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DIRECTORATE GENERAL OF CLIMATE CHANGE**

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Attachment : -

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Mr. Daniele Violetti

Director

Means of Implementation Division

UNFCCC Secretariat

Email: standingcommittee@unfccc.int

**Subject : Indonesia Inputs to the next Standing Committee on Finance (SCF)
Forum – *Financing Nature-Based Solutions***

Dear Mr. Violetti,

Referring to your letter inviting to Call for inputs by the Standing Committee on Finance relating to the organization of its next Forum, Ref. DV/YV/DR dated 19 June 2020, as Indonesia National Focal Point to the UNFCCC, I would like to convey our inputs regarding the topic of "Financing Nature-Based Solutions (NBS) for the next SCF Forum. Please kindly find the attached inputs.

We greatly appreciate and thank you for the opportunity. We are looking forward to hearing your positive reply.

Director General of Climate Change as
National Focal Point to the UNFCCC,



Dr. Ruandha Agung Sugardiman

Inputs for the Next SCF Forum

In response to the invitation for inputs by the Standing Committee on Finance (SCF) relating to the organization of its next forum, the Government of the Republic of Indonesia hereby submits its views:

Indonesia recognizes that NBS is an important issue, and it also has a potential role in addressing the challenge of humanity, climate change, biodiversity. Hence, Indonesia welcomes SCF's decision to select and discuss the topic of "Financing Nature-Based Solutions (NBS)" at the next SCF forum. Indonesia views that the SCF forum is an important forum for Parties and related stakeholders to exchange information in the context of climate finance.

Indonesia, however, would like to emphasize that in the context of climate finance, NBS should not create new funding or special funding in addition to the existing climate finance on adaptation and mitigation.

1. Scope and Purpose of the Forum.

Below are some inputs from Indonesia for the SCF Forum:

- At the macro level, Indonesia expects that the NBS forum will be efficient and do not overlap with other climate finance fora under the UNFCCC, such as the Long-Term Finance (LTF) workshop. Indonesia also assumes that this forum would offer concrete action.
- Specifically, Indonesia expects that the SCF forum could respond to the following thoughts:

a) The background of the NBS, including the definition and the position of NBS on climate change, especially under the UNFCCC.

Despite its increasingly a popular term, we need a general framework that sets NBS in the issue of climate change under the UNFCCC e.g. provides a definition that could clarify the NBS concept, general indicators for NBS measurement which could differentiate NBS project with adaptation and mitigation actions.

b) Indonesia views that there is a need to develop criteria to differentiate NBS from biodiversity, both in terms of project and funding.

- c) It is necessary to emphasize NBS as a strengthening element to climate change adaptation and mitigation, without shifting the burden from Non-Nature Based Mitigation & Adaptation to Nature-Based Mitigation & Adaptation. Also, it is important to clarify the minimum requirements for NBS funding, so that there will be synergies in climate finance that are cost-efficient also support financing for NDC.
- d) The discussion on the NBS should include lessons learned from the existing NBS tagging mechanism at both international and national levels and its relevance for climate finance tagging.
- e) The SCF Forum could also discuss complementarity and coherency of NBS in various types of climate finance as well as in various international agreements or conventions.
- Indonesia also supports that the discussion on NBS financing in SCF Forum would explore various financing models.

2. Case Studies.

The following is an example of an NBS related case study in Indonesia:

- The Building with Nature (BwN) Indonesia Programme by the Indonesian Ministry of Marine Affairs and Fisheries, the Indonesian Ministry of Public Works and Housing, Ecoshape Foundation, and Wetlands International. This project builds a stable coastline in Northern Java through an innovative building with a nature approach. The goal is to build a stable restored mangrove coastline that reduces erosion, adapt to sea-level rise, and enables inclusive economic growth. The use of mangroves in the case of BwN is an example of an NBS that provides multiple economic and climatic benefits, specifically increasing climate resilience and protecting against coastal flooding.

This program carries out planting and developing mangroves, sustainable aquaculture models, and empowering vulnerable communities. Mangrove restoration began with the construction of a permeable dam made of bamboo stalks and tree stalks to dampen waves and trap sediment.

This program also creates a sustainable aquaculture model that enables mangrove restoration efforts also require the use of fewer chemicals. The impact is the improvement of vulnerable groups of people and various economic sectors and also has disaster risk resilience. Several mangrove locations also function as tourist sites. The BwN program is still on-going. Information regarding the progress, challenges, and achievements of the program can be found in the monthly bulletin called "Sahabat Pesisir Demak".

3. Potential institution to partner with

Indonesia proposes that various international institutions related to NBS to be involved in the forum, especially those which have studied and create guidance on NBS. The private sector, local communities, and scientific experts should also be invited to the forum.
