

Multi-level governance for climate change in Indonesia



2020

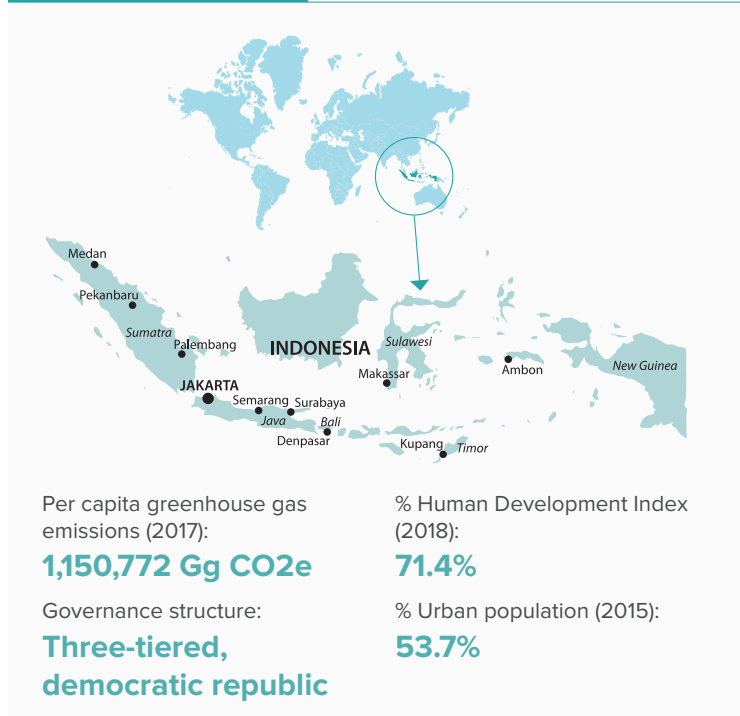
Summary

A low carbon growth path could deliver an average GDP growth rate of 6% annually until 2045. It would unlock an array of economic, social, and environmental benefits, including reducing extreme poverty, generating additional better-paid jobs, and avoiding deaths due to reduced air pollution.

In order to realise these benefits, the government of Indonesia developed a national action plan to reduce greenhouse gas emissions (RAN-GRK) in 2011 as well as a national action plan on climate change adaptation (RAN-API) in 2014. The next challenge is how to ensure implementation of these plans at all levels of government.

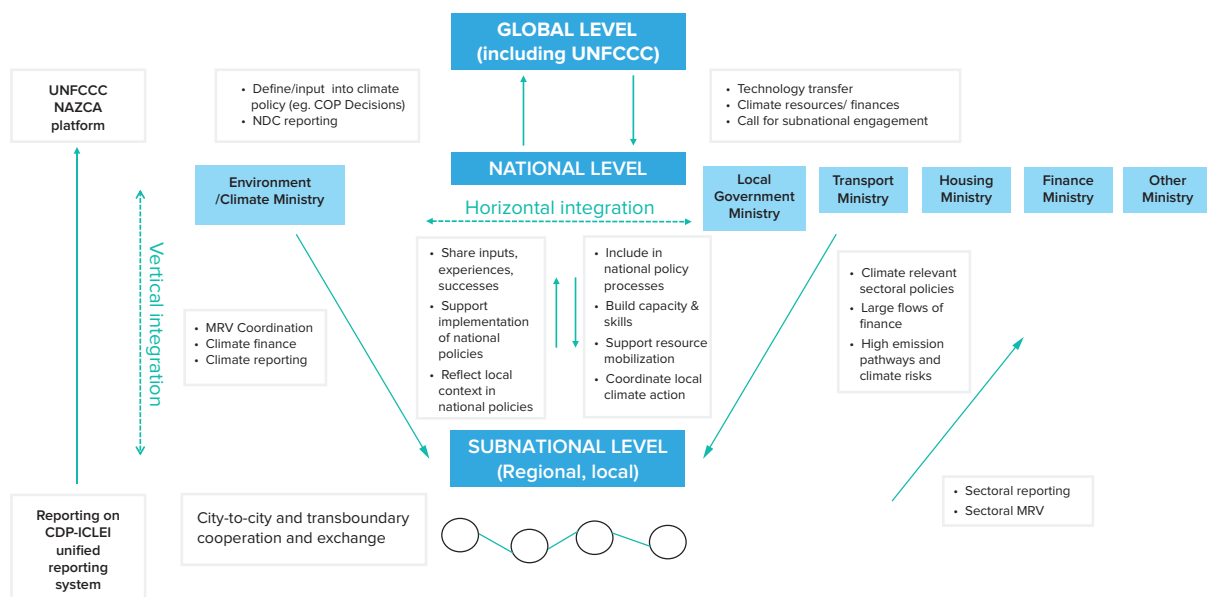
It is vital that subnational levels of government can contribute to national climate policy development and implementation plans. This factsheet outlines some of the ways that is already happening and recommends further improvements.

FACTS & FIGURES



The vertical and horizontal dimensions of multilevel governance for climate change*

Including integrated monitoring, reporting and verification of climate data



* Talanoa Dialogues (<http://www.cities-and-regions.org/cop23/wp-content/uploads/2018/12/cities-and-regions-talanoa-dialogues-2018-iclei.pdf>) support countries' multilevel climate governance process

Enabling framework #1: National policies and strategies

Indonesia's national action plan to reduce greenhouse gas emissions (RAN-GRK) was formalized in 2011. It elaborates the emissions reduction pledge of 29% from business-as-usual by 2030 (or 41% with international support), and associated national actions. It also mandates all provincial governments in Indonesia to develop their own provincial action plans (RAD-GRK) to reduce GHG emissions no more than one year after RAN-GRK was adopted. RAD-GRK serves as the local action plan for the implementation of various activities that directly and indirectly reduce GHG emissions in accordance with regional development targets.

In developing RAD-GRK, provinces have to conduct public consultations that involve actors from the Local Government Units (*Satuan Kerja Perangkat Daerah – SKPD*) of the Provincial and City/Regency Governments, Universities, Non-Governmental Organizations (NGOs), Professional Associations and business/private actors. This activity is carried out as a form of transparency and accountability in the implementation of RAD-GRK preparation, as well as to open opportunities for collaboration with relevant parties and establish initial communication for data collection.

Best practice - Policy implementation on climate change management

In 2015, the Directorate General of Climate Change (DGCC) was established as a mandate of Presidential Regulation No. 16/2015 under the Ministry of Environment and Forestry (MoEF). The role and function of the DGCC is to coordinate the formulation and implementation of policies on climate change management. MoEF's DGCC developed nine strategies for the NDC implementation, which includes 'One Data Policy on GHG' and 'Preparation of intervention policies, plans and programs (KRP)'. The GHG inventory activity in Indonesia is done with the help of the National GHG Inventory System, called SIGN SMART. According to Presidential and MoEF Regulations, each level of government has to contribute in the development of national GHG inventory, which combines a top-down and bottom-up approach.

NDC priority areas

Adaptation: Climate resilience in terms of Economic and Social development, Livelihood resources, Ecosystems and Landscapes

Mitigation: Forestry, Energy, Agriculture, Industry and Waste



Mayor Bima (in the middle) installs LED street lights in Bogor © ICLEI Indonesia Office

Enabling framework #2: Monitoring, Reporting and Verification (MRV)

Indonesia has developed its MRV system to track national GHG emission levels, funding, and the impact of implemented mitigation actions. The system assesses whether a defined emission reduction target can be achieved, and which additional measures are needed. A working unit under DGCC called the Directorate for GHG Inventory and Monitoring, Reporting, and Verification (IMRV) is responsible to formulate and implement policies related to national MRV. Currently, cities may coordinate directly with MoEF to validate and verify their adaptation and mitigation actions so they can be reported into the National Registry System (SRN).

In the Urban LEDS II project, project-level MRV is being piloted with the testing of a landfill gas recovery methodology to generate of Indonesian Certified Emission Reduction (ICER) credits. At a city-wide level for reporting emissions and actions, the [CDP-ICLEI](#)

[Climate Reporting System](#) is being offered to MoEF and local governments as a potential reporting solution.

Lastly, the National Development Planning Agency/ Bappenas launched an online Low Carbon Development Planning, Monitoring and Evaluation System in 2017. This application was created to coordinate implementation and simplify the process of monitoring, evaluating and reporting low carbon planning achievements. The aim is to strengthen the capacity of parties involved in climate change mitigation in Indonesia through the provision of accurate data, information and decision support systems.

This system will also make it easier for all parties to report the achievement of reducing greenhouse gas emissions from all fields and their implications for economic growth and poverty alleviation. The data can even be accessed at the sub-district and village levels.



To enhance transparency framework and in support to the Paris Agreement, the National Government of Indonesia developed the **National Registry System (SRN)** as a web-based data and information management system for action and resources of climate change adaptation and mitigation. As of 10 October 2018, there have been 822 registrar/submitters, 2152 registered accounts, 287 registered activities and 265 verified activities in the SRN.

Enabling framework #3: Financing the climate transition

In some rare cases, cities have successfully accessed international climate funding. For example, Jakarta funded a major Bus Rapid Transport and Pedestrian improvement project using funds from the Global Environment Facility (GEF). More commonly, national fiscal transfer is used for local climate action. The national Specific Purpose Fund (*Dana Alokasi Khusus*) could be adopted to fund climate mitigation actions. However, many of these funds (for examples in small-scale energy) cannot be accessed by cities, only by Provinces. The Ministry of Finance (MoF) is currently exploring the possibility of using the Performance Incentive Fund to incentivize emissions reductions at the

local government level. MoF is considering including reduction of greenhouse gas emissions as an indicator for local government to be eligible to receive the fund.

Apart from the national government transfer, local government can also utilise local revenue raised by local tax. For example, in Kupang, there is a street lighting tax, which is collected from residents. Part of the collected tax is allocated for the street lighting provision. Kupang has taken this opportunity to install solar-powered street lighting and change the existing street lamps to be more energy-efficient and that policy contributes to GHG emissions reduction.

GOOD PRACTICE EXAMPLE

Indonesia Climate Change Trust Fund (ICCTF)

ICCTF has mandated to mobilize finance to activities that support the achievement of Indonesia's emission reductions targets and the implementation of the national action plan on climate change adaptation. It may also help local governments to plan and implement their local climate action strategies. As the ICCTF can only be accessed by civil society organizations, academia and the private sector, any proposals submitted to ICCTF should include an endorsement letter from the relevant local government where the project will be implemented, indicating that the project contributes to the achievement of the local development plans/targets.

ICCTF has managed several projects on land-based mitigation, adaptation & resilience and energy sector. They are spread all over Indonesia during 2010 – 2019. For more information on these projects see: <https://www.icctf.or.id/wp-content/uploads/2018/11/Booklet-LCD-Blue-Carbon-lowres.pdf>

Opportunities for enhancing multi-level governance

Several opportunities have been identified to strengthen the implementation of climate change responses at all levels of government. ICLEI Indonesia has conducted several Talanoa Dialogues to further discuss issues and propose solutions to enhance vertical integration.

Recommendation for National Government

- Issue regulation that mandates city/regency government to develop RAD GRK, which is integrated with the long-term development plan and medium-term development plan.
- Require the private sector to provide data and information related to the GHG inventory.
- Incorporate climate change as part of regional expenditure in the budget preparation instructions developed by the Ministry of Home Affairs.
- Provide technical assistance to increase the capacity of local

governments in climate change-related issues, such as: GHG Inventory, climate reporting, and climate financing.

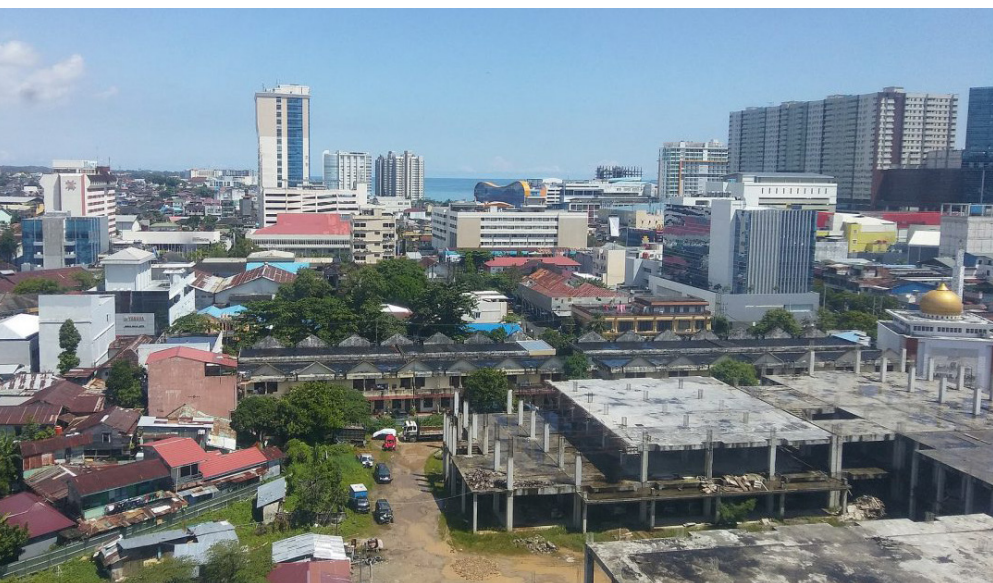
- Prepare reward and punishment mechanisms scheme to encourage local governments to develop low emission development.

Recommendation for Provincial Government

- Enhance coordination and synergy with local government in the implementation of RAD GRK
- Prepare a monitoring system for climate change mitigation actions that is integrated with the city/regency, including in terms of budgeting.

Recommendation for Local Government

- Develop their own low carbon development action plan as an entry point for mainstreaming climate change into the local development plan. The action plan needs to have a legal status in order to be sustainably implemented.
- In developing and implementing the action plan, multi-stakeholder participation is required, in particular civil society, private sector and non-profit organization. This will enable effort-sharing and distribution of sense of ownership among stakeholders to achieve a low carbon and resilient cities.



View of Balikpapan © Cekindo

The Urban-LEDS project

The Urban-LEDS II project addresses integrated low emission and resilient development in more than 60 cities in 8 countries.


It is implemented by UN-Habitat and ICLEI – Local Governments for Sustainability. The project is funded by the European Union.


Acknowledgements


This factsheet is based on research by Nisa Nidasari and Rika Lumban Gaol.

Edited by Dora Hegyi, Steven Bland and Aida Guardiola (UN-Habitat)

For more information on the Urban-LEDS project;

 www.urban-leds.org

 contact@urban-leds.org

 @ICLEI, @UN-HABITAT