



REDD+

Facilitating Private Sector Involvement for REDD+

Japan Public-Private Platform for REDD+

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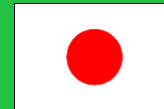
Introduction

- Objectives of presentation
- Indonesia and Japan, a long-term partnership
- JP3 REDD+
- Answer the guiding question No.22



REDD+

Establishment of Japan Public-Private Platform for REDD+ (JP3-REDD+)



JAPAN

Guiding Question 22

- How can **opportunities be harnessed** and **barriers overcome**, in terms of access to private finance for forests (from the perspectives of both providers and recipients)?

Barriers for Private Sectors to contribute to REDD+

(1) Information gap

- What is the best available knowledge to support implementation of REDD+ projects efficiently and effectively?
- How to acquire relevant and necessary technical, financial and administrative information?
- How to gain consumer supports and reputation on REDD+

(2) Funding gap

- What can be done through public support for private sector to facilitate forest conservation including REDD+?

(3) Compliance requirement

- How can have upfront implementation fund?
- How to integrate the project level of private sector support into national/subnational system?



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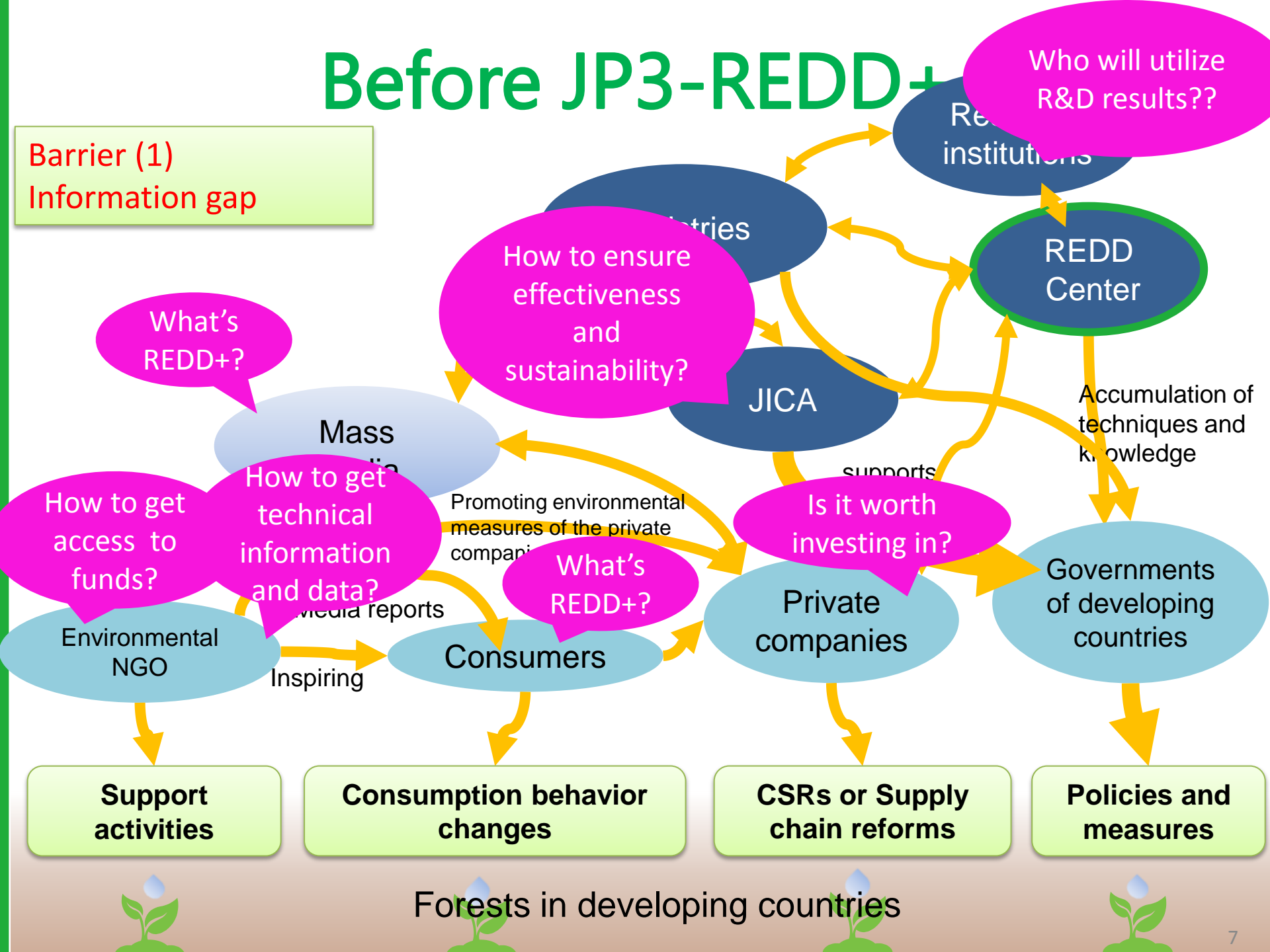
How can barriers overcome? (Guiding Question 22)

(1) Information gap

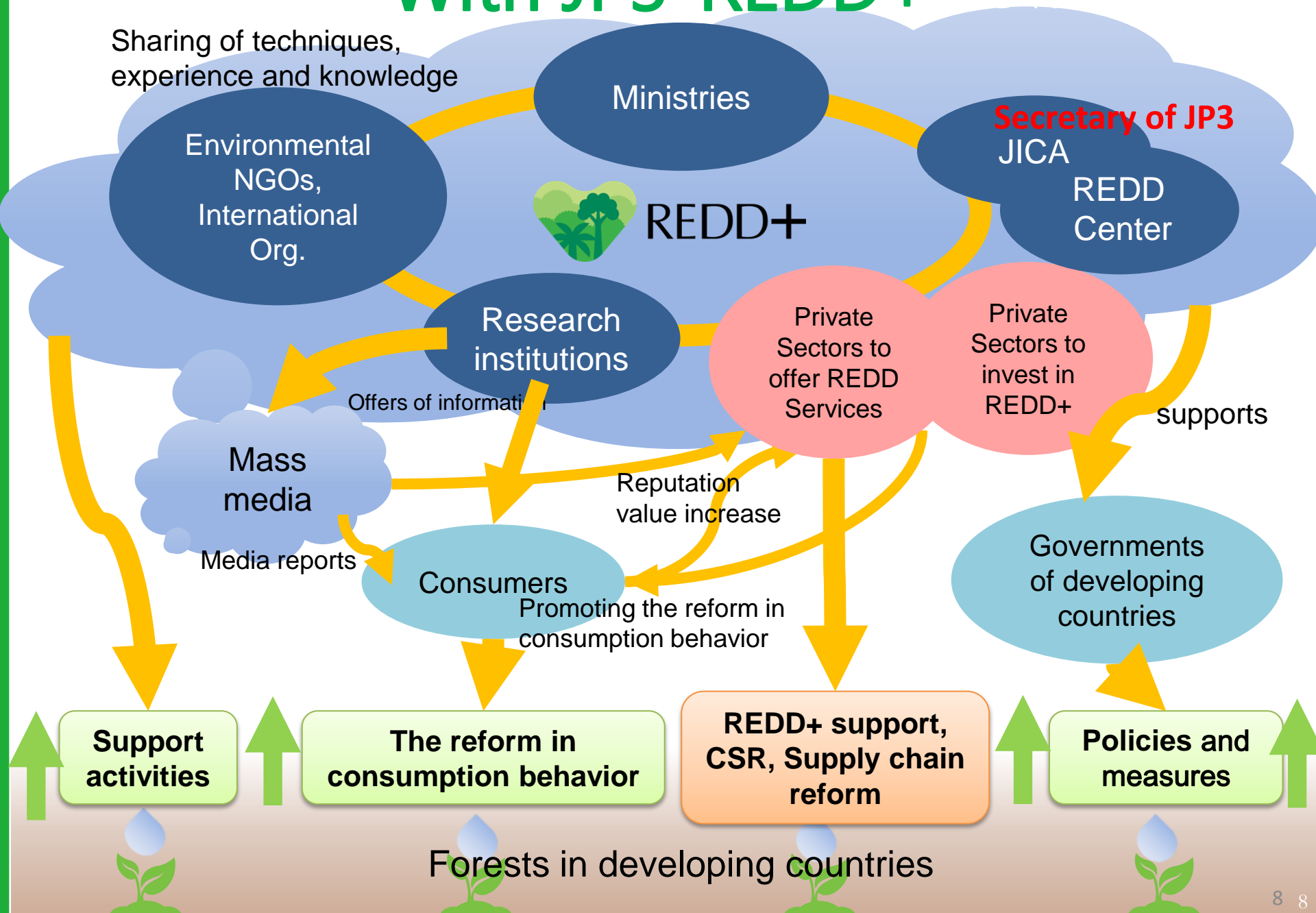
- What is the **best available knowledge** to support implementation of REDD+ projects efficiently and effectively?
- How to acquire relevant and necessary **technical, financial and administrative information**?
- How to **gain consumer supports and reputation** on REDD+

Before JP3-REDD+

Barrier (1)
Information gap



With JP3-REDD+





Japan Public-Private Platform for REDD+ (JP3-REDD+)

60
members
to date

Ministries

Public Sectors

Research
Institutes

Private Companies

NGOs

● Aiming to reduce **10 Mt CO₂ eq** of the greenhouse gas emissions by **2020**, Tokyo Olympic Game Year

Knowledge
Group

Exchange of
knowledge &
experiences

Public
Awareness
Group

Enhance
understanding of
REDD by general
public

Business Model
Group

Development of
win-win Business
Models



How can barriers overcome? (Guiding Question 22)

(2) Funding gap

- What can be done through **public support for private sector** to facilitate forest conservation including REDD+?

JICA's supports for Private Sectors to take part in REDD+

(1) Promotion of Public-Private Partnerships Business

(Example) Support private sectors on Investing BOP (Base of Pyramid) business by supporting F/S costs

■ Dari-K in Indonesia



(2) Bilateral Cooperation facilitating private investment

(Example) Facilitate private sector participation by developing REDD+ implementation mechanism

■ IJ-REDD+ in Indonesia





Expectation on Japan's Public-Private Partnership to Facilitate REDD+



REDD+

**Yetti Rusli,
Secretary/Executive Director
Of Indonesia National Advisory
Board for CC,
Ministry of Environment & Forestry**



INDONESIA

Importance of REDD+

UN FCCC Negotiation

Earth summit 1992, Kyoto Protocol (AR - CDM), RED, REDD, REDD+ : Indonesia for the world ...BALI COP 13 2007

- RED 2005, REDD+ 2007 (COP 13, Bali)
- Bali Action Plan, 1.(b).(iii):
REDD, Conservation, Sustainable management of Forest , and Enhancing forest carbon stocks
- Indonesia commitment, G20 Pittsburgh reduce emission by 26 up to 41%..
- Copenhagen Accord REDD+; Cancun Outcome text AWG LCA on REDD+
- INDC & next COP 21 Paris
REDD+



Compliance requirement for REDD+:

1. Land: legal basis

“Indonesia’s Forests Land Used System since 1967, but not well known by global” (Yetti Rusli); Doha COP 18, Forest Day CIFOR by ITTO & IUCN; YouTube: <http://www.forestforlife.web.id/2012/12/forest-landscape-restoration-enhancing.htm>



2. The latest National Programme 2015-2019 (REDD+ since Bali 2007)

New Government, National Target Natural Resources & Environment



VISION AND MISSION 2015-2019



VISION:

INDONESIA: SOVEREIGNTY, SELF RELIANT AND “GOTONG ROYONG”

MISSION:

1. National security to maintain territorial sovereignty, support self-reliant in economy, through securing maritime resources as reflection of Indonesia as archipelago country
2. Developed, equitable and democratic society based on law.
3. Independent and active foreign policy and strengthening the identity as a maritime country
4. Better quality of life, progressing and prosperity
5. Competitive nation
6. Pursuing a strong and independent maritime country based on national goal
7. Community which based on national personality and culture

NATIONAL TARGETS RELATED WITH NRE

Strategic Issues	Indicators	In 2019
1. Food Security	Food production/availability	Rice, maize, sugar, meat and fish
	Food Consumption	Calorie: 2150 kcal
	Nutrition Status - PPH	92.5 (score of PPH)
2. Energy Security	Energy availability	Oil, gas, coal and bioenergy
	Electricity access	96.6-100%
	RE share	10-16%
3. Water Security	Watershed Conservation	4 DAS, 26 others
	Water availability	118 m ³ /second
	Access to drinking water	100%
	Sanitation	100%
4. Environment	GHG Emission	26%
	Environment Quality Index (IKLH)	66.5-68.5
	Forest rehabilitation	Additional 750 thousand ha (forest area)
5. Ocean and Maritime	Program for small outer island	31 islands
	Lines for outer an small island	75 units
	Ports Development	59 units
	Marine conservation	20 mill ha

Source: BAPPENAS, 30 Jan 2015

3. Small project should be from best practices available or adjusted (ability to be scaled up for sub national & national; & recognized by global); Provide with an additional International requirements as needed

- Finance (Public & Private) Through JCM
- Technology
- Market



Carbon and other related values from All Type of Forests

Joint Crediting Mechanism (JCM)

Indonesia-Japan



REDD+

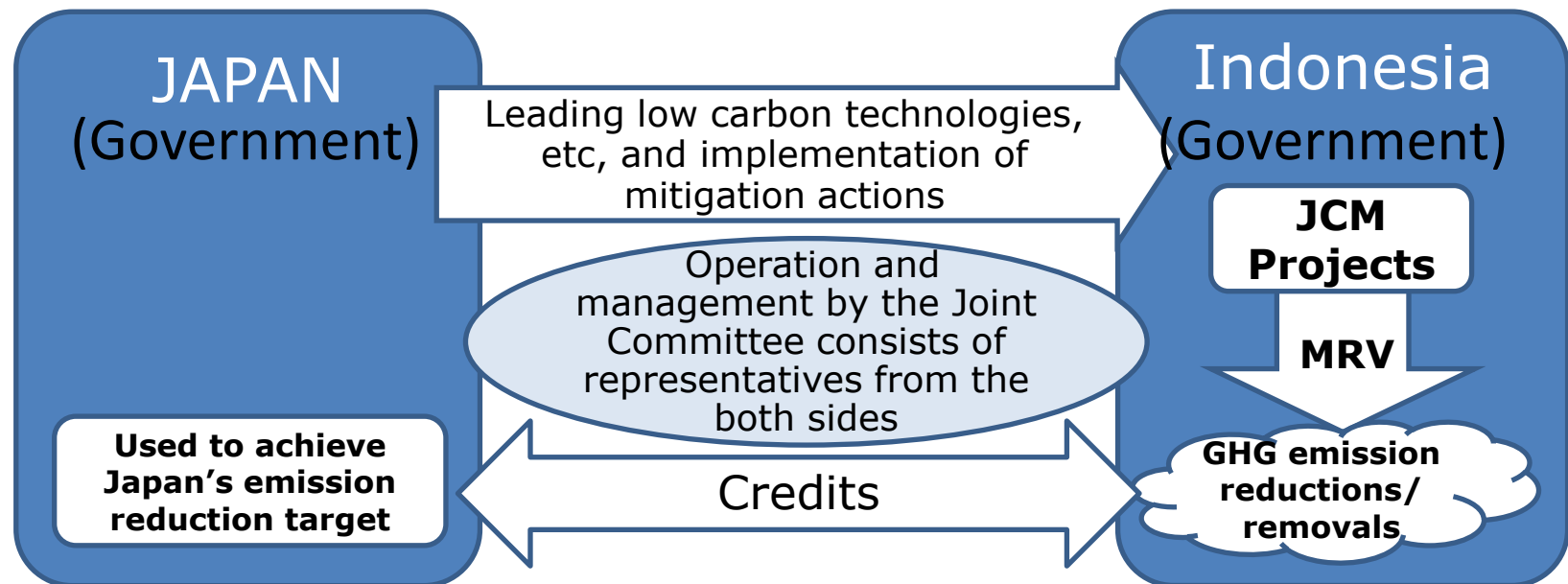
Warsaw Framework for REDD+ (WFR)
= Result Based Payment (RBP)

QUESTION

- Where will **upfront implementation fund** come from?
- How to integrate the **project level of private sector support** into national/subnational system?

Basic Concept of JCM

- 26 August 2013, Indonesia-Japan signed a bilateral document
- JCM aims to contribute to the ultimate objective of the UNFCCC by promoting private sector contributions under bilateral cooperation.
- The Joint Committee set between the 2 countries functions to develop Rules and guidelines, approve methodologies & projects, and TPE※ for validation & verification



- Some feasibility studies and demonstration projects in leading industry sectors are already started. For REDD+, under preparation.
(<http://www.mmechanisms.org/e/initiatives/indonesia.html#docu>)



REDD+

※TPE: Third Party Entities (just like DOE)

* Indonesia – Japan JCM is one of the 14 JCMs

Some Features of JCM REDD+

- cooperative approach -

■ Incorporate REDD+ implementation into the national system by G to G cooperation

- Safeguard Information System
- FREL/FRL
- Forest Monitoring System
- National REDD+ Strategy
- Other national legislations, policies etc national circumstances

■ Phase 2 demonstration activities through JCM by2020

- Try & error: Check applicability
- Small scale project Bottom up, FPIC, Benefit Sharing etc



REDD+

Available in the field & ready to be scaled up

REDD+ JCM Feasibility Study

■ Dari-K in Indonesia



Example of Best Practices by Joint Japan Private & Indonesia Community

Science proved research; potential to be facilitated by JCM; By Kyoto Univ, Ind Universities; Ind Private on Natural Forests

INNOVATION "TPTJ/SILIN" ON SFM NATURAL FORESTS

TPTJ: Tebang Pilih Tanam Jarak
伐採列状植栽法

Line planting with 20 m to 25 m interval
20メートルから25メートル間隔に設置される植栽列

Forest under TPTJ system
択伐列状植栽林

Planting line
For timber production

Conclusion

TPTJ system

- (1) Sustainable forestry system
- (2) High efficiency as carbon pool with rapid sequestration rate
- (3) High potential as REDD+ option

Residue belt:
For carbon, biodiversity and genetic resources

Creation of a Paradigm for the Sustainable Use of Tropical Rainforest with Intensive Forest Management and Advanced Utilization of Forest Resources

Mamoru Kanzaki
(Graduate School of Agriculture, Kyoto University)
and colleagues in Kyoto University, Universitas Indonesia, Indonesian Institute of Sciences, Gadjah Mada University, Sanggabu University, Research Institute of Science and Technology

IJ REDD+ visit to Kyoto Univ: REDD+ Seminar February 4, 2014

JICA IJ-REDD+ PROJECT

■ IJ-REDD+ in Indonesia



Ensuring National Policy & sub National & field Implementation

Field proved, Fuel wood on degraded land potential to be facilitated by JCM;

Innovation on Fuel Wood Plantation with Certification:

Short Rotation Coppice System

Age 1 Year: for 1st harvest

Next harvest every year for up to 20-30 years



Red Calliandra Short Rotation Coppice System
(*calliandra calothyrsus*)
ICCTF Bangkalan Madura, start planting in y 2012



JCM and REDD+

- **Recognized by UNFCCC: agenda of VARIOUS APPROACH**

- ✓ Host by both government's legislations and policies; The Joint Committee (the JC) which consists of representatives from the both government develops and adopts guidelines

- **Environmental integrity, social consideration and transparency is ensured**

- ✓ Third Party Entity (TPE)'s validation and going through public consultations are required
- ✓ JCM REDD+ Projects are nested under appropriate jurisdictional systems

- **Speedy and firm process is expected**

- ✓ Expeditious but firm application and implementation of REDD+ are available due to the bilateral system. A conservative and transparent accounting system and a registry system can result in highly-reliable, and volume emission reductions
- **The Standing Committee on Finance (SCF) of the UNFCCC and The Gov of Japan to continue enlarge JCM & JP3-REDD+ and are expected to be stronger by any means**



Conclusion

Guiding Question 22:

- How can **opportunities be harnessed** and **barriers overcome**, in terms of access to private finance for forests (from the perspectives of both providers and recipients)?
- **Information gap:** JP3-REDD+
- **Funding gap:** CSR, bilateral, multilateral including GCF and others - but not enough, need more various approaches
- **Compliance requirement:**
 - JCM can enhance private sector contribution based on national system with stakeholder participation and third party validation/verification



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Thank you for your attention!

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Indonesia

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