

REDD+ Update Report

February 1, 2018

Regulation of Minister of Environment and Forestry No. 70/2017

on

The Procedure of Implementation for Reducing Emissions from Deforestation and Forest Degradation, Role of Conservation, Sustainable Management of Forest, and Enhancement of Carbon Stocks

Issued 29 December 2017 (disseminated 12 February 2018)

This regulation:

- Finally provides a comprehensive legal basis for REDD+ implementing instruments, including FREL, National Strategy (Stranas), forest monitoring system (Simontana), safeguards (SIS-REDD+), National Registry System (SRN), and REDD+ funding mechanism (not yet the funding instrument itself, which will be established by a separate Presidential Regulation).
- Set up a 'REDD+ Area' with the size of 96.6 million hectares – no map viable for spatial analysis is provided.
- Set up a boundary for actors eligible to implement REDD+, which consists of three (3) levels: (i) **the national responsible entity**, which is the MoEF, (ii) **the sub-national REDD+ management institution/entity** at the provincial level, and (iii) **REDD+ implementers**.¹
- Set up boundary of REDD+ activities, which includes REDD+ supporting activities or enabling conditions.
- Regulates the nitty gritty of REDD+ implementation, all the 'how to' starting from proposing for a REDD+ project, determining FREL/FRL at sub-national level, conducting measurement, reporting, and verification, to accessing REDD+ funding.
- Rights considerations, including recognition and accommodation of indigenous people and local communities' rights in REDD+ activity implementation and benefit-sharing are included

¹ including all parties that have forest and land permits (logging permit, timber plantation permit, ecosystem restoration permit, social forestry permits: village forest, community forestry, community timber plantation, environmental partnership) and holders of private forest title – this could include customary forest, because customary forest is categorized as private forest or *hutan hak*. On the other hand, customary forest is still classified as one of social forestry categories). The regulations says 'forest and land permits,' which raises questions whether plantation permit holders are eligible to propose REDD+ implementation and access REDD+ funding.

in the safeguards section (SIS-REDD+), but safeguards assessment relies heavily on document check-list, making grievance mechanism very important.

- Because REDD+ proponents must demonstrate formal ownership or control to land, communities that can become REDD+ implementers or proponents are most likely those who have already obtained official social forestry licenses and customary forest holders that have obtained official Ministerial Decree, the number of which is still very limited (1.3 million hectares).
- Public or independent monitoring of REDD+ implementation as an integral part of national REDD+ implementation is not mentioned in this regulation like in SVLK regulation.
- This ministerial regulation in itself does not concern other sectors (i.e 'the drivers').
- Scope of regulation: (i) general provisions (definitions), (ii) location, (iii) approach, (iv) instruments of implementation, (v) monitoring, evaluation, supervision), (vi) transitional provisions, (vii) concluding provisions.
- Annexes: (i) National FREL and procedure to develop and review FREL/FRL, (ii) National REDD+ Performance Measurement Area, (iii) MRV procedure, (iv) principles, criteria, and indicators for SIS-REDD+ and safeguards assessment tool; SIS institutional structure, (v) procedure to develop REDD+ funding proposal.

Background:

- Indonesia's 2030 emissions reduction target: 29%-41% from BAU
- REDD+ is an important component of NDC
- REDD+ will be implemented at the national and sub-national level
- REDD+ implementation guidance from UNFCCC is complete

Reference regulations

No.	Laws	Govt. Regulations	Ministerial Regulations
1.	No. 6/1994 on the Ratification of UNFCCC	No. 71/2011 on the Implementation of National GHG Inventory	
2.	No. 41/1999 on Forestry amended by Law No. 19/2004	No. 6/2007 on Forest Governance and Development of Forest Management and Utilization Plan (amended with Govt. Regulation No. 3/2008)	Permenhut No. P.14/2014 on Procedure of Afforestation and Reforestation in the Framework of Clean Development Mechanism
3.	No. 17/2004 on the Ratification of Kyoto Protocol		
4.	No. 32/2009 on the Protection and	• No. 71/2014 (amended with Govt. Regulation No. 57/2016) on the	

	Management of the Environment	Protection and Management of Peatland Ecosystem No. 46/2017 on Economic Instrument of the Economy	
5.	No. 6/2014 on Village		
6.	No. 23/2014 on Regional Government		
7.	No. 16/2016 on the Ratification of Paris Agreement		
8.		No. 16/2016 on Ministry of Environment and Forestry	PermenLHK No. P.18/2015 on Organization and Work Structure of the MoEF.

Note: no reference to Conservation Law or other sectorial laws (Agriculture, Energy, Land/Agrarian Laws)

Content (8 Chapters):

Ch. I – General Provisions

1. **Definitions**, including:

(i) **basic elements**: forest, deforestation², gross deforestation³, nett deforestation⁴, forest degradation⁵, carbon conservation, sustainable forest management, enhancement of forest carbon stock, stock, flow.

(ii) **REDD+ implementation instruments**, including the National Strategy (Stranas), FREL/FRL, MRV, NFMS, funding instrument, safeguards and Safeguards Information System (SIS-REDD+), National Registry System (SRN), results-based payment⁶.

(iii) **REDD+ actors**, including three categories of actors: (i) national responsible entity-MoEF, (ii) sub-national REDD+ management institution - provincial level, (iii)

² Permanent change from forested to non-forested areas.

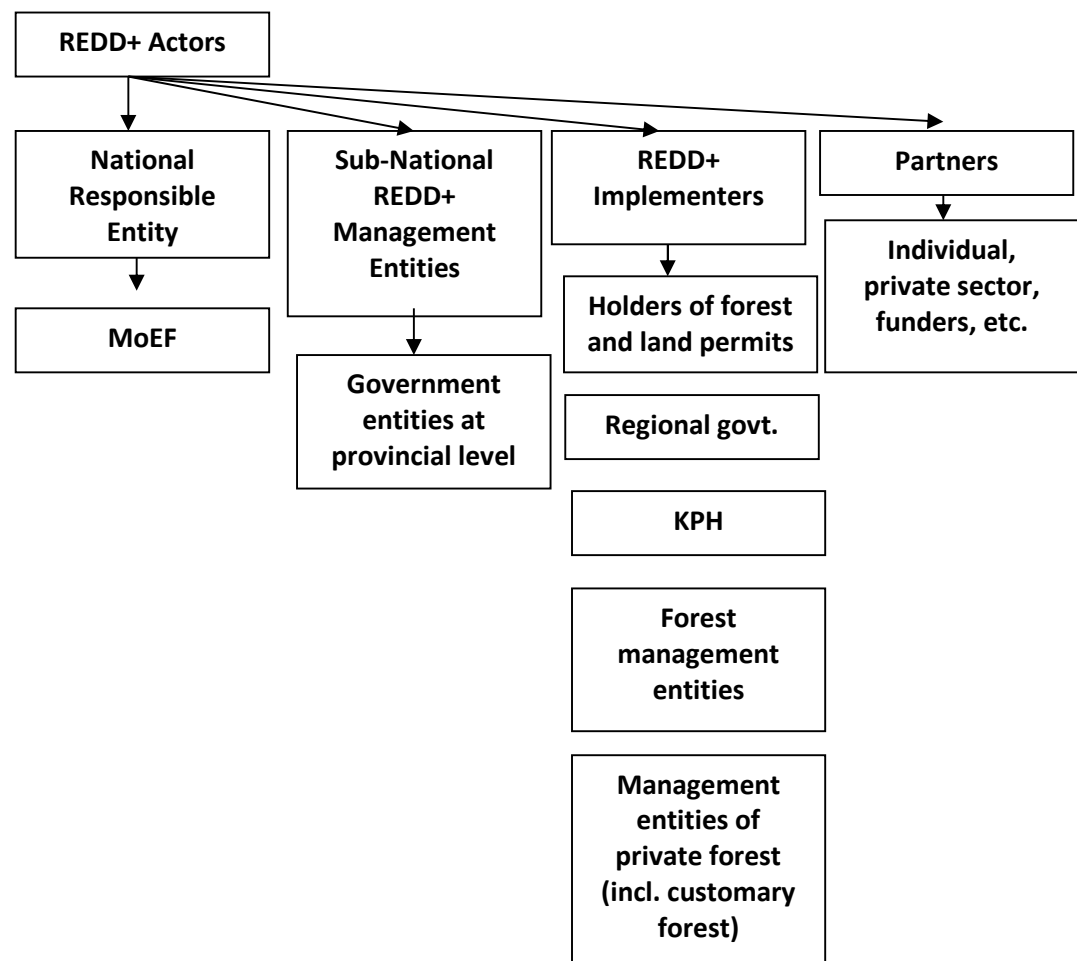
³ Permanent change of *natural forest cover* without calculating regrowth and or the making of plantation forest.

⁴ Permanent change of *forest cover* taking into account regrowth and or the making of plantation forest – implying that the loss of natural forest can be compensated by regrowth or the making of plantation forest so that the loss of natural forest to develop plantation forest will not be counted as deforestation.

⁵ The decrease of forest cover quantity and stock carbon in a certain period.

⁶ Positive incentive or payment for (i) verified emissions reduction and (ii) non-carbon benefits.

REDD+ implementers (regional governments, managers of Forest Management Units (KPH), permit-holders in forest and land sector, forest management entities – including social forestry, and managers of private forests), and Partners. *One interpretation - those who can propose a REDD+ project are only those who have secured formal land rights (forestry permits, including social forestry permits, land certificate for private forests, and customary forest holders that have obtained Ministerial Decision Letter).*



2. **Intended recipients:** this regulation is intended as a guidance for the abovementioned three categories of actors: (i) national responsible entity (*Penanggung Jawab Nasional*), which is the MoEF, (ii) sub-national REDD+ management institution (*lembaga pengelola REDD+ sub-nasional*) at the provincial level, and (iii) REDD+ implementers (*pelaksana REDD+*).
3. **Scope of regulation:** (i) location, approach, and implementation instruments for REDD+, (ii) monitoring, evaluation, and assistance/supervision.
4. **Scope of implementation:**
 - (i) **REDD+ location** is nation-wide, with implementation at sub-national level,
 - (ii) **REDD+ activities:** 1) reduction of emissions from deforestation and forest degradation, 2) conservation of forest carbon stock, 3) sustainable forest

management, 4) enhancement of forest carbon stock. Note: *Land rehabilitation and peatland restoration are mentioned in NDC as mitigation actions in the forestry sector, but are not included as REDD+ activities (because the reference levels have not been included in FREL submitted to UNFCCC).*

- (iii) **REDD+ supporting activities:** 1) capacity building: institutions and human resources, 2) improvement of policies and REDD+ instruments, 3) research and development, 4) other activities to enable conditions.
- (iv) **NCBs** - Result-based payment can include non-carbon benefits.

Ch. II – Location

- **Within REDD+ area.** REDD+ is implemented in all land cover that is included in the scope of REDD+ implementation area. See [Annex IIA](#).
- **Within areas included in FREL.** Areas that are measured, reported, and verified (MRV-ed) as a basis for result-based payment must be within the area included in the determination of FREL/FRL.

Ch. III – Approach

- **Phased approach.** REDD+ is implemented in phases (phased approach) towards full implementation, which is result-based payment.
- **Level of implementation.** REDD+ implemented in two levels:
 - National, by MoEF
 - Sub-national, by: (i) regional govt., (ii) private sector, (iii) KPH managers, (iv) community groups.
 - Conditions to propose a REDD+ project – including REDD+ supporting activities: (i) legitimate work area, (ii) included in REDD+ area.

Ch. IV – REDD+ Instruments of Implementation

- **REDD+ Implementation Strategy** – Stranas – is mentioned as an integral part of NDC implementation – **Stranas finally has a legal basis.**
 - Stranas includes five pillars: (i) strategic programs, (ii) review, (iii) policy and regulation improvement, (iv) strengthening of institutions and stakeholder engagement, (v) paradigm and work culture change. Stranas also explicitly adopts FPIC, which is nowhere to be seen in other laws/regulations regarding natural resources.
 - Sub-national REDD+ strategy (Strada, SRAP) must be in line with Stranas.
 - The Minister through Director General of Climate Change Control (DJPP) supervises and facilitates strengthening of institutions of REDD+ at the sub-national level.
 - DJPP as National Focal Point to UNFCCC communicates the progress of REDD+ implementation to UNFCCC.

- **FREL/FRL**

- Is determined nationally by DJPPI – illustrates emissions level equivalent for REDD+ activities in a certain period – expressed in ton CO₂e/year.
- Principles – transparency, accuracy, consistency, comprehensiveness, in line with COP decisions.
- National FREL/FRL is used as a reference to develop sub-national FREL/FRL, which will be enacted by Director General of PPI. There will be buffer system for sub-national FREL/FRL
- FREL review every 5 years (Indonesia submitted the 1st FREL to UNFCCC in 2015)
- First Period REDD+ FREL/FRL is valid up to 31 December 2010 (see [Annex IA](#)).

- **MRV**

- MRV is obligatory to access results-based payment
- MRV for REDD+ in the first period (up to 31 Dec 2020) is based on the National REDD+ Performance Measurement Area (WPK REDD+) – see [Annex IIA](#).
- WPK REDD+ will be reviewed together with review of FREL/FRL (every 5 years)
- Subsequent WPK REDD+ (after 2020) will be enacted by a Ministerial Decree.
- MRV procedure – see [Annex IIB](#).
 - **Measurement**
 - Measurement is conducted by *REDD+ implementer* every 2 years.
 - Measurement is done for: calculation of emissions reduction and/or conservation and/or enhancement of forest carbon stock in a given period at national and sub-national level.
 - Measurement procedure – see [Annex IIC](#).
 - **Reporting**
 - Reporting of emissions reduction/stock carbon conservation and/or enhancement is done by REDD+ implementer – every 2 years at the latest. Reporting must include: (i) REDD+ supporting activities and (ii) non-carbon benefits.
 - Reporting of REDD+ implementation at sub-national level is done by REDD+ implementer to DJPPI through SRN.
 - Reporting of REDD+ implementation at national level is done by DJPPI to UNFCCC Secretariat.
 - Reporting procedure – see [Annex IID](#).
 - **Verification**

- Principles – transparency, accuracy, completeness, consistency, avoidance of double counting
- Verification is done every 2 years.
- To access result-based payment, verification is conducted by a third party (independent verifier) who reports to DJPPI.
- Verification procedure – see [Annex IIE](#).
- **National Registry System (SRN)**
 - REDD+ activities must be registered in SRN (both national and sub-national REDD+)
 - SRN objectives: (i) inventory of REDD+ actions and resources, and (ii) avoid double counting (clarity, transparency, understanding)
 - Data and information to be reported through SRN: (i) FREL/FRL, (ii) MRV results, (iii) safeguards implementation, (iv) funding, (v) REDD+ supporting activities, (vi) contribution to NDC.
 - SRN implementation – refers to Ministerial Regulation on SRN Implementation.
- **Safeguards Information System (SIS)**
 - To provide information on safeguards implementation.
 - Principles – transparent, consistent, accessible to all stakeholders.
 - Safeguards implementation must fulfill safeguards principles, criteria, and indicators, and its assessment tool (Safeguards Implementation Assessment Tool) or APPS. See [Annex IIIA](#) and [IIIB](#).
 - REDD+ implementer reports safeguards implementation to DJPPI through SIS-REDD+. See [Annex IIIC](#) for institutional setting of SIS-REDD+ and [IIID](#) for safeguards reporting mechanism.
 - DJPPI provides information regarding safeguards implementation at the national level through: (i) SIS-REDD+, (ii) national communications to UNFCCC, and (iii) UNFCCC REDD+ Web Platform
- **REDD+ Funding**
 - REDD+ funding is a part of climate change funding – managed by environment fund management agency (BPDH – to be established by Presidential Regulation – under development – draft undisclosed – no consultation yet).
 - Sources: (i) grant, (ii) result-based payment, (iii) state budget/APBN/APBD, (iv) other legitimate sources.
 - Scope of funding:
 - Emissions reduction from deforestation and forest degradation
 - Conservation of forest carbon stock

- Sustainable forest management
- Enhancement of forest carbon stock
- All the above plus non-carbon benefits
- Supporting activities: see REDD+ supporting activities above.
- Recipient of funding: (i) government institutions at national and sub-national level, (ii) civil society organizations, (iii) business sector, (iv) research or educational institutions, (v) community groups.
- Funding disbursement:
 - (i) for result-based payment, based on performance – verified emissions reduction and NCBs.
 - RBP at the national level is based on agreement, which includes: GHG emissions reduction target, carbon economic value, payment period, other considerations.
 - (ii) for supporting activities, based on proposed program/activities.
 - Mechanism: (i) result-based payment, (ii) grant, (iii) carbon trading, (iv) other mechanisms according to laws and regulations.
 - Disbursement can be made: (i) directly from Custodian Bank to REDD+ implementer, (ii) through National Intermediaries – for REDD+ implementers that lack the capacity to access REDD+ fund directly.
- Conditions of disbursement:
 - For RBP and REDD+ supporting activities - both at national and sub-national level - to access REDD+ payment, all activities must have been registered in SRN.
 - REDD+ implementer at national and sub-national level submit a proposal to BPDH. A team of ad hoc Assessor (representative of relevant ministries, professionals, technical team) will assess the proposal.
 - Procedure for submitting proposal to access REDD+ funding – see [Annex IVA](#) and [IVB](#).
 - *The obligation to implement safeguards or register safeguards information in SIS-REDD+ is not mentioned explicitly as a precondition to access REDD+ funding in the norms section of this regulation (unlike MRV). However, there is a provision that proposals will be assessed based on technical criteria by MoEF, REDD+ instruments (which include SIS-REDD+), and contribution to NDC. So the obligation of providing information on safeguards implementation before accessing REDD+ funding is implied and is regulated at the technical level (funding proposal assessment).*

Ch. V – Monitoring, Evaluation, Supervision

- Entity responsible to move REDD+ implementation – DJPPI/NFP
- Move is done annually and the result is reported to Minister of Environment and Forestry

Ch. VI – Transitional Provisions

- All REDD+ or carbon trading agreements entered into before this regulation must be adjusted with this regulation on 31 December 2019 at the latest.

Ch. VII – Concluding Provisions

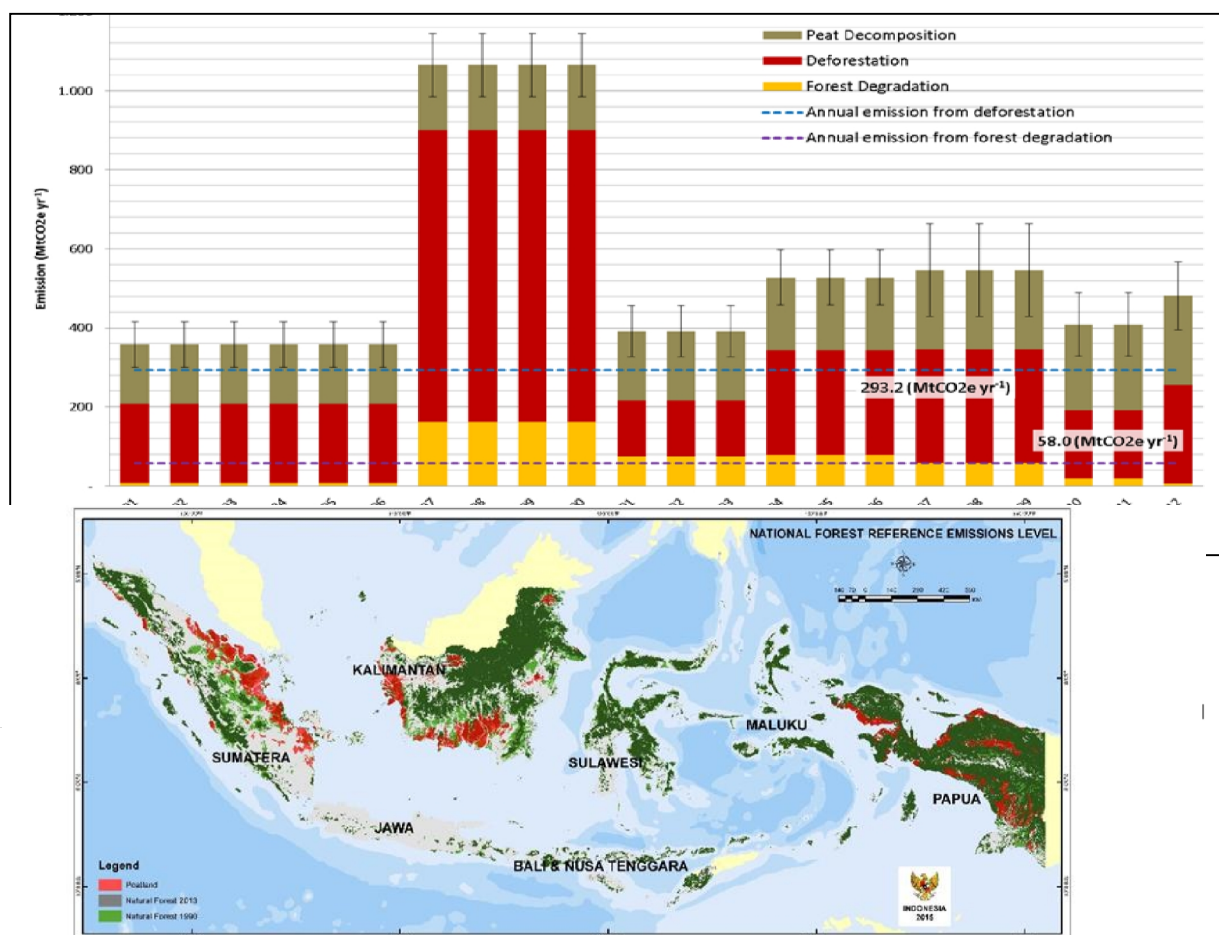
- All previous regulations regarding REDD+ and forest carbon as well as their implementation guidance that contradict this regulation are revoked.

The 13 Annexes:

FREL

IA – National FREL as a basis to determine sub-national FREL

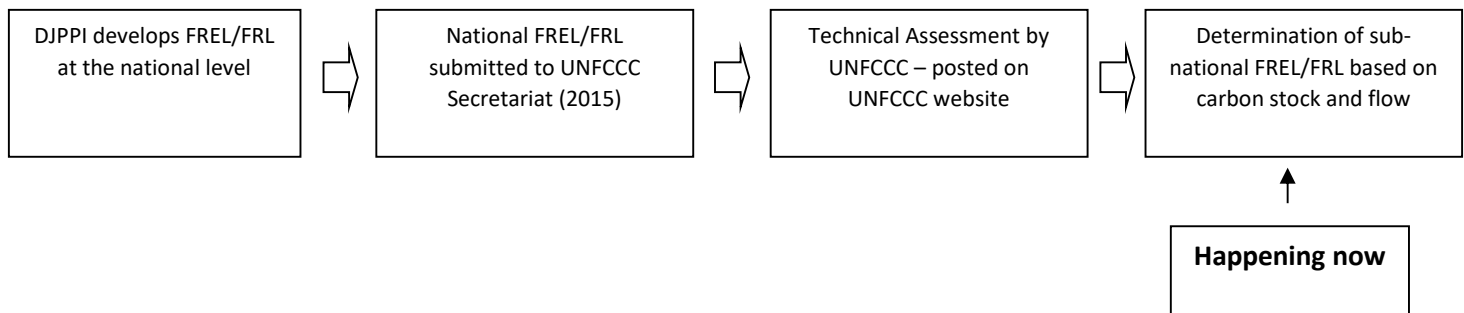
- Reference period: 1990-2012 (annual emissions and average historical emissions) from (i) peat decomposition, (ii) deforestation, (iii) forest degradation – minus emissions from forest and peat fire.
- Deforestation: 293.2 MtCO₂e/year
- Forest degradation: 58 MtCO₂e/year



National FREL Map with the size of 113.2 million hectares. Criteria: areas that in 1990 were still covered by natural forests, both primary and secondary, both on mineral land and peatland.

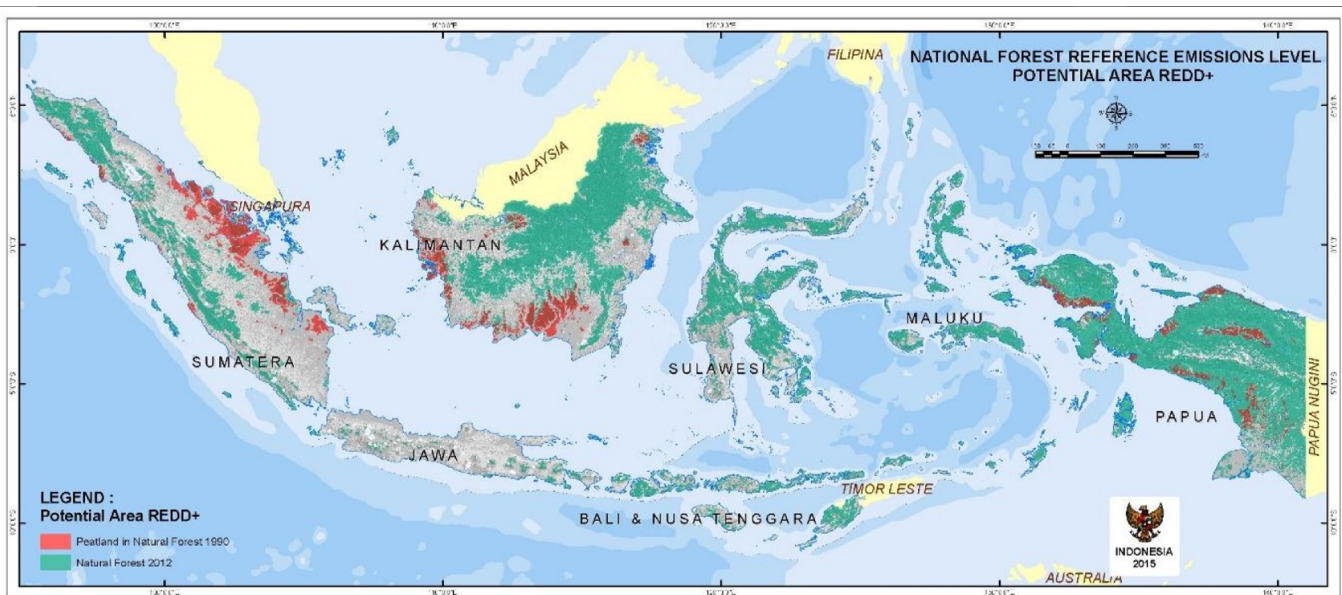
IB – Procedure to develop and review FREL/FRL

Process:



MRV

IIA – National REDD+ Performance Measurement Area (WPK REDD+)



The abovementioned area is determined as WPK REDD+ and is used for MRV until 31 December 2020 (first period of REDD+ implementation). Criteria of WPK REDD+:

- Areas that were still forested at the end of 2012 (primary/secondary forest) on mineral land and peatland, including peatland that in 1990 were still forested but at the end of 2012 were already deforested.
- WPK REDD+ will be reviewed and adjusted based on review of FREL/FRL.
- Total size of WPK REDD+ - 96.6 million hectares. See the following table for details:

Island	Natural forest – mineral land (ha)	Natural forest – peatland (ha)	Peatland that in 2012 no longer had forest cover but in 1990 had forest cover (ha)	Total (ha)
Java	815,300			815,300
Bali and Nusa Tenggara	2,721,900			2,721,900
Maluku	5,078,500			5,078,500
Sulawesi	9,418,400			9,418,400
Kalimantan	24,915,900	2,477,000	1,429,900	28,822,800
Sumatra	10,812,600	1,596,700	3,079,700	15,461,900
Papua	31,067,500	3,026,400	176,300	34,270,200
Total	84,830,100	7,073,100	4,685,900	96,589,000

The largest REDD+ Performance Measurement Area is in **Papua (34.2 million hectares)**, followed by Kalimantan (**28.8 million hectares**), Sumatra (**15.4 million hectares**), and Sulawesi (**9.4 million hectares**). WPK REDD+ is REDD+ potential area. All REDD+ activities that can be proposed for result-based payment and MRV must fall within these areas and areas that were covered in the determination of FREL/FRL. *The question remains – who controls these areas today? Who are the actors that have the biggest potential to implement REDD+ and access REDD+ funding? The largest area in WPK REDD+ belongs to forest concession holders – according to Ibu Nur.*

Comparison of areas controlled by large concession-holders and community (social forestry licenses):

Large concession holders ⁷			Community/social forestry licenses (ha)				
Logging (IUPHHK-HA)	Timber plantation (IUPHHK-HT)	Ecosystem restoration (IUPHHK-RE)	Village forest	Community forestry	Community timber plantation	Environment partnership	Customary forest
18,934,330	11,062,713	623,059					21,918 ⁸

⁷ <http://bisnis.liputan6.com/read/3242551/intip-kemajuan-capaian-3-tahun-kementerian-lhk>

⁸ http://ppid.menlhk.go.id/siaran_pers/browse/1012

30,620,102 hectares (96%)	1,368,387 hectares (4%)⁹
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IIB - Procedure of MRV for REDD+

MRV at subnational level in the absence of sub-national REDD+ Management Entity:

1. REDD+ Implementers (provincial government, district government, non-government organizations, community groups, other nonprofit associations) conduct measurement in their respective areas
2. REDD+ Implementers input results of measurement and reporting independently to SRN-PPI
3. Minister of EF and DJPPI review the registered REDD+ implementation and categorize it into RBP or non-RBP
4. Non-RBP – DJPPI orders MRV Team to verify non-RBP activities to ensure its link to NDC target. After MRV is done, the registry will be inputted in SRN-PPI dashboard non-RBP.
5. RBP – DJPPI establishes and orders MRV Team and Independent Expert Team to conduct verification. In proposing RBP, Minister cq DJPPI establish an Independent Vericator Team (TVI).
6. TVI verifies mitigation actions performance of REDD+ Implementers.
7. REDD+ Implementers receives the verification results and reports to MRV Team of DJPPI.
8. MRV Team of DJPPI reviews the verification results. If approved, the results are reported to the Minister cq DJPPI. If not, REDD+ Implementers must improve the verification.
9. DJPPI orders SRN-PPI manager to record the MRV results in SRN-PPI, RBP.

MRV at subnational level after sub-national REDD+ Management Entity is established:

1. All REDD+ implemented by sub-national entities (provincial entity that manages REDD+) as well as by REDD+ Implementers must be measured by each respective entity
2. REDD+ implementation at the sub-national level (by entity that manage REDD+) must coordinate with REDD+ implementers in its REDD+ performance measurement area (WPK)
3. Sub-national entity and/or REDD+ Implementers record measurement and reporting results in SRN-PPI
4. Same steps as the above.

⁹ <http://bisnis.liputan6.com/read/3242551/intip-kemajuan-capaian-3-tahun-kementerian-lhk>

IIC – Procedure of measurement by REDD+ implementers

- Measurement is done to obtain data and information regarding: (i) activity, (ii) emission factors – land use change data uses data from NFMS (Simontana)
- Measurement of emissions reduction and/or conservation and/or enhancement of carbons stock is done for a certain period at national and sub-national level.
- Must calculate uncertainty in activity data and emission factor.
- Guidance for measurement and calculation: IPCC Guideline 2006, IPCC Supplement for Wetlands 2013, and national guidance for GHG inventory. Measurement and calculation can be supported by field measuring and supporting documents.
- Measurement of NCBs is based on available guidance – *what?*
- Measurement is conducted at three stages: (i) planning, (ii) implementation of activity, and (iii) end of period.

IID – Procedure of reporting by REDD+ implementers

- REDD+ implementers must report on two kinds of information: (i) general information, and (ii) technical information.
- General information: (i) administrative information – activity document, agreements, etc., (ii) activity design/plan, (iii) resources for activity document, (iv) institutional setting, including human resources, role division, etc.
- Technical information: (i) scope of REDD+, (ii) data and information to estimate forest cover and forest cover change, emissions/removal, and carbon stock and carbon stock change, (iii) FREL/FRL used as a basis for emissions reduction and/or conservation and/or enhancement of forest carbon stock, (iv) results of emissions reduction and/or conservation and/or enhancement of forest carbon stock, (v) calculation of contribution to NDC attainment, (vi) NCBs and methodology to calculate NCBs, (vii) information about safeguards implementation, (viii) plans for improvement.
- REDD+ implementation at sub-national level is reported by REDD+ Implementers or REDD+ management entity (provincial level) to DJPPI/NFP through SRN.
- REDD+ implementation at national level is reported to UNFCCC Secretariat by DJPPI as NFP.
- Submission of REDD+ implementation report is done at three stages: (i) planning, (ii) implementation of activity, and (iii) end of period.

IIE – Procedure of verification

- Verification – to ensure transparency, accuracy, completeness, consistency, and avoidance of double counting
- Things that will be verified:

- results of emissions reduction and/or conservation and/or enhancement of forest carbon stock
 - calculation of contribution to NDC attainment
 - activity data
 - emissions factor
 - methodology and assumptions
 - uncertainty level
 - safeguards implementation
 - NCBs.
- Verification is done through: (i) document review, (ii) document clarification through document review, interview, questions, and answers. If document review is deemed inadequate, there will be field check.
 - REDD+ that is not aimed to obtain RBP is verified by DJPPI and is recorded on SRN.

Safeguards

IIIA – Principles, criteria, and indicators of SIS-REDD+

IIIB – Safeguards assessment tools (APPS) and procedure of safeguards assessment using APPS in SIS-REDD+

Notes:

In the beginning of REDD+ safeguards development, there were two streams of process: (i) development of safeguards principles, criteria, and indicators for REDD+ Indonesia (PRISAI) under REDD+ Task Force (Satgas REDD+), then REDD+ Agency, which included many CSOs representatives as writers/commenters (powered by Lol funding), and (ii) development of a Safeguards Information System (SIS-REDD+) by the Ministry of Forestry (Pustanling) and Daemeter, headed by Ibu Nur Masripatin, powered by Forclime/GIZ funding. Both process entailed public consultations, but PRISAI development, according to many CSOs, were more open and consultative, with stronger, more detailed elaboration on rights component, especially FPIC. During both processes, it was agreed that PRISAI would be the 'furniture' and SIS would be the 'home.' But this nesting did not happen and eventually SIS developed their own set of principles, criteria, and indicators (published in 2013). In the end, SIS-REDD+ is favored over PRISAI and is officially launched as Indonesia's REDD+ Safeguards in this ministerial regulation.

Cancun Safeguards-1. Actions complement and or consistent with the objectives of national forest programs and relevant international conventions and agreements.

Principle-1. REDD+ activities shall comply with government regulations and nationally ratified international conventions/agreements and shall be consistent with the objectives of national forest programs

Criteria, indicators, and assessment tools (APPS):

1.1 REDD+ activities shall be coordinated/governed/managed under the authority of the appropriate sub-national or national institution and, where appropriate, under a legal entity incorporated under Indonesian laws and regulations.

1.1.1 Availability of legal and administrative documents that prove the clear authority to conduct REDD+ activities appropriate to scale and implementation.

Assessment tool (APPS):

- (a) document regarding the legal status (legal entity) of REDD+ implementer,
- (b) legal documents (decrees) that become the legal basis of REDD+ activity implementation.

1.2 REDD+ activities at sub-national and national levels shall comply with the applicable laws and international conventions ratified by Indonesia.

1.2.1 Availability of planning document and periodic report regarding implementation of relevant government regulations.

Assessment tool (APPS):

- (a) REDD+ national/sub-national strategy
- (b) Related climate change handling planning documents.
- (c) Related development planning documents.
- (d) Work plan and safeguards.
- (e) SOPs that have been formulated.
- (f) Report: types and period.

1.2.2 Availability of report regarding implementation of international conventions/agreements.

Assessment tool (APPS):

- (a) Activity report relevant to international conventions/agreements
- (b) Reports on the abovementioned issues at the provincial/district level.

1.3 REDD+ activities are in line with the objectives of national forest programs as described in the long-term strategic planning of the Indonesian forestry sector.

1.3.1 REDD+ activities must be in line and support priority objectives in long-term and strategic forestry plan of Indonesia (See Ministerial Regulation No. 49/2011 on Long-Term Forestry Plan 2011-2030 and Strategic Plan of related K/L).

Assessment tool (APPS):

- (a) Report of REDD+ activities, which shows relevance with and/or supports the objectives of forestry strategic plan (Renstra) and other forestry plans.

Notes: In the current Long-Term Forestry Plan 2011-2030, areas for large-scale forest utilization (after projected rationalization of forest area) reaches a phenomenal number of 43.62 million hectares¹⁰ (currently logging and timber plantation permits size is only 30.6 million hectares). This means that the potential for forest degradation and deforestation by logging and large-scale timber plantations reaches 13 million hectares. Specifically for timber plantation, by 2030, the government projects to have 15.4 million hectares of timber plantation permits (currently it's 11 million hectares) with nett plantable area of 65%. This means that the government will continue issuing large forest utilization licenses until 2030. Around 4.4 million hectares of forest area has been allocated for large-scale timber plantation (HTI). It is very difficult to ascertain how much of the 13 or 4.4 million hectares of forest area allocated for large-scale forest utilization permits still actually has natural forest cover. The primary forest and peatland is currently protected by the moratorium policy (which is valid until May 2019), but the intact secondary forests are not. How much intact natural forests and peatland are included in the 13 million hectares and where? The difficulty can only be overcome if the government stopped refusing to open the shape file format of forestry maps, including forest/land cover and maps of forestry licenses, which will enable more effective public monitoring and increase accountability of REDD+.

Cancun Safeguards-2. Transparent and effective national forest governance structures, taking into account national legislation and sovereignty.

Principle-2. REDD+ activities at all scales and contexts shall contribute to transparent and effective forest governance in accordance with national sovereignty.

Criteria, indicators, and assessment tools (APPS):

2.1 Appropriate to the scale and context of REDD+ activities, institutional arrangements support communication between stakeholders for effective monitoring of implementation of good governance principles.

2.1.1 There is a clear policy statement regarding information disclosure by units responsible for REDD+ activity appropriate to scale and implementation context.

Assessment tool (APPS):

- (a) Whether there is a policy of information provision related to REDD+ implementation to the public.
- (b) Examples of implementation of the above policy.

2.1.2 Clear statement that describes structure, tasks, and functions of organization of units responsible for REDD+ activity appropriate to scale and implementation context.

Assessment tool (APPS):

- (a) Structure of organization responsible for REDD+ activity along with tasks and functions is open to public.

Notes: This principle is greatly hampered by the government's refusal to open forest maps and data that can be spatially analyzed, including forest and land cover map, moratorium map, social forestry indicative map, REDD+ area map, and more importantly, forest concessions map. CSOs (for example Greenpeace, FWI) use their own maps and data by digitizing the available maps with greatly reduced accuracy, which are sometimes obtained through 'back channels,' which makes it easy for the government to dispute the legitimacy of the data and make credible joint public-government monitoring difficult. FWI (2018) records that at least 8.9 million hectares of

¹⁰ National Forestry Plan, 2011-2030, p.9.

concession areas are overlapped with each other, including logging, HTI, palm oil, and mining concessions resulting in more than 1 thousand recorded conflict incidents (and deforestation of 356 thousand hectares in conflicting area). At least 1.5 million hectares of participatory-mapped indigenous people territory overlap with concession areas. FWI also records deforestation during 2013-2016 as follows: (i) outside concession areas - 720,000 hectares (250,000 hectares in APL, 142,000 hectares in protection forest, 126,000 hectares in conservation forest, 202,000 hectares in production forest), (ii) deforestation in overlapping areas - 356,000 hectares, and (iii) deforestation within concession 1 million hectares. The government has released deforestation in 2017 data totaling 479,200 hectares (nett deforestation) while gross deforestation is 499,200 hectares, the largest was in Kalimantan (229,800 hectares), followed by Sumatra (127,000 hectares), Sulawesi (70,800 hectares), Papua (48,600 hectares), and Maluku (23,000) hectares. Forest cover gain occurred in Java and Bali-Nusra. Around 96.7 thousand hectares of deforestation occurred in protection and conservation area.¹¹ Most of deforestation that happened in this period was 'planned deforestation' approved by the government.

2.2 The entity responsible for REDD+ activities shall publicize commitment not to offer or accept bribes in money or any other form of corruption and shall comply with Indonesia's anti-corruption legislation

2.2.1 Clear anti-corruption policy statement.

Assessment tool (APPS):

- (a) Written anti-corruption commitment is available for public. – no need to demonstrate proof of consistent implementation or assessment whatsoever, just the existence of a written policy.

Cancun Safeguards-3. *Respect for the knowledge and rights of indigenous peoples and members of local communities, by taking into account relevant international obligations, national circumstances and laws, and noting that the United Nations General Assembly has adopted the United Nations Declaration on the Rights of Indigenous Peoples.*

Principle- 3. REDD+ activities shall respect indigenous and local communities' rights through actions appropriate to the scale and context of implementation.

Criteria, indicators, and assessment tools (APPS):

Tenurial rights identification

3.1 REDD+ activities shall include identification of the rights of indigenous and local communities, such as tenure, access to and utilization of forest resources and ecosystem services, with increasing intensity at sub-national and site-level scales

3.1.1 Availability of map and/or document regarding indigenous people and local communities that have been identified, including their rights in REDD+ activity area.

Assessment tool (APPS):

- (a) Report of existing rights, stakeholders, and indigenous people and/or local communities' area that have been identified (shown in REDD+ work area map).

¹¹ Deforestation infographics, Directorate General of Planology, 2018.

3.1.2 Availability of work plan and arrangement to accommodate rights and aspiration of indigenous people and local communities in utilizing forest resources.

Assessment tool (APPS):

- (a) Arrangement to recognize rights and aspirations of indigenous people and/or local communities.

FPIC

3.2 Applicable at the site level, REDD+ preparation activities shall include a process to obtain the free, prior, informed consent of affected indigenous and local communities before REDD+ activities commence.

3.2.1 Availability of documentation of consultation process to demonstrate efforts, appropriate to scale and implementation of activity, to obtain FPIC from indigenous people and local communities that have the potential to be affected by REDD+ activity.

Assessment tool (APPS):

- (a) Report of implementation of FPIC in activities that are implemented.

Benefit-sharing

3.3 REDD+ activities shall contribute to maintaining or enhancing the social economic wellbeing of indigenous and local communities, by sharing benefit fairly with them, including for the future generations.

3.3.1 The policy/plan and/or program must not impact on marginalization of certain community groups due to limitation of access and control of natural resources, capital, and knowledge.

Assessment tool (APPS):

- (a) Report/document that shows that there is no discrimination against any groups or access to natural resources, capital, and knowledge in REDD+ implementation.
- (b) Documents that inform benefits given to the communities, such as capacity building, institutional strengthening, economic and natural resources improvement, carbon performance, etc.

3.3.2 A documented mechanism on fair distribution of profit among affected indigenous people and local communities and implementation proofs that can be demonstrated.

Assessment tool (APPS):

- (a) Documents that inform benefits given to the communities, such as capacity building, institutional strengthening, economic and natural resources improvement, carbon performance, etc.

Traditional knowledge

3.4 REDD+ activities shall recognize the value of traditional knowledge and compensate for commercial use of such knowledge where appropriate.

3.4.1. Availability of mechanism or procedure for compensating the commercial use of traditional knowledge.

Assessment tool (APPS):

- (a) Forms and value of compensation for the use of traditional knowledge, if any, in REDD+ implementation.

Comments on Principle-3 on rights:

- Tenurial rights. Both PRISAI and SIS-REDD+ principles and criteria mention clarification of rights, including tenurial rights. SIS-REDD+'s principle offers a blanket respect for indigenous people and local communities' rights while PRISAI's specifically mention rights to land, territory, and natural resources. In the criteria, PRISAI demand identification and protection of rights to land and territory in areas proposed for REDD+, a requirement for government and local government, not only project implementer. If implemented, this would strengthen the government effort to protect and fulfill indigenous people and local community rights. PRISAI criteria also specifically mention recognition of rights to land, territory, and natural resources based on customary and local laws. SIS-REDD+ criteria offers a general 'arrangements to recognize the rights of indigenous people and local communities' after identification although not specifically based on customary law or local law (more legalistic only based on state law). PRISAI also includes an explicit non-eviction indicator, which is only implied in SIS-REDD+ (assuming that if your rights are identified and your aspirations recognized, you would not be evicted).
- Regarding tenurial rights, PRISAI's indicators are much more specific and comprehensive, entailing a participatory approach to rights identification (including the use of participatory mapping), conflict assessment, a provision that REDD+ is not implemented in areas of conflict, and conflict resolution before and in the process of REDD+ implementation. They also require the government to issue a national policy that recognizes and protect rights, assure that spatial plan protect rights, and mandate REDD+ implementers to facilitate recognition of rights to land. These indicators are missing in SIS-REDD+ because the spirit of SIS-REDD+ is not to 'overburden' REDD+ implementation. The lack of participatory approach in SIS-REDD+ criteria and indicators regarding tenurial rights is a concern.
- FPIC. FPIC are both mentioned by PRISAI and SIS-REDD+, which is a good thing. However, PRISAI's criteria and indicators require consent to be obtained in accordance with UNDRIP standard while SIS-REDD+'s only require 'a process to obtain' FPIC and the indicators only require a "documented process of consultation that demonstrate effort towards obtaining FPIC" meaning that if you can demonstrate there is an effort, although it does not result in consent being given, you will have fulfilled this indicators. FPIC has not been regulated in Indonesia's laws and regulations but in REDD+ implementation, especially peatland restoration projects by BRG, FPIC has been adopted as a part of safeguards. In order to be effective, FPIC has to be embedded in the safeguards at the project level, but also enacted through regulations at the national level or in REDD+ provinces, such as in Central Sulawesi's Governor Regulation on FPIC for REDD+ programs. What is rather concerning is that the safeguards implementation assessment tool in the Ministerial Regulation for FPIC is only a report of FPIC implementation (effort), not, for example, a written consent statement/declaration from the affected communities.
- Benefit-sharing. In PRISAI, fair benefit-sharing is a full principle (Principle-9) while in SIS-REDD+, it is positioned at criteria level. At the indicators level, SIS-REDD+ has covered a mechanism for fair distribution of benefits that can be demonstrated as well as an indicator that prohibits marginalization of certain communities due to limitation of access and control to natural resources or capital or knowledge. Like other themes, PRISAI is more precise in terms of indicators, covering a requirement for the government to issue a policy or rules regarding benefit-sharing that is participatory, monitoring of benefit-sharing implementation, and complaint mechanism regarding benefit-sharing. PRISAI also covers clarification of rights to carbon, which is not addressed specifically by SIS-REDD+.
- Traditional knowledge. SIS-REDD+ recognizes the value of traditional knowledge and mandates a mechanism for compensating it for commercial value. PRISAI does not specifically mention compensation for the use of traditional knowledge, only a requirement to recognize it, protect community access, and use traditional knowledge in REDD+ programs and projects.

Cancun Safeguards-4. *The full and effective participation of relevant stakeholders, in particular indigenous peoples and local communities, in the actions referred to in paragraphs 70 and 72 of decision 1/CP. 16.*

Principle-4. REDD+ activity must, in a proactive and transparent manner, identify relevant parties and involve them in planning and monitoring.

Criteria, indicators, and assessment tools (APPS):

Stakeholders identification and engagement

4.1 The entity responsible for REDD+ activities will coordinate with appropriate authorities to identify relevant stakeholders, will engage these stakeholders in the planning process, and will ensure the process is recognized by stakeholders

4.1.1. Availability of record of problems/complaints and the process of resolving them.

Assessment tool (APPS):

- (a) Participants list (stakeholders)
- (b) List of related stakeholders
- (c) Invitation list

4.1.2. Documented proof that an existing resolution mechanism is functional.

Assessment tool (APPS):

- (a) MoU or agreement
- (b) Pictures of engagement with stakeholders
- (c) MoM
- (d) Documentation of activities of stakeholder engagement
- (e) Guidance (e.g. Regional Regulation) regarding stakeholder engagement.

4.1.3. Proof of active use of adequate procedure or mechanism to resolve conflicts and problems.

Assessment tool (APPS):

- (a) REDD+ activity report
- (b) Map of related stakeholders
- (c) Documentation of inputs from stakeholder in planning process.

Grievance mechanism

4.2 Applicable at the site level, REDD+ activities must have a procedure or mechanism for resolving problems/grievances and disputes.

4.2.1. Availability of record/notes of problems/grievances, including the processing of resolving them.

Assessment tool (APPS):

- (a) Document/grievance letter from stakeholders (with an emphasis on the availability of grievance mechanism)
- (b) Documentation of meetings/complaint handlings (pictures)

- (c) Report of receipt of complaints (*Berita Acara*)

4.2.2. Documented proof that an existing resolution mechanism is functional.

Assessment tool (APPS):

- (a) SOP for conflict resolution
- (b) Implementation of SOP for conflict resolution
- (c) MoM

4.2.3. Proof of active use of adequate procedure or mechanism to resolve conflicts and problems.

Assessment tool (APPS):

- (a) Official report (*Berita Acara*) of conflict/complaint resolution
- (b) Report of conflict resolution
- (c) Reference to mediation process (if any) in conflict resolution.

Cancun Safeguards-5. Actions are consistent with the conservation of natural forests and biological diversity, ensuring that the actions referred to in paragraph 70 of decision 1/CP. 16 are not used for the conversion of natural forests, but are instead used to incentivize the protection and conservation for natural forests and their ecosystem services, and to enhance other social and environmental benefits.

Principle-5. Actions are consistent with the conservation of natural forests and biological diversity, ensuring that REDD+ actions are not used for the conversion of natural forests, but are instead used to incentivize the protection and conservation for natural forests and their ecosystem services, and to enhance other social and environmental benefits.

Criteria, indicators, and assessment tools (APPS):

Identification of potential impacts

5.1 REDD+ activities shall include the identification and assessment of the potential impacts of activities on social and environmental services. Assessment shall be designed in accordance with the scale and intensity of the activities to ensure that it is adequate to determine required conservation measures.

5.1.1. Availability of report on assessment of impacts on social and environmental services.

Assessment tool (APPS):

- (a) Environment Impact Assessment (AMDAL) report, RKL-RPL report.
- (b) A comparison table, "Before and After"
- (c) Survey report on how REDD+ improves community livelihood and maintain forest sustainability.
- (d) KLHS (Strategic Environment Assessment) report appropriate to scale of activity.

5.1.2 Management and monitoring plan to maintain social and environmental services must be available.

Assessment tool (APPS):

- (a) Monitoring report on social and environmental benefits.
- (b) Report on mitigation of negative impacts.
- (c) Recommendations of follow-up of (a) and (b).

5.2 REDD+ activities shall include an assessment of the impacts on biodiversity and develop a strategy to implement biodiversity management to ensure its conservation and protection.

5.2.1. Record/notes of threatened, endangered, and rare as well as endemic species must be available

Assessment tool (APPS):

- (a) List of biodiversity
- (b) Report of biodiversity survey
- (c) Data of endemic and rare species based on survey (b)
- (d) Documentation/map of flora and fauna based on (b)

5.2.2 Availability of biodiversity management plan

Assessment tool (APPS):

- (a) Document of biodiversity management plan.

5.2.3 Proof of consistent implementation of biodiversity management plan.

Assessment tool (APPS):

- (a) Periodic report of biodiversity management plan implementation
- (b) Document regarding biodiversity socialization
- (c) Evaluation documentation/report.

5.2.4 Remote sensing proof that REDD+ units have prevented conversion of natural forests as stipulated in Government Regulations (P/5/2010).

Assessment tool (APPS):

- (a) Map of land cover change in accordance with the prevailing regulations/guidance
- (b) Report of results of remote sensing that shows that REDD+ does not cause conversion of natural/primary forest

Cancun Safeguards-6. Actions to address the risks of reversals

Principle-6. REDD+ activities shall seek to reduce risks of reversals through means appropriate to the scale and context, emphasizing sub-national action and national level policy initiatives.

Criteria and indicators:

6.1 Depending upon the scale and context, REDD+ activities shall define the risks from internal and external threats to carbon stock and forest maintenance, and develop a mitigation plan to address.

6.1.1. Availability of risk assessment for the site level or REDD+ activity, which includes assessment regarding forest fire risk, encroachment and illegal logging, and other external impacts.

Assessment tool (APPS):

- (a) Risk assessment report regarding illegal logging, encroachment, fire, etc.

6.1.2. Availability of related risk mitigation plan to address large risk of reversals.

Assessment tool (APPS):

- (a) Mitigation plan regarding the risks of illegal logging, encroachment, fire, etc.
- (b) Report on mitigation of the risks of illegal logging, encroachment, fire, etc.

6.2 REDD+ activities shall include periodical monitoring of threats and implement adaptive management to reduce reversals.

6.2.1. Availability of annual monitoring report, which supports periodic assessment on risk of reversals and recommends adaptive management measures for mitigation if required.

Assessment tool (APPS):

- (a) Annual report of monitoring results of mitigation activities of risks that have been identified.
- (b) Time series monitoring map of risks that have been identified.
- (c) Evaluation document/report.

6.2.2. Proof of active management of risk of reversals, appropriate with recommendations produced by annual monitoring.

Assessment tool (APPS):

- (a) Adaptation plan in accordance with monitoring results
- (b) Evaluation document/report.

Cancun Safeguards-7. Actions to reduce displacement of emissions

Principle- 7. Recognizing that monitoring and reduction of emissions displacement is the responsibility of sub-national (FMU, District, Province) and national government, REDD+ activities shall include strategies to reduce displacement of emissions and support sub-national and national monitoring.

Criteria, indicators, and assessment tool (APPS):

7.1 Appropriate to scale and context, REDD+ activities shall include a strategy to reduce emissions displacement within the national boundaries.

7.1.1. Availability of documentation regarding assessment and analysis of types of emissions displacement that could happen outside REDD+ activity within the national boundaries.

Assessment tool (APPS):

- (a) Baseline regarding which areas can/cannot be converted
- (b) Assessment of land use change and drivers of deforestation and forest degradation

- (c) Assessment of risks and threats of emissions displacement to areas outside REDD+ activities.

7.1.2. Availability of documentation of strategy to reduce emissions under realistic scenario, which prevents emissions displacement outside REDD+ activity within the national boundaries.

Assessment tool (APPS):

- (a) Referring to 1.2.1 (a,b,c,d), document regarding REL/RL and target of reduction or prevention of emissions or enhancement of carbon stock
- (b) Document of emissions displacement management plan based on 7.1.1 (c).

7.2 Appropriate to scale and context, periodic monitoring of forest-related emissions and carbon stock changes in the area of REDD+ activities shall be implemented, and should include monitoring of efforts and results in reducing emission displacement.

7.2.1. Availability of annual monitoring report, which relates to emissions from forest and carbon stock change for REDD+ activity area and emissions displacement to outside REDD+ activity area within the national boundaries.

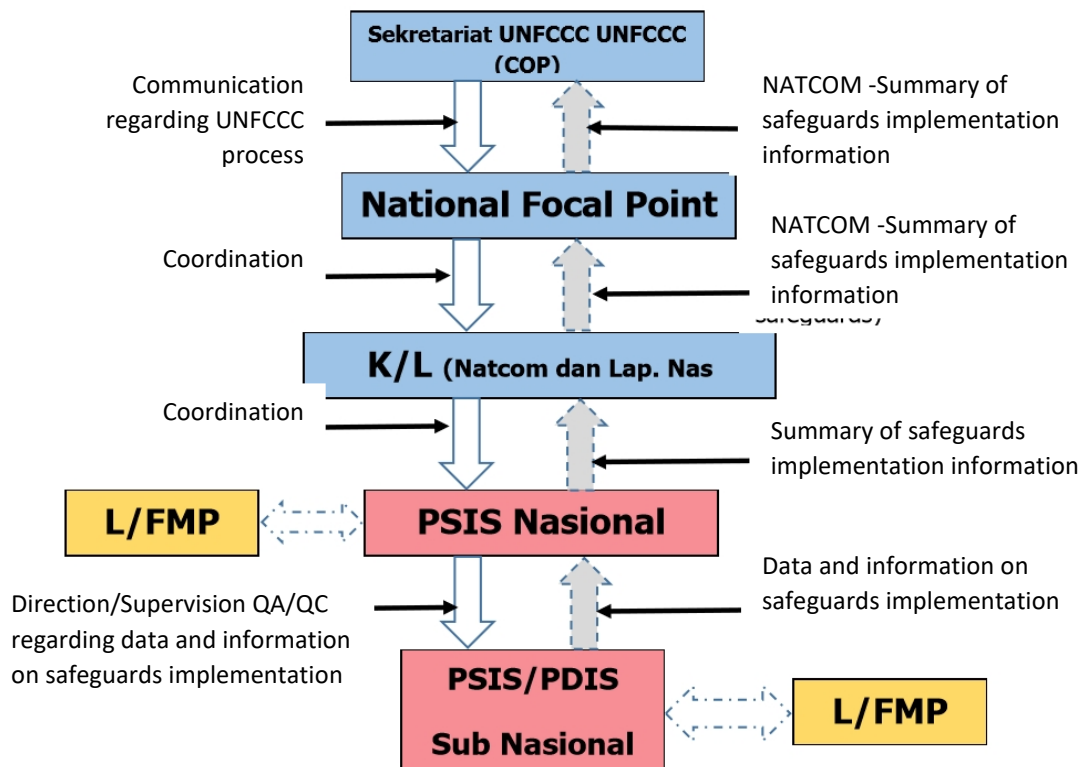
Assessment tool (APPS):

- (a) Document of National and Sub-National Forest Monitoring System
- (b) MRV document
- (c) Analysis of MRV results that shows management of emissions displacement.

IIIC – SIS-REDD+ institutional structure and its relations with other K/L

IIID – Information flow in SIS-REDD+

- Institutional structure of SIS REDD+ consists of: (i) National SIS Manager (PSIS-Nas), (ii) Sub-National SIS Manager (PSIS-Sub-Nas/PSIS-Provinsi/Kabupaten/Kota) and PIC for Data and Information of Safeguards Information at the Site level, which can according to their capabilities submit information regarding safeguards implementation directly to PSIS-Nas.
- An ad hoc **multistakeholder forum (MSF)**, which includes government agencies, indigenous people and local communities, private sector, community figures, NGOs, academicians, and experts can be established to accommodate complaints regarding problems, tasks, and functions to support provision of safeguards implementation information at the national and sub-national level as needed.
- The flow of provision of information through SIS-REDD+ is throughout stages according to each capability and readiness in accordance with the institutional structure and REDD+ phases (phase 1 to phase 3)
- Summary of safeguards implementation is submitted to UNFCCC Secretariat by DJPPI as NFP through Natcom, BUR, REDD+ Information Hub, and other communication channels set by the COP.



Funding

IVA – Procedure to develop REDD+ funding proposal

1. REDD+ implementer **registers** their activity on SRN.
2. Registry and **verification** results on SRN.
3. REDD+ implementer or intermediary institution submits a **concept note** to BLU.¹²
 - a. RBP – content – (i) activity title, (ii) objectives, (iii) activity status, (iv) period, (v) actions and resources needed – in accordance with data on SRN – (vi) explanation on how the activities proposed have contributed to GHG emissions reduction, (vi) results of verification of GHG emissions reduction at sub-national level in accordance of data inputted to SRN.
 - b. Supporting activities – content – (i) activity title, (ii) objectives, (iii) activity status, (iv) period, (v) actions and resources needed – in accordance with data on SRN – (v) explanation on how the activities proposed have contributed to fulfilling preconditions towards full implementation of REDD+, (vi) results of verification that have been registered in SRN.

¹² If REDD+ management entity at the sub-national level is not yet established, REDD+ implementer can submits concept note directly to BLU or through intermediary institutions. If it is already established, the entity submits concept note directly to BLU.

4. BLU analyzes concept note according to predetermined criteria.
5. If the concept note is adequate, proponent must develop a full proposal. If not, BLU returns the concept note to the proponent.
6. The full proposal must include funding proposal.
7. A Technical Team will assess the proposal.
8. Head of BLU shall decide whether the RBP proposal can be paid or not.
9. BLU, Custodian Bank, and Proponent sign a contract.
10. Head of BLU issues a payment order to Custodian Bank to make payment to proponent, in this case intermediary institutions.
11. Custodian Bank makes payment to REDD+ implementer
12. REDD+ implementer adds funding information for RBP on SRN.

IVB – Form to assess REDD+ funding proposal

Criteria that will be assessed include:

1. Analysis of background condition
2. Alignment with national development, REDD+ National Strategy, and forestry and environment policies
3. Area boundaries are based on sub-national boundaries
4. Urgency level
5. Planning, including clear funding and investment plan
6. Period of implementation
7. Stakeholder engagement in planning and implementation of activities
8. Certainty of boundaries of REDD+ areas
9. REDD+ implementation is applied to all land use related to REDD+ activity scope
10. Availability of REDD+ supporting instruments (methodology, technology, institutions, capacity building)
11. Obtainment of approval from the authority by attaching legality documents according to laws and regulations: (i) document of REDD+ implementation designation, (ii) REDD+ implementation activity plan, (iii) REDD+ activity implementation funding
12. Determination of FREL in accordance with existing guidelines
13. Implementation of safeguards
14. Methodology for calculating and monitoring reduction of emissions/conservation or enhancement of carbon stock, including time and methodology

15. Existence of benefit-sharing mechanism.
16. Funding (logic, analysis, number)
17. Cost-effectiveness analysis
18. Social, economic, environmental impacts
19. Implementation of activities is in accordance with existing standards/regulations
20. Similarity of activity with other funding sources
21. Similarity of activity in the same area
22. Consideration of gender in planning and implementation
23. Activity sustainability
24. Risk management
25. Measurement including social and environmental risks
26. Monitoring and evaluation of activity
27. Report of GHG verification
28. Regarding NCBs, must pay attention to: (i) protection of hydrological function, (ii) protection of ecological function, (iii) protection of biodiversity, (iv) improvement of livelihood, (v) improvement of forest and land governance, (vi) protection of essential ecosystems.
