THE SUPPORT OF THE U.S. GOVERNMENT FOR INDONESIA'S REFORESTATION PROGRAM

(A Case Study: Behind the U.S. Government's Nature Swap Policy on the Indonesia's Debt as stated in UNFCCC Bali 2007)

UNDERGRADUATE THESIS



Written by:

Ardhi Tyas Nugraha Putra 20040510176

DEPARTMENT OF INTERNATIONAL RELATIONS
FACULTY OF SOCIAL AND POLITICAL SCIENCES
TRUTTED STEELY OF MUHAMMADIVAL VOCVAKADTA

UNDERGRADUATE THESIS

THE SUPPORT OF THE U.S. GOVERNMENT FOR INDONESIA'S REFORESTATION PROGRAM

(A case Study: Behind the U.S. Government's Nature Swap Policy on the Indonesia's Debt as stated in UNFCCC Bali 2007)

Presented as partial fulfillment of the requirements for the degree of
Sarjana Ilmu Politik (S.IP) in the Department of International Relations,
Faculty of Social and Political Sciences, University of Muhammadiyah Yogyakarta

Written by:

Ardhi Tyas Nugraha Putra

20040510176

Advisor: Dr. Bambang Cipto, MA

DEPARTMENT OF INTERNATIONAL RELATIONS
FACULTY OF SOCIAL AND POLITICAL SCIENCES

ENDORSEMENT PAGE

This Undergraduate Thesis entitled:

The Support of the U.S. Government for Indonesia's Reforestation Program

(A Case study: Behind the U.S. Government's Nature Swap Policy on the Indonesia's Debt as stated in UNFCCC Bali 2007)



Written by: ARDHI TYAS NUGRAHA PUTRA 20040510176

This undergraduate thesis has been examined and endorsed by the Board of Examiners from the Dept. of International Relations, Faculty of Social and Political Sciences, University of Muhammadiyah Yogyakarta

On

Day/Date: Wednesday, July 9th, 2008

Time: 14.45 p.m.

Place: Examination Room of International Relations B

Acknowledged by, Adviser/Chief of Examiner

Dr. Bambang Cipto, MA

Examiner I

Dra. Mntia Hariati H., M.si

Examiner II

Dian Azmawati, S.IP

PREFACE

The aim of this undergraduate thesis is firstly to fulfill the requirements for the degree of Sarjana Ilmu Politik (S.IP) in the Department of International Relations, Faculty of social and Political Sciences, University of Muhammadiyah Yogyakarta. This undergraduate thesis is secondly aimed to provide background information for the students and knowledge that will enrich them to understand the Debt-for-Nature Swap policy that agreed by the U.S. and Indonesia. The main substance of this research is on behind the U.S. Government's Nature Swap policy on the Indonesia's Debt as stated in INECCC Bali 2007. The answer of this question will be discussed

ABSTRACT

The Debt-for-Nature Swap is an agreement made by the developed nation in order to abolish the debt owed by the developing country in exchange to use the money instead to preserve and conserve the tropical forest area. The Debt-for-Nature Swap between the U.S. – Indonesia was just made in UNFCCC held in Bali 2007. This research is trying to analyze the reasons why the U.S. government under President George W. Bush signed the Debt-for-Nature Swap with Indonesia. What factors that trigger the U.S. signed to the program and what are the motives underlying to the program implementation. The expectation of the U.S. signed on the Debt-for-nature Swap program is predicted will be beneficial to the U.S. domestic interest. In order to explain the phenomenon, the research will analyze the main problem by the decision making process theory and concept of Eco-Politics.

Key Worder The Doht-for-Natura Quan the IIQ industrial approxime the reanclitical

ACKNOWLEDGEMENTS

I would like to express my gratitude to Allah SWT who let me to finish my undergraduate thesis on this year. I also thank very much to the people around me who helped and supported me during in completing my study in the Department of International Relations, Faculty of Social and Political, University of Muhammadiyah Yogyakarta. I'm thankful to DR. Bambang Cipto, M.A as my adviser, to Dra. Mutia Hariati H., M.Si as my first examiner and Dian Azmawati, S.IP as my second examiner. I'm also thanks to Sri Sudarsi, as my language consultant who is very patient for three months helped me writing on my thesis.

I am fully grateful to my family; my father, mother, sisters, brothers, for the financial and moral to support me on my study. Your motivations are my inspirations to step forward. Thanks for the Love and understanding that you always give to me — my great parents, Sutopo and Titik Nurhani. My sister and brothers; Ikha Puspa Dewi, Husni Nugroho, Arma Nur Ardianto, and Aji Syamsuar Muchtar. You're my perfect treasure when I travel this life.

Special Thanks to Dahyang Ika Leni, M. Nasrun Albaransyah Yusuf, Atin Prabandari, ibu Atik, Wahyu Susilo Alfiantoro, Yan Indra Putra, Henny Vale, Agus Ramadhan, Hermawan Handaka, M. Bayu Setiadi, Bambang Samyono, Taufik Hidayat, Yuni Ambarwati, Iswinardi, Monica Ria, and TJ Sudirman. Thanks for your love and friendship. Remember guys, friendship never ends.

I wish to thanks to all of my friends in International Program of International Relations Department, thanks to: Galuh Cynthia Dewi, Freddy Fernandes, Herliati Rahmi, Anwar Kholid, Septiyan Listya, Dita Nury Vanessa, Erriza Fitriana, Lutfi Rakhmawati, Rifki Ramadhan, Triana Nurdianti, Rozzie Syafitrah, M.Rivai, Wibowo Suharyanto and other IC '04 students, who always support and pray for me. We make

and City of the and Camille. Was any materialism to half and to study there

I'm thanks to my family in GARDA DEPAN 27 PT. Aseli DAGADU Djokdja, thanks to my family in SEA-UMY (Student English Activity-University of Muhammdiyah Yogyakarta), thanks to my friends and students in TPA JAMI' Mlati (Deny Krisnanto cs) and also my little love: Lulu Anisaliha.

Warrarrar I taka fiill raceansibility for any arrar that may bannan an my

TABLE OF CONTENTS

TITL	E PAGE				
ENDO	DRSEMENT PAGEi				
PREF	ACEii				
ABST	TRACTiv				
ACKNOWLEDGEMENTSv					
TABI	TABLE OF CONTENTS vii				
LIST	OF FIGURES, TABLES AND ATTACHMENTS				
ABBF	REVIATIONS AND ACRONYMSx				
CHA	CHAPTER 1: INTRODUCTION				
A.	Problem Background				
В.	Research Question				
C.	Theoritical Framework				
D.	Hypothesis11				
E.	Purpose and Benefit of Resesarch				
F.	Method of Research				
G.	Range of Research				
H.	System of Writings				
CHAI	PTER II : THE UNFCCC BALI 2007, THE AGREEMENT : ITS				
	CTIVE AND PLAN16				
A.	The UNFCCC				
	A 1 The Western of Commention				

	A.2. The Secretariat of Convention
В	The UNFCCC Bali 200721
	B.1. The Kyoto Protocol
	B.2. The Plan of Bali Roadmap25
C	. The Agreement between the U.S. and Indonesia in the Bali UNFCCC 2007 27
	C.1. The Profile of the U.S. TFCA
	C.2. The Eligibility of the U.S. TFCA
	C.3. The Eligible Activities
D.	The Debt-for-Nature Swap Program
Cl	HAPTER III: GEOPOLITICAL IMPACT OF INDONESIAN FOREST 38
A.	An Overview of Indonesian Forest Area
В.	The Function of the Forest in the Economical and Environmental Context 40
C.	Deforestation and Forest Degradation in Indonesia
	C.1. The History of Deforestation and forest Degradation in Indonesia 45
	C.2. The Impact of Deforestation to the Environment
D.	Deforestation and Forest Degradation Put Indonesia as the World's Third
	Largest Emitter50
E.	The Action to Combat Deforestation in Indonesia
	HAPTER IV: THE DETERMINANT MOTIVES OF THE U.S. SIGNING F THE DEBT-FOR-NATURE SWAP WITH INDONESIA57
	The Relation between the Signing of the Debt-for-Nature Swap Program and the
	U.S. Industrial Operation Sustainability
	A.1. The U.S. Industry and its emission
	A O MI TIO D

A.3. The Debt-for-Nature Swap Program between the U.S. and Peru	72
B. The U.S. Eco-politics on the Climate Change	74
CHAPTER V : CONCLUSION	77
DECEDENCES	0.4

LIST OF FIGURES, TABLES AND ATTACHMENTS

FIGURES

Figure 1. The Decision Making Process Theory	8
Figure 2. The Debt for Nature transactions	36
Figure 3. The Carbon cycle on the atmosphere	42
Figure 4. Trends in Atmospheric Concentrations and Anthropogenic Emissions of	
Carbon Dioxide	.,57
Figure 5. The U.S. Anthropogenic Greenhouse Gas Emissions by Gas, 2001	. 64
Figure 6. The U.S. Primary Energy Consumption and Carbon Dioxide Emissions on	L
Year 2001	. 65
Figure 7. The Big emitter countries	. 67
TABLES	
Table 1. U.S. Bilateral Debt-for-Nature Transactions under TFCA	30
ATTACHMENTS	
Attachment 1. Statement by the Goverment of the U.S. and Indonesia on Developing	ţ
a Debt-for-Nature Swap Agreement	82
Attachment 7 The IIS Carbon Man	02

ABBEREVIATIONS AND ACRONYMS

APEC ASIA PACIFIC ECONOMIC COOPERATION

BBC BRITISH BROADCASTING CORPORATION

CDM CLEAN DEVELOPMENT MECHANISM

CER CERTIFIED EMISSION REDUCTION

COP CONFERENCE OF PARTIES

EAI ENTERPRISE AMERICAN INITIATIVES

GEP GLOBAL ENVIRONMENT POLICY

GHG GREENHOUSES GAS

IPCC INTERNATIONAL GOVERMENTAL PANEL ON

CLIMATE CHANGE

JI JOINT IMPLEMENTATION

LOI LETTER OF INTENT

MNCs MULTINATIONAL CORPORATIONS

MOP MEETING OF PARTIES

MtCO2E MILLION TONS OF CARBON DIOXIDE

EQUIVALENTS

NGO NON-GOVERNMENT ORGANIZATION

CDI CIRCIDIARV RODV FOR IMPI EMENTATION

TFCA TROPICAL FOREST CONSERVATION ACT

UNITED NATIONS ENVIRONMETAL PROGRAM

UNITED NATIONS

UNITED NATIONS FRAMEWORK CONVENTION

ON CLIMATE CHANGE

U.S UNITED STATES

WALHI WAHANA LINGKUNGAN HIDUP INDONESIA

WMO WORLD METEOROLOGICAL ORGANIZATION

WWF WORLD WILE FUND