



## INDONESIA AND AUSTRALIA

### Reducing Emissions from Deforestation and Forest Degradation in Developing Countries

#### **Joint Submission to the AWG-LCA and SBSTA**

**In accordance with the implementation of Bali Action Plan paragraph 1 (b) (i), 1 (b) (ii), and 1 (b) (iii)**

Indonesia and Australia share a strong commitment to an effective outcome on reducing emissions from deforestation and forest degradation in developing countries (REDD) at the fifteenth session of the Conference of the Parties (COP). To provide certainty that emission reductions from REDD are genuine, action taken by Parties needs to be measurable, reportable and verifiable (MRV). This will support the Bali Action Plan by enabling REDD to make an effective and efficient contribution to the effort to stabilize the global atmospheric concentration of greenhouse gases.

We consider that a successful outcome at Copenhagen should address key elements of MRV mechanisms for REDD. This submission provides Indonesia and Australia's views on these requirements and draws on the practical activities we are undertaking together through the Indonesia – Australia Forest Carbon Partnership.

Indonesia is undertaking a process to develop national systems and institutional arrangements as part of its national readiness for an international REDD mechanism. This includes the design and development of Indonesia's National Carbon Accounting System (INCAS) and its related national Forest Resource Information System (FRIS). Through the Indonesia – Australia Forest Carbon Partnership, Australia is working collaboratively with Indonesia to support the design and implementation of these systems. Our experiences provide useful lessons on how robust and transparent national forest monitoring systems can be established for REDD.

#### *National MRV systems for REDD*

At Copenhagen, the COP is expected to agree on key elements of MRV mechanisms for REDD, aligned with the broader MRV framework under the COP 15 outcome. This would provide increased certainty for Parties that the national MRV systems they are developing will meet REDD requirements under this outcome.

Parties can potentially take a range of technical approaches when designing national measurement systems. Different countries may choose to place greater emphasis on one or more of the potential technical approaches. In developing their INCAS, Indonesia has found that an integrated approach, using remote sensing, modelling and ground measurement, best serves their national circumstances.

Reporting and verification for REDD will provide the COP with robust and credible information to assess progress against the objectives of the Convention and the Bali Action Plan. To the extent possible, reporting and verification requirements for REDD should be aligned with the broader MRV framework established under the COP 15 outcome. This will increase transparency and build confidence that Parties' efforts are comparable.

#### *Designing national MRV systems for REDD: an Indonesian Case*

A number of government ministries have responsibility for managing different issues relevant to develop a national MRV system for implementing REDD in Indonesia. For example, INCAS requires policy and technical input from ministries that manage the land sector, including the ministries of forestry, environment, and agriculture. Indonesia identified key areas of coordination early in the design process. This led to improved coordination and agreement on the ministry responsible for developing, housing and maintaining the systems.

Through the design process, Indonesia identified several key requirements for the establishment of its national MRV systems. Indonesia is taking a national approach to REDD with sub-national implementation. Consequently, national level measurement and monitoring systems, including the FRIS and INCAS, need to be spatially explicit and provide coverage of the whole country. This will enable Indonesia to monitor changes at the national, sub-national and project level.

The design process was also useful in highlighting the need for ongoing human and institutional resources to support the design, development and delivery of national MRV systems. Indonesia is taking early action to ensure long term arrangements for these resources and has recently established an INCAS office and a team of core personnel. This will be an important consideration for other developing countries when designing their national systems for REDD.

#### *Reference emissions levels for REDD*

Indonesia is taking early action to explore approaches to developing a national reference emissions level that will meet likely requirements for its national readiness for an international REDD mechanism. A strong outcome on REDD at Copenhagen should clarify the process for agreeing national reference emissions levels.

#### *Capacity building for MRV systems for REDD*

It is important to underline the need for genuine cooperation and capacity building between developed and developing countries in an effort to realise the full potential of REDD in the COP 15 outcome. Through our Indonesia – Australia Forest Carbon Partnership we are working collaboratively to take practical action on REDD. This includes support for the development of the necessary national MRV systems for REDD.

Strong technical expertise and access to suitable data is a core part of successfully establishing national MRV systems for REDD. Capacity building for MRV can enable Parties to efficiently develop these system requirements. For example, to assist Indonesia and other neighbouring countries establish MRV systems for REDD, Australia is acquiring satellite data from various overseas archives. This includes providing satellite data acquired from international ground stations to Indonesia for the development of their INCAS. To support this work, Australia is enhancing its national capability to directly receive regional satellite data by installing a new ground receiving station (satellite dish) in northern Australia.

Australia is supporting the efforts of Indonesia for the development of the FRIS and INCAS by providing scientific, technical and analytical support. This has included a series of policy and technical workshops and exchanges of technical staff between Indonesia and Australia.

To improve efficiency we have found that capacity building support needs to be effectively targeted to national circumstances. This ensures early identification of priority technical and systems needs, and avoids duplication of existing skills and expertise. In developing the FRIS and INCAS, it was important to allow sufficient time for this analysis prior to system development. Indonesia already has considerable technical expertise in establishing forest inventories, geographic information systems and remote sensing. With this in mind, the design process involved a determination of system requirements and identification of any remaining technical gaps that needed to be addressed.

In taking early action to develop national MRV systems for REDD, system design requires sufficient flexibility to align with future REDD requirements under the COP 15 outcome, enabled and supported by financing, technology transfer and capacity building from developed countries, according to national circumstances and capabilities.

#### *National framework for REDD*

It is important that national MRV systems are supported by a credible and transparent national policy framework for REDD. A robust national framework will strengthen coordination and ensure REDD MRV systems can also serve other national requirements.

Indonesia is currently preparing its national policy and legal framework for REDD. This includes new national regulations for REDD implementation released in May 2009. In taking early action in designing the national MRV system, Indonesia is ensuring that these systems are integrated with, and guided by this broader institutional framework.

Indonesia's REDD architecture is also being designed to fit anticipated international requirements. Indonesia is ensuring its national frameworks for REDD are effectively linked to broader climate change policies and measures by establishing suitable government arrangements at the national level, to be followed by arrangements at the sub-national level. This includes the establishment of a National Council on Climate Change, underpinned by working groups in key ministries. This measure has served to enhance coordination across government on climate change issues including REDD.

Through the Indonesia - Australia Forest Carbon Partnership, we will continue to work closely together to progress our practical cooperation on MRV systems for REDD. We endeavour to continue sharing lessons learned from our joint activities to inform a strong outcome on REDD at Copenhagen.