



INDONESIA AND AUSTRALIA

Joint Submission under the Cancun Agreements | December 2011

Reducing Emissions from Deforestation and Forest Degradation in Developing Countries SBSTA

I. Overview

In 2008, the Prime Minister of Australia and the President of Indonesia established the Indonesia – Australia Forest Carbon Partnership. Through the Partnership, Indonesia and Australia have been working closely together to provide useful and practical lessons to support international efforts to establish a REDD+ mechanism, including through two previous joint submissions to the UNFCCC.

Indonesia and Australia share a strong commitment to an effective REDD+ mechanism that provides certainty that emission reductions are genuine and verifiable. Through our practical cooperation we have gained a shared understanding of the importance of developing and implementing robust guidelines for the elements considered in this submission. These elements are: safeguards information systems (SIS), reference emission levels/reference levels (RELS/RLs) and measurement, reporting and verification (MRV) systems. They will be important to build credibility and confidence in national REDD+ systems to attract increased financial support.

Our work together to date has focused on phases one and two of REDD+, as described in paragraph 73 of decision 1/CP.16. We recognise that these phases provide an important opportunity to build capacity and generate lessons that are country specific. It is appropriate for activities under these phases to meet different standards in relation to the elements addressed in this submission in comparison to the guidelines necessary for the results-based actions phase. Guidelines for this third phase should display particular characteristics that will be important for national REDD+ systems to be widely recognised as credible and effective. These characteristics are the well established principles that exist for non-Annex I National Communications (decision 17/CP.8) and IPCC good practice guidance and guidelines. These principles are: transparency, consistency, comparability, completeness and accuracy. The definitions for the principles are clearly outlined in the good practice guidance.

In this submission we have reflected on the lessons we have learned through our practical experience as they relate to the elements discussed in this submission.

II. Guidance for systems for providing information on how safeguards are addressed and respected

The Kalimantan Forests and Climate Partnership (KFCP) is one of the most advanced large-scale REDD+ demonstration activities in Indonesia. The activity is being implemented on 120,000 hectares of forested and degraded tropical peatland in the province of Central Kalimantan. The scale and range of activities being undertaken as part of this project has provided us with an opportunity to trial approaches to monitoring and implementing environmental and social safeguards.

Consultation with local and Indigenous forest-dependent communities has been central to our work on safeguards. A key lesson from this work is that the full and effective participation of all relevant stakeholders should be an important part of designing and collecting the information to be included in a SIS. An important characteristic of the SIS should be that it is participatory in nature.

REDD+ activities are likely to take place across different levels and scales within a national REDD+ system. Gathering information related to the seven safeguards outlined in appendix I to decision 1/CP.16 will be important for all REDD+ activities.

Under the Kalimantan Forests and Climate Partnership a regional environmental and social assessment is currently being prepared to assist in meeting World Bank safeguards for free, prior and informed consultation, with broad participation. This assessment process is helping to develop guidelines and document implementation of safeguards at the project level, including safeguards relating to respect for knowledge and rights of Indigenous peoples and full and effective participation of relevant stakeholders. Our practical experiences implementing social and environmental safeguards at the project level will support and be aligned with the development of a national SIS in Indonesia.

At the national level, Indonesia is developing its own national carbon accounting system with support from Australia. This system will provide the foundation for a national measurement, reporting and verification institution and help to address key environmental safeguards at the national level.

Our practical cooperation highlights the need for SIS to be designed to accommodate information on safeguards from a range of sources across the national, sub-national and project scales, in accordance with national circumstances and in line with other relevant systems, including MRV systems.

III. Modalities for forest reference levels and forest reference emission levels

The Cancun Agreements request developing country parties that are aiming to participate in a REDD+ mechanism to develop a national forest reference emissions level and/or forest reference level (REL/RL). Credible and transparent forest REL/RL will be an important component of results-based actions for phase three REDD+ activities.

Guidance on the construction of forest REL/RL should be a key priority for SBSTA, including clarity of definitions, terminology and included carbon pools and greenhouse gases. Any guidance from SBSTA

should allow flexibility of approach during the different phases of REDD+ and allow national circumstances to be appropriately taken into account.

The development of forest REL/RL should be closely linked to the design and establishment of national MRV systems to ensure consistency and compatibility. MRV systems will monitor change in land use and carbon stock and will be a key input for the development of any forest REL/RL. This will also facilitate periodic review of REL/RL, taking into account the different phases of REDD+ implementation. During phase three of REDD+ actions, forest REL/RL will be required to establish a baseline against which emission reductions and removals resulting from REDD+ activities can be measured and supported. This can most effectively be achieved with REL/RL at a national scale, coupled with an MRV system than can measure changes in carbon stocks also at a national scale.

In addition to the characteristics outlined above in the overview section, forest REL/RL should be consistent with the objective of environmental integrity. This is recognised through the guidance and safeguards outlined in appendix I of decision 1/CP.16, which recognises the importance of taking into account the multiple functions of forests and related ecosystems. National forest REL/RL will be consistent with this objective, as risks of reversal or displacement will be addressed within national boundaries.

Through the Indonesia-Australia Forest Carbon Partnership, the Governments of Indonesia and Australia are working together to increase understanding about how sub-national REDD+ actions at the provincial, district and project scale can be nested within a national MRV system and national forest REL/RL. The Kalimantan Forests and Climate Partnership is testing reference emissions scenarios to assist in determining which elements will be important for Indonesia to take into account in the development of its own national forest REL/RL and how project level scenarios can be nested within a transparent and national system.

IV. Modalities for forest monitoring and for measuring, reporting and verifying emissions

Through the Partnership, Australia is supporting Indonesia in the design and development of its own national carbon accounting system (INCAS), which will provide a solid foundation for the establishment of a national MRV system in Indonesia.

Our work together has focused on meeting the methodological guidance provided in decision 4/CP.15. Key to this is designing a national carbon accounting system that is robust and transparent, and uses a combination of remote sensing and ground-based forest carbon inventory approaches. This is also recognised in guidance and guidelines provided by the Inter-governmental Panel on Climate Change (IPCC).

Robust and transparent national MRV systems that include technical and institutional aspects will be critical to the effectiveness of a REDD+ mechanism, particularly for results-based actions (phase three). For the same reasons discussed above for REL/RL, a key characteristic of MRV systems should be that they strive for environmental integrity. Accordingly, it will be important for MRV systems to provide national level coverage, with sub-national monitoring systems forming part of these systems as appropriate.

The INCAS will support sub-national implementation of REDD+ by providing spatially explicit estimates of changes in carbon stock. The INCAS is being developed in a phased approach, starting with coverage of Kalimantan and expanding to full national coverage. This technical system will provide a comprehensive and credible account of Indonesia's land based emissions profile and sinks capacity to support Indonesia's national MRV system.