

## **Submission by Indonesia**

### **Policy approaches and positive incentives on issues relating to reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries**

#### **I. Background**

*The Conference of the Parties* at its eighteenth session decision on *agreed outcome pursuant to the Bali Action Plan*, invites Parties and admitted observer organizations to submit to the Secretariat, by 25 March 2013, views on the matters referred to in paragraphs 34 and 35 of FCCC/CP/2012/L.14/Rev.1, including potential functions, modalities and procedures:

#### **II. Views of Indonesia**

Indonesia considers the importance of this submission to be taken into account in the in-session workshop at the thirty-eighth sessions of the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the Subsidiary Body for Implementation (SBI) and in the relevant UNFCCC sessions for recommendation to the Conference of the Parties at its nineteenth session. In this regard, Indonesia submits its views on issues related to Paragraphs 34 and 35 as follows:

##### **A. The need to improve the coordination of support (Paragraph 34) :**

- Improving the coordination of support is crucial both at the international and national levels in order to increase transparency and avoid unnecessary duplication and repetition of areas and scopes of supported REDD+ activities. Furthermore, it will facilitate of sharing experiences and achievements among REDD+ countries at the global level and among sub-national REDD+ activities at the national level.
- At the international level, improved coordination of support will reduce the likelihood of mismatch between priority areas of developing countries where support is needed and priority of support given by developed countries, for example, preference of support towards certain area (e.g. governance) and lack of support for other priority areas, that has resulted in some challenges for developing countries to obtain the support needed. Furthermore, improved coordination will also provide opportunity to harmonize similar requirements of supports (e.g. safeguards) and approaches to assess progress of supported activities (e.g. reporting formats), as well as to promote regional and sub-regional cooperation including south-south cooperation. Eventually, improved coordination will increase resource efficiency as well as overall programs/actions effectiveness. Before institutional arrangement for REDD+ is agreed, Secretariat of the UNFCCC should facilitate the coordination of REDD+ supports.

- At the national level, taking into account national circumstances, legislation, capacity and capabilities, country receiving multiple supports or using multiple sources of finance for REDD+ activities should have mechanism for coordination in place.

**B. The need to provide adequate and predictable support, including financial resources, technical and technological support (Paragraph 34) :**

- Referring to in Decision 1/CP.16 paragraphs 71, 72, 73 and 74, adequate and predictable support, including financial resources, technical and technological support will be needed for all phases to enable developing countries, irrespective of the phases they are in and scope of REDD+ activities under paragraph 70 of the decision 1/CP. 16 they undertake. According to decision 1/CP.16 paragraph 71, developing countries intending to undertake REDD+ activities should develop a national strategy/action plan, reference emission level or reference level, national forest monitoring system, and safeguards information system. Furthermore, paragraph 72 requires REDD+ countries to address drivers of deforestation and forest degradation, and other relevant issues. This paragraph implies the need to support REDD+ actions beyond fast start finance period.
- Considering that fast start finance has ended and long-term finance is under discussion, mid-term finance is crucial for developing countries to start or continue their REDD+ activities. Indonesia acknowledged the pledges made in Doha by some developed country parties for mid-term financing, however, commitments for supporting REDD+ actions between the end of fast start finance period to the start of long-term financing, especially between 2013-2015, need to be further enhanced.
- REDD+ has a potential to significantly contribute to enhance the level of ambition in emission reduction to achieve target of holding the increase in global average temperature below 2 °C or 1.5 °C above pre-industrial levels, as well as to achieve sustainable development and livelihood improvement of forest dependent people. In this regard, REDD+ finance should be part of the long-term finance for mitigation and adaptation.

**C. Joint SBSTA-SBI process in the thirty-eight session (Paragraph 35) :**

- Activities to be carried out by developing countries referring to in paragraphs 71 and 72 of decision 1/CP. 16 demand for certain level of capacity and technology, as well as finance including for capacity improvement and access to technology.
- The SBSTA works relating to paragraphs 71 and 72, Annex II of decision 1/CP. 16, and decision 12/CP. 17 need to be balanced by SBI works on addressing the needs of developing countries for finance, capacity enhancement and access to technology to implement REDD+ activities. The joint initiatives of SBSTA-SBI should address the balance between methodological requirements and commitment for supports to implement REDD+ activities, so that consensus on methodological guidance including on NFMS and MRV can be reached in COP-19. It is also important that previous

decisions on finance and methodological aspects relating to REDD+ be respected in this process.

- On the institutional arrangements, Indonesia opens to exploring potential governance alternatives including a body, a board or a committee. However, discussion should start with “roles” and “functions” that need to be carried out to support implementation of REDD+ activities under decision 1/CP.16, followed by consideration on the most appropriate institutional arrangements for REDD+ implementation under different phases, taking into account financial implications of such institutional arrangements.
- In considering institutional arrangements or exploring governance alternatives (under a body, a board or committee) for REDD+ activities, joint SBSTA-SBI should take into account relevant processes under the COP and relevant COP’s decisions including guidance related to GEF and GCF. Experiences gained under existing body (SBs), board (CDM, GCF), and committee (Standing Committee of Finance, Adaptation Committee, and Technology Committee) should shed light on to what the most appropriate institutional arrangement that can effectively support the implementation of REDD+ under different phases.
- Irrespective of the institutional arrangement, REGISTRY (tracking system) will be needed both at the national and international levels, to track REDD+ activity and its performance including REDD+ units in result-based actions, as well as supports provided. With REGISTRY, double counting both in performance/actions and supports may be avoided.
- At the international level, before institutional arrangement for REDD+ is in place, Secretariat of the UNFCCC may act as the interim REGISTRY for REDD+ both for actions/performance and supports.
- At the national level, REDD+ country should decide on the setting of REDD+ registry under its overall mitigation actions, taking into account national circumstances, legislation, and capacities.