

# Climate Change Policy Making and SEA in Indonesia

## **JICA's assistance addressing Climate Change**

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# Negotiation process on International Framework after Kyoto Protocol (Post Kyoto)

- **Negotiation process on Post Kyoto framework under UNFCCC → Discussed at Ad-hoc Working Group on Long – Term Cooperative Actions (AWG-LCA)**

## **Discussion points based on Bali Action Plan**

- **Appropriate reduction target for developed countries (Consideration of each countries' condition and comparability of reduction efforts)**
  - **Appropriate Mitigation Actions by Developing Countries ( in Measurable, Reportable and Verifiable (MRV) manner)**
  - **Adaptation**
  - **Financial assistance and technology development and transfer**
- **Negotiation process on revision of Kyoto Protocol under KP**
    - **Revision of GHG reduction target by Developed Countries**
    - **Revision of Kyoto Mechanism**
  - **“Copenhagen Accord” was taken note at COP15 (December 2009 at Copenhagen, Denmark)**

# Nationally Appropriate Mitigation Actions ( NAMAs )

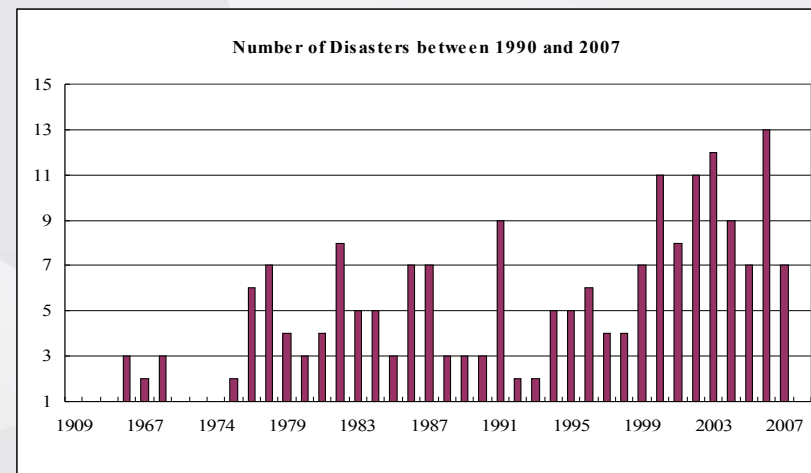
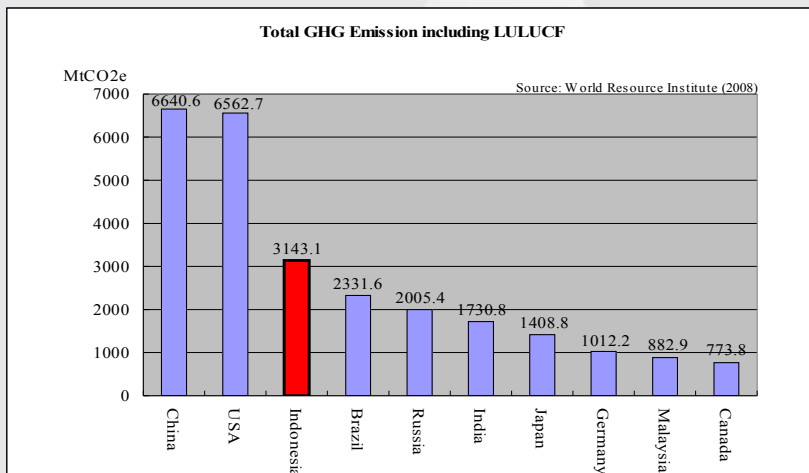
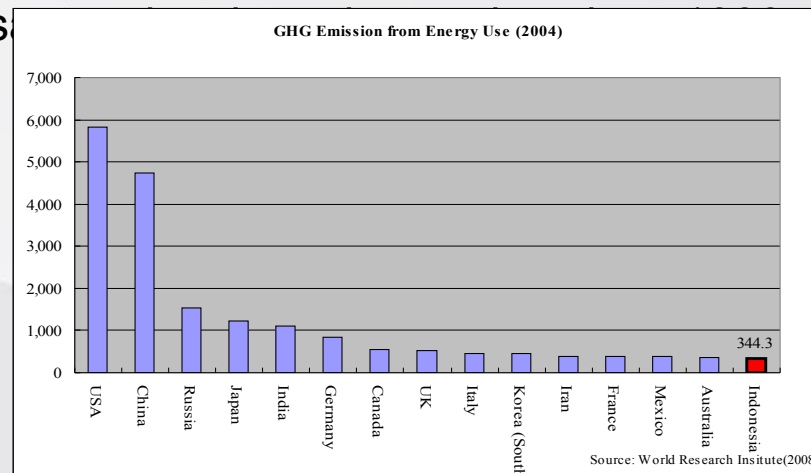
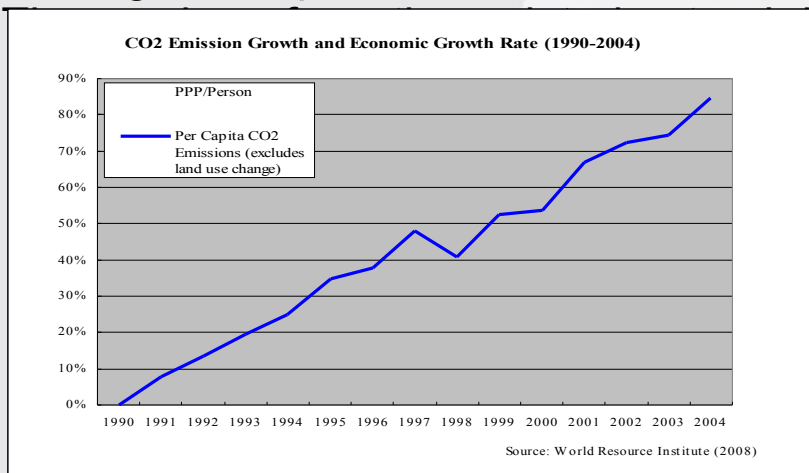
- Each developing countries develop its appropriate mitigation actions voluntarily based its economic situation, energy balance, industrial structure and development policy & strategy
- List of actions will be registered at UNFCCC
- Based on registered NAMA, developing countries implement listed policies and actions. These actions are monitored ( Measurable) and reported to UNFCCC through NC ( Reportable) by developing countries, and verified by third parties ( Verifiable ) 。
- Donors will provide their technical & financial assistance to the actions and policies listed on NAMAs 。

**Experiences in Development Policy Lending scheme could be applicable to NAMAs**

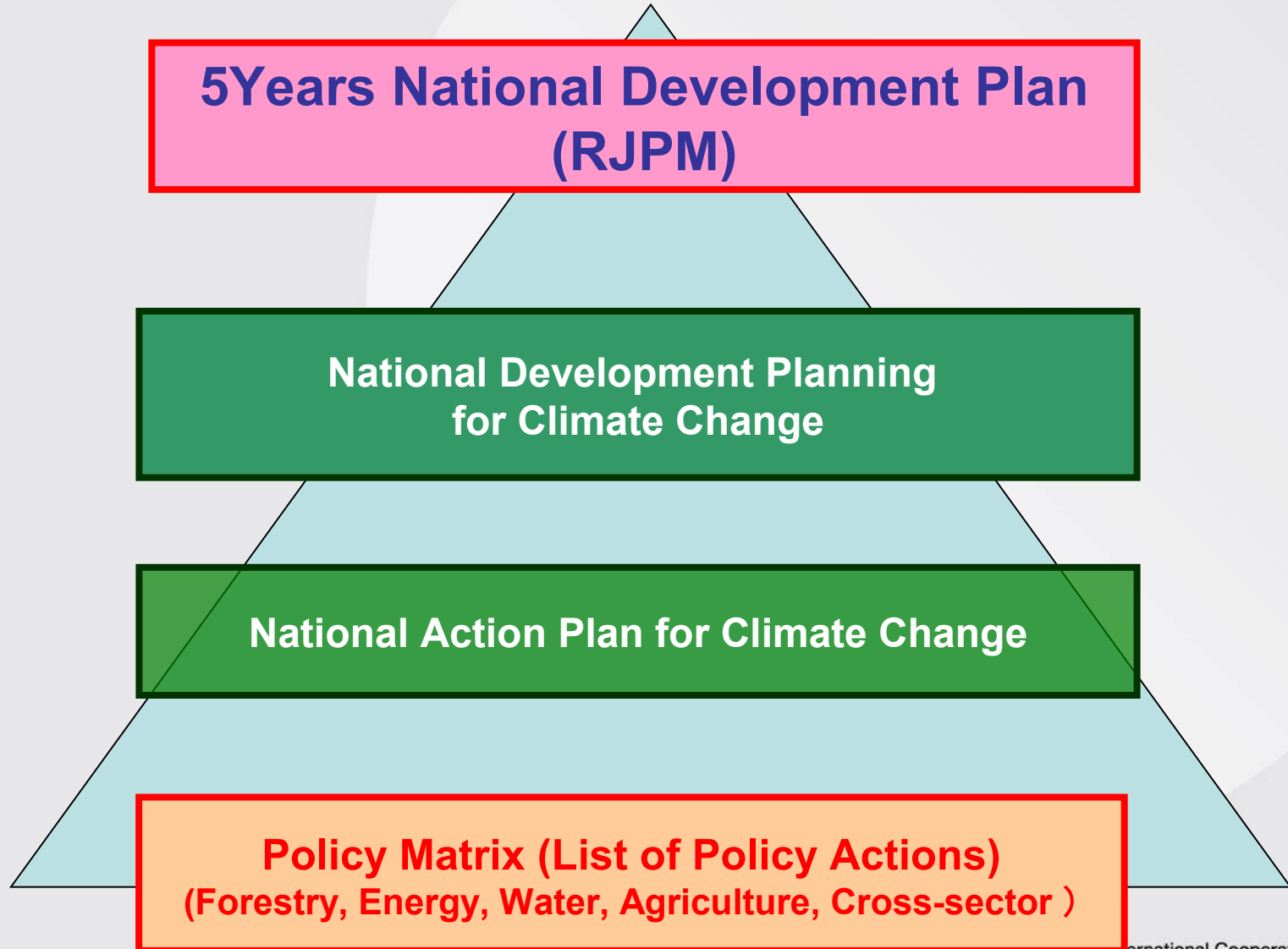


# Background of Indonesia CCPL (2)

- The amount of CO2 emissions has increased along with Indonesia's economic growth.
- The level of GHG emissions, including emissions from the forestry sector, is the third largest in the world (3,143 MtCO<sub>2</sub>e).
- The level of GHG emissions from the energy sector is the 15<sup>th</sup> largest in the world, following developed economies, China, India, Iran, and Mexico.



# CC policy framework in Indonesia



# How to develop climate change policy matrix

## 5 years development plan

### <Increase of Power supply>

- Construction of Coal fired power stations
- Renewable energy development
- Energy Efficiency improvement

### <Increase of Food supply>

- Develop new cultivation
- Improve existing irrigation system

### <Disaster Risk Management>

- Construction of Dykes
- Develop early warning system
- Prepare Hazard map & training

### <Forest Management>

- Provision of license
- Improve forest management

## Collected Climate Policies

### <Increase of Power supply>

- Renewable energy development
- Energy Efficiency improvement

### <Increase of Food supply>

- Improve existing irrigation system

### <Disaster Risk Management>

- Develop early warning system
- Prepare Hazard map & training

### <Forest Management>

- Improve forest management

## Prioritize & Sort by timeline

### <Year 1>

- Identify RE & EE Potential & available technologies

### <Year 2>

- Identify priority area for RE & sectors for EE

### <Year 3>

- Implement pilot projects
- Drafting legal & Institutional Framework

### <Year 4>

- Review pilot project
- Revise legal & institutional framework

### <Year 4>

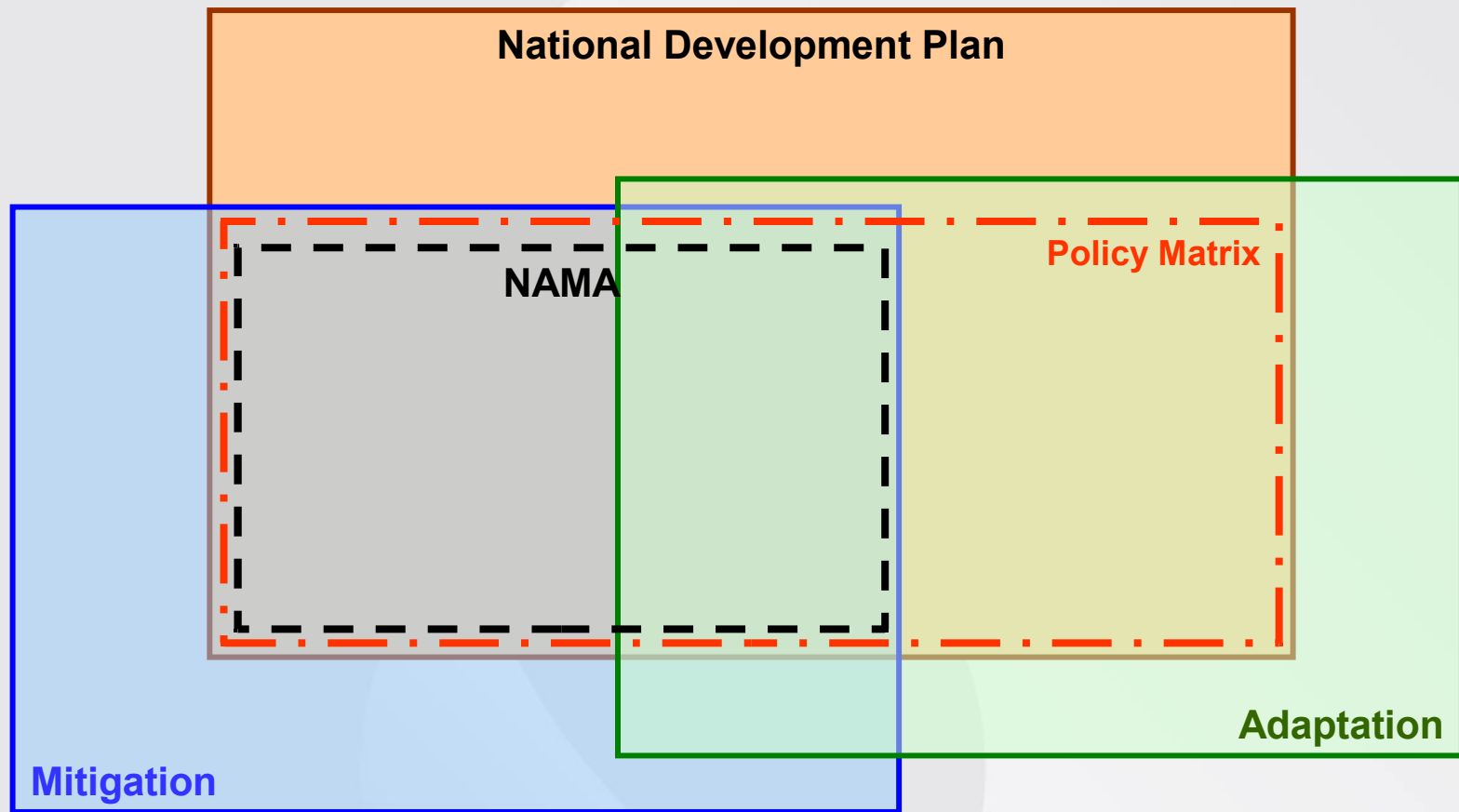
- Official Launch of new institutions

Apply concept of SEA

Dialogue w/ stakeholders

- Using & sharing “Best Available Knowledge” on climate change
- Screening development policies applying concept of SEA
- Check feasibility & timeline

# Relations between Development policy, climate policy and Policy Matrix

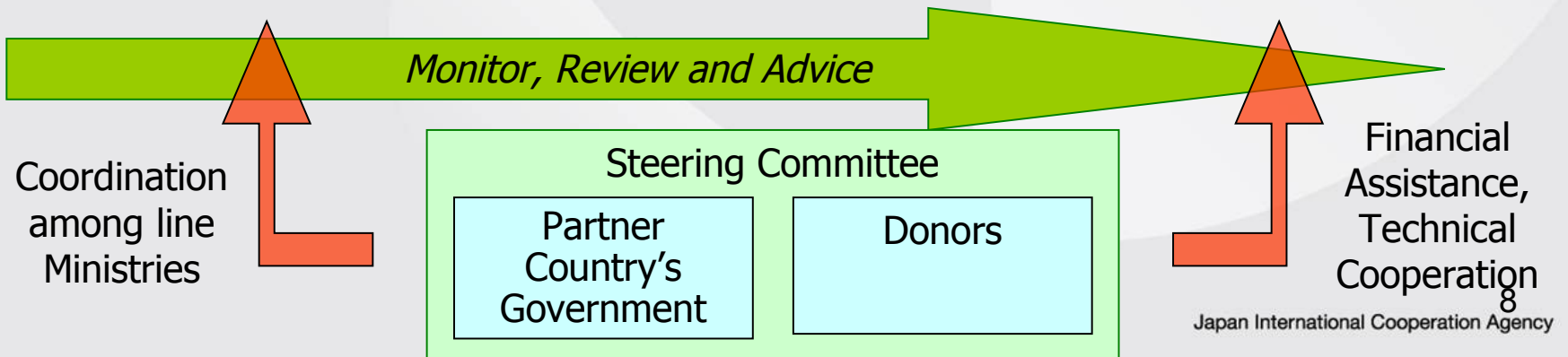
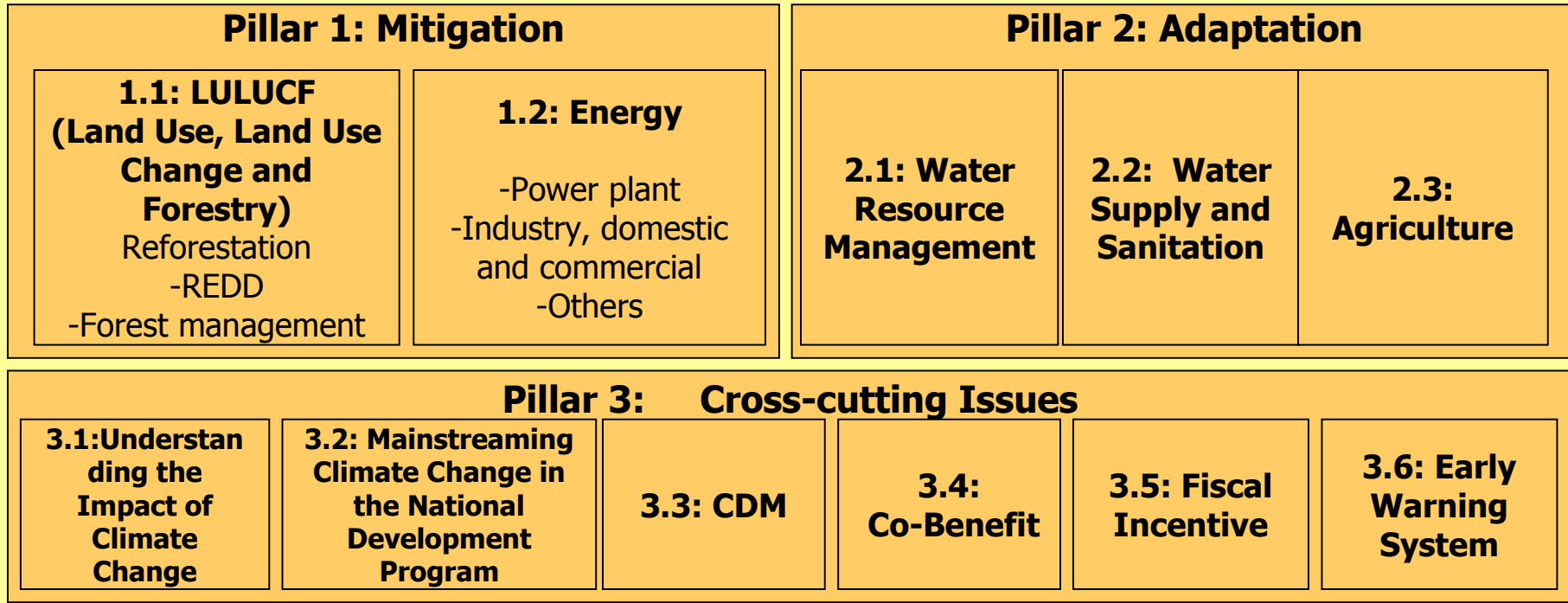


- NAMA & NAPA focus on Mitigation & Adaptation actions among development policies
- “ policy matrix includes several policies and actions not only mitigation but also adaptation and cross-cutting issues
- Both need to align “Development policies & Strategies”

# Implementation of Climate Change policy actions

## Climate Change Program Loan

Example of the Policy Matrix formulated based on the policy dialogue



# Policy Matrix of CCPL

## Objectives and Role of CCPL

1. Support GOI on its policy reforms for climate change in the mitigation (forestry and energy ), adaptation (agriculture, water resources, water supply and sanitation) and cross-sectoral issues  
 2. Provided CCPL (I) with AFD to support GOI's policy reforms (JICA \$300M, AFD \$200M)

3. Acts as a catalyst between GOJ and GOI for policy reforms in Indonesia under Cool Earth Partnership

## Policy Actions

Policy Area	Actions Achieved in 2007 (CCPL ( I ) )	Actions Achieved in 2008 (CCPL (II))	Actions for 2009 ( CCPL (III ) )
Mitigate climate change through the absorption of greenhouse gases and suppressing emissions (forests/energy)	<ul style="list-style-type: none"> <li>○ Building the concept of countermeasures in response to Reduced Emissions from Deforestation and Degradation in Developing Countries (REDD)</li> <li>○ Institution of energy laws aimed at the promotion of the development of renewable energy</li> <li>○ Implementation of energy audit and introduction of systems of labeling for energy-saving products</li> </ul>	<ul style="list-style-type: none"> <li>○ Establishment of an implementation plan for the implementation of REDD pilot projects</li> <li>○ Creation and institution of government regulations concerning policies for the promotion of the development of renewable energy</li> <li>○ Establishment of sectoral road maps for reduction of carbon dioxide emissions through energy saving</li> </ul>	<ul style="list-style-type: none"> <li>○ Design a sustainable re-forestation program</li> <li>○ Implement REDD pilot projects</li> <li>○ Design an incentive mechanism for geothermal power development (feed-in tariff and an exploration fund)</li> <li>○ Design an incentive and monitoring mechanism for energy conservation through energy audits and CO2 reduction roadmap</li> </ul>
Strengthen adaptation capabilities relating to the negative effects of climate change (water resources/agriculture etc.)	<ul style="list-style-type: none"> <li>○ Creation of government regulations and presidential decrees aimed at integrated watershed management</li> <li>○ Establishment of ministerial decrees relating to management of water for irrigation use and maintenance/ management of facilities</li> <li>○ Establishment of agricultural leadership and research and development structures to respond to climate change</li> </ul>	<ul style="list-style-type: none"> <li>○ Institution of government regulations and presidential decrees aimed at integrated watershed management</li> <li>○ Strengthening of structures for management of water for irrigation use and maintenance/management of facilities</li> <li>○ Implementation of agricultural leadership programs to respond to climate change</li> </ul>	<ul style="list-style-type: none"> <li>○ Create an integrated water resource management plan</li> <li>○ Design a mechanism to strengthen the coordination between water resource management and farmer's association</li> <li>○ Continue the implementation of climate field school for agricultural development</li> </ul>
Respond to cross-sectoral issues across different fields relating to CC	<ul style="list-style-type: none"> <li>○ Establishment of a national action plan relating to climate change</li> <li>○ Formulation and approval of CDM projects</li> <li>○ Introduction of observation facilities aimed at strengthening an early warning system</li> </ul>	<ul style="list-style-type: none"> <li>○ Reflection of climate change policies in national development plans</li> <li>○ Increase in cases of approval of CDM projects</li> <li>○ Enhancement of facilities aimed at strengthening an early warning system</li> </ul>	<ul style="list-style-type: none"> <li>○ Mainstreaming climate change in the next mid-term national development plan (2010-2014)</li> <li>○ Further registration of CDM projects</li> <li>○ Continue the installment of climate monitoring equipments</li> </ul>

## Other Related Projects

For Effective and Sustainable Policy Reforms:  
 1. Technical Assistance: Support for guideline for forest fire management; Geothermal development capacity building (exploration); Study on energy conservation and efficiency

2. JICA is conducting a fiscal incentive study to promote Independent Power Producer participation in geothermal energy development. Another study on energy audits is under preparation.

# Significance of SEA in climate change policy development

- SEAs are high-level decision-making tools used to promote sustainable development.
  - Policy Matrix in CCPL is pioneer of voluntary climate change actions taken by developing country: → applicable to other dev countries, but commitment by the government is most important
  - Climate Change actions need to be act by many concerned ministries & agencies. Monitoring meeting for CCPL may be meaningful as a venue of coordination among concerned Ministries and agencies.
  - Interactive linkage between Policy actions in CCPL & individual projects can lead fruitful result.
  - Wide-range knowledge & experiences on policy implementation are necessary for practical advices.