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English only

Record of the facilitative sharing of views at the fifty-eighth session of the Subsidiary Body for Implementation: Indonesia

Note by the secretariat

Abbreviations and acronyms

BUR	biennial update report
CO ₂ eq	carbon dioxide equivalent
COP	Conference of the Parties
FSV	facilitative sharing of views
GHG	greenhouse gas
ICA	international consultation and analysis
NDC	nationally determined contribution
non-Annex I Party	Party not included in Annex I to the Convention
REDD+	reducing emissions from deforestation; reducing emissions from forest degradation; conservation of forest carbon stocks; sustainable management of forests; and enhancement of forest carbon stocks (decision 1/CP.16, para. 70)
SBI	Subsidiary Body for Implementation

I. Background and mandate

1. COP 16 decided that ICA of BURs from non-Annex I Parties would be conducted under the SBI in a manner that is non-intrusive, non-punitive and respectful of national sovereignty, with the aim of increasing the transparency of mitigation actions and their effects reported by those Parties.¹

2. COP 17 adopted the ICA modalities and guidelines,² according to which the ICA process consists of two steps: technical analysis of non-Annex I Parties' BURs by teams of technical experts, resulting in a summary report for each Party; and FSV, to which the BURs and summary reports serve as input.³

3. Pursuant to the ICA modalities and guidelines, the fourteenth FSV workshop was convened at SBI 58 from 6 to 7 June 2023 in Bonn for the following 15 non-Annex I Parties

¹ Decision 1/CP.16, para. 63.

² Decision 2/CP.17, annex IV.

³ Decision 2/CP.17, annex IV, para. 3.

for which there was a BUR and final summary report⁴ by 22 March 2023: Argentina, Belize, Brazil, Indonesia, Lesotho, Mauritius, Montenegro, Morocco, Nigeria, Republic of Korea, Republic of Moldova, Rwanda, Saint Lucia, South Africa and Zimbabwe. The workshop was open to all Parties.

4. The workshop, chaired by the SBI Vice-Chair, Gonzalo Guaiquil, comprised three three-hour sessions.

5. As one of the participating Parties, Indonesia received 18 written questions in advance of the FSV workshop⁵ from the European Union, Japan, Malaysia, New Zealand, Switzerland, the United Kingdom of Great Britain and Northern Ireland, and the United States of America. This FSV record for Indonesia summarizes the proceedings and, together with the summary report on the technical analysis of its third BUR,⁶ constitutes the outcome of the third round of ICA for the Party.

II. Summary of proceedings

6. On 6 June 2023 Indonesia made a brief presentation on its third BUR. The Party noted that it had submitted a REDD+ technical annex on a voluntary basis in conjunction with the BUR in accordance with decision 14/CP.19. The presentation was followed by a question and answer session.

7. Indonesia was represented by Syaiful Anwar from the Ministry of Environment and Forestry.

8. Indonesia presented an overview of its national circumstances and institutional arrangements, national inventory of anthropogenic emissions by sources and removals by sinks of all GHGs not controlled by the Montreal Protocol, mitigation actions and their effects, support needed and received, and lessons learned from the ICA process.

9. Indonesia also presented its NDC target under the Paris Agreement of reducing emissions by 29 per cent by 2030 compared with the 'business as usual' scenario or by up to 41 per cent conditional on international support. In its long-term strategy for low carbon and climate resilience, submitted in 2021, the Party set a long-term goal to reduce emissions and reach net zero by 2060 or sooner, with net emissions peaking in 2030. Indonesia indicated that its emissions in 2017–2019 met the NDC target.

10. Indonesia highlighted that its total GHG emissions in 2019 were 1,845,067 Gg CO₂ eq and they increased between 2000 and 2019 by 119.0 per cent without emissions and removals from land and by 77.5 per cent with emissions and removals from land, owing mainly to the forestry and other land use sector and the energy sector. The Party explained that rapid industrialization and development trajectory are the main drivers of emission trends.

11. Indonesia presented key policies and measures for achieving its NDC target, including the national mitigation programmes in all sectors. The focus of the forestry and other land use sector, the main contributor to total emissions in 2019, is on reducing emissions from deforestation and forest degradation.

12. Furthermore, Indonesia provided information on its domestic measurement, reporting and verification system, which is integrated into the national registry system with publicly available information on mitigation and adaptation activities. Indonesia estimated financial needs of USD 281 billion for implementing climate action. This sum is larger than that estimated in the previous BUR owing to the inclusion of additional mitigation activities, different estimation methodologies and cost, and longer time frames. The support received, USD 16.1 billion, is mainly in the form of grants. Capacity-building received is tracked based

⁴ The BURs and summary reports for each ICA cycle are available at <u>https://unfccc.int/BURs</u> and <u>https://unfccc.int/ICA-reports</u> respectively.

⁵ As per decision 2/CP.17, annex IV, para. 6.

⁶ FCCC/SBI/ICA/2022/TASR.3/IDN.

on inputs from the central and local administrations and agencies, the private sector and nongovernmental organizations.

13. Indonesia presented information on areas for improvement for future reporting for compliance with requirements under the enhanced transparency framework under the Paris Agreement. Its current initiatives for enhancing its institutional arrangements relate to increasing capacity for GHG inventory reporting (regarding completeness and uncertainty of activity data), mitigation goal-setting in programmes by ministries, local government and the private sector, technology needs assessment and tracking financial support received.

14. Following the presentation, the following Parties made interventions commending Indonesia on its efforts and asked questions seeking further clarification: Australia, European Union, India, Japan, Kingdom of the Netherlands, New Zealand, Singapore, Slovakia, United Kingdom and United States.

15. Questions on the GHG inventory related to data collection for hydrofluorocarbons and sulfur hexafluoride; and factors in reducing emissions from commercial buildings.

16. In response, Indonesia explained that there are differences between the data collected by the importers (the only source of the gases) and the national statistics, and that it is investigating these differences before using the data in the inventory. Regarding reducing emissions from commercial buildings, this was due to the buildings' shift from producing their own electricity to getting electricity from the grid.

17. Questions on mitigation actions and their effects related to accelerating the deployment of renewable energy generation; increasing renewable energy use beyond the targets mentioned in the third BUR (by 23 and 31 per cent by 2025 and 2050 respectively); the mandatory use of biofuels in some installations; and generating energy from waste facilities.

18. In response, Indonesia explained that its priorities for renewable energy include use of biofuels and solar photovoltaics, and that 2022 National Energy Policy foresees that use of renewable energy could lead to a 50 per cent reduction in emissions by 2026. Indonesia also explained that the mandatory use of biofuels applies to plants burning coal, where biofuels are combusted with coal to reduce the amount of coal use. Regarding generating energy from waste, this is one of the options pursued to reduce the use of fossil fuels.

19. Questions on constraints and gaps, and related needs related to the challenges in effectively measuring and reporting the impact of mitigation actions and the capacity-building that could help to resolve them.

20. In response, Indonesia mentioned the collaboration with the Kingdom of the Netherlands (specifically the Netherlands Organisation for Applied Scientific Research) on improving the integration of efforts to reduce GHG emissions (mitigation actions) with the systematic tracking, reporting, and verification of those emissions (GHG inventories). Indonesia also mentioned that lack of accurate and current data on emission reductions and the limited capacity of local administrations to record results achieved from the mitigation actions implemented are in some cases challenges.

21. Other questions related to Indonesia's experience of developing its national registry system; and when Indonesia expects its emissions from coal to peak, given the increase in coal use for power generation in recent years. In response, Indonesia explained that the national registry system was developed gradually, initially just for mitigation actions, with the carbon registry added later following the introduction of carbon pricing, and that the challenges include the capacity of local government and other users to ensure completeness in reporting climate action and use the information in the registry to inform their plans for emission reduction. Regarding coal use, Indonesia explained that the increased use in recent years was driven by new industrial plants coming into operation.

22. The presentation and subsequent interventions are accessible via the webcast of the workshop.⁷

⁷ Available at <u>https://unfccc.int/event/fourteenth-fsv-workshop-part-ii-0</u>.

23. In closing the workshop, the SBI Vice-Chair congratulated Indonesia for successfully undergoing FSV and completing the third round of the ICA process. He thanked Indonesia and all other participating Parties for engaging in the workshop in a facilitative manner. He also thanked the secretariat for its support.