



Forest Carbon Partnership Facility

Technical Assessment: Final ER-PD for Indonesia

Nineteenth Meeting of the Carbon Fund (CF19)
Washington DC, February 5 – February 7, 2019

Presentation of TAP

- The technical assessment was conducted from July 16, 2018 to January 15, 2019 by the following team:
- Ben de Jong Mexico (Team lead and Carbon accounting)
- Agustin Inthamoussu Uruguay (Carbon accounting)
- Mario Nanclares Argentina (Safeguards)
- Moritz von Unger Germany (Legal)
- Dodik Ridho Nurrochmat Indonesia (Local)
- Pontus Olofsson USA (Remote sensing expert)

Overall assessment of final ER-PD

		1 st Assessment	2 nd assessment	Indicators not met
II. Level of Ambition	YES	3	3	
	NO	0	0	
	N.A.	0	0	
III. Carbon Accounting	YES	6	27	5.1; 6.1; 8.1; 8.2; 9.1; 13.1
	NO	6	6	
	N.A.	10	10	
IV. Safeguards	YES	3	6	
	NO	3	0	
	N.A.	1	1	
V. Sustainable Program Design and Implementation	YES	5	9	34.2
	NO	5	1	
	N.A.	4	4	
VI. ER Program Transactions	YES	4	6	36.1; 37.4
	NO	4	2	
	N.A.	3	3	

Introduction

- The proposal intends to develop a regional program within a hierarchical governance structure from the central government to the various regional authorities and stakeholders.
- Lessons gained from the ER Program in East Kalimantan will be very valuable to design the national REDD+ framework.
- relevant safeguards provisions and requirements will be properly implemented and monitored according to the safeguards principles of WB and Cancun.
- The TAP suggests to simplify the project design section to clarify the relationship between drivers, actors and proposed activities.
- A challenge for the ER Program will consist in integrating *adat* communities which have not yet been formally recognized

III. Carbon Accounting

Ind. 5.1 The ER Program identifies the IPCC methods used to estimate emissions and removals for Reference Level setting and Measurement, Monitoring and reporting.	NO
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- Two separate approaches (stock change and gain-loss) to estimate emissions were used for the same area simultaneously, which generate overestimation of emissions from deforestation of secondary forests, as de EF of deforestation has not been adjusted by the loss of carbon due to fires and logging.
- This should be avoided, either by not considering CO₂ emissions due to logging (biomass) or fires (both from biomass and peat), or separate the areas according to the accounting approach.

III. Carbon Accounting (2)

Ind 6.1 The methodological steps are made publicly available	NO
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- The forest classes used in the analysis are all well-defined, except for production forests.
- The processing of the activity data is not well documented and inconsistency exists (see also 5.1, 8.1, 8.2, 9.1)
- no description is available how the sample units were classified and if error was estimated for this process (see also 8.1, 8.2 and 9.1).
- No error estimation is presented from the extrapolation of sample-based land-cover change estimations to map-based transition matrices.

III. Carbon Accounting (3)

Ind 8.1 Systematic errors are minimized through the implementation of a consistent and comprehensive set of standard operating procedures,

Ind 8.2 Random errors and other uncertainties are minimized to the extent practical based on the assessment of their relative contribution

Ind 9.1 Uncertainty associated with activity data and emission factors is quantified using accepted international standards

NO

- The uncertainty of the activity data has not been estimated for all variables and procedures that may create uncertainty and as such no information is available how these possible systematic or random errors will be minimized:
 - the uncertainty related to the extrapolation of the sampling-based estimates of activity data to the map-based annual transition matrices.
 - the classification procedure applied to the sample units. This is particularly important as only a few sample units were taken from the LC-change classes, which means that errors in a few pixel identifications may increase or decrease substantially the area estimations.

III. Carbon Accounting (4)

Ind 13.1 The Reference Level does not exceed the average annual historical emissions over the Reference Period,	NO
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- Indonesia is proposing a small upward adjustment above average annual historical emissions over the reference period, to account for the cumulative emissions from peat soil over time. The Methodological Framework only accepts upward adjustments under two eligibility requirements, which do not apply to Indonesia.
- Once the reference emission level is adjusted to follow the methodological framework, Indonesia is asked by the TAP to explain the unusual spike in GHG emissions in the year 2016, which raises substantially the average emissions from deforestation.

VI. ER Program Transactions

Ind 36.1 The ER Program Entity demonstrates its authority to enter into an ERPA with the Carbon Fund prior to the start of ERPA negotiations, either through:

- i. Reference to an existing legal and regulatory framework stipulating such authority; and/or**
- ii. In the form of a letter from the relevant overarching governmental authority (e.g., the presidency, chancellery, etc.) or from the relevant governmental body authorized to confirm such authority.**

NO

- **Minor issue:**
- The ER-PD does not provide conclusive information or evidence on which entity will be authorized to sign the ER-PA.

Concluding remarks

- The country is using a very complicated carbon accounting system, mixing different methodologies. The TAP suggest to simplify and improve the methodologies.

Thank You!

