



# Forest Carbon Partnership Facility

## Update on Indonesia process

Fifth Meeting of the Participants Committee (PC5)

La Lopé, Gabon

March 22-25, 2010



# Grant Agreement

- Grant agreement (US\$ 3.6 million) intends to fill the readiness gaps and will be implemented by Ministry of Forestry (FORDA), DKN (National Forest Commission) and Ministry of Finance.
- Readiness grant will try to support central coordination of the implementation of Indonesia's strategy "National accounting with sub-national implementation". Official DAs:
    - FORCLIME (KfW/WWF/etc) in Heart of Borneo
    - KFCP (Australia FC Partnership) in Central Kalimantan
    - Berau Carbon Forest Project (TNC) in East Kalimantan
    - Meru Beteri (ITTO)
    - UNRDD in Sulawesi, and others
  - Grant implementation is coordinated closely with other programs (mainly AusAid, UNREDD and FIP)

# Activities under FCPF grant

- Management of Readiness Strategy (Demonstration Activities)
  - Institutional strengthening and capacity building (links to UNREDD)
  - Strategic Environmental and Social Assessment for managing DAs (includes Land tenure as related to REDD)
  - Support for Regulatory arrangement for REDD incentives (Min. of Finance)
  - Registry and Monitoring of REDD DAs – Learning lessons (links to UNREDD and AusAid)
- Analytical Work:
  - Analysis of drivers of deforestation from a development perspective,
  - mapping of historic drivers of deforestation
- REDD (Investment) Strategy (co-funded by Forest Investment Program)
- Design and institutional support for a System for PSPs

# Next steps

- TORs for Strategic Environmental and Social Assessment to be consulted with key stakeholders
- Consultation Plan remains to be disclosed and consulted with partners (donors, NGOs, IP networks and others)
- Orientation and Assessment of Financial Management and Procurement Capacity of FORDA/Min of For.
- R-PP Assessment Note to be disclosed
- Obtain approval by Bappenas
- Signature of Grant: May?