SUMMARY REPORT DOCUMENT

Tri Hita Karana G20 Bali Global Blended Finance Alliance Dialogue "New Era Bali Kerthi Roadmap: Quantum AI, Innovation and Blended Finance for Better Business Better World"

Friday, June 20th 2025

Breakout Workshop 4:
"Regenerative Agriculture & Food Security"

Introduction

Regenerative agriculture and sustainable food systems are key pillars in Indonesia's efforts to address both environmental and economic challenges. Regenerative agriculture aims to restore natural ecosystems while supporting local farmers, especially smallholders, by enhancing productivity and sustainability. Alongside this, the government has introduced policies to strengthen its agricultural base, improve nutritional outcomes, and foster inclusive growth within the food system. This breakout discussion explores the opportunities and actions needed to expand agricultural land through regenerative practices and overcome the impact of climate change to ensure food security and affordability.

Context Setting by Government Patron

The session commenced by **H.E. Nani Hendiarti,** Deputy Minister for Food Availability, Coordinating Ministry of Food Affairs Republic of Indonesia. She began by emphasizing the need to balance agriculture with environmental sustainability and food security. She pointed out that Indonesia—and every country—must develop its own strategy to face global uncertainties, climate change, and land-use challenges. A key part of this is ensuring there are qualified human resources to manage food systems under increasing regulatory pressures.

She also highlighted the close relationship between food and water, calling for optimization of existing agricultural land rather than expansion. The government is currently focusing on four priority communities as part of its regulation efforts to achieve food self-sufficiency. Rice was mentioned as a key staple, with a national goal to reach self-sufficiency by 2023. Progress has been made through better coordination and improvements in fertilizer systems, including targeted distribution to farmers.

Irrigation development was another important topic. Many farming areas in Indonesia still lack access to reliable irrigation, so the government is taking steps to improve infrastructure and assign a representative

in each village to help engage local governments. To support farmer welfare, Ibu Nani explained that current regulations allow farmers to receive up to 50% more benefits than before. However, grain quality still needs improvement. She also raised the need to consider converting unused or forest land into agricultural land to meet rising demand.

Toward the end, she talked about efforts to improve nutrition and productivity, especially for children, and emphasized that food systems must be sustainable and ecosystem-based.

Discussion Summary

Discussion 1: Identifying Bottlenecks & Challenges

What are the key obstacles preventing farmers, businesses, and communities from adopting regenerative practices at scale?

1. Inadequate Land and Water Infrastructure

Many farming communities face outdated or ineffective irrigation systems, making sustainable farming difficult. Land-use planning often fails to prioritize regenerative zones with secure water access. To move forward, water infrastructure must be upgraded, and regenerative priorities should be integrated into regional and national land-use planning processes.

2. Environmental Inputs and Product Quality Challenges

Soil degradation and water pollution continue to weaken product quality. Government subsidies still favor chemical fertilizers, making it harder for farmers to shift toward organic alternatives. In addition, limited capital access prevents many smallholders from adopting sustainable farming inputs. Reforming subsidy structures and expanding farmer access to organic inputs are critical to reversing this trend.

3. Policy Misalignment and Economic Risk

Government-set policies often reward volume over ecological health, creating disincentives for regenerative practices. For smallholders, the transition appears risky, expensive, and complex. A clear policy framework is needed—one that supports certification, risk-sharing mechanisms, and long-term ecological outcomes—to make regenerative farming more viable and appealing.

4. Supply Chain Gaps and Food Waste

Many regenerative producers are disconnected from markets due to weak supply chain coordination. At the same time, food waste from hospitality and retail sectors remains high. Strengthening connections between producers and sustainable buyers, along with improved food distribution systems, can reduce waste and support the growth of regenerative markets.

5. Financing and Investment Barriers

Short-term expectations from impact investors often limit support for regenerative farming, which typically delivers long-term benefits. Community-based initiatives—despite strong ecological and social outcomes—still struggle to secure funding. Shifting investment strategies toward patient capital and supporting local initiatives will unlock broader regenerative impact.

Discussion 2: Identifying Opportunities

Where are the 'bright spots'? Which policies, technologies, or collaborations show the most potential for transformative change?

1. Measurable Tools to Support Adoption

The introduction of tools like a **biodiversity calculator** represents a breakthrough in making regenerative agriculture more measurable, transparent, and accessible. By quantifying environmental impact—such as soil regeneration, biodiversity gains, and ecosystem services—farmers and stakeholders can better track progress, communicate value, and unlock performance-based incentives.

2. Supportive Policy Shifts

Policy reform is a critical enabler of transformation. There is growing recognition of the need to **strengthen top-down policy support** for regenerative farming, **reevaluate government-set price floors** that currently favor monoculture and high-input models and align public incentives with outcomes like soil health, water conservation, and long-term food security. Such shifts would encourage more farmers to adopt regenerative approaches while reducing the perceived financial risk.

3. Community Building Through Storytelling

Grassroots momentum is growing through **community-driven storytelling**, which not only raises awareness but also builds trust among farmers and consumers. Stories rooted in local wisdom and lived experience can reshape narratives around agriculture—transforming regenerative practices from niche to norm. This approach is particularly powerful in contexts where top-down messaging has limited

impact. Community storytelling acts as a cultural enabler, making sustainability relatable, relevant, and actionable.

4. Agri-Tech Innovation

The use of **agricultural technology**, including **vertical farming, remote sensing, drones, and digital soil monitoring**, is helping to bridge the gap between traditional farming and regenerative models. These technologies reduce labor and input costs, provide real-time data for decision-making, enable efficient land use in both urban and rural contexts. Agri-tech also makes regenerative practices more attractive to younger generations, opening pathways for youth engagement and entrepreneurship.

5. Leveraging Natural and Financial Capital

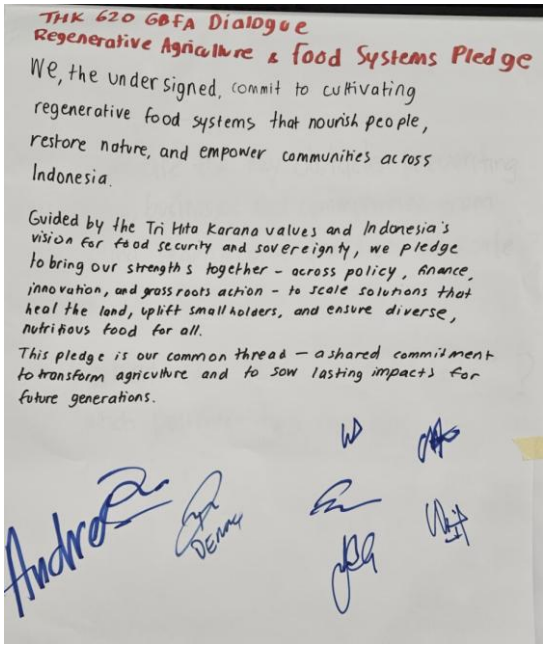
Indonesia's **rich natural assets**, especially in Eastern regions, present a unique opportunity to embed regenerative principles into regional development. When paired with **values-aligned Western capital investments**, these areas can serve as pilots for inclusive, place-based regenerative economies.

Impact-oriented investors are increasingly seeking community-driven, environmentally sustainable models that offer long-term returns—financial, social, and ecological. This alignment of natural wealth and conscious investment is a critical enabler for scaling regenerative transitions.

<u>Commitment</u>

Each participant is given time to reflect from the discussion on several points as follow:

1. Challenge to Address
2. My Strength/Role
3. Action I Will Take
4. Who to Collaborate With


THK G20 GBFA Dialogue
Regenerative Agriculture & Food Systems Pledge
We, the undersigned, commit to cultivating regenerative food systems that nourish people, restore nature, and empower communities across Indonesia.
Guided by the Tri Hita Karana values and Indonesia's vision for food security and sovereignty, we pledge to bring our strengths together - across policy, finance, innovation, and grassroots action - to scale solutions that heal the land, uplift smallholders, and ensure diverse, nutritious food for all.
This pledge is our common thread — a shared commitment to transform agriculture and to sow lasting impacts for future generations.

These reflections points build the groups commitment which stated as below:

"We, the undersigned, commit to cultivating regenerative food systems that nourish people, restore nature and empower communities across Indonesia.

Guided by the Tri Hita Karana values and Indonesia's vision for food security and sovereignty, we pledge to bring our strengths together- across policy, finance, innovation, and grassroots action- to scale solutions that heal the land, uplift small holders and ensure diverse, nutritious food for all.

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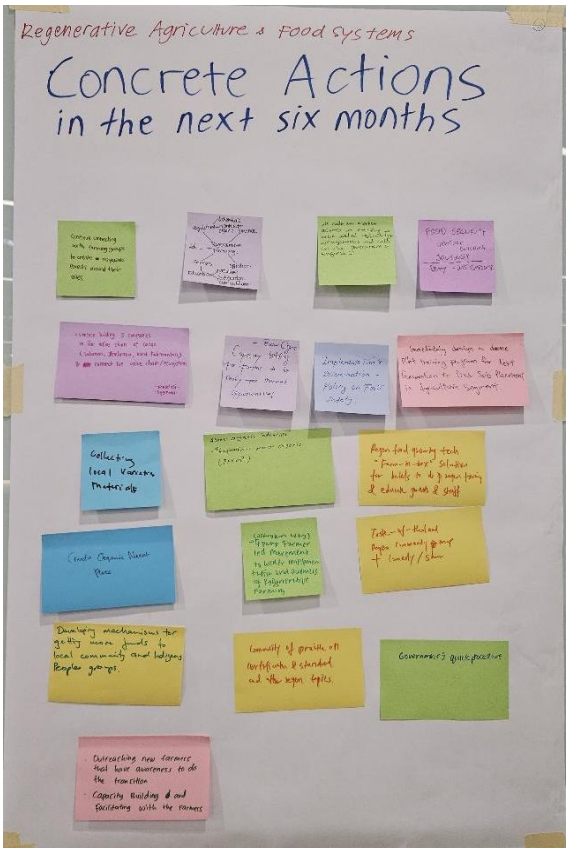
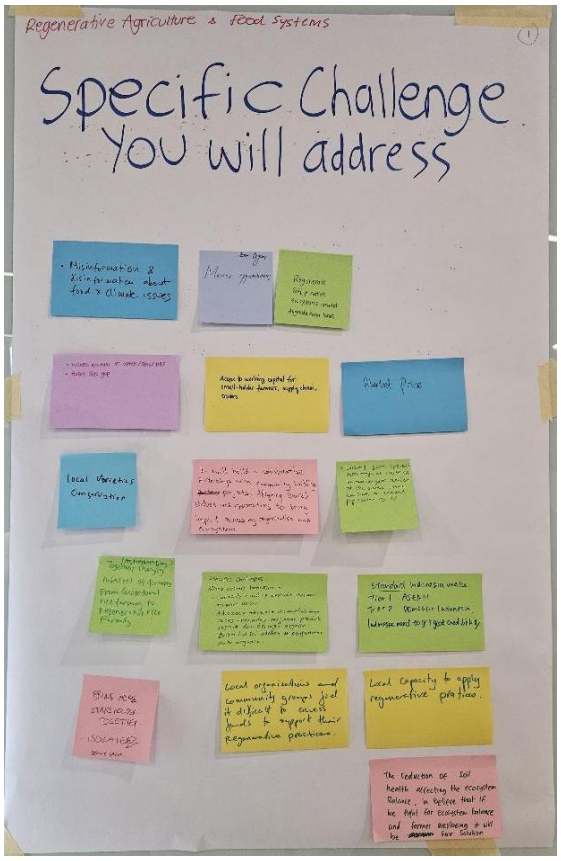
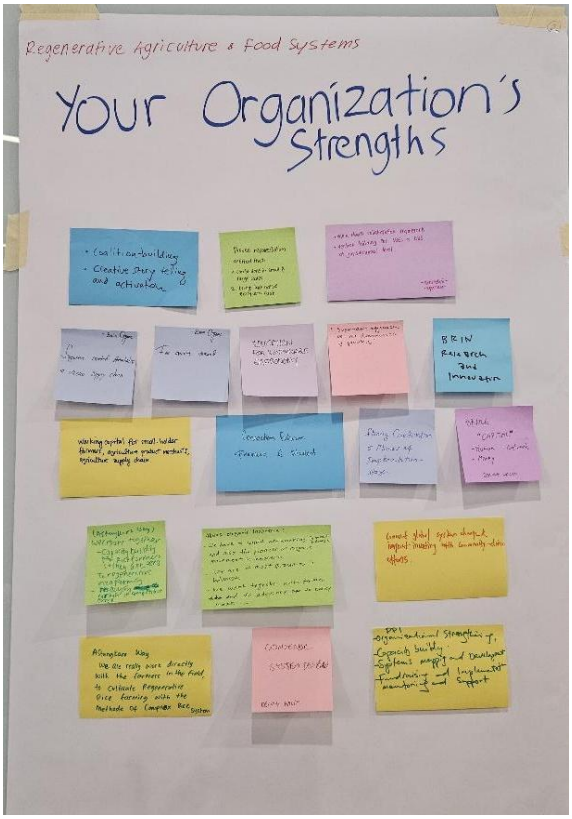
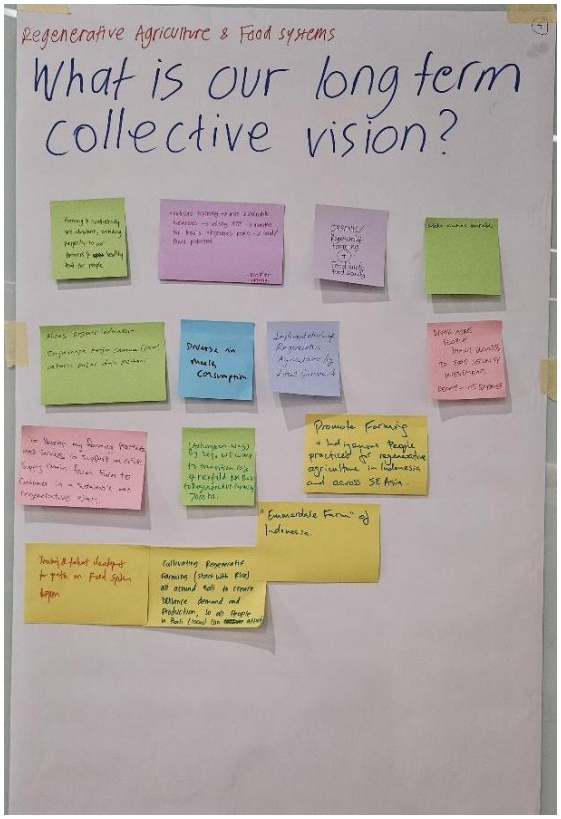
Annex I - Reflection Posts









Annex II - Participant List

Facilitators

1. Ms. Pramita Budihardjo – BEKAL Pemimpin / United in Diversity
2. Ms. Irma Sitompul – Pratisara Bumi Foundation
3. Ms. Rinda Liem – Nyanyi Bali Development
4. Ms. Pramita Indrarini – United in Diversity
5. Mr. Johan Andres Serhalawan – Dahetok Milah Lestari Foundation
6. Mr. Ibnu Auzia – Tani Muda Nusantara

Participants

1. H.E. Nani Hendiarti – Coordinating Ministry for Food Affairs, Republic of Indonesia
2. Ms. Tuti Hadiputro – United in Diversity
3. Mr. Fajar Nuradi – Coordinating Ministry for Food Affairs
4. Ms. Sri Auditya Sari – Balini Organic
5. Mr. Roger Pho – PT Sarana Daun Hijau
6. Mr. I Gd Aryadi Setiawan – Natya Hospitality
7. Ms. Virginia Tan – Teja Ventures
8. Ms. An Wang – SeedFuture Collective
9. Mr. James McCaul – Human Potential Development
10. Mr. Longgena Ginting – Purpose
11. Ms. Grace Algista Tarigan – Sentian Hospitality Company
12. Mr. Denny Halim – WE-Empower
13. Mr. Fredric Tanuwijoyo – BioZ
14. Ms. Sachi Kurosu – PT Alam Anugerah Lestari (Arsari Group)
15. Ms. Maya Stolastika – Indonesia Organic Alliance (IOA)
16. Ms. Cindy Clarissa Adriaan – Sulenco
17. Dr. Wawan Sujarwo – BRIN
18. Mr. Kadek Krishna Adidharma – PT Darma Sari Tresna
19. Ms. Irma Chantily – Supernova Ecosystem
20. Mr. Martana Diputra – Astungkara Way
21. Mr. Heerad Sabeti – Fourth Sector Group
22. Ms. Widya – Astungkara Way
23. Mr. Arsya – Amartha