



East Kalimantan Jurisdictional Emission Reductions Program, Indonesia



*19th Carbon Fund Meeting
5th February 2019
Washington DC, USA*

i. Jurisdiction: Key Relevant Program Area Features



East Kalimantan, INDONESIA

ETHNIC DIVERSITY



3.5 million
peoples

Dayak, Kutai,
Javanese,
Chinese,
Banjarese,
Bugis, Malay

7 districts and 3 cities,
103 sub-districts 1,032 villages



Total area: 12.7m ha
Forested area:
6.5m ha (54%)

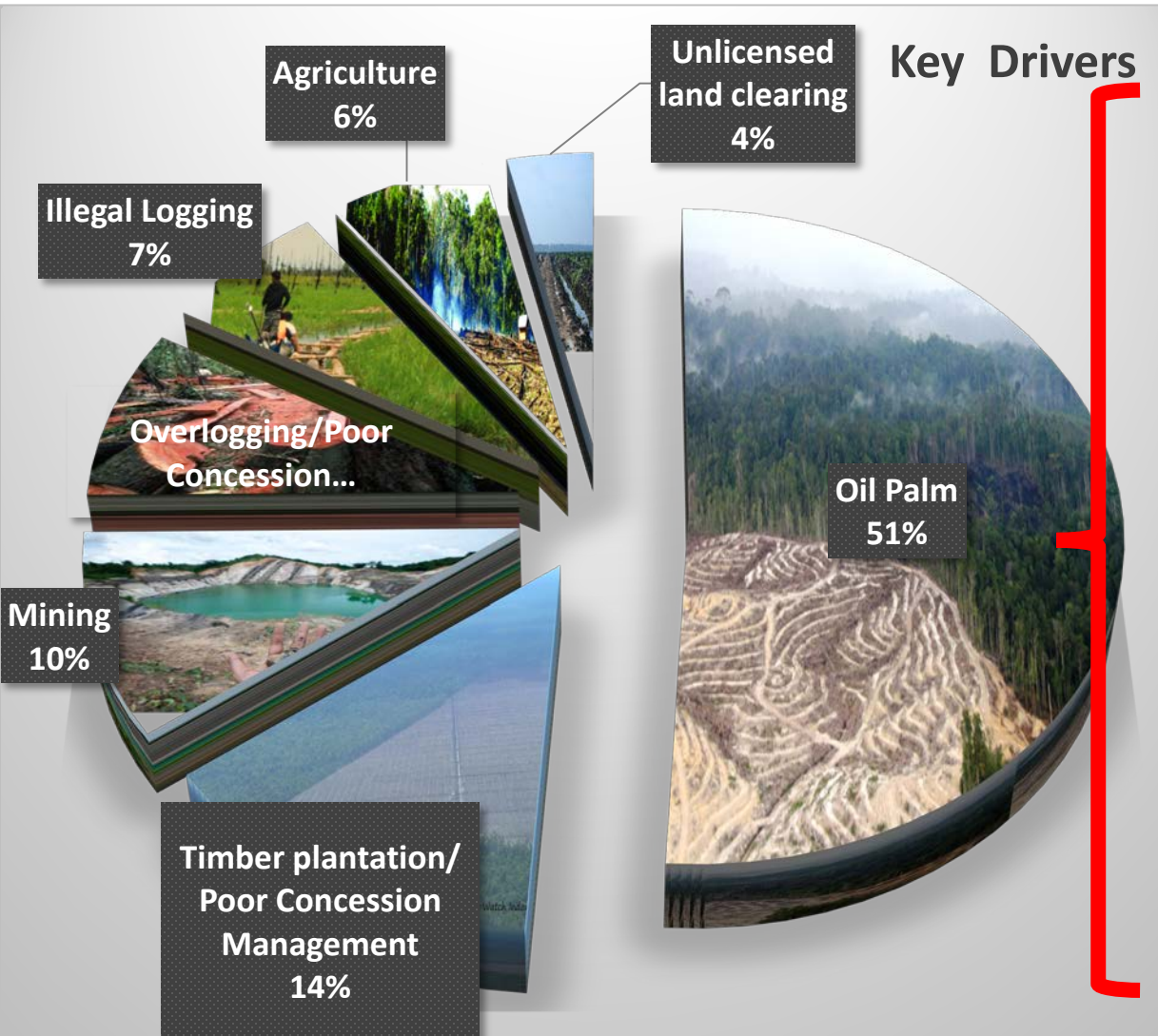
| Forest class | Area (ha) |
|---------------------------|-----------|
| Primary dryland forest | 2,190,192 |
| Secondary dryland forest | 4,018,093 |
| Primary mangrove forest | 36,275 |
| Primary swamp forest | 22,674 |
| Secondary mangrove forest | 130,700 |
| Secondary swamp forest | 111,064 |
| Total | 6,508,998 |



11 vulnerable and endangered species
8 of which are mammals



ii.Key Drivers and Underlying Causes: 7 key drivers



Underlying Causes

Poor spatial planning

Ineffective forest supervision
and administration

Weak policies for forest
protection

Lack of incentives for
sustainable management
practices

Limited alternative livelihood
opportunities for local
communities

Lack of fire management
capacity and lack of
alternatives for land clearing

Climate factors

iii. Principal Interventions: Components, sub-components and activities

4 Components
12 Sub-components
29 Activities

1. Forest and Land Governance

1.1 Strengthening the licensing regime

1.2 Dispute Settlement

1.3 Support for the recognition of adat land

1.4. Strengthening village spatial planning

2. Improving forest supervision and administration

2.1. Strengthening administrative capacity

2.2. Strengthening provincial and district government to supervise and monitor implementation of sustainable Estate Crops and Forest Concessions

3. Reducing def and forest deg in licensed areas

3.1 Implementation of HCV policies for oil palm estates

3.2. Support for Small holders and Fire Prevention

3.3. Implementation of HCV and RIL-C policies for Forestry Concessions

4. Sustainable Alternatives for communities

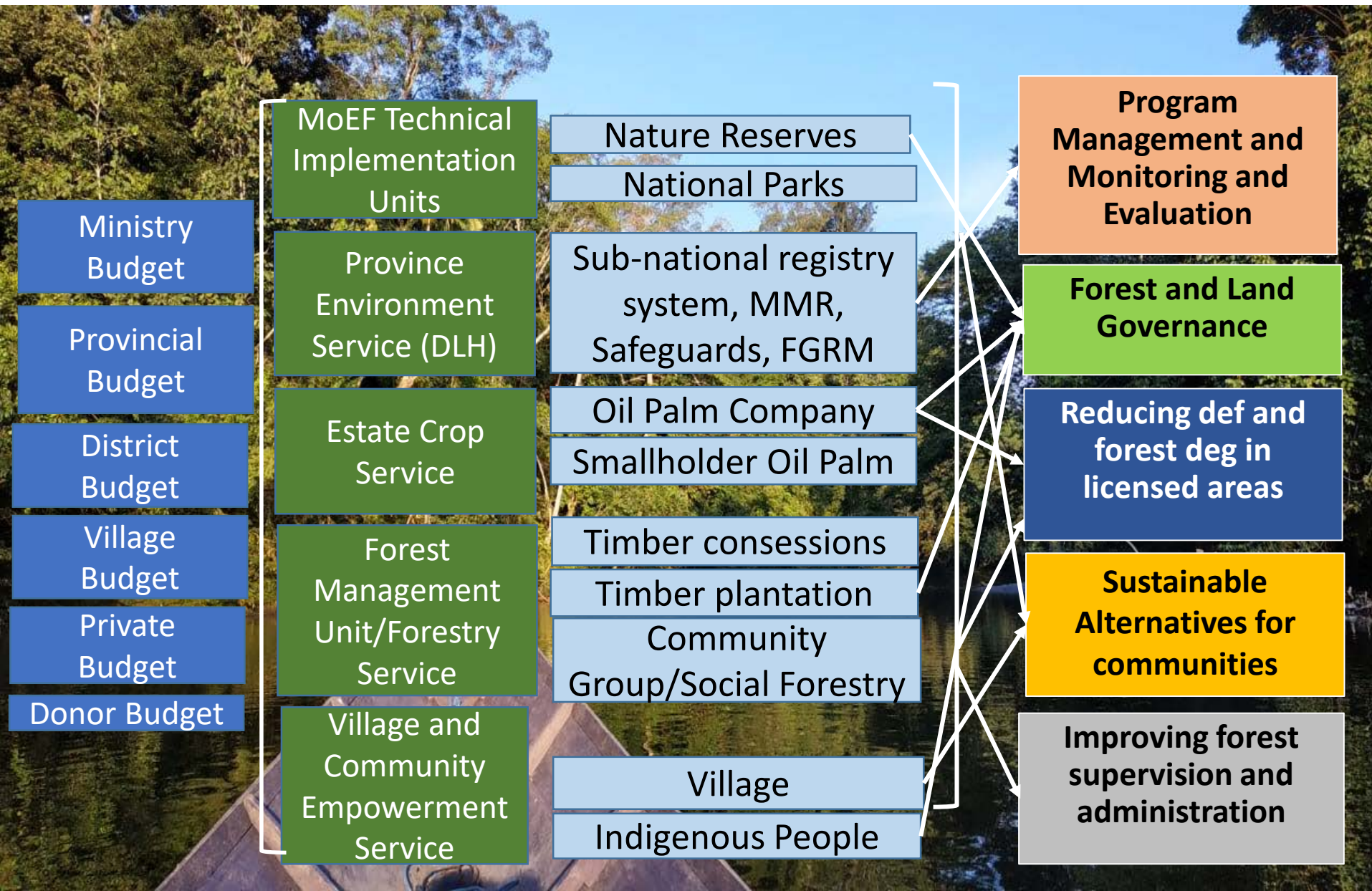
4.1 Sustainable Livelihoods

4.2 Conservation Partnerships

4.3. Social Forestry

5. Program Management and Monitoring and Evaluation

iv. Implementation Plan: Who is responsible



v. ER Program Budget and Financing: USD 90,7 million

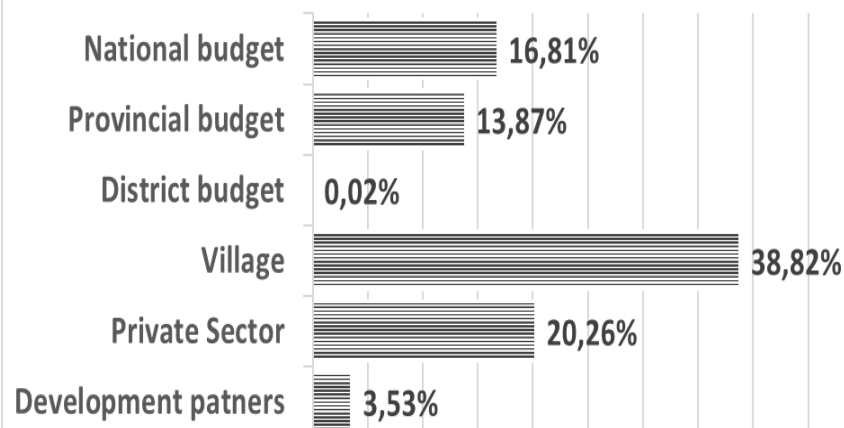
The estimated total ER Program cost 2020 – 2025

| COMPONENT | BUDGET (USD) | Share |
|---|-----------------|-------------|
| 1. Forest and Land Governance | 0.9m | 1.0% |
| 2. Strengthening Government Capacity for Forest Administration | 9.2m | 10.2% |
| 3. Reducing deforestation and degradation within licensed areas | 25.1m | 28.0% |
| 4. Sustainable Alternatives for Communities | 48.3m | 53.2% |
| 5. Program Management and Monitoring and Evaluation | 7.2m | 7.9% |
| TOTAL | 90.7m | 100% |

Financing strategy

- The **main source of funding** for the ER Program is the **Government of Indonesia**, through its national, province, district and village budgets.
- The Government **committed** and will **integrate the ER Program into their development and budget plans**
- Others from private sector and development partners.

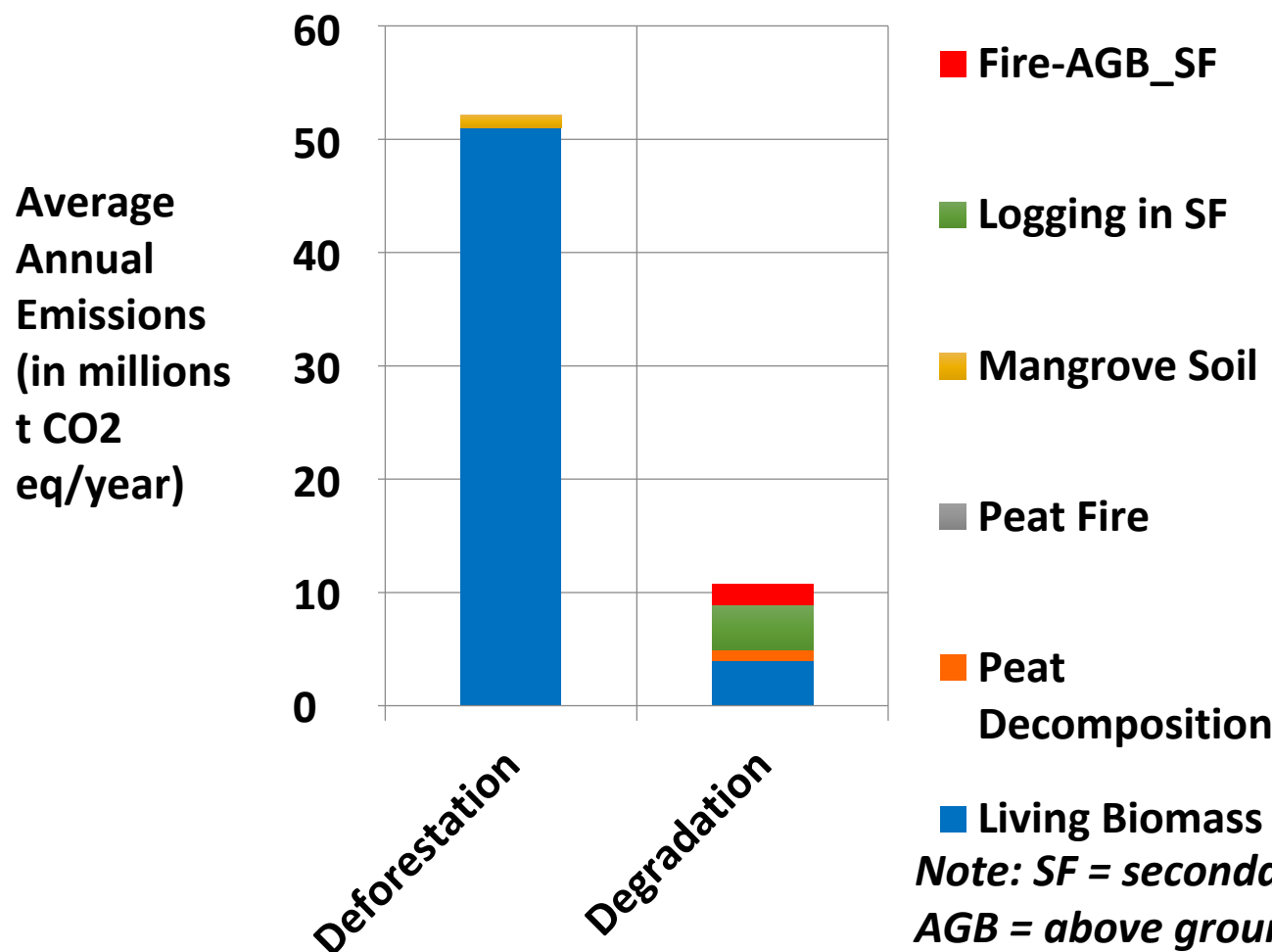
Financing sources for the ER-P implementation



vi. Reference Level: 2006 - 2016

Total REL from deforestation and forest degradation:

62,9 millions ton CO₂e per year



The REL in ERPD and national FREL are the same approach

Some enhancements:
(1) application of sample based area estimation for Activity Data

(2) region-specific forest inventory data

Note: SF = secondary forest;
AGB = above ground biomass

vii. Measurements, Monitoring, & Reporting: Parameters and institutions

Parameters to be monitored:

Activity Data

- **Forest cover change**
(*Inst.: BPKH and IPSDH, Direct. Of Planology*)
- **Areas of burned forest land**
(*Inst.: LAPAN, Direct. for Forest and Land Fires Control, MoEF*)
- **Area of logging in production forest**
(*Concessionaries, Province Forest Agency, Agency for Production Forest Management, Forest Management Unit*)

Emission Factors

(*Inst.: Provincial Environmental Agency, East Kalimantan MRV Focal Point, Concessionaries*)

- ❖ Emission factors for living biomass
- ❖ Emission factors for peat and mangrove soils
- ❖ Emission factors for fires
- ❖ Emission factors for logging damage and waste

Schedule for MMR (tentative):

- 1st MMR in 2022 (towards mid-term ERPA payment)
- 2nd MMR in 2024 (towards final ERPA payment)

viii. Estimated Emission Reductions: 97,1 mtCO₂eq

Effectiveness of program:

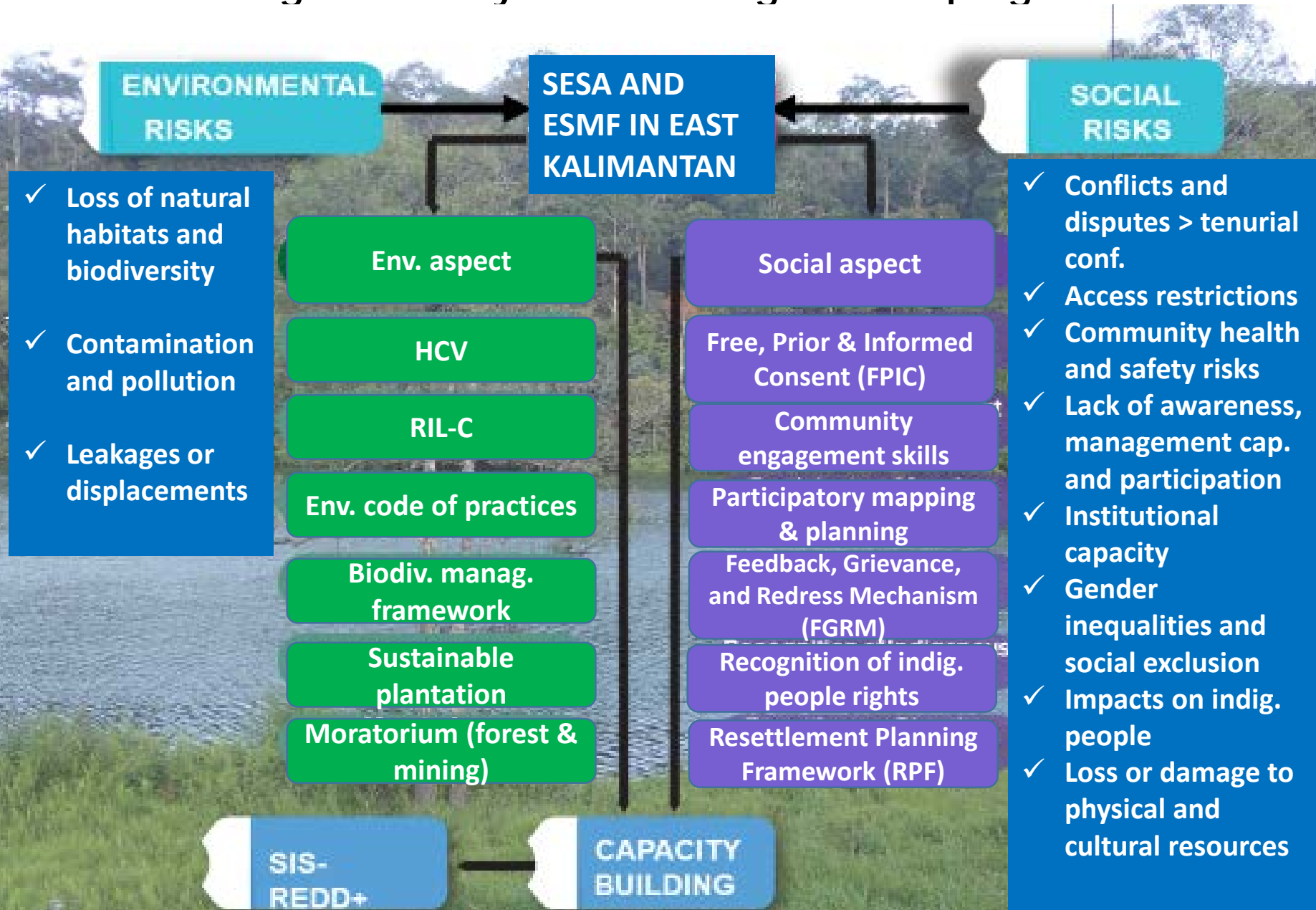
- Improvements in governance (27% reduction)
- Keeping the primary forests within protection forest areas and conservation areas (30% reduction)
- Licensing moratorium on peat (20% reduction)
- Increasing the number of RIL-C implementers (12% reduction)
- Activities to address land fires (20% reduction)

| Year | Gross ER (million) | ER after 4% Uncertainty Set-Aside (million) | 26% Buffer (million) | Net ER (million) |
|----------------|-----------------------|--|----------------------------|---------------------|
| 2020 | 18,6 | 17,5 | 4,5 | 12,9 |
| 2021 | 19,0 | 17,9 | 4,6 | 13,2 |
| 2022 | 19,4 | 18,3 | 4,7 | 13,5 |
| 2023 | 19,8 | 18,6 | 4,8 | 13,8 |
| 2024 | 20,2 | 19,0 | 4,9 | 14,1 |
| ERPA Period | 97,1 | 91,3 | 23,7 | 67,5 |

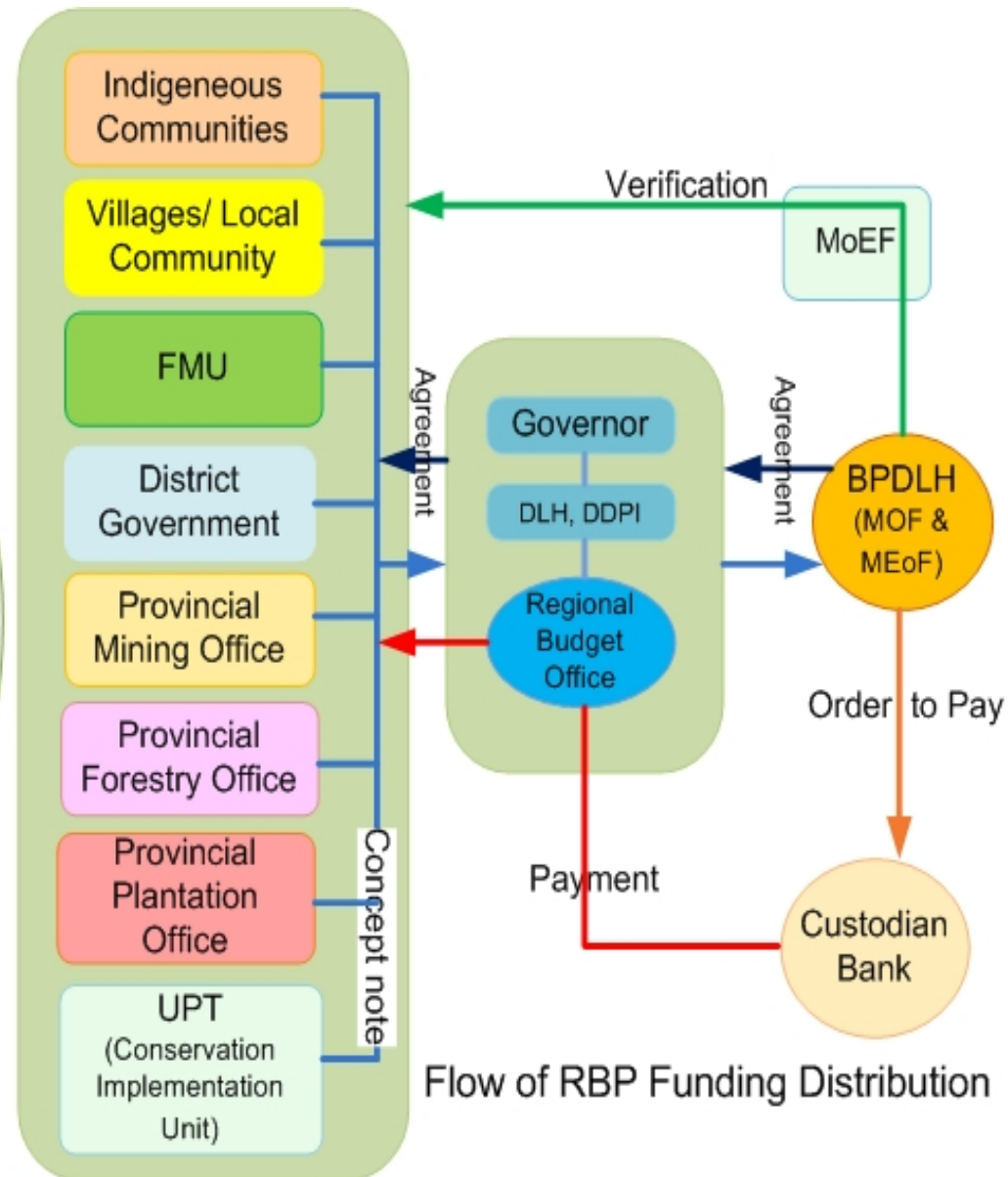
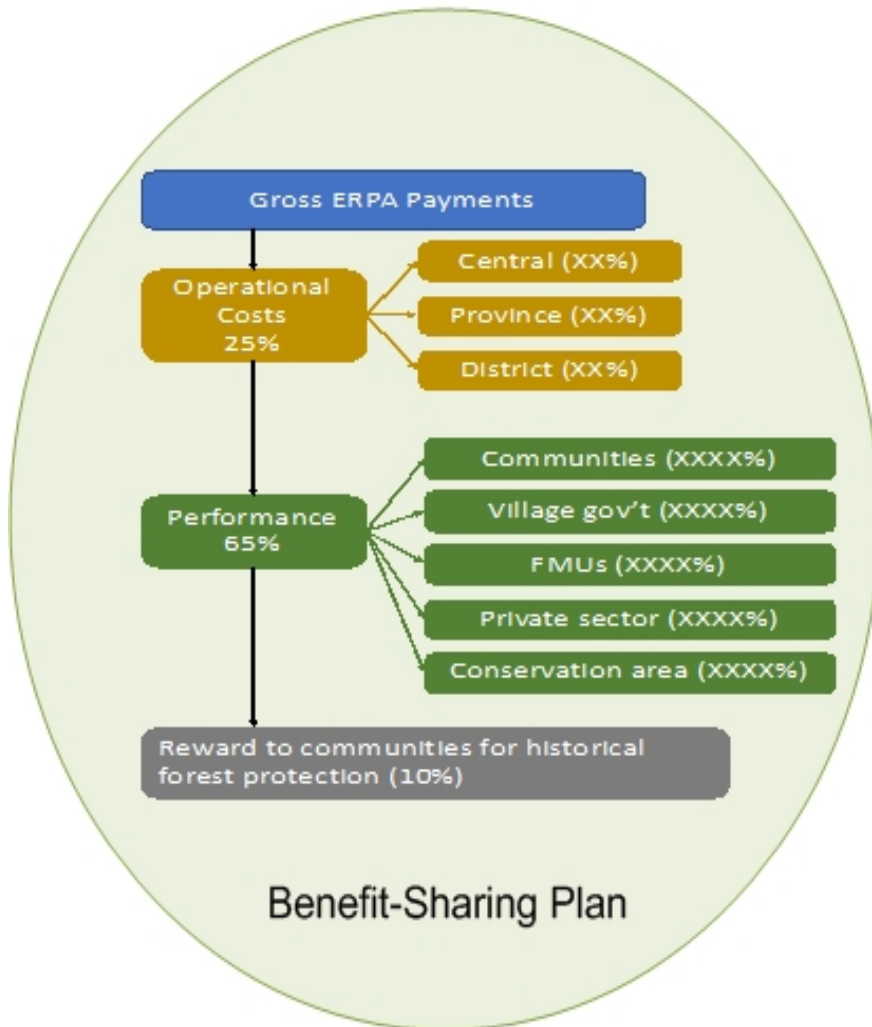
**Maximum contract volume =
22 M ton CO₂ eq**

ix. Social and Environmental Safeguards:

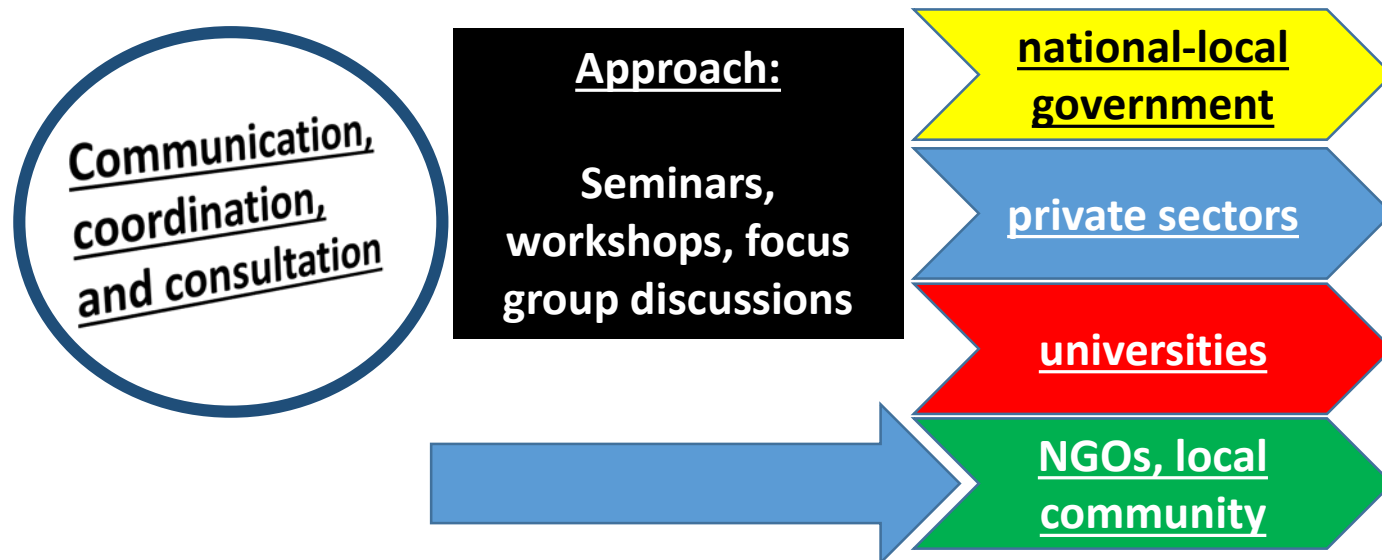
Using national systems to safeguard the program



x. Benefit-sharing Plan: Funding distribution



xi. Stakeholder consultation and participation: Approach and strategy



Strategy:

- Indigenous peoples have been engaged through CSOs as well as through Indigenous Peoples' institutions at the village level.
- Various channels : film, printed material, radio, and online publications.
- Coordinating with local government agencies and NGOs, establishing provincial and district REDD+ working groups, and creating climate change networks at the local level.

xii. Alignment with jurisdictional and national development priorities and climate commitments: Contribution to the NDC

National planning

- **National Medium-Term Development Planning on Forestry 2020-2024**
- **National Medium-Term Development Planning 2019-2024 Bappenas (National Development Agency) >>> Low Carbon Development**
- **Sustainable Development Goals**
- **Forestry Planning at National Level 2011-2030**
- **Moratorium on the allocation of new logging concessions in areas in primary forests and in peatlands (Presidential Instruction No. 10 of 2011: has been extended 3 times >> 2013, 2015, 2017)**
- **The ratification of the Paris Agreement (Act No. 16 of 2016)**
- **Nationally Determined Contributions**

East Kalimantan planning

- **Regional Medium-Term Development Planning 2019-2024 >>> Low Carbon Development**
- **Spatial Planning for Province (spatial planning map of East Kalimantan Province in Provincial Regulation No. 1 Year 2016)**
- **Green growth development : “East Kalimantan Green”**
- **Regulation (*Perda*) on Climate Change Management in East Kalimantan**

FCPF ER program implementation (2020-2024) : support 31 % reduction in the province’s FREL and the NDC emission reduction target from land based sector approximately 19.2%

Thank You....



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