Indonesia’s National Mitigation Action: Paving the Way Towards NAMAs

(Input to OECD/IEA Seminar on MRV and carbon markets, a CCXG and Global Forum event)

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Outline

1. An Overview of the planning program of Indonesia’s NAMA programme

2. How Indonesia’s NAMAs may be measured, reported and Verified (MRV)

3. Financing Indonesia’s NAMAs
National Mitigation Action Plan (RAN-GRK)

Overall objective
- Contribute to global efforts to reduce emissions and to tap international funding for Indonesia

What it is
- Integral part of National Development Plan, regularly updated
- Core activities, integrated among sectors, to reduce emissions and support activities to strengthen policy framework
- Compiled based on proposals of actions from implementing agencies, based on existing actions that have co-benefits in reducing GHG emissions

Main principles
- Should not hinder economic growth
- Enhance people’s welfare in the sense of sustainable development
- Protection of poor and vulnerable communities
<table>
<thead>
<tr>
<th>Sector</th>
<th>Emission Reduction (Giga ton CO2e)</th>
<th>Action Plan</th>
<th>Institutions</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>26% +15%</td>
<td></td>
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<tr>
<td>Forestry and Peatland</td>
<td>0.672 0.367</td>
<td>Forest and land fire control, water and hydrology management on peatland, forest and land rehabilitation, illegal logging control, avoiding deforestation, community development</td>
<td>MoFr, MoPW, MoA, MoE</td>
</tr>
<tr>
<td>Waste</td>
<td>0.048 0.030</td>
<td>Sanitary landfill development, 3 R and sewerage system in urban areas</td>
<td>MoPW, MoE</td>
</tr>
<tr>
<td>Agriculture</td>
<td>0.008 0.003</td>
<td>Introduktion of low carbon rice variety, irrigation efficiency, organic fertilizer utilization</td>
<td>MoA, MoPW, MoE</td>
</tr>
<tr>
<td>Industry</td>
<td>0.001 0.004</td>
<td>Energy efficiency, renewable energy development</td>
<td>MoI</td>
</tr>
<tr>
<td>Energy and Transportation</td>
<td>0.038 0.018</td>
<td>Biofuel development and utilization, fuel efficiency improvement, mass transportation, demand side management, renewable energy, energy efficiency</td>
<td>MoT, MoEnergy, MoPW, MoF</td>
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<tr>
<td></td>
<td>0.767 0.422</td>
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Source: Result from a Ministerial Meeting at Coordinating Ministry of Economics, 29 December 2009
Developing Indonesian NAMAs

- RAN-GRK (as Indonesian NAMA)
  - Baseline Mitigation scenarios
  - Assessing costs & co-benefits
  - Selecting actions
  - Developing policies & measures
  - Define MRV indicators

Internationally recognized NAMAs

In each of the sectors and each province

NAMA Concept Note as a “recipe”
RAN-GRK: Dual approach for allocating mitigation efforts

- **Sectoral**
  - Land Based: Agriculture, forestry and land use
  - Energy (Industry, transportation, electricity)
  - Waste

- **Regional**
  - Develop local mitigation action plans (RAD-GRK) incl. provincial targets
The Indonesian Mitigation Target (2020)

**Sector allocations**
- Forestry + Peat
- Agriculture
- Power - energy
- Transport
- Waste
- Industry

**Actions now**
- Mid-Term Development Plan, sector-strategic 5-year plans

**With international support**
- 41% (MRV international / REDD+ MRV)
  - Clear and concise contracts
  - Clear executing agencies
  - Higher abatement costs
  - No offsetting

**Without international support**
- 26%
  - MRV domestic
  - Outlined in Medium-Term Dev. Plan (RPJM)
  - Lower abatement costs, economically feasible
  - National priorities
  - No offsetting
Multi sectoral baseline

(source: Situmeang, 2011)
## Developing Indonesian NAMAs: Tasks ahead I

<table>
<thead>
<tr>
<th>Task</th>
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<tbody>
<tr>
<td>Set a national multi sectoral baseline for GHG emissions</td>
</tr>
<tr>
<td>Establish business-as-usual scenarios for future GHG emission trends and reduction paths</td>
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<td>Identification of potential mitigation actions of each sector</td>
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<tr>
<td>Calculate emission reductions</td>
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<tr>
<td>Select mitigation actions: based on cost effectiveness and national development targets</td>
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<tr>
<td>Establish carbon budgets for each sector</td>
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<td>Estimate financing needs and related financing schemes</td>
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<td>Estimate collateral benefits, e.g. non-GHG benefits in the transport sector related to air pollution reduction</td>
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<td>Develop and introduce appropriate mitigation policies &amp; measures</td>
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<td>Design and establish a coordination mechanism for NAMAs (e.g., a NAMAs registry)</td>
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<td>Define roles and responsibilities for (additional) institutions (for example: who will do the MRV)</td>
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<td>Connect the NAMA concept with MRV: Development of indicators</td>
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<td>Public awareness programme</td>
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Mapping of Climate Change Financing in Indonesia

Source: Policy Coordination Forum, Bappenas, 2011
THANK YOU