

### Setting a course for Indonesia's low carbon growth

Indonesia Side Event Cancun, 10 December, 2010



#### Contents

- Indonesia's journey to low carbon growth
- Indonesia's emissions and abatement
- Implementing low carbon growth in Indonesia's provinces

# President Yudhoyono has taken the climate change agenda from obscurity to national prominence

**Events** 



# Indonesia is charting a green growth plan to ensure sustainable economic growth with smaller carbon footprint



"We are devising an energy mix policy that will reduce our emissions by 26% by 2020. With international support, we are confident we can reduce emissions by as much as 41%"



# 85 percent of Indonesia's emissions in 2005 stem from land use related activities



Breakdown of Indonesia's emissions into major sources



1 Includes absorption of managed forests and timber plantations

#### The potential to reduce emissions is representing up to 5 percent of global abatement needed



SOURCE: DNPI Indonesia GHG abatement cost curve

#### Low carbon growth strategies have been developed

#### **Low-Carbon Growth Plans**

#### Indonesia





#### Jambi



#### East Kalimantan



#### **Strategies and enablers**

## Sustainable economic development strategy

- Competitive strengths and weaknesses
- New sources of growth

#### **Sector strategies**

- Abatement opportunities, pilot projects, policies required
- Palm oil, forestry, agriculture, coal, oil & gas

#### **District strategies**

- District's size and land use
- Emissions and potential for abatement
- GDP and employment

#### Implementation and enablers

- Detailed action plan
- Critical enablers required
- Estimate of total costs

#### Sources of emissions differ between provinces





- Emission from power and oil and gas mainly along the coastline
- Emissions from LULUCF significant in all regencies
- Emissions from peat dominate in Nunukan and Kutai Kartanegara districts

SOURCE: Kaltim Green, Wetlands International, East Kalimantan Statistics 2009, DNPI – Indonesia GHG Abatement Cost Curve

#### CO<sub>2</sub>e reduction potential by program and district

Abatement by source, MtCO<sub>2</sub>e 2030

					-									Oil &					
	Palm oil				Agriculture		Forestry				Gas	Coal mining				Total			
	Zero burning	De- graded land	Yield in- crease	Con- cession buyouts	Water mgmt	POME	Zero burn policy	Peat rehab	RIL <sup>1</sup>	Avoid de- forest <sup>2</sup>	Peat rehab	Zero burn policy	Re- forest- ation	Zero Flaring, Process	Stop illegal mining	Recla- mation	Process efficiency	Reduce methane release	Total
Balikpapan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1	0.3	-	-	-	-	0.5
Berau	1.5	1.0	0.3	0.0	0.3	0.2	0.6	0.2	4.7	3.9	0.3	0.8	0.9	-	0.9	0.1	0.2	0.3	16.2
Bontang	0.0	0.0	0.0	0.0	0.0	0.0	0.9	0.3	0.0	0.0	0.5	0.1	0.0	0.8	-	-	-	-	2.6
Bulungan	1.2	0.2	0.2	0.5	0.6	0.2	1.5	0.4	2.5	2.4	0.8	0.4	0.6	0.1	0.4	0.1	0.0	0.1	12.2
Kutai Barat	4.7	1.2	0.4	1.9	0.7	0.4	1.9	0.5	8.7	4.0	1.0	2.3	2.0	-	2.4	0.5	0.2	0.4	33.2
Kutai Kertanegara	3.4	1.9	0.8	2.6	1.8	0.7	4.6	1.3	1.8	2.7	2.5	1.7	2.8	1.4	3.0	0.6	0.3	0.6	34.5
Kutai Timur	2.7	3.4	0.8	0.0	0.3	0.7	1.0	0.3	6.3	3.1	0.5	1.4	3.2	0.2	2.9	0.4	1.5	2.8	31.5
Malinau	0.0	0.2	0.1	0.3	0.0	0.2	0.0	0.0	4.7	0.6	0.0	0.0	0.6	-	0.1	0.0	0.0	0.0	6.8
Nunukan	0.8	1.5	0.2	0.0	2.8	0.2	7.2	2.1	1.5	2.8	4.0	0.4	0.5	-	0.7	0.1	0.1	0.1	25.0
Panajam Paser Utara	0.2	0.1	0.1	0.4	0.0	0.1	0.0	0.0	2.6	0.8	0.0	0.1	0.4	-	0.6	0.1	0.3	0.5	6.3
Pasir	1.0	1.8	0.3	0.0	0.1	0.3	0.4	0.1	1.2	2.4	0.2	0.5	1.1	-	0.3	0.1	0.0	0.0	9.8
Samarinda	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.1	0.0	0.0	0.2	0.0	0.1	-	0.1	0.0	0.0	0.1	1.0
Tana Tidung	0.0	0.0	0.1	0.2	0.0	0.1	0.0	0.0	0.0	0.9	0.0	0.0	0.2	-	0.0	0.0	0.0	0.0	1.5
Tarakan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	-	-	-	-	0.1
East Kalimantan	15.6	11.4	3.3	6.0	6.8	3.1	18.5	5.4	34.0	23.8	10.0	7.7	12.5	2.7	11.3	2.0	2.6	4.8	184

1 Reduced impact logging

2 Includes the use of degraded land (13.9 MtCO<sub>2</sub>e) and REDD (9.8 MtCO<sub>2</sub>e) payment schemes

SOURCE: East Kalimantan Environmentally Sustainable Development Strategy

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#### East Kalimantan framework for REDD Readiness Implementation

#### Supporting enablers



Land tenure resolution

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Spatial planning





Communication and stakeholder management

Capability building

REDD Readiness Implementation									
Reduced Impact Logging	Peat rehabilitation and conservation	Use of degraded land for palm oil							
<ul> <li>Improved institution</li> <li>Local land region</li> <li>Conflict resolut</li> </ul>	onal capabilities stry office ion mechanism for land t	enure							
<ul> <li>Revise spatial pla</li> <li>Application of stat</li> <li>Degraded land date</li> </ul>	nning to reflect objective e of the art technology tabase	to preserve carbon							
<ul> <li>Create Provincial</li> <li>Involve local gove</li> </ul>	Council on Climate Char rnment departments in p	ge ilot initiatives							
<ul> <li>Multi-stakeholder and NGOs</li> <li>Broad governmer</li> </ul>	approach involving priva It alignment	te sector, donors							
<ul> <li>Pilot program design</li> <li>Provincial investment</li> </ul>	t memorandum (beyond pil	ot province application)							

# Delivering impact in East Kalimantan relies on multi stakeholder engagements

#### **Private sector**

Commitment to change critical enablers e.g. regulatory requirements as well as clear investment commitment

#### **Donors**

Set high aspiration and ensure safeguards for critical issues such as spatial planning, forest moratorium and land titling as well as clear funding commitment

#### **East Kalimantan**

- Proof of profitable low carbon development programs, replicable nationwide
- Informs & triggers policy changes at provincial and national level

#### **Civil society / NGOs**

Implementation support for pilot provinces

#### **Government Agencies**

Implementation of required policy changes identified during the pilots to enable roll out across the province or even nationwide

# Thank you

# to read more, please visit www.dnpi.go.id