

# INDONESIA GCF UPDATE



Sentarem, 14 September 2010

# FORWARD STEPS TOWARDS PROVINCE-WIDE REDD+ PROGRAMS IN INDONESIA WITH THE GCF

The GCF collaboration and recommendation is critical in benchmarking the design of REDD programme and cap and trade regulations.

This partnership and platform will support provincial and state lobbies to their respective national government in gaining access as **INFORMED** stakeholders to the national REDD framework, design and funding.

Support given to the provincial or state government developing REDD, with baselines, state wide programmes, registry and MRV will enhance and facilitate the national government's REDD program development achieving its CO2 reduction targets.

# PROVINCIAL STEPS TO TACKLE EMISSION:

## *Analysis*

- Deforestation/emission baseline
- Land-use use simulation modeling: integrated ecological, economic, and policy analysis

## *Participatory planning*

- REDD+ multi-stakeholder process

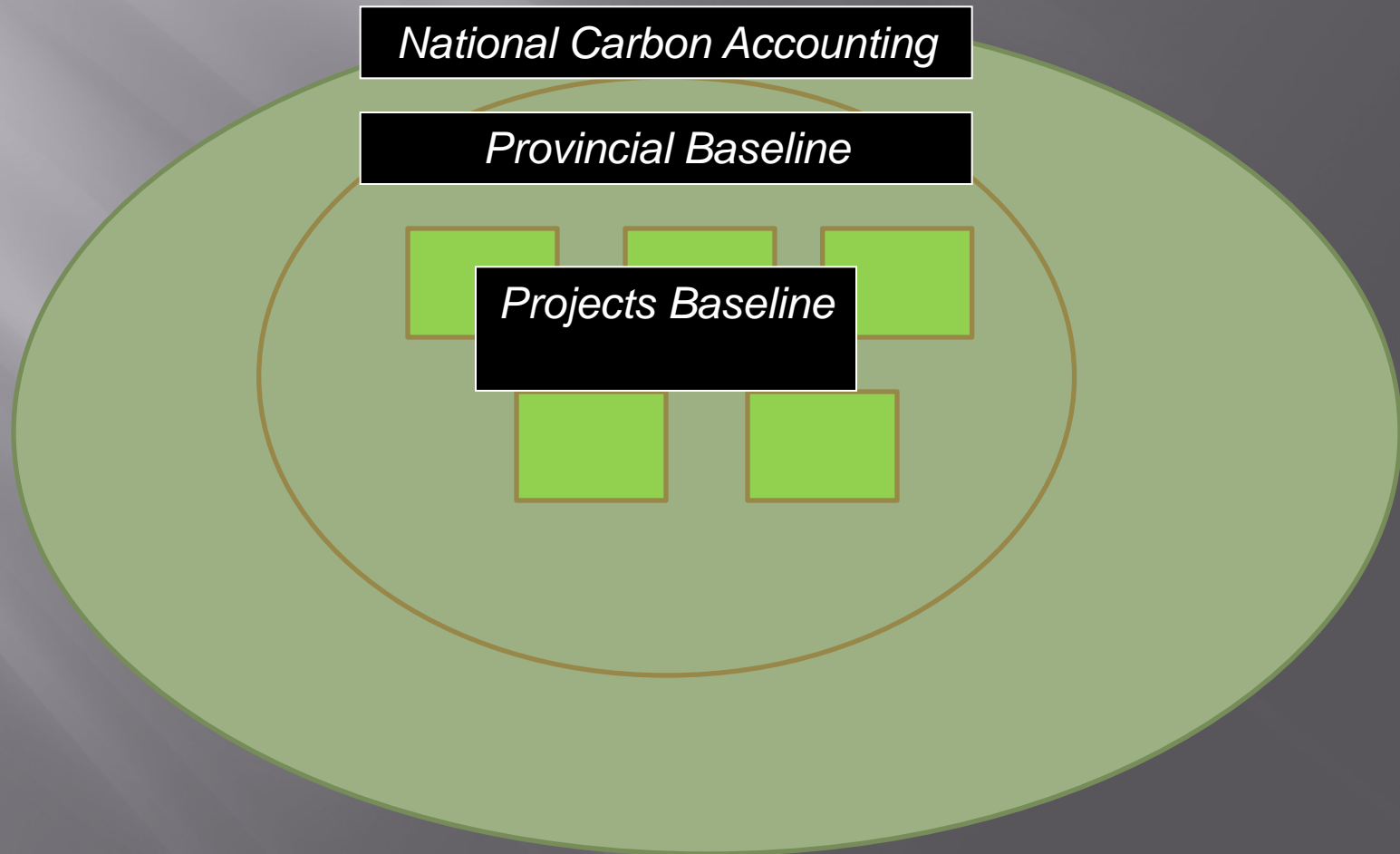
## *Governance*

- Carbon registry, carbon accounting
- Property, concession, community registries
- Land-use zoning
- Financial architecture (links to cap-and-trade & commodity markets)
- Nesting architecture (province-nation)

# Linking provincial projects to the national accounting system

A potential Linking REDD+ with Regulated Entities: The state's emissions reductions are nested into the national governments' target for the entire province, and allocated programmatically.

Indonesia REDD Emissions Reductions 2010-2020 targets



## ACEH

Developed its Green Aceh strategy in 2006

REDD focus is on two large forest areas of Ulu Masen and Leuser

These two project areas are approximately 57% of Aceh.

## PAPUA - Progress Since Aceh

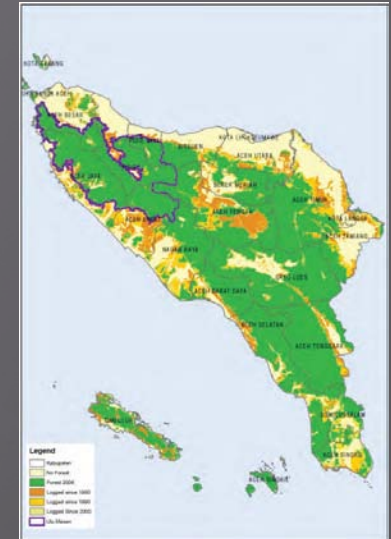
-Establishment of Papua Low Carbon Development Task Force almost complete

-Statement of interest from EU in Jakarta to support low carbon development in Papua

-Interest from the Norwegian Government for potential participation in Norway REDD program

-Process continues to update Papua Province spatial plan to keep more than 70% of Papua's forests

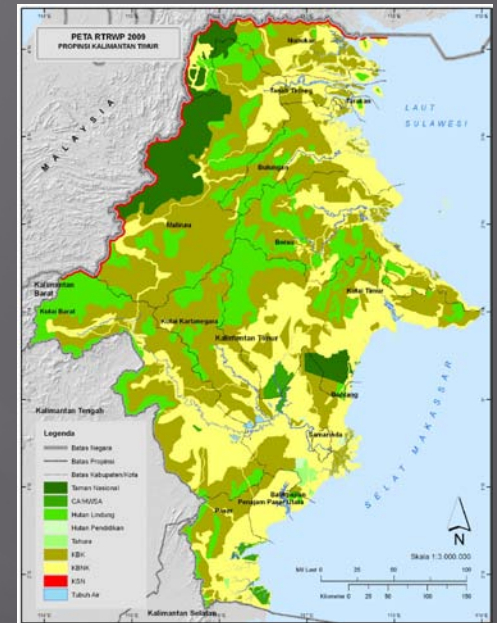
-Analysis of developing market mechanisms supporting Papua's commitment to reduce deforestation



## EAST KALIMANTAN

Commenced with several voluntary forest carbon projects in various regencies in 2006.

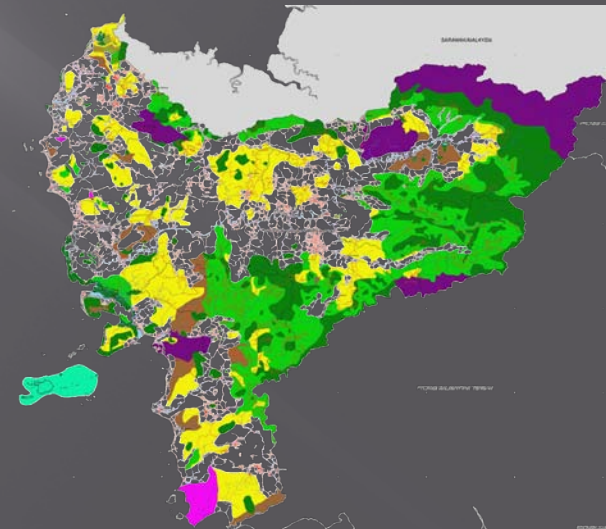
Declared KALTIM green in 2009 and developed a low carbon economy study in partnership with the National Council of Climate Change (NCCC) and McKinsey



## WEST KALIMANTAN

Commenced with several voluntary forest and peat carbon projects in various regencies in 2008.

Established OEDAS (Organisation for the Environment in Developing Sustainably) to undertake Low carbon Economy and REDD planning in 2010.



## REDD+partnership

Route of REDD+ partnership: Bali 2007-Paris-Accra-Oslo... Cancun 2010 (hopefully REDD architecture will be agreed with certainty of policy basis, strategy for financing, governance, MRV, recognition of FPIC-rights and tenure-conflicts resolution, and benefits distribution)

REDD+ partnership covers 58 countries, including GCF members (agreed in 27 May 2010)

Indonesia signed the LoI NoRI on 26 May 2010  
3 Phase of Implementation. Proposed financing for preparation 30 million USD for preparation (setting up institution and developing national strategy on REDD+)

June – August 2010: consultation and multistakeholders process regarding LoI and its implications to related right-holders and stakeholders in three working groups:

# REDD+ partnership development

June - August 2010:

consultation and multi stakeholders processes regarding Lol and its implications to related right-holders and stakeholders in three working groups:

1. Development of REDD+ National Strategy- led by Bappenas (National Planning Agency)
2. Establishment of REDD+ Institution that oversee Institutional Arrangement; Financial Mechanism and MRV (independent), directly report to the President – led by UKP4 (President's Delivery Unit)
3. Development of REDD+ pilot provinces, led by Ministry of Forestry

Prospect Province as good candidates for REDD+ pilot province selection: Riau, Papua, Central Kalimantan, West and East Kalimantan, Jambi, Bengkulu, Aceh

(tbd later by panel of independent experts as one pilot province by beginning of 2011 and another pilot province in 2012). Selection criteria are developed through experts and multistakeholders (biophysics, socio-economy, governance and MRV criteria)

September-Oktober 2010: REDD+ National Strategy Development at province and national level (BAPPENAS will be organizing 4 regional consultation meetings... tba)

July-Oktober 2010

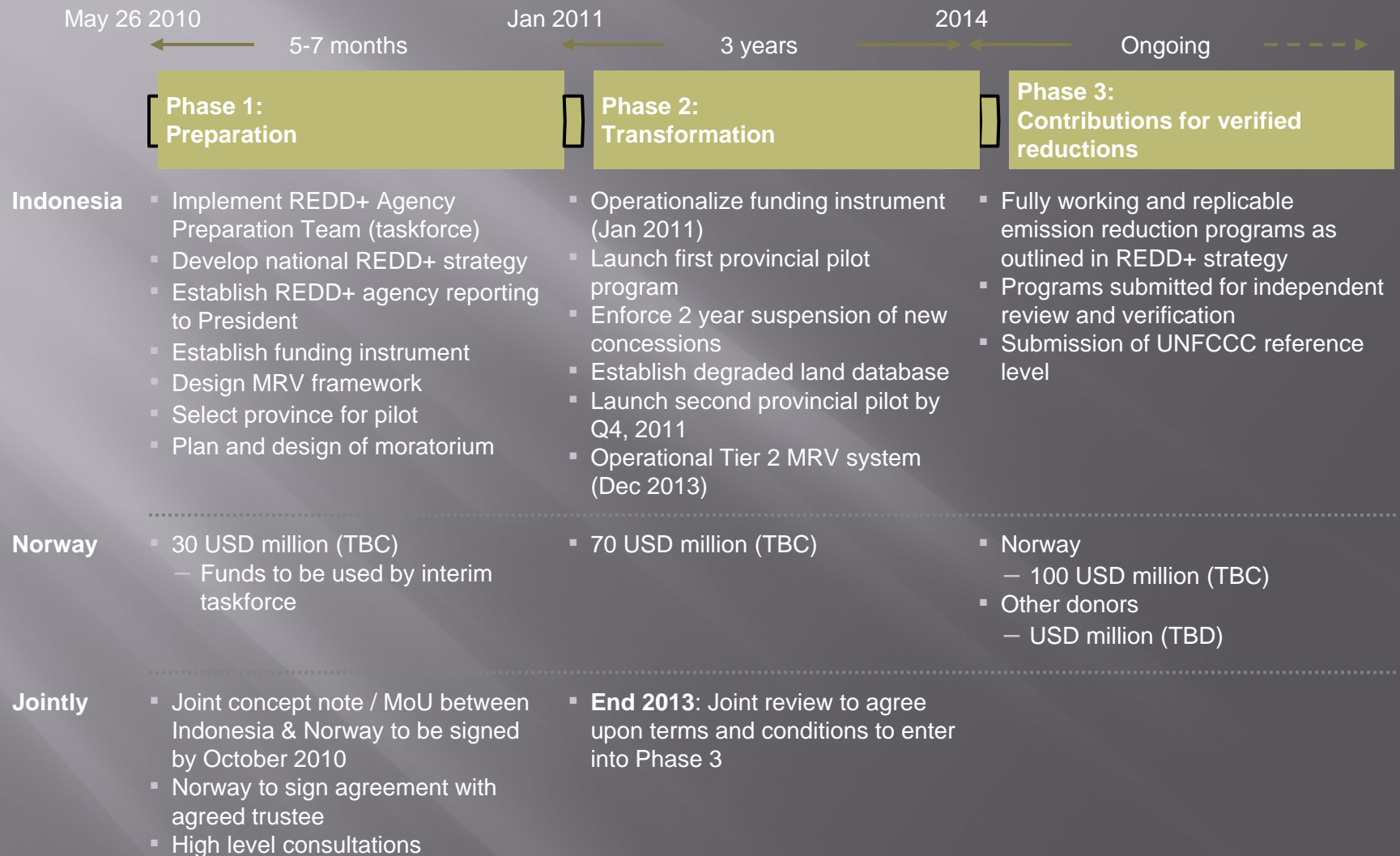
UKP4 organizes individual meetings, small workshops and multistakeholders meetings to discuss suspension of forest conversion; review on licensing process, legal analysis on existing national policies on intra-ministerial coordination and management agency /institutions, and muslti-stakeholder management, MRV and financing.

26 September UKP4 will conduct comparative study to Brazilia and Belem (tentative)

# THE INDONESIA AND NORWAY CLIMATE CHANGE PARTNERSHIP HAS THE COMMON GOAL OF REDUCING EMISSIONS THROUGH REDD+ ACTIVITIES

AS OF 13 AUGUST 2010

The letter of intent proposes a three phased approach



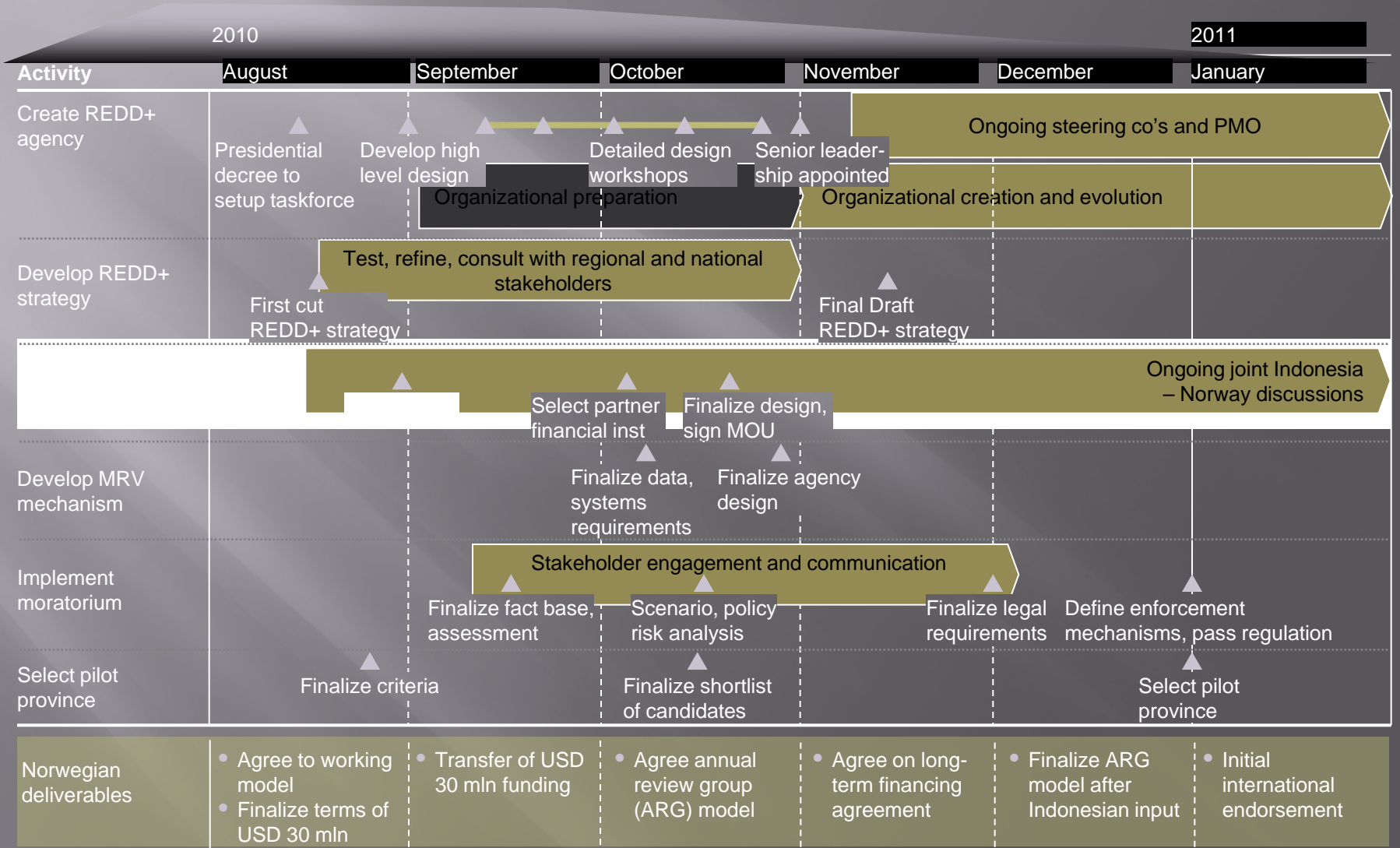
# PHASE 1: INDONESIA REDD+ 5-7 MONTH IMPLEMENTATION WORK PLAN

PRELIMINARY

Phase 1: Preparation

Phase 2: Transformation

Phase 3:  
Contributions for verified  
reductions



# Challenges and Conclusion

Though Indonesia is the first country in the world to release REDD regulations ( June 2009), there are numerous issues that remains unclear and can benefit from GCF involvement.

1. The role of provincial governments and private sector.
2. Legal issues such as carbon ownership
3. Financial implications such as eventual distribution of REDD benefits to the various stakeholders.
4. The grey zones within the ministries such as issues on land use planning.

Working together with the national government's parallel programmes and designated authorities will lead towards a sustainable growth and conservation in Indonesia's Tropical Forest.

Question is how do the provinces take action now and generate enough momentum and funding whilst there are many uncertainties in REDD methodology nationally and internationally?