



# Linkages of JCM with NAMAs, MRV and Registry: An Update

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# Outline

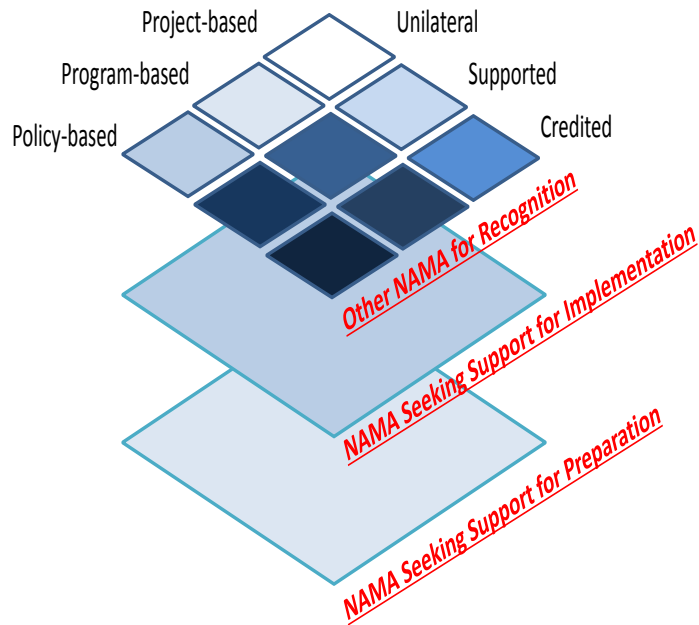
- The Need for Unified Registry System
- Road to NAMAs: Four Routes
- 1st exercise – RAN/GRK Mechanism
- Some Notes

# Climate Change Policy Framework



- Political action is yet to take shape in form of concrete policies and investment decisions that will help mitigate the impacts of climate change in integrated, long-term vision framework:
  - **Action:** effective, efficient low carbon development scenarios → National Action Plan
  - **Governance:** evaluation and monitoring through a robust MRV system and key stakeholders engagement in inclusive manner → National GHG Inventory System
  - **Market and non-Market Approaches:** finding the effective and efficient mechanisms and a robust institutional arrangement (under development)
- The need for changing strategic focus to respond to the on-going institutional dynamics in developing policies based on sound science, which leads to targeted investment in green initiatives.
- Three strategic spheres of science, policy and investment into consideration, the government/DNPI aims at looking at
  - **Science** for building appropriate scenarios in order to be better prepared for the future
  - **Policy** for creating the facilitative environment for dialogue and enabling conditions,
  - **Investment** for generating the right culture for sustained investment in green initiatives.

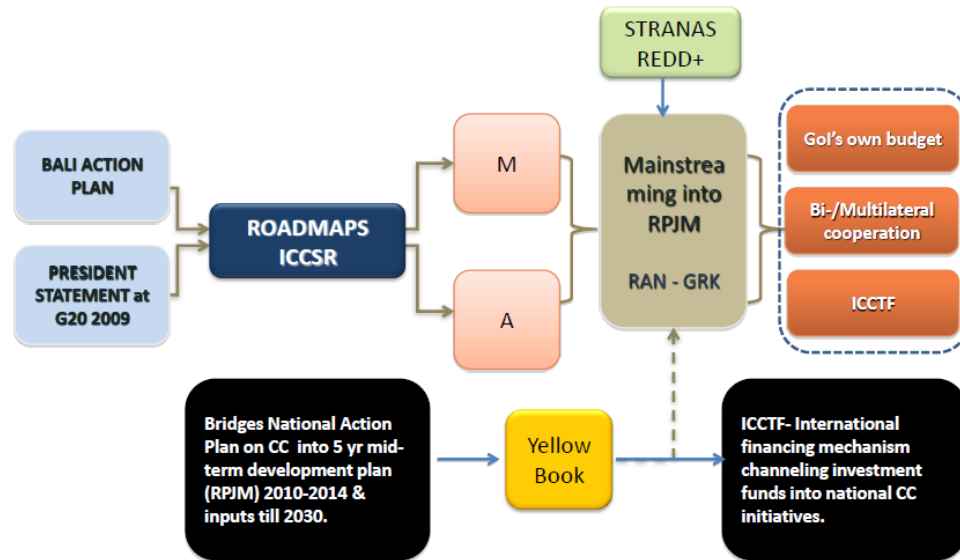
# The Need for Unified Registry System



Source: DNPI and JICA (2013)

- Information facilitation and matching process so that the mechanism is transparent, accountable, and reach out mitigation potential across sectors and geographic areas;
- Diverse of mitigation potentials being developed through various mechanisms and schema (National Action Plan/RAN-GRK, REDD+, CDM, JCM, MCC);
- Indonesia has submitted the **first NAMAs (2010)** as a general direction of potential mitigation actions to be recognized as NAMAs including:
- Sustainable **Peat Land Management**, Reduction in Rate of **Deforestation and Land Degradation**, Development of carbon Sequestration Projects in Forestry and Agricultures, Promotion of **Energy Efficiency**, Development of Alternative and **Renewable Energy Sources**, Reduction in Solid and Liquid **Waste**, and Shifting to **Low-Emission Transportation Mode**.
- In 2012 Indonesia has submitted a NAMAs on **Sustainable Urban Transport** to NAMAs registry ([http://unfccc.int/cooperation\\_support/nama/items/6982.php](http://unfccc.int/cooperation_support/nama/items/6982.php))

# Route 1 – Integrated Process into National Planning



Source: Bappenas (2012)

- **Legal Basis:** Presidential Decree 61/2011 on National Action Plan on GHG Emission to achieve **26%(domestic) and 41%(international support)** emission reduction targets, covering **70 programs** classified as core and supporting activities.
- Engagement of provincial governments through **Provincial GHG Emission Reduction Plan (RAD GRK)**. Out of 33 provincial governments, 31 provinces have established a RAD GRK
- Establishment of **Indonesia Climate Change Trust Fund (ICCTF)**
- Establishment of **Monitoring, Evaluation and Reporting (MER)** as a framework and mechanism to track and evaluate the progress and performance.

**NATIONAL ACTION PLAN.** Indonesian emission is expected to increase from 1.72 to 2.95 GtCO<sub>2</sub>e (2000-2020). Proposed National Action Plan on GHG Emission Reduction(RAN-GRK) consist of 70 programs distributed among various sectors .

Sectors	Emission Reduction Plan (Giga ton CO <sub>2</sub> e)		Agency
	26%	15% (total 41%)	
Forestry and Peat	0.672	0,367	Ministry of Forestry, Ministry of Environment, Ministry of Public Works, Ministry of Agriculture
Waste	0.048	0.030	Ministry of Public Works, Ministry of Environment
Agriculture	0.008	0.003	Ministry of Agriculture, Ministry of Environment
Industry	0.001	0.004	Ministry of Industry
Energy and Transportation	0.038	0.018	Ministry of Transportation, Ministry of Energy and Mining, Ministry of Public Works
	0.767	0.422	

# Route 2 – REDD+ Institutional Set-Up



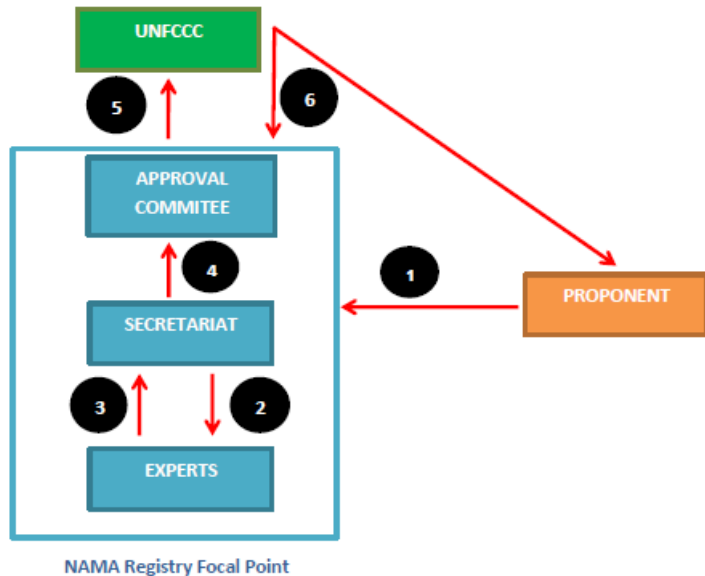
Source: Satgas REDD+ (2012)

## National Task Force on REDD+ (2011-June 2013)

- Institutional arrangement is taking shape towards a **REDD+ Agency** establishment
- **Instrument/Mechanism/pilot exercises**
  - MRV Strategy for REDD+
  - Funding for REDD+ in Indonesia (FREDDI)
  - Provincial Strategy for REDD+
  - Moratorium for releasing new licences in primary forest and peatland areas
  - "One Map" initiatives dealing with spatial database integration
  - Tested areas in implementing REDD+

## REDD+ Agency (September 2013)

# Route 3 – NAMAs through UNFCCC Registry (as of July 2013)



Source: DNPI (2013)

## Defining NAMAs

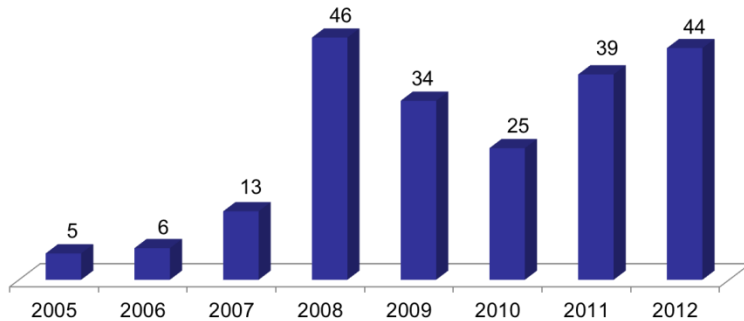
- Consistent with UNFCCC definition , mechanisms and 1st Indonesia submission on potential mitigation areas
- In-line with national policies (Mid-term National Development Plan (RPJM), National GHG Emission Reduction, and related policies)
- Transformational (effectivity, impacts, scaling-up potentials, financing)
- Co-benefits
- Inclusive, transparent and broader engagement (GO, NGOs at national and sub-national levels)

## Mechanisms

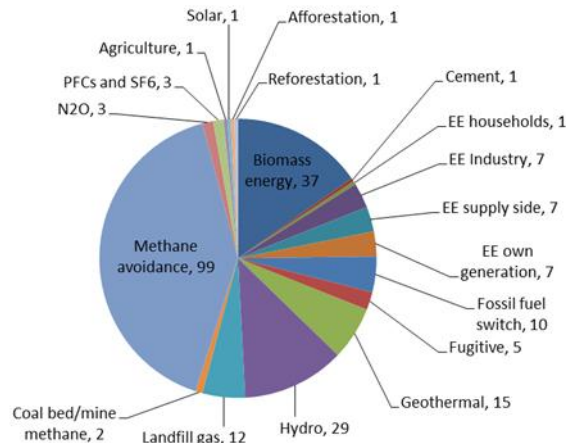
- ① Proponent to submit NAMA to the NAMA Registry Focal Point
- ② Secretariat will examine NAMA submit or conduct administration screening and then pass the NAMA to the Experts
- ③ Experts to provide analysis and forward it to the Secretariat to further approval process
- ④ Approval Committee to carefully examine NAMAs submission
- ⑤ NAMA submitted submitted tp UNFCCC
- ⑥ Feedback from UNFCCC may be delivered through NAMA Registry Focal Point or directly to the Proponent.



## Route 4 – Other Potentials



CDM approval through DNA (2005 – now)



CDM Indonesia registered in di UNFCCC based on type

Source: DNPI (2013)

- **Clean Development Mechanism (CDM):**
  - 212 projects received LoA
  - 140 projects registered in UNFCCC, 27 projects received CER
  - 3 proposals under consideration (2013)
- **Feasibility Study for Bilateral Offset Credit Mechanism funded by Japan Government:**
  - 2010-2012: 32 projects
  - 2012-2013: 25 projects
- **Voluntary Carbon Market (VCM)**
  - **11 Verified Carbon Standard (VCS) projects**, 6 projects produced 2.2 million tonnes VER
- **Partnership for Market Readiness (PMR)**
  - Strategy for market based mitigation actions including pilot activities
  - Pilot projects: mitigasi berbasis pasar untuk:
    - MRV Systems Design for Electricity Installations in Java-Madura-Bali (300 units)
    - MRV System for cement industries
- **Nusantara Carbon Scheme Mechanisms (SKN)**, voluntary certified emission reduction, (under development).

# Modalities towards Unified Registry System

Mitigation Potentials	Scope		MRV	“Registry Mechanism”
	Actions	Enabling		
RAN-GRK (National Action Plan on Greenhouse Gases Reduction)	33 provinces, 5 sectors: Forestry and Peat, Waste, Agriculture, Industry, Energy and Transportation) 26% (0.767 Giga ton CO2e) 15% for total 41% (1.189 Giga ton CO2e)	President Regulation No. 61/2011	MER (Monitoring, Evaluation and Reporting)	Governance: Bappenas as National Coordinator Approval Process: Bappenas through sectoral proposal and RAD Host: Bappenas through Secretariat RAN GRK
REDD+	44 pilot project of deforestation and forest degradation, and includes the role of conservation, sustainable management of forests and enhancement of forest carbon stocks	President Decree No. 5/2013	MRV for REDD+	Governance: Under task force development Approval Process: REDD+ Host: Under task force development
CDM	27 CER (Certified Emission Reduction) with total 75 Mton CO2e	Legal background: Act No. 23/1997 concerning Environmental Management; Act No.6/94, Ratification to the UNFCCC; Act No.17/04 Ratification to the Kyoto Protocol; Min of Forestry Decree No.14/04 on A/R project.	Project-based MRV	Governance: National Commission on Clean Development Mechanism which consist of Secretariat and technical team, with additional support from expert Approval Process: DNA/DNPI Host: DNPI
JCM (Joint Crediting Mechanism)	- Land use, renewable energy, energy efficiency, waste management, CCS-SNG, transport - 57 feasibility studies has been undertaken as of February 2013	Coordinating Ministry of Economics Decree KEP-50/M.EKON/05/2012	Project-based MRV	Governance: Joint Committee between GoI and Japan Government (under development) Approval Process: JCOM Host: Japan: MOE/METI Indonesia: DNPI, Coordinating Ministry of Economics
Pilot - MCC (Millennium Challenge Account)	Green Prosperity a. Renewable energy development (micro/mini hydro, bio-mass, solar power) b. Green Knowledge	President Regulation No. 80/2011, Green Knowledge Map	MRV	Governance: Board of trustees of Trust fund 4 person from Bappenas, 1 person from Ministry of Foreign Affairs, 1 person from Ministry of Finance) Approval Process: Board of Trustees Host: Bappenas

# Preliminary Assessment

## Challenges

- Diverse actors with different policy target. (National, Sub-National, Program/project-based)
- Diverse actions characterized by actions (land based, energy, etc.) and enabling condition (mapping, spatial planning)
- Diverse MRV systems in terms of scope, level of governance, and techniques
- Diverse initiatives to develop Registry system with various level of implementation.

## Modalities

- On going process : National and Provincial GHG emission reduction plan (RAN/RAD GRK), Joint Crediting Mechanism (JCM Japan-Indonesia) and Millennium Corporation Challenge program (US-Indonesia Partnership) in engaging key stakeholders both government and non government at various levels (national, sub national, project-based activities)
- Lessons learned from CDM project based registry system (more than 27 total CER)
- Registry Prototype from UNFCCC (information for facilitation of matching process of approval, proposals as well as donor interests)

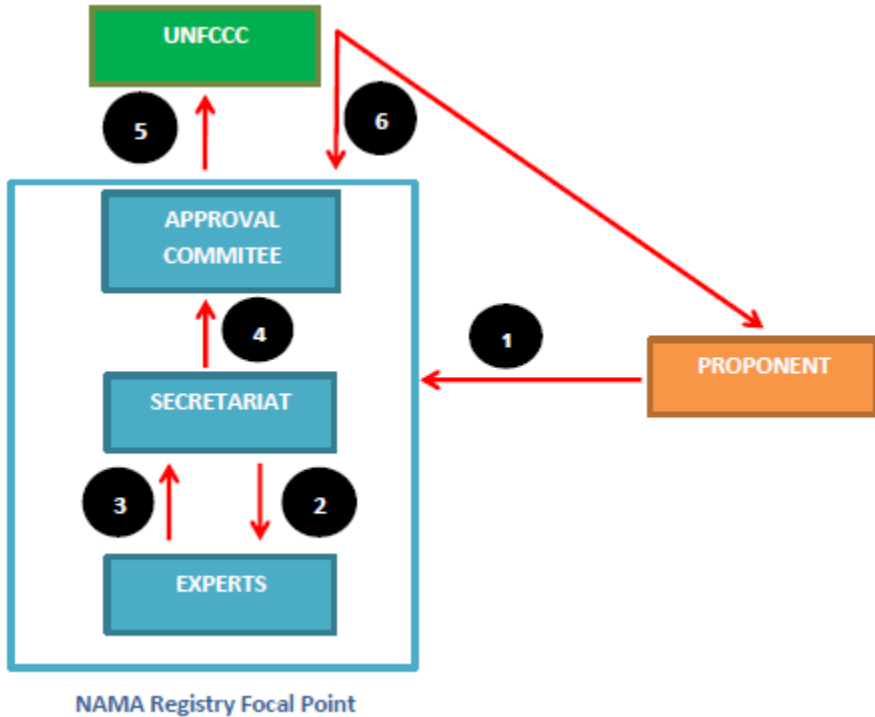


# Some Thoughts on Registry System

- A new challenges for national government in establishing NAMAs Registry systems: **institutional arrangement, approval mechanism** and technical capacity for **information validation/verification**
- Domestic driven process to build **consensus and engagement** of key stakeholders both government and non-government in establishing registry system including its governance, based on lessons learned from on-going initiatives
- Registry is a **mean/mechanism** to tract and evaluate GHG emission reduction targets/achievement and associated mitigation actions (technology, finance and capacity building)
- Encouraging line Ministries who already put emission reduction targets to register to NAMAs registry
- Initial assessment of institutional registry arrangement options :
  - ✓ **National Commission** directed by the Coordinating Ministry with the support of Secretariat Office and technical team for facilitating information and approval processes
  - ✓ Establish **Registry Office** under the Ministry of Environment who responsible for national GHG Inventory
  - ✓ **Broader arrangement** to cover not only mitigation issues



# Proposed Feasible Institutional Arrangement (Commission/committee)



## Institutional Arrangement

- **Committee for Approval** – DNPI as National Focal Point, line ministries (BAPPENAS, Ministry of Finance, Ministry of Environment and other relevant line ministries), private entities/association (KADIN), Indonesian Association of Mayors (APEKSI), Civil Society Organization(CSO).
- **Secretariat** – The office which consist of personnel with standards of administration of NAMA submission and approval process in place and supported with Registry manual, templates, database, and ICT infrastructure.
- **Experts** – The roster of experts which consist of consultant with diverse expertise on Land based Mitigation, Energy, Waste, and Finance.

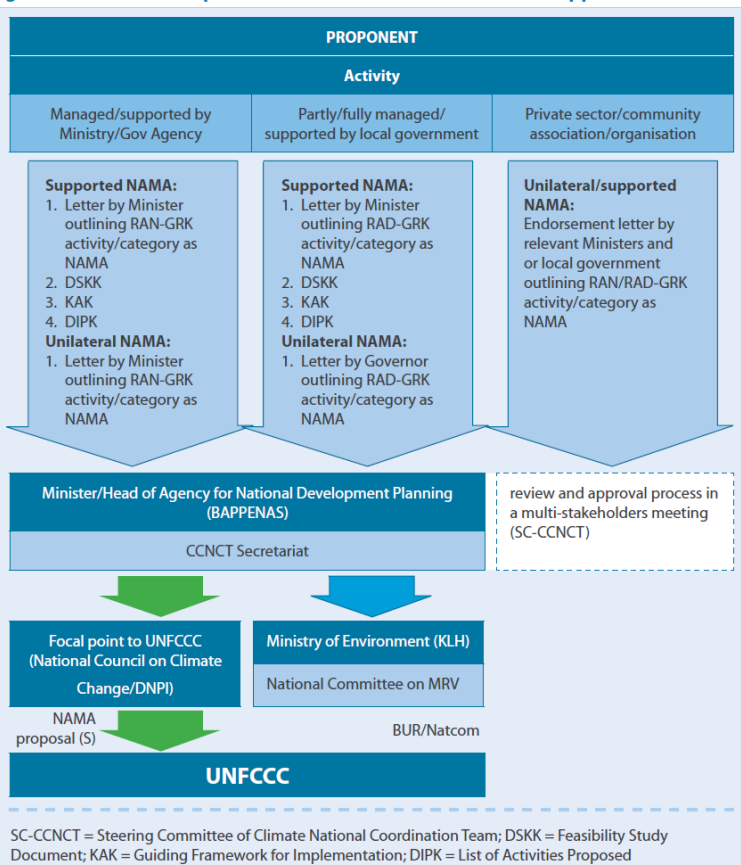
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- ④ Committee in Approval to carefully examine whether the NAMA submitted is approved or not approved
- ⑤ NAMA submitted is then forwarded by NAMA Registry Focal Point to UNFCCC
- ⑥ Feedback from UNFCCC may be delivered through NAMA Registry Focal Point or directly to the Proponent.



# 1st Exercise

- DNPI as the focal point to the UNFCCC will facilitate further review and the validation process prior to the submission of a NAMA proposal to the UNFCCC Secretariat.
- DNPI as the ‘focal point’ will submit the proposal to the UNFCCC Registry. Any feedback from interested donors will be incorporated directly into the NAMA proponent with the acknowledgement of DNPI.
- At the national level, the progress of implementation including the GHG emission reduction progress will be reported into the national GHG inventory system and associated reporting mechanisms, i.e. upcoming National Communications and the Biennial Update Reports (BUR).
- As NAMAs are not limited to public/government activities (unilateral and supported), but may include carbon market-based (credited)18 action, a comprehensive, integrated and robust institutional mechanism is now being developed to encourage NAMA submissions



Source: Indonesia's Framework for Nationally Appropriate Mitigation Actions, Bappenas, 2013



## Further Elaboration for Unified Registry System

- **Defining Mitigation (type, coverage, co-benefit, safeguards)**
- **National Accounting Framework**
  - Project Registry
  - Emission Registry
  - Transaction log (market, non-market, combination)
- **Governance**
  - CDM
  - JCM
  - Coordination Team of Emission Trading

# THANK YOU

