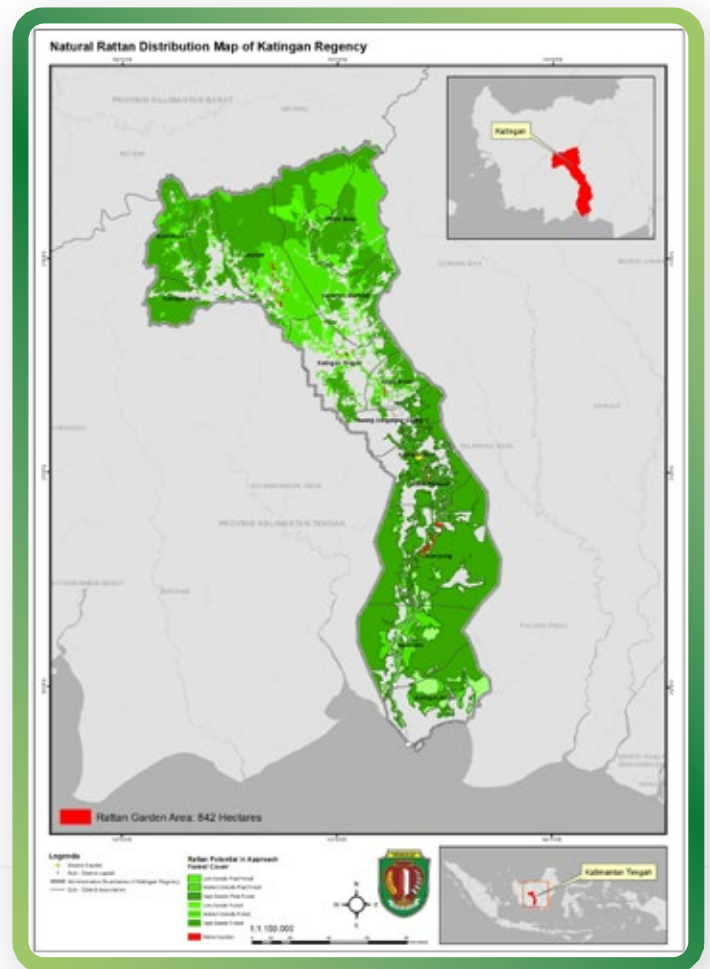
<sup>7</sup> Data from Katingan District Food Security and Agriculture Office, 2023. Research by Evizal et al. (2021) mentioned that the highest productivity of private oil palm in Indonesia is 19.7 tonnes of FFB per ha.

# SUSTAINABLE NATURAL RATTAN

## OVERVIEW

For a long time, rattan has been one of the mainstay commodities of the Katingan Regency. Rattan from Katingan is one of the best quality rattan in Kalimantan. The total area of asalan rattan in Katingan reaches 325,000 ha, with a potential of 7,000 - 8,000 tonnes per year.<sup>8</sup> While in the KPHP Katingan Hulu area, there is an area of 190,118 hectares of asalan rattan, with a potential production of 593,173 tonnes, with an average harvest of 3.12 tonnes/hectare.<sup>9</sup>

Currently, the Katingan Regency Government is re-strengthening the position of rattan as a mainstay commodity.<sup>10</sup> This position is implemented through regional policies, budget allocations to strengthen the capacity of rattan farmers and market strategies through the development of rattan processing industries in Katingan.<sup>11</sup>



- 8 Lisman Sumarjani, Rattan Studies in Katingan, Central Kalimantan, Indonesian Rattan Foundation, 2011, p. 22.
- 9 Forest Management Study Report on Katingan Landscape in KPHP Unit XVII Area, Central Kalimantan Province, Central Kalimantan Provincial Forestry Service, 2020, pp. 24-26.
- 10 The rattan business in Katingan began to fade since the issuance of the export ban policy by the government in 2004 with the issuance of Minister of Industry and Trade Decree No. 355/MPP/Kep/5/2004 dated 27 May 2004.
- 11 So far, the supply of rattan raw materials for the national industry is 120,000 tonnes/year. Rattan industries are mainly located in Java (WWF and Penala study, 2022).





## Information Programme

- The total area of asalan rattan in Katingan reaches 325,000 ha. Specifically in the upstream Katingan KPHK area, the area covered by rattan is around 190,118 hectares, with a potential production of 593,173 tonnes or 3.12 tonnes per ha.
- Katingan rattan species come from (1) forest areas (around 49%) such as Tatuwu rattan, Bujungan rattan, Lilin rattan, and Manau rattan; (2) rattan derived from fields (around 41%) such as Sigi rattan and Irit rattan; and (3) rattan that lives in forest areas and is cared for by the community (around 10%) is the Manau rattan species.
- Establishing promotional centers for developing the Katingan rattan industry in various strategic locations in Jakarta and Palangkaraya, including being actively involved in superior commodity promotion activities by various parties.
- There are two industrial rattan development sites in Katingan, each covering 100 ha.



## Social and Environmental Impacts

- Employed approximately 5,000 rattan farmers.
- Create new employment opportunities for 3,000 workers through the development of a rattan industry in Katingan by 2030.
- Provide a multiplier effect of economic improvement to the people of Katingan Regency from the development of the rattan industry.
- Reducing land conversion and deforestation from forest land to palm oil due to low prices.
- Supporting habitat conservation and protection of 13,092 Orang Utan individuals in the Sebangau-Katingan Landscape.
- Contributing to the conservation of the 122,822.10 ha Bukit Baka Bukit Raya National Park through the development of rattan as an NTFP in the national park's buffer zone.
- Protecting protected forest areas of 54,690.7 ha (within KPHP Katingan Hulu) and 3,739 ha (within KPHP Katingan Hilir).



## Governance

Natural rattan management is carried out by the community, both rattan that grows in forest areas and grows in community gardens. The Katingan Regency Government, KPHP Katingan Hulu, and KPHP Katingan Hilir assist communities in capacity building, improving trade and supply chains. Some civil society organizations such as WWF Indonesia support increasing the capacity of rattan farmers, improving rattan market information, and conducting various research to support the Katingan Government in developing policies and strategies to strengthen rattan as Katingan's flagship commodity.



## Development Opportunities

- The Katingan Regency Government is revitalizing rattan as a superior commodity through various strategies, including attracting investors to build a rattan processing industry in Katingan Regency to bring the industry closer to rattan producers.
- Sustainable rattan investment is still open to development in Katingan, with raw rattan production capacity reaching 593,173 tonnes.
- The Local Economic Development Forum (FPEL) plays a role in strengthening rattan as a superior commodity with high competitiveness.
- Provision of investment support infrastructure facilities in Katingan Regency to facilitate the development of the Katingan rattan industry.



## Investment Opportunities

**US\$ 25,000,000**  
for five years.

12 WWF Indonesia data, 2023.

# SUSTAINABLE FOOD CROPS AND PALUDICULTURE

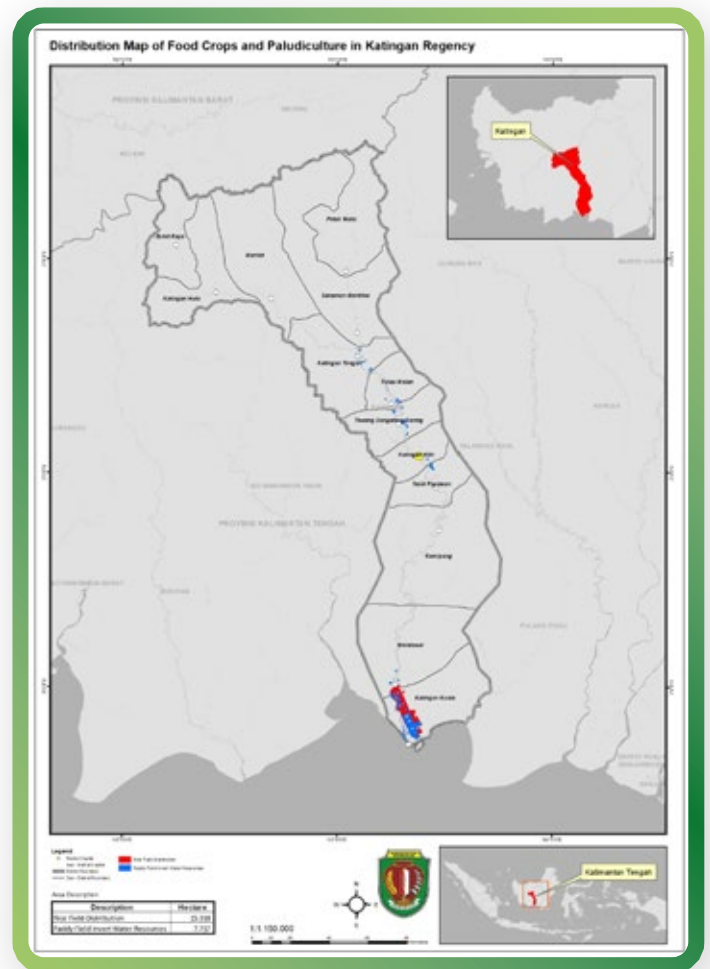
## OVERVIEW

**Paludiculture is the cultivation of crops without drainage on wet peatlands. Katingan Regency has 725,934 ha of peatland. This peatland covers 35.6% of the total area of Katingan District, which is 2,039,370 ha.** Of this area, 461,693 ha of non-peat domes can be used for paludiculture purposes. Katingan Regency has an agricultural area for food crops of 26,691.18 ha and a horticultural area of 102.47 ha.<sup>13</sup>

In the Katingan Regional Development Plan (RPD) 2024-2026, the Katingan Regency Government has set six types of superior food crops, namely rice, durian, banana, chilli, corn, and shallots.<sup>14</sup> Meanwhile, in the Katingan Local Economic Development Masterplan 2023, four regional superior commodities were determined: rice, rattan, durian, and processed fish. Out of some superior commodities, three commodities will be discussed as part of paludiculture: rice, durian, and bananas.

<sup>13</sup> Data in Katingan District RTRW 2019-2039.

<sup>14</sup> See Katingan District Regional Development Plan (RPD) 2024-2026, pp. VI.30 - VI.36.





## Information Programme

- **Rice.** The rice area in Katingan is 11,024.34 ha, with total production in 2022 of 30,541.05 tonnes with productivity of 27.7 tonnes per ha.<sup>15</sup> The government has built an irrigation network for barns in Katingan I.
- **Durian.** As a leading commodity, Katingan's durian production in 2019 reached 184.37 tonnes, then decreased to 53.03 tonnes in 2020, and 69.61 tonnes in 2021.<sup>16</sup>
- **Bananas.** As one of the leading commodities, banana production reached 90.53 tonnes in 2016, 124.57 tonnes in 2017 and 42.63 tonnes in 2018.<sup>17</sup> Banana utilization in Katingan is still fresh fruit, not yet developed into industrially processed products.



## Social and Environmental Impacts

- Employed 2,500 farmers.
- Implement good agricultural practices in the development of food crops and paludiculture.
- Protecting peat areas from fire and damage, significantly 461,693 ha of non-peat domes and 264,242 ha of peat domes for conservation.
- Maintain the water level at the ideal distance between the peat soil surface and the water table at 25 cm to 40 cm.



## Governance

The Katingan District Government, through the Food Security and Agriculture Office, provides guidance and capacity building to food crop and paludiculture farmers. The Local Economic Development Forum (FPEL) assists with product development and market access. WWF West Kalimantan supports the Katingan District Government in developing sustainable food crops and paludiculture in peat areas.



## Development Opportunities

- Rice, durian, and banana commodities are still open to development in Katingan Regency.
- Durian and banana are still managed traditionally and have not been developed into processed industrial products. Therefore, investment in developing a banana and durian processing industry is still open in this region.
- Expanding market access to other regions in Kalimantan Island and Indonesia for marketing banana and durian processed industrial products.



## Investment Opportunities

**US\$ 10,000,000**

for five years.

15 Katingan Data in Figures 2023, p. 197.

16 Katingan Data in Figures 2023, p. 240.

17 Central Kalimantan BPS data for 2016, 2017, and 2018. There is no recent data until 2022.

# SUSTAINABLE ECOTOURISM

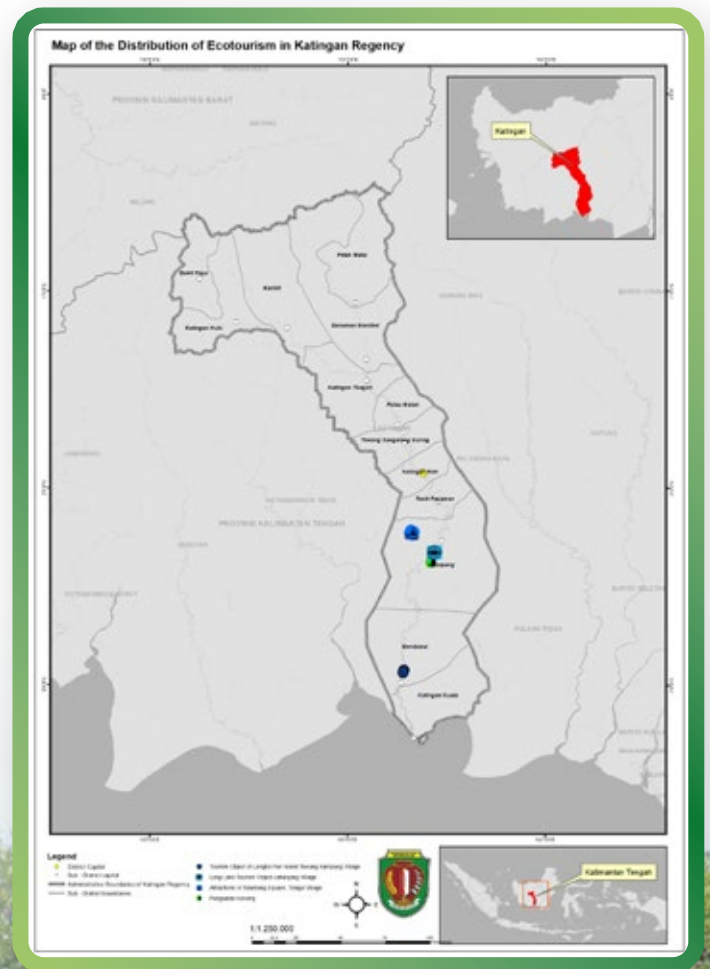
## OVERVIEW

**Ecotourism is one of the sustainable economic potentials growing in Katingan Regency.**

Ecotourism can be developed based on the beauty of the natural landscape or the potential in the villages, including the cultural specialties of the community. To strengthen this ecotourism, the Katingan Regent issued Regent Regulation No. 17 of 2022 concerning implementing Tourism Villages.

The development of ecotourism is also in line with the vision of Katingan Regency: “Katingan Conservation for Borneo” and the motto: “Kasongan Green City”.<sup>18</sup> The potential for ecotourism in Katingan Regency is enormous. Therefore, the development of ecotourism will help in enhancing local economic growth on the one hand and strengthen the conservation of mangroves and national parks in the district.

18 This vision and motto were established through the Katingan Regency Regional Regulation No. 34 of 2014 concerning the Katingan Regency Environmental Vision and the Kasongan City Motto.





## Information Programme

- In the capital city of Kasongan, several ecotourisms are managed by the district government, namely Bukit Batu, Katingan Botanical Garden, and RTH of the Katingan Regent's Office.
- The Katingan District Government facilitated the preparation of masterplans for four ecotourism villages, namely Danau Panjang ecotourism in Jahanjang Village, Alun Alun Tarantang ecotourism in Telaga Village, Galugur Talali ecotourism in Karuing Village, and Langka Puri Island ecotourism in Tewang Kampung Village.
- In the KPHP Katingan Hulu area, ten potential ecotourisms need to be developed, namely (1) Lake Mere, (2) Temanggung Tuyang Waterfall, (3) Musang Waterfall, (4) Susun Jahawen waterfall, (5) Sahai Awun waterfall, (6) Batu Kuli waterfall, (7) Riam Mangkikit, (8) Riam Samaya, (9) Riam Jerawi, (10) Riam Pajaan Tingang.<sup>19</sup>
- Within the KPHP Katingan Hilir area, several potential ecotourisms are to be developed, such as Damar Island Beach, Satiruk Beach, and Riam Mangkikit.<sup>20</sup>
- Ecotourism in Bukit Baka Bukit Raya National Park is a conservation area in the northern region of Katingan Regency.



## Social and Environmental Impacts

- Employing communities in 4 villages that already have an ecotourism masterplan.
- Create around 1,500 new jobs in the nature ecotourism sector if further developed by 2030, especially the tourism potential found in the KPHP Katingan Hulu and KPHP Katingan Hilir areas.
- Provide a multiplier effect of economic improvement to the residents of Katingan Regency from ecotourism development.
- Supporting habitat conservation and protection of 13,092 Orang Utan individuals in the Sebangau-Katingan Landscape.
- Protecting 264,242 ha of peat domes for conservation and freshwater reservoirs.
- Maintain the water level at the ideal distance between the peat soil surface and the water table at 25 cm to 40 cm.
- Protecting protected forest areas of 54,690.7 ha (within KPHP Katingan Hulu) and 3,739 ha (within KPHP Katingan Hilir).
- Contribute to maintaining the 122,822.10 ha Bukit Baka Bukit Raya National Park conservation area through sustainable ecotourism development.

19 Forest Management Study Report on Katingan Landscape in KPHP Unit XVII Area, Central Kalimantan Province, Central Kalimantan Provincial Forestry Service, 2020, pp. 63.

20 RPHJP KPHP Katingan Hilir 2018-2027, p. 61.



## Governance

Several ecotourism areas are managed directly by the Katingan Regency Government, KPHP Katingan Hulu and KPHP Katingan Hilir, and Village Governments through BUMDes. Many village-based tourism awareness groups are involved in managing several tourist areas. In comparison, the private sector manages other ecotourism areas. The Katingan Regency Government, KPHP Katingan Hulu, and KPHP Katingan Hilir support capacity building, budget allocation, infrastructure development, and promoting the ecotourism managed by village communities. In contrast, the Bukit Baka Bukit Raya National Park ecotourism is managed directly by the Bukit Baka Bukit Raya National Park Office.



## Development Opportunities

- Opportunities for ecotourism development in Katingan Regency are still open because only a tiny part of the ecotourism potential has been appropriately managed.
- The private sector has great opportunities to develop ecotourism that has not been managed optimally.
- Increase the number of villages that have natural tourism potential to be developed.
- The development of supporting ecotourism infrastructure is built by the government and the private sector.
- Expand the promotion of nature tourism in Katingan to other regions in Kalimantan and Indonesia.



## Investment Opportunities

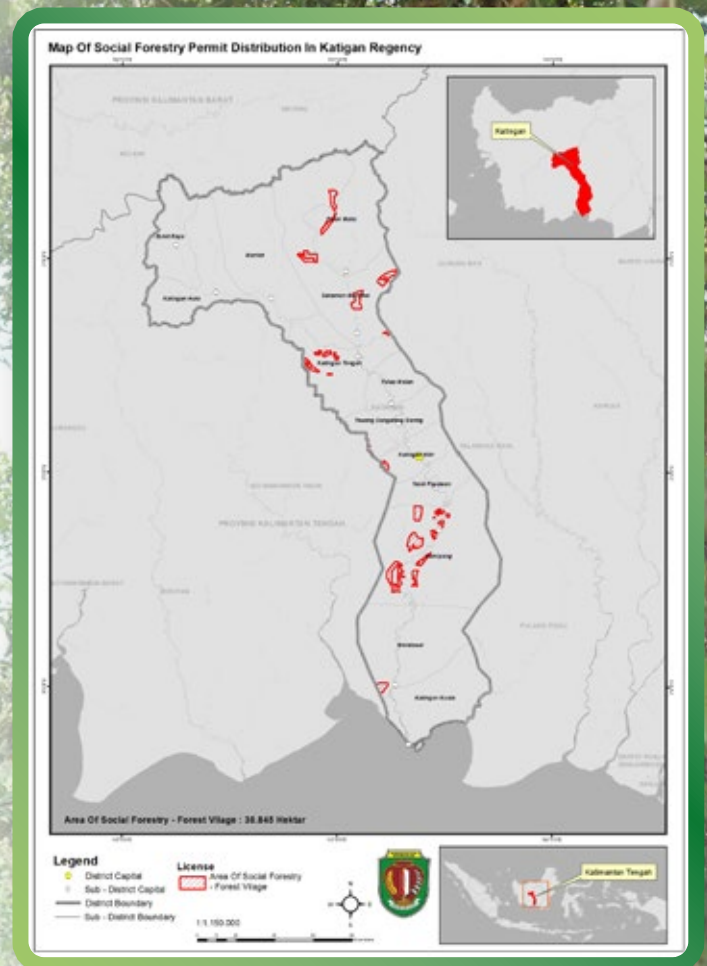
**US\$ 10,000,000**  
for five years.

# SOCIAL FORESTRY AND KARBON

## OVERVIEW

**Social Forestry is a programme to manage state forest areas by communities through some schemes, including Village Forest (HD), Community Forest (HKm), and Community Plantation Forest (HTR).** Various economic and environmental protection potentials can be carried out by local communities through Social Forestry, including the production of non-timber forest products (HHNK), environmental services, and timber production for the HTR scheme.

As of 2023, Katingan District has 23 Village Forest Management Rights (HPHD) covering 70,192 ha, 12 Community Forest Management Business Licences (IUPHKm) covering 17,318 ha, and 6 Community Plantation Forest Management Business Licences (IUPHTR) covering 2,318 ha.<sup>21</sup> In addition, there are three new Social Forestry proposals whose licenses are still in process at the Ministry of Environment and Forestry.



21 Data from Central Kalimantan Social Forestry Forum, 2023.



## Information Programme

- Overall, the Social Forestry area in Katingan reaches 36,828 ha.
- There are 41 Social Forestry licenses in Katingan, consisting of 23 Village Forests, 12 Community Forests, and 6 Community Plantation Forests.
- The economic commodities<sup>22</sup> that could be developed in Social Forestry areas:
  - Production of natural timber, plantation timber (sengon).
  - Non-timber forest products: rattan, honey, rubber, jengkol, petai, mushrooms.
  - Environmental services: nature tourism, clean water, carbon.
  - Silvopasture and agroforestry.
  - Freshwater fisheries.
  - Wood and fruit plant nurseries.
- Several private companies, including PT Wildlife Works Indonesia, have made commitments with village Social Forestry managers for carbon trading.
- The potential carbon stock in one of the Tampelas Forest Village is 25,515 tonnes/ha.



## Social and Environmental Impacts

- Providing employment opportunities to people in 41 villages.
- Provide economic multiplier impacts to the Katingan community from the value chain of Social Forestry products.
- Supporting habitat conservation and protection of 13,092 Orang Utan individuals in the Sebangau-Katingan Landscape.
- Protecting Protected Forest areas within the Village Forest area of 22,762 ha.<sup>23</sup>
- Protecting 17,268 ha of Social Forestry area within KHG (Peat Hydrological Area) of Katingan District.<sup>24</sup>
- Protecting 264,242 ha of peat domes for conservation and freshwater reservoirs.
- Protecting protected forest areas of 54,690.7 ha (within KPHP Katingan Hulu) and 3,739 ha (within KPHP Katingan Hilir).



## Governance

Management of Social Forestry licenses by the community is carried out in several institutional forms, namely Village Forest Management Institution (LPHD), Cooperatives, and Farmer Groups. For business development, Social Forestry Business Groups (KUPS) are formed to run businesses in Village Forests, Community Forest, and Community Plantation Forest areas. The Katingan Government, KPHP Katingan Hulu, and KPHP Katingan Hilir, collaboratively with the Central Kalimantan Social Forestry Forum and WWF Indonesia, provide various supports, including capacity building and economic development of Social Forestry.



## Development Opportunities

- The most significant opportunity in developing Social Forestry is a partnership in developing Social Forestry products with the private sector, both timber products, non-timber forest products, and environmental services in 41 villages.
- Village Forest and Community Forest management opens partnerships with the private sector for carbon trading.
- Providing the capacity building of Social Forestry managers to improve economic productivity and ecological protection.



## Investment Opportunities

**US\$ 22,000,000**  
for five years.

22 Compilation data from Central Kalimantan Social Forestry Forum, WWF Indonesia, KPHP Katingan Hulu, and KPHP Katingan Hilir.

23 Data from Central Kalimantan Social Forestry Forum, 2023.

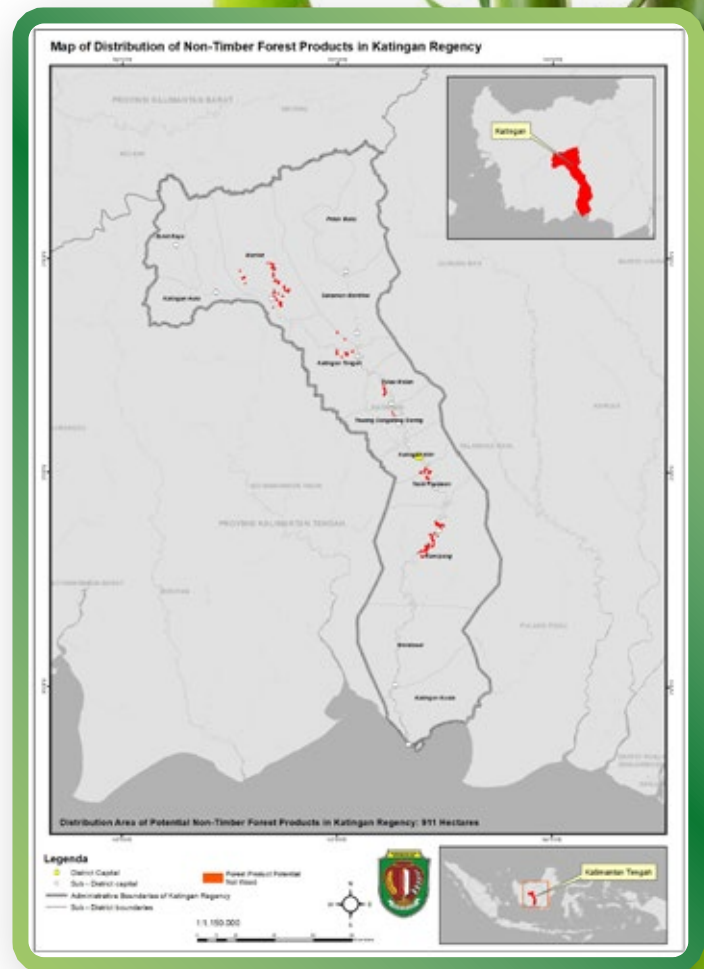
24 Katingan District Peat Ecosystem Protection and Management Plan (RPEG) 2023-2053.

# NON-TIMBER FOREST PRODUCTS

## OVERVIEW

**Non-Timber Forest Products (NTFPs) are one of the sustainable economic potentials that can still be developed in the Katingan Regency.** Some types of NTFPs that have the potential to be developed as essential economic commodities are kelulut honey, bamboo, aren palm, and essential oils.

More than 80% of Katingan Regency is a state forest area as land for NTFP development. The forest area in Katingan is divided into several functions, consisting of a conservation area of 451,080 ha (consisting of Bukit Baka Bukit Raya National Park covering 126,400 ha and Sebangau National Park with an area of 324,680 ha), a protected forest area covering 58,429.7 ha<sup>25</sup>, permanent production forest area covering 495,528.31 ha, limited production forest covering 373,383.45 ha, and conversion production forest covering 400,461.30 ha.<sup>26</sup>



25 Compilation data from KPHP Katingan Hulu and KPHP Katingan Hilir, 2023.

26 Data source: RTRW Katingan Regency 2019-2039.





## Information Programme

Of the many types of NTFPs, some have the potential to be developed because they have high economic value, including:

- **Kelulut Honey.** Kelulut honey is widely cultivated in the Katingan Hulu KPHK area. In a month, kelulut honey production can reach 1 tonne to 1.5 tonnes per month.<sup>27</sup>
- **Natural Honey.** Natural honey is widely developed in the Katingan Hilir KPHP area. The average natural honey production in this region is 40 liters per hive per 2 months.
- **Swallow's Nest.** Swallow nests are commonly developed in the Katingan Hilir KPHP area in almost all sub-districts. The average production of swallow nests is 1.5kg per nest unit per 3 months.<sup>28</sup>
- **Bamboo.** Bamboo is evenly distributed in the KPHP Katingan Hulu area. The bamboo potential in KPHP Katingan Hulu, which is located in the Katingan Corridor, is approximately ± 33,000 clumps.<sup>29</sup>
- **Essential Oils.** Essential oils are a group of aromatic oils derived from fruits, flower leaves, seeds, leaves, and stems of plants with essential oils. For NTFPs, essential oil-producing plants in the KPHP Katingan Hulu area are Cinnamon, Sintok Wood, Ujung Atap, and Cantil/Kenanga.



## Social and Environmental Impacts

- Employ 1,500 communities involved in NTFP development in Katingan.<sup>30</sup>
- Provide an economic multiplier impact to the people of Katingan Regency in developing superior NTFP products.
- Supporting habitat conservation and protection of 13,092 Orang Utan individuals in the Sebangau-Katingan Landscape.
- Protecting 264,242 ha of peat domes for conservation and freshwater reservoirs.
- Protecting protected forest areas of 54,690.7 ha (within KPHP Katingan Hulu) and 3,739 ha (within KPHP Katingan Hilir).



## Governance

NTFP management is carried out in two approaches. *First*, some NTFP products are managed by KPHP Katingan Hulu, KPHP Katingan Hilir, Balai TN BBBR, and Balai TN Sebangau, such as kelulut honey, essential oils, and medicinal plants. *Secondly*, local communities collect NTFPs in state forest areas in a traditional and subsistence manner, and the products are sold to the market. The Katingan District Government and WWF Indonesia provide guidance and capacity building to farmers in processing NTFP products.



## Development Opportunities

- NTFPs have not been optimally managed and utilized in Katingan Regency. Therefore, investment in developing NTFPs on a micro, medium, and industrial scale is still open.
- Partnerships with the private sector and industry need to be built and strengthened to open market access for some NTFP products. For example, kelulut honey is overproduced and not absorbed by the market.
- Holistic mapping of NTFP products is essential to attract investment in sustainable NTFP development in collaboration with government, local communities, and civil society organizations.



## Investment Opportunities

**US\$ 8,000,000**

for five years.

27 Research data from WWF Indonesia and Penala, 2022.

28 KPHP Katingan Hilir data, 2023.

29 KPHP Katingan Hulu data, 2023.

30 Estimated figures from discussions with several parties in Katingan.

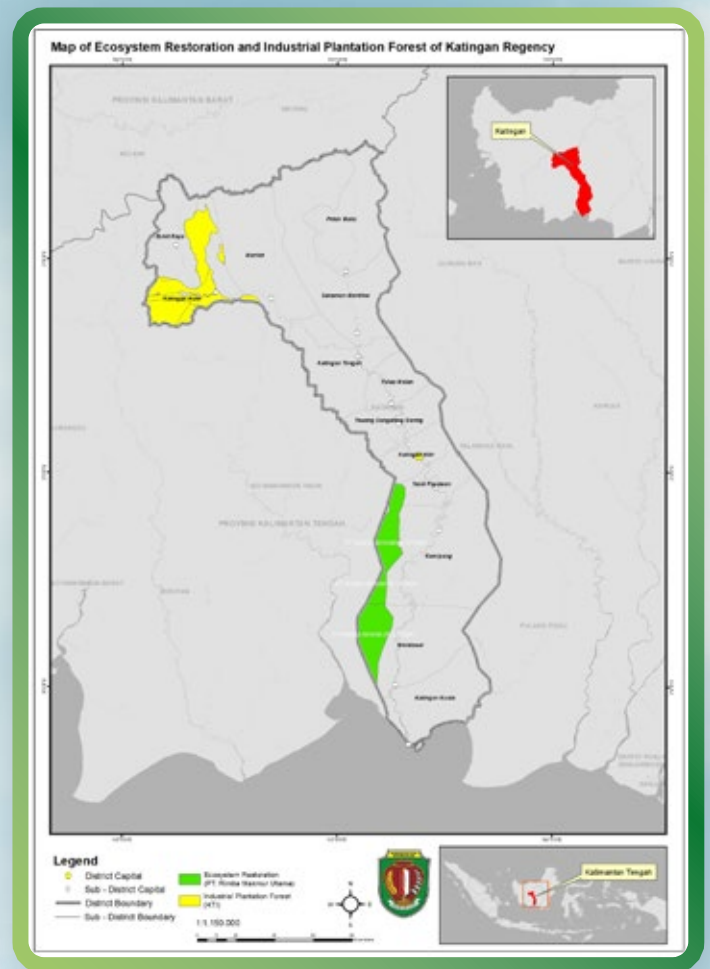
# ECOSYSTEM RESTORATION AND MULTI-BUSINESS FORESTRY

## OVERVIEW

**Ecosystem Restoration (RE) is one type of forestry licensing under the PBPH (Forest Utilisation Business Licensing) scheme.** PBPH

RE is granted to develop forest areas with significant and unique ecosystems. There is currently 1 PBPH Restoration Ecosystem in Katingan Regency, managed by PT Rimba Makmur Utama (RMU). RMU manages an area of Production Forest as Ecosystem Restoration in the Katingan Regency area of 108,255 ha.<sup>31</sup>

Meanwhile, the PBPH of Industrial Plantation Forest (HTI) in Katingan Regency, especially those in the Katingan Hulu KPHK area, covers 53,210 ha managed by 4 HTI companies. However, until 2023, these four HTI companies are inactive or moribund.<sup>32</sup>



31 Data from PT Rimba Makmur Utama, May 2022.

32 Forest Management Study Report on Katingan Landscape in KPHP Unit XVII Area, Central Kalimantan Province, Central Kalimantan Provincial Forestry Service, 2020, pp. 18.



## Information Programme

- To date, only 1 PBPH RE company is working in Katingan, namely PT RMU, with an area of 108,255 ha.
- Meanwhile, PBPH HTI in the Katingan area is managed by 4 HTI companies with an area of 53,210 ha. However, these four companies are inactive.



## Social and Environmental Impacts

- For the RE area, 4,103 workers are involved in forest protection and fire prevention, 2,507 workers are involved in restoration activities, 371 people are involved in biodiversity protection, and 184 people work as staff of PT RMU, of which 81% are local people of Central Kalimantan.<sup>33</sup>
- Three thousand five hundred jobs will be created if PBPH HTI operates in Katingan Regency.
- There will be an economic multiplier impact on the community of Katingan Regency from the development of PBPH RE and PBPH HTI.
- Protecting 152,277.6 ha of peat forest within the Ecosystem Restoration PBPH area.
- Contributed to protecting 264,242 ha of peat dome in Katingan for conservation and freshwater reservoir.
- Support habitat conservation and protection of 4,139 Orang Utan individuals in the PBPH RE area.<sup>34</sup>
- Protect biodiversity in the PBPH RE area, including 68 mammal species (6 endangered), 159 bird species (one critical, one endangered, five vulnerable, and 36 protected), and 44 reptiles (three endangered, three vulnerable, and four protected).<sup>35</sup>



## Governance

The management of RE PBPH is implemented by the company holding the RE license. Likewise, PBPH HTI is carried out by companies holding HTI licenses. The Katingan Provincial Government, through KPHP Katingan Hulu and KPHP Katingan Hilir, is responsible for providing guidance and supervision. On the other hand, civil society organizations, especially WWF Indonesia, collaborate with all parties to ensure the sustainable management of RE and HTI.



## Development Opportunities

- The private sector is interested in developing RE in Katingan, including in areas that are not effectively managed.<sup>36</sup> The private sector is interested in getting into the carbon business, which has more significant potential in the future.
- Investment opportunities in PBPH HTI are also wide open, including the revitalization of 4 inactive HTI companies in the KPHP Katingan Hulu area.
- Collaboration between government, private sector, and civil society is essential in driving jurisdiction-based investment for ecosystem restoration.
- Collaboration between the private sector and communities holding Social Forestry licenses for RE development in Social Forestry areas.



## Investment Opportunities

**US\$ 65,000,000**  
for five years.

<sup>33</sup> Data from PT RMU profile document, May 2022.

<sup>34</sup> Ibid.

<sup>35</sup> Ibid.

<sup>36</sup> Interviews with directors of several PBPH-holding companies in Palangkaraya, 22 May 2023.

# SEBANGAU NATIONAL PARK: SUSTAINABLE PEAT CONSERVATION

## OVERVIEW

**Sebangau National Park is one of the largest peat swamp conservation areas in Indonesia, with an area of 568,700 ha located in three districts/cities, namely Palangkaraya City, Pulang Pisau Regency, and Katingan Regency.**

An area of 324,680 ha (57%) of Sebangau NP is located in Katingan Regency. Sebangau NP was designated as a National Park by the Decree of the Minister of Forestry No.SK.423/Kpts-II/2004 dated 19 October 2004.<sup>37</sup>

Sebangau NP has abundant biodiversity, including 808 species of flora, 65 species of mammals, 43 species of reptiles, and 182 species of birds. Sebangau is a growing center for dipterocarps species: *Agathis* (*Agathis spp*), *belangeran* (*Shorea belangeran*), *bintangur* (*Chalophyllum sclerophyllum*), *jelutung* (*Dyera costullata*), *keruing* (*Dipterocarpus spp*) and *ramin* (*Gonystylus bancanus*). These plants are threatened with extinction due to illegal logging and peat forest fires.<sup>38</sup>

37 Sebangau National Park website: [www.tnsebangau.com](http://www.tnsebangau.com)

38 Nugraheni N. (2017), *Sebangau's Turning Point: A 13-year Trail of Steps to Restore Central Kalimantan's Peat Ecosystem*. Jakarta: BTN Sebangau and WWF Indonesia.



## Information Programme

- Sebangau NP is one of Indonesia's largest peat swamp conservation areas, with an area of 568,700 ha.
- In addition to performing the functions of the National Park in protecting life support systems, preserving biodiversity, and utilizing biological natural resources and their ecosystems, sustainable economic development through nature tourism is also carried out.
- Multi-stakeholder collaboration was conducted to optimize sustainable peat management and ecotourism in Sebangau NP, involving universities, research institutions, civil society organizations, and other parties.
- Within the Sebangau National Park area, Lake Punggu Alas is a popular tourist destination in Katingan and Central Kalimantan. The Katingan Regency Government encourages the development of various facilities, including lodging, hotels, transport access, etc.



## Social and Environmental Impacts

- Employing local communities involved in various conservation, restoration, and peat ecosystem protection activities in Sebangau NP.
- Provide an economic multiplier impact to the people of Katingan Regency from Sebangau NP ecotourism activities.
- Protecting the habitat and priority animals of approximately 5,826 Orang Utan or *Pongo pygmaeus* and 1,007 Proboscis Monkeys or *Nasalis larvatus* in the Sebangau National Park area.<sup>39</sup>
- Protecting the peat dome peaks in Sebangau National Park that drain into the Sebangau and Katingan Rivers. These two rivers support the lives of 53 villages for economic and water transport.

39 Ibid. Nugraheni, p. 4.



## Governance

The Sebangau National Park Authority manages Sebangau National Park. The Balai TN Sebangau builds collaborations with various parties, including universities, research institutions, and civil society organizations. WWF Indonesia has been an essential partner of Sebangau National Park, providing various supports since the establishment of Sebangau National Park in 2004 in the form of research, capacity building, strengthening the economy of local communities, and other supports.



## Development Opportunities

- Partnerships with various parties are open in the management of Sebangau NP, following the functions and roles of each party regulated in the laws and regulations.
- Strengthened promotion through various media, including websites and social media.
- Partnerships with local community groups in developing ecotourism and non-timber forest products.



## Investment Opportunities

**US\$ 2,500,000**

for five years.





# CONTRIBUTION TO KATINGAN'S GREEN GROWTH



Farmers harvesting rice in the rice field [Mokhamad Edliadi/CIFOR, Flickr]

Since a decade ago, Katingan Regency has positioned itself as a district that supports green and sustainable growth. This position was signaled by the issuance of Katingan Regent Regulation No. 34 of 2014, which established the vision of Katingan Regency: *“Katingan Conservation for Borneo”*. In the Katingan Regional Development Plan (RPD) 2024-2026, the vision of Katingan Regency is *“Advanced, Independent, Just and Prosperous Katingan Regency”*.

Box 1

### Katingan Conservation Policy for Borneo



Strengthening and restoring the function of protected areas.



Development of various forms of conservation-based natural resource utilization to improve community welfare.



Increased regional productivity through land intensification and modernization with environmentally friendly management.



Development of secondary and tertiary economic sectors based on agro and ecotourism according to the advantages of high economic value areas, managed successfully, integrated, and environmentally friendly.



Development of quality regional infrastructure and facilities to fulfill fundamental community rights.



Recognition and preservation of customary forests, *tajahan*, *kaleka*, *sapundu*, *pahewan* and *patahu*.



Prioritizing environmental protection and management in decision-making.

**The Table below displays the contribution of each commodity to Katingan’s Conservation policy for Borneo.**

Policy	Sustainable Palm Oil	Sustainable Natural Rattan	Food Crops and Paludiculture
<p><b>Strengthening and restoring the function of protected areas.</b></p>	<p>Strengthening monitoring and verification systems to reduce potential deforestation and fires in protected forest areas covering 58,429.7 ha and peat domes covering 264,242 ha.</p> <p>Protection of biodiversity in private and independent oil palm areas with HCV (High Conservation Value) and HCS (High Carbon Stock).</p> <p>Strengthening sustainable palm oil governance through ISPO and RSPO certification to 9 companies covering 104,576 ha will contribute to protecting Protected Forest and Peat Dome areas in Katingan.</p> <p>STDB facilitation and implementation of <i>good agricultural practices</i> to 5,878 independent oil palm smallholders covering 17,168.44 ha will contribute to protecting Protected Forest and Peat Dome areas in Katingan.</p>	<p>Strengthen the protection function within the asalan rattan area in Katingan to reach 325,000 ha.</p> <p>Supporting habitat conservation and protection of 13,092 Orang Utan individuals in the Sebangau-Katingan Landscape.</p> <p>Contributing to the conservation of the 122,822.10 ha Bukit Baka Bukit Raya National Park by developing rattan as an NTFP in the national park’s buffer zone.</p> <p>Support the protection of 58,429.7 ha of Protected Forest area in Katingan.</p>	<p>Paludiculture strengthens the protection of peatlands, especially non-domes that can be used for paludiculture, covering an area of 461,693 ha.</p>



Sustainable Ecotourism	Social Forestry and Carbon	Non-Timber Forest Products	RE and Forestry Multi Business	Sebangau National Park: Sustainable Peat Conservation
<p>Most of the ecotourism potential is within the protected forest and peat areas, so it will directly contribute to strengthening the protection of protected and conservation areas by developing sustainable ecotourism.</p> <p>Ecotourism development protects protected areas, including Katingan's 58,429.7 ha of Protection Forest, 264,242 ha of peat domes, and 122,822.10 ha of Bukit Baka Bukit Raya National Park conservation.</p>	<p>Protecting biodiversity in Social Forestry areas with HCV (High Conservation Value) and HCS (High Carbon Stock) of 36,828 ha.</p> <p>Supporting protection in Protected Forest areas within the Village Forest area of 22,762 ha.</p> <p>Protecting 17,268 ha of Social Forestry within KHG (Peat Hydrological Area).</p> <p>Contributed to protecting 264,242 ha of peat dome area for conservation and freshwater reservoir.</p>	<p>The sustainable management and utilization of non-timber forest products will strengthen the protection of protected areas, particularly the 58,429.7 ha Protection Forest and the 126,400 ha Bukit Baka Bukit Raya National Park, and 324,680 ha Sebangau National Park.</p> <p>The management and utilization of non-timber forest products will also protect 264,242 ha of peat domes for conservation and freshwater reservoirs.</p>	<p>Contributed to strengthening the protection of 264,242 ha of peat dome, including 108,255 ha of peat area within PT RMU's area.</p> <p>Strengthening the protection of HCV (High Conservation Value) and HCS (High Carbon Stock) within the HTI area of 53,210 ha.</p>	<p>Strengthen the conservation area of Sebangau National Park within the Katingan Regency area of 324,680 ha to preserve the largest peat swamp in Indonesia.</p> <p>Increase efforts to protect biodiversity in Sebangau NP, including 808 species of flora, 65 species of mammals, 43 species of reptiles, and 182 species of birds.</p>

Policy	Sustainable Palm Oil	Sustainable Natural Rattan	Food Crops and Paludiculture
<p><b>Development of various forms of conservation-based natural resource utilization to improve community welfare.</b></p>	<p>Sustainable palm oil in Katingan District supports the national policy of using CPO as the base material for biodiesel energy development.</p> <p>Strengthening sustainable palm oil in village palm oil areas will improve local communities' welfare.</p>	<p>Revitalizing rattan as an essential commodity in Katingan will contribute to the community's economic development and have a multiplier effect on regional economic development.</p> <p>Reducing the potential for deforestation and conversion of forest land for rattan development to other uses.</p>	<p>Support the sustainable development of various paludiculture crops on peatlands to improve the welfare of local communities.</p>
<p><b>Increased regional productivity through land intensification and modernization with environmentally friendly management.</b></p>	<p>Increased productivity of 139,704 ha of private oil palm and 17,168.44 ha of independent oil palm will contribute to Katingan's PAD and employment and have a multiplier impact on regional economic growth.</p> <p>Increasing the economic added value of palm oil through the development of Palm Oil Mills (PKS). Currently, six palm oil mills are operating in Katingan.</p> <p>Intensification of independent oil palm management of 17,168.44 ha through increased productivity and implementation of good agricultural practices.</p>	<p>The productivity and quality of Katingan's natural rattan are already outstanding. Improving market conditions and the product value chain will increase natural rattan productivity at the farm level.</p>	<p>Intensify various paludiculture crops and food crops for increased productivity.</p> <p>Diversify the types of food crops and paludiculture crops other than those designated by the government as superior commodities.</p>

Sustainable Ecotourism	Social Forestry and Carbon	Non-Timber Forest Products	RE and Forestry Multi Business	Sebangau National Park: Sustainable Peat Conservation
<p>Development of sustainable energy in ecotourism areas with extensive water sources, including micro-hydro. Such as in the Temanggung Tuyang waterfall area, Musang waterfall, Susun Jahawen waterfall, Sahai Awun waterfall, and Batu Kuli waterfall.</p>	<p>Sustainable energy development, such as micro-hydro in Social Forestry areas with sustainable energy potential.</p> <p>Development of carbon in Social Forestry areas.</p>	<p>Development of various non-timber forest products that are still not fully known through various studies with universities, research institutes, and civil society organizations.</p>	<p>Carbon potential in Ecosystem Restoration areas to strengthen conservation and contribute to reducing Indonesia's 2030 NDC target.</p>	<p>Research the untapped potential of non-timber forest products with universities, research institutes, and civil society.</p> <p>Carbon stock enhancement to support Indonesia's 2030 NDC target.</p>
<p>Strengthening the promotion of ecotourism in the Katingan Regency area outside the region and nationally to increase tourist attraction and the number of Katingan tourism visits.</p>	<p>The economic potential of Social Forestry in the form of timber, non-timber forest products, and environmental services needs to be developed more productively.</p> <p>Provide the capacity building of Social Forestry managers to develop Social Forestry products to increase productivity.</p>	<p>The productivity of non-timber forest products depends on natural growth in the forest. Therefore, their utilization must consider the availability and ability of nature to reproduce these non-timber forest products, except those that have been cultivated.</p> <p>Some types of non-timber forest products that have been cultivated, such as kelulut honey, essential oils, and medicinal plants, can increase productivity according to market needs.</p>	<p>Revising PBPH HTI in 53,210 ha will improve forest area management and enlarge the multiplier impact on the Katingan Regency's economy and community.</p>	<p>Increase the number of tourist visits to the Sebangau National Park area.</p> <p>The Collaborative research with various stakeholders in conservation areas, including biodiversity, etc.</p>

Policy	Sustainable Palm Oil	Sustainable Natural Rattan	Food Crops and Paludiculture
<p><b>Development of secondary and tertiary economic sectors based on agro and ecotourism according to the advantages of high economic value areas, managed successfully, integrated, and environmentally friendly.</b></p>	<p>Development of downstream (secondary) industries to diversify palm oil and CPO (Crude Palm Oil) into various other derivative products in the Katingan district area, including food, cosmetics, household products, etc.</p> <p>Providing incentives (policies, facilities, infrastructure, taxes) to SME industries to develop palm oil derivative products in the Katingan Regency area.</p> <p>Development of a tertiary sector (services) based on oil palm plantations, including tourism and environmental services in HCV (High Conservation Value) areas within private and independent oil palm plantations.</p>	<p>Revitalizing rattan as a superior commodity through various strategies, including attracting investors to build a rattan processing industry in Katingan Regency to bring the industry closer to rattan producers.</p>	<p>Development of processing industries for horticultural and paludicultural commodities such as banana and durian into processed products that have added value to the local economy.</p>

Sustainable Ecotourism	Social Forestry and Carbon	Non-Timber Forest Products	RE and Forestry Multi Business	Sebangau National Park: Sustainable Peat Conservation
<p>Improved ecotourism services in 4 tourism villages that already have an ecotourism masterplan.</p> <p>Development of ecotourism services in the KPHK Katingan Hulu and KPHP Katingan Hilir areas.</p>	<p>Development of a non-timber forest product processing industry from Social Forestry as a secondary economy to increase the added value of Social Forestry.</p> <p>Development of ecotourism service industry and carbon trading from Social Forestry.</p>	<p>Developing non-timber forest product processing industries, such as rattan, bamboo, essential oils, and medicinal plants.</p> <p>Build linkages and cooperation with various industries (regionally, nationally, and internationally) to increase the utilization of non-timber forest products in Katingan Regency.</p>	<p>The revitalization of the HTI-based wood processing industry in Katingan Regency.</p>	<p>Collaboration with local communities in developing ecotourism and various ecotourism services within the Sebangau NP conservation area.</p>

Policy	All Commodities
<p><b>Development of quality regional infrastructure and facilities to fulfill fundamental community rights.</b></p>	<p>Development of regional infrastructure and facilities that support the development of superior commodities in Katingan Regency, including transport infrastructure, facilities, and public services to facilitate sustainable investment.</p> <p>Establish collaboration with the private sector to build infrastructure and facilities to support investment, such as hotels, expedition facilities, etc.</p>
<p><b>Recognition and preservation of customary forests, <i>tajahan, kaleka, sapundu, pahewan, and patahu</i>.</b></p>	<p>The development of jurisdictional investment initiatives should be based on recognizing the customary forests, values, and local culture of the people of Katingan District.</p> <p>Developing all sustainable commodities must consider local wisdom and use customary approaches in resolving tenurial conflicts.</p>
<p><b>Prioritizing environmental protection and management in decision-making.</b></p>	<p>The development of sustainable investment needs to be supported by the emergence of public policies within the jurisdiction which support environmental protection and management. Therefore, enabling conditions for jurisdiction-based sustainable investment development must be strengthened collaboratively and multi-stakeholder.</p>





# CONCLUSIONS





## Katingan Regency is one of Central Kalimantan Province's regencies that firmly commit to implementing green and sustainable growth strategies using a jurisdictional approach.

Some evidence proved this commitment by introducing policies supporting green growth, including Perda No. 4 of 2016 concerning *Katingan Conservation for Borneo*. This policy is reinforced in the Katingan Regency RPJMD 2018-2023 and continued in the Katingan Regional Development Plan (RPD) 2024-2026, which affirms the vision of Katingan Regency as “*Advanced, Independent, Just and Prosperous Katingan Regency*”. Several important notes can be summarised as follows:

### Box 2



Katingan Regency is strategically located for jurisdiction-based sustainable investment development because it is directly adjacent to Palangkaraya City and is easily accessible by air from Jakarta and only 1.5 hours by road from Palangkaraya to the capital Kasongan. Katingan Regency is also strategic regarding its growing economy, adequate investment support infrastructure, and socio-cultural conditions that are friendly to sustainable investment.



Eight jurisdiction-based sustainable investment initiatives can be developed in Katingan Regency. The 8 initiatives are sustainable palm oil, sustainable natural rattan, food crops and paludiculture, sustainable ecotourism, social forestry, non-timber forest products, ecosystem restoration, multi-business forestry, and peat conservation in Sebangau National Park.



Palm oil is an essential commodity that contributes significantly to the economic growth (GRDP) of Katingan Regency. 26.51% of Katingan's economic structure is supported by the agriculture, plantation and fisheries sectors, of which palm oil is the most significant contributor. Because of the critical role of palm oil, efforts to strengthen sustainable palm oil management with a jurisdictional approach are critical.



*Blended finance* is the best financing strategy to support sustainable investment with a jurisdictional approach. Blended finance will mobilize all potential funding (investor, public, and philanthropic funds) to support sustainable investment within the jurisdiction.



Jurisdictional investments with nine sustainable initiatives will directly contribute to (1) the *Katingan Conservation for Borneo* policy. In addition, the objectives of the emerging Katingan Regional Development Plan (RPD) 2024-2026 will also overlap with the Katingan Conservation for Borneo policy.



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