



Indonesia's Climate Change Policy and Implementation Update

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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 (multilateral, bilateral/regional and domestic)
- 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.

Climate Policy Update: Indonesia (as of Sept 2013)



Adaptation

- National Action Plan on Climate Adaptation (RAN-API) as guidance for decision makers to provide an inventory of near-term priority adaptation actions and to complement the current work on mainstreaming adaptation.

Mitigation

- Presidential Regulation No. 61/2011 on National Action Plan on Emission Reduction Plan (RAN-GRK) covering 70 programs in 5 sectors.
- Regional Action Plan on Emission Reduction at Provincial levels (RAD-GRK) covering 32 provinces out of 33 provinces.
- Presidential Regulation No. 71/2011 on National GHG Inventory System
- Presidential Regulation No. 62/ 2013 on REDD+ Agency.
- Coordinating Economy Ministerial Decree No. 67/2013 on Coordination Team for Carbon Trading.

Technology Transfer

- Technology Need Assessment (TNA) on mitigation and adaptation focused on energy, forestry, waste (for mitigation) and food security, water resources, and coastal vulnerability (for adaptation)
- Establishment of National Designated Entity (NDE) functioned as a liaison agency between Technology Centre and Network and local stakeholders in implementing technology transfer
- Implementation of technology transfer project ideas through FIRM Initiative focused on energy and transportation.

Capacity Building

- National Strategy on Human Resource Development for Climate Change Actions

Finance

- List of Ministerial Decisions and Regulations to incentivize climate change actions at national and sub-national level through fiscal policy framework including tax, investment, and feed-in tariff on geothermal.

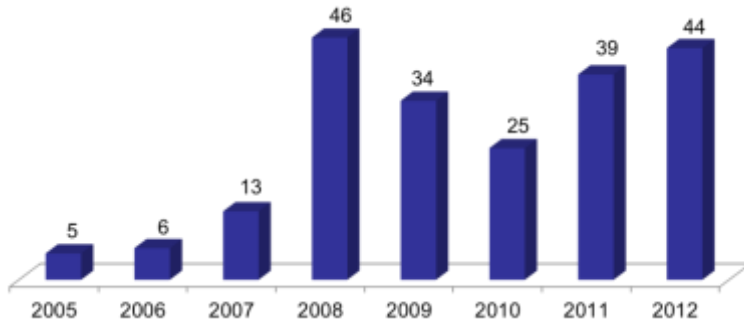


NATIONAL ACTION PLAN. Indonesian emission is expected to increase from 1.72 to 2.95 GtCO₂e (2000-2020). Proposed National Action Plan on GHG Emission Reduction(RAN-GRK) consist of 70 programs distributed among various sectors .

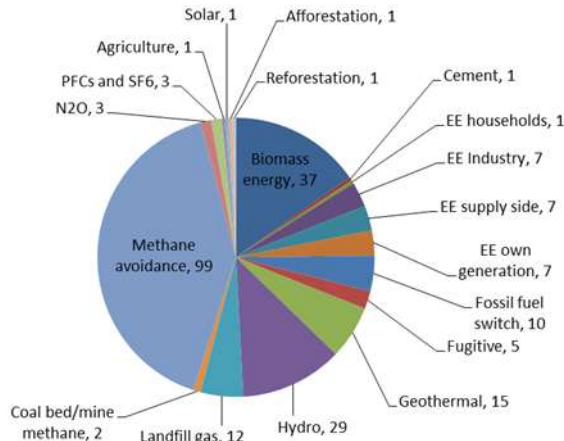
Sectors	Emission Reduction Plan (Giga ton CO ₂ e)		Agency
	26%	15% (total 41%)	
Forestry and Peat	0.672	0,367	Ministry of Forestry, Ministry of Environment, Ministry of Public Works, Ministry of Agriculture
Waste	0.048	0.030	Ministry of Public Works, Ministry of Environment
Agriculture	0.008	0.003	Ministry 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	



Project based/sub-national Activities



CDM approval through DNA (2005 – now)



CDM Indonesia registered in di UNFCCC based on type

Source: DNPI (2013)

- **Clean Development Mechanism (CDM):**
 - 214 projects received LoA
 - 140 projects registered in UNFCCC, 31 project received CER (9.15 million tonnes)
 - 1 proposal under consideration (2013)
- **Feasibility Study for Joint 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:
 - 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).



Joint Credit Mechanism (JCM)



During 2010-2013, 57 Feasibility Studies have been done covering fields of renewable energy, energy efficiency, forestry/REDD+, transportation, carbon capture and storage, and agriculture.

JCM bilateral agreement is official as of August 2013

Indonesian and Japanese side have established "Joint Committee" in October 2013.

Its role is similar to role of the CDM-Executive Board in the CDM system.

Pre and Post 2020 Challenges: Issues, Domestic Reality, Avenue

The issues:

- Long-term dimension (impacts, adaptation, mitigation) that need a comprehensive and systemic approach with coherent and consistent implementation stages supported by robust institutional arrangement (technology, institutional capacity and financial sources).
- Transformation towards green economy based on the lowest carbon-footprint but highest economic benefit/co-benefit.
- Stakeholder engagement in every level of governance(national, sub-national).
- Population dynamics inclusion into policy formation

Domestic Reality

- New administration in 2014
- Global Climate Regime 2015
- ASEAN as One Community

Two Options:

- Non Climate Change Act/legislation through existing instruments and mechanisms:
- Climate Change Act/legislation



THANK YOU

