

REDD+ SURVEY: INDONESIA

Country background

Indonesia is a country which has high forest cover on one side and problem of deforestation and forest degradation on another side. The primary drivers of deforestation and forest degradation include the need for development of other sectors (e.g. agriculture, infrastructure and mining), illegal logging, forest fire, and forest encroachment. The estimated rate of deforestation changes considerably overtime, for example, between 1985–1997, 1997–2000, and 2000–2005, rate of deforestation was 1.8 million ha/year, 2.8 million ha/year, and 1.2 million ha/year respectively. Indonesia is currently working on improving carbon stocks data as part of the development of MRV system. The existing data (based on IFCA study, 2007) shows that forest carbon stocks in Indonesia varies from 8 to more than 300 ton C/ha. The efforts include minimizing uncertainty of the estimates, so that potential emissions savings from reducing deforestation and from increasing emissions removals in Indonesia can be more reliably estimated. The Ministry of Forestry (in coordination with related Ministries and National Council on Climate Change) has oversight of Indonesia REDD+ policy and has implemented the REDD+ Readiness Strategy 2009–2012. During this Readiness Phase, parallel to the national process to develop low carbon development path, REDD+ Strategy in the long-term will be developed by advancing the Readiness Strategy already in place.

Current sources of finance (from present to 2013)

Financing source	Financing to date (US millions of \$)	Interim financing (US millions of \$)	Post 2012 financing (US millions of \$)	Category*	Details (please provide details of the activities being financed)	Partners (please list any funding or implementing partners)
	Up to 2010	2010 to 2012	Post 2012			
National Government (Other investment in reducing deforestation)	1500 (2009)	1140	820 (2013–2014)	–	Production forest management, conservation forest management, protection forest management, rehabilitation of degraded land and forest, community development, strengthening forest boundaries, establishment of forest management units.	
FCPF	Nil	3.6	–	Category 1 and 2	<ul style="list-style-type: none"> – Analytical works (incl. identify drivers of deforestation and forest degradation from a development perspective, land use and demands, demographic development, – Management of readiness process (institutional setting and regulatory framework, capacity building, communication and outreach) – Support activities relating to the establishment of REL and MRV system (incl. Establishment of PSPs represented various forest types for ground-based forest carbon monitoring), – Facilitate the development of new Demonstration Activities (setting up REDD framework at a sub-national level, baseline data collection, Testing Environmental and Social Management Framework). 	

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Current sources of finance (from present to 2013) *continued*

Financing source	Financing to date (US millions of \$)	Interim financing (US millions of \$)	Post 2012 financing (US millions of \$)	Category*	Details (please provide details of the activities being financed)	Partners (please list any funding or implementing partners)
	Up to 2010	2010 to 2012	Post 2012			
FIP	Nil	80	–	Category 2 and part of category 4	<ul style="list-style-type: none"> – Address drivers of deforestation and forest degradation through investment in public and private sectors, and facilitate process towards performance-based payments for emissions reduction, – In the initial stage of developing “Investment Strategy” 	
UN-REDD Programme	5.6	–	–	Category 2 and 3	<ul style="list-style-type: none"> – Developing and testing designs for payment and distribution mechanism linking to the MRV system – Stakeholder consultations and communications including participation of Indigenous people and local communities, – Demonstration Activities 	
Australia	6.5	2.7	–	Category 1 and 2	Includes support for Indonesia Forest Climate Alliance REDD policy development in 2007, policy support, INCAS support and Indofire monitoring system.	
	12.2	15.4	–	Category 3	Kalimantan Forests and Climate Partnership. Practical REDD demonstration activity in Central Kalimantan, agreed with Government of Australia. Early implementation underway on a 120,000 hectare site. Aims to demonstrate a credible, equitable and effective approach to REDD, including the degradation of peatland.	Wetlands International, Borneo Orang-utan Survival Foundation (BOS), CARE International, University of Palangka Raya.
	–	27.6 (refer details)	–	Category 3	Sumatra Forest Carbon Partnership. Practical REDD demonstration activity to be located in Jambi province. Agreed and jointly announced by Governments of Australia and Indonesia in March 2010. Aims to demonstrate a credible, equitable and effective approach to REDD on mineral soils, and address different drivers of deforestation to the KFCP. Note: funding allocation across years is still to be determined so has been shown as 2010 to 2012 only – but may extend to 2013).	None at this stage.

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Current sources of finance (from present to 2013) *continued*

Financing source	Financing to date (US millions of \$)	Interim financing (US millions of \$)	Post 2012 financing (US millions of \$)	Category*	Details (please provide details of the activities being financed)	Partners (please list any funding or implementing partners)
	Up to 2010	2010 to 2012	Post 2012			
Germany		15	15 (2013–2015)	Category 2 and 3	<ul style="list-style-type: none"> – Facilitation of preparation and implementation process of REDD strategy at the national level and the implementation of DA at the district/unit management level, – Establishment of REL and development of MRV system at the district level and maintaining the consistency with the implementation of REL and MRV system at the national level, – Linkage of MRV system with the responsible institutions in land use planning at the district level, – Facilitation of in the development of REDD incentive distribution scheme. 	
The Nature Conservancy		5		Category 3	<ul style="list-style-type: none"> – Facilitate the development of District level forest carbon programme in Berau – Establishment of REL/RL and development of MRV system at the district Level, and the linkage to the MRV system at the provincial and national level 	Funding supports: AUSAID, Norad, USAID, GTZ, KfW.
ITTO		0.6 (2010–2012)	0.3 (2013)	Category 3	A cooperation to conserve tropical forest to reduce emission from deforestation and forest degradation, enhance carbon stock, and creating enabling conditions to allow effort to improve the prosperity of local people in/surrounding Meru Betiri National Park by involving the people and relevant institutions in the project.	
Other sources of financing	**	**	**		<ul style="list-style-type: none"> – Awareness raising and capacity strengthening through workshops, training, shared-learning, and stakeholder's participation, – Baseline data collections*** 	
Total Financing:						

* Categories of financing/activities include:

Category 1: Development of national REDD+ strategies and action plans, including consultation.

Category 2: Implementation of national REDD+ strategies and capacity building activities, including development of MRV systems and regulatory reforms.

Category 3: Demonstration activities.

Category 4: Performance-based payments for emissions reductions.

** No record at national level

*** Mostly carried out by NGOs with external financial supports, the activities are scattered and difficult to coordinate/monitor.

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Estimated additional financing requirements

Do you have a low carbon development plan? *No, in the process of development*

Do you have a national REDD+ strategy?

Indonesia has a national REDD+ Readiness Strategy (2009–2012), the national REDD+ Strategy will be developed during readiness phase.

The financing needs to support readiness phase (2009–2012) as follows:

- Methodological aspects related to the establishment of reference emissions level/reference level and development of MRV system, regulation, institution and analytical works: US \$ 19 million
- Address drivers of deforestation and forest degradation: US \$ 4 billion
- Demonstration Activities: varies depending on size and scope of activities.

Have you identified any additional REDD+ capacity building activities that will require financial support? *Yes*

Financing/activity category	Estimated additional financing requirements (US millions of \$)	Financing period (Please specify the likely funding period)
Category 1: Development of a national REDD+ strategy		
Category 2: Implementation of national REDD+ strategy and capacity building activities	10	2010–2012
Category 3: Demonstration activities	5	2010–2012
Category 4: Performance based payments for emissions reductions	?	?
Total Estimated Financing:	15 +	

Currency conversion

Original Currency	Indonesia Rupiah, USD, Euro	Conversion rate to USD	USD1 = approx Rp 10,000
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