

Country:

Indonesia

Project name:

***Inequality and
environmental
sustainability***

Partners:

Universitas Indonesia
(LPEM FEB UI)

Duration:

2020-2025



The EU-AFD Research Facility on Inequalities

The Agence Française de Développement (AFD) and the European Union (EU) have made the fight against inequality one of their respective priorities. It is in this context that they began their collaboration to reduce inequalities, with the implementation of the first phase of the EU-AFD Research Facility on Inequalities in 2017,

and its Extension since 2020. The programme aims to contribute to the implementation of the 2030 Development Agenda, in particular the fight against inequality (Sustainable Development Goal 10).

In order to better understand socioeconomic inequalities, their determinants, effects and dynamics,

22 research projects were carried out in 32 countries between 2017 and 2020. More than 100 research papers and policy briefs were published during the first phase of the Facility, which have enriched the academic debate as well as initiated national exchanges on the theme of inequality in the countries concerned.

Phase 2: the Extension

Following the success of the Facility's first phase, the AFD and the European Union have decided to continue the programme with a second phase: the Extension. This new phase, financed with €3 million by DG INTPA over the period 2020-2025, will focus on four middle-income countries: Colombia, Indonesia, Mexico and South Africa.

In the short and medium-term, this programme will enable partner countries to better understand the factors leading to inequality



and to identify possible solutions that could be implemented to better respond to the challenge of reducing inequalities through effective public policies. The policies supported under the Extension will be the result of close dialogue

with the governments and will be based on research conducted with local research centres, building on the results achieved so far by the Facility, both in terms of methodologies developed and synergies established.

Context

With a Gini coefficient of 0.38 (in 2019), Indonesia experiences higher levels of inequality than other Southeast Asian countries in the same income group. While Indonesia is among the fastest-growing lower-middle income countries in Southeast Asia, it is also among the most affected by climate variability. As an archipelagic country, Indonesia depends heavily on the fishery sector

and on the quality of its marine ecosystem. However, the latter is seriously endangered by climate change, which threatens the very fabric of society. Climate change has already begun to degrade Indonesia's marine and coastal ecosystem, worsening the economic condition of people living in coastal areas and the 1.8 million households dependent on jobs in the fishery sector. Studies

also indicate that changing weather patterns and warming oceans are expected to lead to a 20% decrease in Indonesia's marine fisheries production by 2055. To address the urgency of this issue, Indonesia has introduced a roadmap to develop Marine Protected Areas (MPAs) with the aim of promoting the conservation of marine ecosystems in designated areas.

The MPA roadmap 2030

Developed by Ministry of Marine Affairs and Fisheries, National Development Planning Agency (BAPPENAS), Ministry of Internal Affairs (Kemendagri), Fiscal Policy Agency - Ministry of Finance and marine conservation partners

Will guide the development of MPAs for the next 10 years

Objectives:

- Protect 32.5 million hectares by 2030
- Ensure the effective management of MPAs



Extension initiatives

To tackle these multiple issues, the Extension of the Research Facility on Inequalities will support the Indonesian government in the implementation of Marine Protected Areas and in the analysis of the social impacts of this policy over the 2020-2025 period. A first and essential step in this support is a better understanding of the impact of MPAs on the reduction of inequalities, as well as potential challenges. Preliminary research and workshops conducted in partnership with local research centres, the AFD, and the EU delegation in Indonesia have highlighted the role that MPAs could play in reducing economic,

access, gender and health inequalities. Additional studies and consultations will be carried out in the coming months, which will feed into the policy dialogue with the Indonesian government.

Following the first two years of the programme, policy frameworks based on the results of the research

and consultations carried out will be developed and validated by local public and political authorities. Subsequently, the AFD and the European Union will use research-based evidence to provide support and expertise throughout the implementation of the identified public policies to ensure their sustainable impact.

Identification of opportunities and policy initiatives with an inequality-reducing impact

The AFD and the EU provide technical and thematic support to the Indonesian government for the implementation of MPAs

YEARS 1-2

YEARS 3-5



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