

## **SUBMISSION BY INDONESIA**

### **Land Use, Land-Use Change and Forestry under Article 3, Paragraphs 3 and 4, of the Kyoto Protocol and under the Clean Development Mechanism**

Subsidiary Body for Scientific and Technological Advice at its thirty-eighth session, invited parties and admitted observer organizations to submit to the Secretariat, by 2 September 2013, their views on specific possible additional LULUCF activities under the CDM and specific alternative approaches to addressing the risk of non-permanence under the CDM, to be included in the consideration at SBSTA-39, with a view to forwarding draft decision on this matter to CMP-9 (Doc. FCCC/SBSTA/2013/L.5, paragraph 5: *Outcome of the consideration following the request contained in decision 2/CMP.7, paragraphs 6 and 7*).

This submission elaborates previous submission by Indonesia in response to the request of SBSTA-37 to submit views on issues relating to paragraphs 116 - 118 of document FCCC/SBSTA/2012/2 (FCCC/SBSTA/2012/L.30, paragraph 5).

**A. On the issues relating to modalities and procedures for specific possible additional LULUCF activities under the clean development mechanism (CDM)**, Indonesia propose the following activities to be included in the consideration at SBSTA-39 :

#### **1. Cropland Management such as agroforestry systems**

Agroforestry system has long been practiced in many developing countries and has high attachment to livelihood issues. The multi-storey nature of agroforestry and long practices in combining trees and crops of different heights on the same piece of land in agroforestry systems have proven to be one of favourable options in addressing both sustainability of natural resources and in addressing livelihood issues for people living in/surrounding forest areas in Indonesia.

Low density agroforestry systems with crown cover smaller than 30% are already eligible for afforestation/reforestation activities for CDM based on Decision 5/CMP.1. High density agroforestry with crown cover greater than 30% is similar to forest management, and in the case of Indonesia, could be used to improve the management of protection forest where trees are not allowed to be cut, hence, people may harvest only non-timber forest products. Therefore, high density agroforestry should be included as an eligible additional activity under LULUCF-CDM.

From methodological points of view, IPCC AFOLU 2006 guidelines and methodologies approved under CDM and voluntary standards can be adapted to promote high density agroforestry systems.

## **2. Wetland Drainage and Rewetting such as restoration of coastal and freshwater wetlands; rewetting and restoration of peatlands**

Human impacts on coastal and freshwater wetlands and peatlands are major sources of GHG emissions. On the other hand, wetlands and peatland restoration present major opportunities for conserving critical ecosystems and preventing large potential future GHG emissions. Restoration of coastal and freshwater wetlands, and rewetting and restoration of peatland (include improved management practices) in organic soils, provide best opportunity to address Dec. 5/CMP.7 that significant pools and activities should not be excluded. This is also similar to Annex I countries that can choose peatland rewetting for compliance during the second commitment period of Kyoto Protocol. Furthermore, improved management practices in peatland through agroforestry systems in Indonesia (e.g. in Kalimantan) has potential to be the practice that is able to address social, economic, and environmental aspects simultaneously.

In terms of methodological aspects, IPCC 2013 Supplement to AFOLU 2006 guidelines on wetlands, and methodologies for wetland restoration and peatland rewetting proposed under voluntary standards can be adapted for the CDM context.

## **3. Revegetation activities in bare, degraded, karst, and settlement lands**

Revegetation includes planting of trees, shrubs, grass or other non-woody vegetation on various types of lands including karst, settlements/urban lands that do not meet the requirements of afforestation and reforestation activities. Degraded lands including bare lands and karst, if not restored will degrade further and can be sources of large future GHG emissions.

Revegetation activities include measures that restore carbon stock of degraded lands (saline and eroded), karst, settlements and other lands that do not qualify for afforestation/ reforestation, forest management, cropland, grazing land, and wetland management. Revegetation may be cost effective option to restore severely degraded lands. Furthermore, revegetation activities have several co-benefits such as improved biodiversity, restoration of ecological processes. For example in the case of karst in Indonesia, revegetation may help to restore the function of 'karst system' both in water regulation or watershed protection and conserving carbon stocks both in soil and biomass.

On methodological issues, IPCC AFOLU 2006 guidelines and methodologies proposed under voluntary standards can be refined to promote mitigation actions in these land use categories.

### **B. On the the issues relating to modalities and procedures for alternative approaches to addressing the risk of non-permanence under the CDM**

Experience from A/R CDM shows that the use of TCER/LCER as the approach to address non-permanence has put A/R CDM in disadvantageous situation. With experiences gained and

lessons learned from the current LULUCF CDM (A/R CDM) and the emerging options to address non-permanence issues, Indonesia views that this is time to move from temporary to permanent credits for LULUCF CDM.

Proposals of approaches to address non-permanence issues have emerged, for example, through individual approaches such as buffer/pooled buffer, insurance, country guarantee, or combination of these approaches.

Along with REDD+ development, developing countries implementing REDD+ and LULUCF-CDM may address risk of non-permanence under CDM (project-based activities) as part of actions to address risk of reversals for REDD+ at the national level and sub-national levels.

### **C. Relevant issues**

In order to include specific additional LULUCF activities under CDM and to provide alternative approaches in addressing non-permanence issues, it is necessary to revise the relevant paragraphs of the modalities and procedures for A/R CDM activities in Dec.5/CMP.1.

SBSTA-38 requested Secretariat to organize technical workshop to address the possible additional LULUCF activities and alternative approaches to addressing the risk of non-permanence under the CDM, before or in conjunction with SBSTA-39. Considering that workshop before SBSTA-39 was unable to be realized, while workshop in conjunction with SBSTA-39 may not be organized, Indonesia is of the view that time available in Warsaw will be very critical, and Co-Chairs with support of the Secretariat should endeavour to facilitate parties effectively in preparing draft decision on these matters to be adopted in CMP-9.

Jakarta, 8 November 2013