



## **TERMS OF REFERENCE**

### **WORKSHOP FOR FORESTRY BUSINESS AND INVESTMENT A Way Forward of Eco-Tourism Promotion and Investment in Indonesia**

**Tokyo, Monday 2 December 2019**

As one of the countries that own the largest tropical rainforest in the world, Indonesia has forest resources and the environment that can be used to provide a real contribution to national development through recreation and tourism. The Indonesian government is committed to promoting sustainable tourism, which focuses on the diversity, uniqueness and distinctiveness of culture and nature by considering the needs of the future so that it is expected to boost the economic growth that brings benefits for the society welfare. Developing ecotourism in conservation areas in Indonesia is based on five principles, that are: conservation, education, recreation, economy, and community empowerment. Based on these principles, the Ministry of Environment and Forestry of Indonesia gives directions to all managers of conservation areas to set some activities that intended to control impacts of visitors to the environment and communities. These activities include setting zoning system, visitor management, capacity building for local communities, and collaboration with related institutions to strengthen management of conservation areas.

The Government of Indonesia has paid strong attention to improve natural and cultural asset management including marine ecosystem as crucial aspects for tourism to grow. In parallel, investments in human capital will help ensure that local communities can derive long-term benefits from tourism. Maintaining natural resources should be a vital component of Indonesia's tourism industry. Therefore the Indonesian government is actively promoting ecotourism that expect the tourism industry to use natural resources more sustainably and also protect biodiversity.

The tourism industry is a major economic driver for Indonesia. In 2018, according to the World Travel and Tourism Council (WTTC), Travel and Tourism has contributed around US\$ 62,6 billion to the nation's economy (6,0% of total economy), more than any other year on record. Overall, the Indonesian Travel and Tourism economy grew by 7,8%, faster than the 5.1 percent recorded for the wider economy. Travel and Tourism supported 12.96 million jobs in 2018 or about 10,3% of total Indonesian employment. It is the 4th highest of any country in the world. By 2029, it is predicted almost 18,5 million jobs in Indonesia are forecast to be dependent on Travel and Tourism.

Japan and Indonesia have shared long-relations of diplomatic ties, the two countries are on different spectrum of the global economy in terms of development yet both countries have found a way to reciprocally prosper. Indonesia is one of the most sought-after emerging markets and is consistently predicted to become one of the world's top ten economies by 2030 by McKinsey and PricewaterhouseCoopers, and for Indonesia's economy, the expectations are high, and challenges are aplenty. Understanding the potential and existing challenges of

Indonesia's economic progress, Japan stepped in to support Indonesia in achieving its vision of becoming a top-five global economy by 2045. Investment is fundamental for Japan to help Indonesia reach its 2045 economic goal, as it will enable Indonesia to be more competitive in the global value chain. The magnitude of the opportunity to visit more ecotourism in Indonesia through strengthened business-to-business collaboration especially through the tourism agencies in Japan needs to be seen as a promising business market opportunity. In this context, partnership and green investment in ecotourism are urgently needed and can be addressed by engaging with third parties to be involved in promoting forest areas that are managed in a sustainable manner while improving the living standard of forest communities.

The Indonesian Embassy in Tokyo intends to hold a workshop related to the improvement of the environment and forestry business in Indonesia, especially to attract investors to participate in ecotourism in Indonesia for the purpose of reaching Sustainable Development Goals (SDGs) and to promote the community-based ecotourism from Indonesia to the Japanese market. It is hoped that the workshop can become an important event to attract more visitors from Japan by promoting the potential of various ecotourism destinations in Indonesia; to develop business-to-business cooperation among tourism agencies/operator; and to open the opportunity for the permit holders of the ecotourism in Indonesia to share information and marketing to Japanese investors.

**Date :** 2 December 2019 (Time: 13.30 – 17.30).

**Venue:** ASEAN-Japan Centre, Shin Onarimon Bldg., 6-17-19 Shimbashi, Minato-ku, Tokyo

**Organizers:** Indonesian Embassy in Tokyo, ASEAN-Japan Centre; **Co-Organizer:** Indonesia Investment Promotion Center (IIPC) Tokyo

**Supported by:** Ministry of Environment and Forestry of Indonesia

**Participants:** Around 100 participants (capacity max 125 participants) from Japanese investors, private companies, governments, trade associations, tourism agencies and operators in Japan are expected.

**Language:** Indonesian and Japanese (Consecutive Interpretation). Presentation slides are requested to be prepared in Japanese.

**Exhibition:** Ecotourism primary destinations and Ecotourism Investments will be displayed in front of the workshop room.

**Objectives:**

1. To introduce the potential of various ecotourism destinations in Indonesia, especially in the National Parks area and Nature Recreational Parks which can increase national income in the tourism sector.
2. to develop business-to-business cooperation with tourism agencies in Japan, in promoting Indonesia's natural resources and ecosystem conservation, especially through Indonesia's ecotourism.
3. to allow the opportunity for the permit holders of the ecotourism in Indonesia to share information and to do marketing in order to promote more visitors from Japan to Indonesia;

**Expected Outcome:** increased number of ecotourism visitors from Japan as well as increased investment on tourism sector from Japan to Indonesia.



Ecotourism Indonesia

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Hours	Presentation	Speaker/Presenter
13.00 – 13.30	<b>Registration</b>	Indonesian Embassy in Tokyo
13.30 – 14.00	<p><b>Welcome Speech</b></p> <p>1. <b>Mr. Tri Purnajaya</b>, Charge D'affairs Ad Interim, Indonesian Embassy in Tokyo</p> <p>2. <b>Mr. Masataka Fujita</b>, Secretary General ASEAN Japan Centre</p> <p><b>Keynotes:</b> Review of Tourism and Business Relations of Japanese Visitors in Indonesia's Ecotourism</p> <p><b>Mr. Wiratno</b>, Director General, Natural Resources and Ecosystem Conservation, Ministry of Environment and Forestry (MoEF), Indonesia (tbc)</p>	MC: <b>Ms. Hashizume Hiroko</b> ASEAN Japan Centre
14:00 – 14:15	<b>Coffee Break</b>	
14:15 – 15:45	<p><b>Presentation Session: Indonesia's Eco-Tourism Potentials and its Investment in Conservation Areas</b></p> <p>1. Changing Paradigm of Ecotourism and Environmental Services Policies in Conservation Areas in Indonesia</p> <p>2. Indonesia Investment Updates on Eco-tourism development</p> <p>3. Eco-tourism Development in Indonesia as the new popular tourism trends</p> <p>4. Learning from Japan: Ecotourism development and its investment</p> <p>5. Potential and Challenges of Ecotourism Business and Investment in Indonesia's Conservation Areas</p> <p>6. <b>Panel Discussion</b> a) Brief presentation from Moderator b) Dialogue by Panelists c) From Floor</p>	<p>Moderator: (ASEAN Japan Centre)</p> <p><b>Mr. Arief Mahmud</b>, Director of Betung Kerihun and Danau Sentarum National Park, Ministry of Environment and Forestry (MoEF), Indonesia</p> <p>Director of Sectoral Promotion, Indonesia's Investment Coordinating Board (BKPM)</p> <p><b>Ms. Naomi Takahashi</b>, Marketing Chief of Visit Indonesia Tourism Officer-Japan (VITO), Ministry of Tourism, Indonesia (tbc)</p> <p>National Parks Division, Ministry of Environment of Japan</p> <p><b>Dr. Hariyadi Budi</b>, Ecotourism Business Practitioner; Chief of Japan HR Research Center, University of Indonesia</p> <p>Moderator: ASEAN Japan Centre</p>
15:45 – 16:00	<b>Summary and Closing</b>	Moderators and Indonesian Embassy in Tokyo
16:00 – 17:30	<b>Business Matching (Tour/Travel Operators, Investors, Ecotourism Permit Holders)</b>	

## LIST OF OFFERED INVESTMENTS

No	Permit Holders	Location		Regency-Province	Width Area	Estimated Investment	Concession Period	BRANDING	Payback Periode	NPV, IRR, BCR
		Name	Status							
1	PT CIBODAS PUNCAK RAYA	Gunung Gede Pangrango National Park	National Park	Cianjur, West Java	60 hectares	US\$ 1.05 million/ ¥ 113.33 million	2020 - 2075	Ecosystem Education Site	6.9 years	US\$ 0.625 million 17,23 % (1,37)
2	PT BALURAN SAVANA PARADISE	Baluran National Park	National Park	Situbondo, East Java	47 hectares	US\$ 3.07 million/ ¥ 330.38 million	2020 - 2075	Studio of Wildlife Baluran' Resort	10.3 years	US\$ 1.209 million 17,50 % (1,24)
3	PT BATUR KINTAMANI/ASRI	TWA Panelokan	Nature Recreational Park	Bangli, Bali	36 hectares	US\$ 0.93 million/ ¥ 100.1 million	2020 - 2075	Kintamani Family Resort	6.4 years	US\$ 0.526 million 17,76 % (1,63)
4	PT PANORAMA DANAU BALI	TWA Buyan Tamblingan	Nature Recreational Park	Buleleng, Bali	30 hectares	US\$ 0.502 million/ ¥ 54.11 million	2020 - 2075	Forest Healing and Cultural Wellness" Resort	4.60 years	US\$ 0.504 million 25,34% (1,797)
5	PT BOCIMI HALIMUN SALAK	Halimun Salak National Park	National Park	Sukabumi, West Java	48 hectares	US\$ 2.49 million/ ¥ 268.82 million	2020 - 2075	Global Character Building Resort	8.83 years	US\$ 1.888 million 24,53% (1,616)
6	PT PULAU IMPIAN MELINIA	TWA 17 Islands	Nature Recreational Park	East Nusa Tenggara	30 hectares	US\$ 2.83 million/ ¥ 305.45 million	2020 - 2075	Wonderful Seventeen Islands Resort	10.3 years	US\$ 0.995 million 16,50 % (1,24)
7	PT KINTAMANI EKPOSE NUSANTARA	TWA Panelokan	Nature Recreational Park	Bangli, Bali	28 hectares	US\$ 1.50 million/ ¥ 161.50 million	2020 - 2075	Villages of Binyan	7.95 years	US\$ 1.062 million 21,28 % (1,51)
8	PT GAJAH MAKMUR BERSAMA	Way Kambas National Park	National Park	Lampung	30 hectares	US\$ 1.98 million/ ¥ 213.38 million	2020 - 2075	Elephant Lover Resort	6.61 years	US\$ 1.083 million 17,01% (1,353)
9	PT ANUGERAH KINTAMANI BALI	TWA Batur	Nature Recreational Park	Bangli, Bali	58 hectares	US\$ 2.03 million/ ¥ 218.82 million	2020 -2075	Nature Studio of Batur Geopark" Resort	6.39 years	US\$ 1.325 million 17,97% (1,483)
10	PT RINJANI PANORAMA ELOK	Rinjani National Park	National Park	West Nusa Tenggara	25 hectares	US\$ 0.90 million/ ¥ 96.89 million	2020 - 2075	Paragliding Rinjani Resort	5.29 years	US\$ 1.072 million 21,92% (1,59)
11	PT PANORAMA MENJANGAN BALI	Bali Barat National Park	National Park	Bali	30 hectares	US\$ 1.04 million/ ¥ 112.07 million	2020 - 2075	Menjangan Marine Resort	6.8 years	US\$ 0.888 million 23,50% (1,50)
12	PT SMAGA MERU LESTARI	Gunung Merbabu National Park	National Park	Semarang , Central Java	30 hectares	US\$ 1.15 million/ ¥ 124.27 million	2020 - 2075	Youth Character Building Center	7.36 years	US\$ 0.761 million 18,81% (1,38)