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# Responses to the TAP Assessments Republic of Indonesia

*19<sup>th</sup> Carbon Fund Meeting  
5th February 2019  
Washington DC, USA*



# **I. General responses to the TAP assessments**

- Appreciation to the World Bank, CFPs, FMT and TAP for their assistance and assessment**
- Feedback is incorporated in line with the national policies and to address WB requirements**
- Taking stepwise approach to build capacity, program development and implementation**

## **ii. Outstanding issues**

- **Double-counting (logging and forest land fires)**
- **Reconstruction of the reference level or the uncertainty related to the estimation**
- **Systematic errors, random errors, uncertainty associated with activity data and emission factors**
- **Peat decomposition**
- **Spike in emissions in 2016**

## Indicator 5.1.

**TAP: “Double-counting “ >>> Major non-conformity**

### **Response:**

- We understand the concern of the TAP
- Approach to address this by excluding logging and forest fires is possible, but Indonesia will miss the opportunity to derive lessons from RIL, while regulation on this has been issued by the government.
- Separating accounting area for production forest and adjusting EF for deforestation can avoid double-counting from logging
- Possible to limit fire emissions to stable forest to avoid double-counting of fire emissions

## Indicator 5.1. (cont.)

**TAP: “Double-counting “ >>> Major non-conformity**

### **Response:**

- Exclusion of logging may be the most feasible → simplify the accounting methodology and the monitoring (based on satellite data), however, the emission from loss of living biomass due to change from PF-SF (forest degradation) in the **production forest should again be included**
- For fire, we consider that the CO<sub>2</sub> emission from peat fire still need to be included and this will not cause double-counting as it applied only to deforested peat forest soil and the CO<sub>2</sub> emission from loss of living biomass due to the fire has already been excluded.

## Indicator 6.1. The methodological steps are publicly made available

### Response:

- **TAP: “The forest classes used in the analysis are all well-defined, except for production forests.”**
  - Indonesia classifies forests based on function, i.e. production, protection and conservation forests and we have briefly defined legal definition of production, protection and conservation in Section 2 of the ERPD. All types of forest classes are present in these three forest functions.
- **TAP: “The processing of the activity data is not well documented and inconsistency exists (see also 5.1, 8.1, 8.2, 9.1)”**
  - We have provided information on the processing of activity data briefly in Section 8 and 12 and also link to supporting documents as well as documents for checking the accuracy in Annexes 9.1 and 9.2
  - MoEF is in the process for improving the current standard operating procedures (SOPs) and will make these publicly available

## Indicator 6.1. The methodological steps are publicly made available (cont.)

### Response:

- **TAP**: *“No description is available how the sample units were classified and if error was estimated for this process (see also 8.1, 8.2 and 9.1).”*
  - We provide brief description of developing the sample unit (references data) in Annex 12.1. The reference data that was generated as part of collaboration project between MoEF, LAPAN, the University of Maryland’s Global Land Analysis and Discovery Group (GLAD) and the World Resources Institute
  - The reference data are generated from a set of 10,000 30x30m blocks corresponding to time series of Landsat satellite image pixels (East Kalimantan has 639 samples) using a simple random sampling (SRS) technique.
  - We do not have error estimates for these reference data, but we consider that the error is relative small as MoEF uses a composite of high resolution image (SPOT 6/7, resolution of 2 m<sup>2</sup>).
  - These reference data are designed not for assessing the accuracy of land cover change, but it is for the assessment of land cover accuracy and identification of deforestation drivers (assess the trajectory of land covers).

## Indicator 6.1. The methodological steps are publicly made available (cont.)

### Response:

- **TAP: “No error estimation is presented from the extrapolation of sample-based land-cover change estimations to map-based transition matrices”**
  - Following Olofsson’s method we estimated deforestation/forest degradation area without considering the types of forest classes
  - We do not have enough sample data (reference data) to calculate directly area of deforestation and degradation of each forest class
  - We partitioned the total area of deforestation and degradation back to forest type using a simple proportional calculation, and use the same error values for all types of forest conversion and forest degradation.
  - We consider the adoption of the same value representative, considering large portion of forest type is secondary dryland forest in which we have large enough samples for this forest type.



## Indicators 8.1.; 8.2.; 9.1.

**TAP: “Systematic errors, random errors, uncertainty associated with activity data and emission factors” >>> Major and Minor non-conformity**

### **Response:**

- ***TAP: The uncertainty of activity data has not been estimated for all variables and procedures that may create uncertainty and as such no information is available how these possible systematic or random errors will be minimized***
  - We realize that there are a number of shortcomings in the estimation of error in the extrapolation of sample-based land-cover change estimations to map-based transition matrices,
    - As the sample data we used initially is not developed for this purpose, i.e. limited number of sample units, the sample units were not selected using stratified random sampling and not pre-stratified sampling.
  - For the improvement of the process of generating the AD, Government has plan to improve the current QA/QC procedure (e.g., number of repeated interpreters, improving processing method lead to more refine forest stratum as defined in Annex 9.3, increasing sampling intensity) and to develop new SOPs for the uncertainty assessment using the Olofsson's Method → there will be technical corrections

## Indicator 13.1.

### **TAP : “Peat decomposition” >>> Major non-conformity**

#### **Response:**

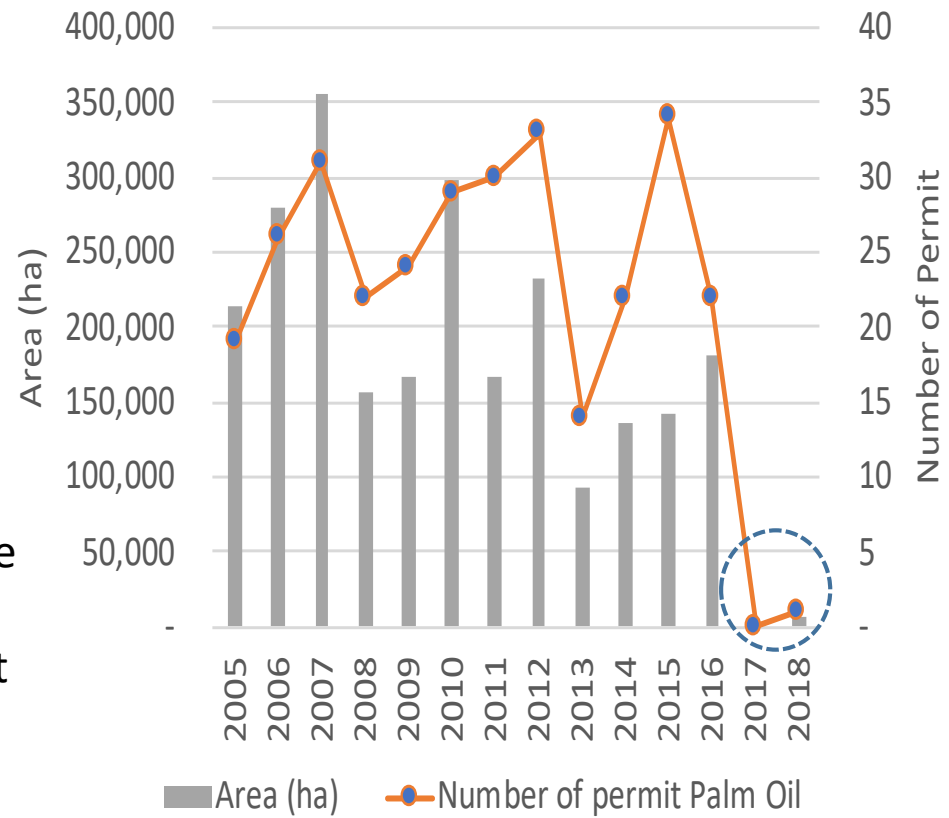
- Peat decomposition is a continuous process over a number of years depending on depth of peat (~30-40 years), so an average annual historical emission is not informative.
- We realize that the inclusion of emission from peat decomposition (inherited emission) renders the RL non-conform with the MF.
- Inherited emissions are a small issue in East Kalimantan, but are potentially a much larger issue in the rest of the country (Indonesia has about 14 million ha, about half of which has been deforested or degraded).
- Indonesia's NDC reports that reducing emission from peat decomposition is one of the key mitigation activities.
- Inclusion of the peat emission in the program will create important lessons for the country.
- Government of Indonesia appreciates the CFPs for their consideration in treating the peat decomposition in the ER program.

## Indicator 13.1. (cont.)

### TAP : “Spike in emission in 2016” >>> Major non-conformity

#### Response:

- The spike in emissions in 2016 comes from planned deforestation and is the result of backlog implementation of concessions.
- Prior to 2016, Government of East Kalimantan had issued many permits but the concession holders could not clear the land for timber or palm as the spatial plan had not been adopted.
- The spatial plan was adopted formally under the Government Regulation No 1/2016 → This triggered the clearing of the land in 2016.
- Governor Regulation No. 1/2018 on Permit regulation and Provincial Government Regulation No 27/2018 on Sustainable Estate Crops *has reduced the issuance of permits significantly.*



## Indicator 34.2

**TAP : “Non-Carbon Benefits and stakeholder engagement process” >>>  
Minor non-conformity**

**Response:**

- During ERPIN and ERPD development in East Kalimantan from April 2016 – October 2018, public consultations and workshops were conducted.
- One of the topics discussed was non-carbon benefits.
- Type of benefits were prioritized based on the consultation with relevant stakeholders (focus group discussion, July 2017).
- Further consultations are required and planned to be conducted in between February and May 2019.
- This consultation will be conducted back-to-back with FPIC and BSP with stakeholders at District Level.



## Indicator 36.1.

**TAP : “No evidence provided who has the authority to sign ERPA”**

**>>> Minor non conformity**

### **Response:**

- The Constitutional Court Decision of No. 20/PUU-V/2007 makes it possible for any relevant technical ministry to sign an agreement with a foreign party, as long as the nature and scope of the agreement is governed by private/commercial law.
- As the Indonesian law consider ERPA as an agreement under contract/commercial law, thus, either MoF or the Program Entity has the authority to sign.
- Secretary General of Ministry of Environment and Forestry will sign ERPA

## Indicator 37.4

**TAP :** “The website of the National Registry System (NRS) explains the steps for registering information, but administrative procedures for the operations of REDD+ programs are not available. Audit information is also not available.” >>> Minor non-conformity

### **Response:**

- In 2-17, Government issued the MoEF Regulation on the Implementation of the National Registry System and also the MoEF Regulation on the Guidance for the implementation of REDD+.
- Regulation P70 specifically explains the administrative procedures for the operation of REDD+ and process for the verification (audit).
- Nevertheless, at present the Government is still in the process of improving the NRS and developing administrative procedure for implementation of REDD and auditing process.
- The ER Program in East Kalimantan is one of REDD+ pilot programs to test the system.

# CONCLUDING REMARKS

- There are a number of non-conformity issues that need to be addressed
  - *In the short-term:* addressing double-counting and Development of SOPs for QA/QC.
  - *In the medium-term:* Estimation of errors of the AD and EF and improvement of methodology for AD processing with refined forest strata (forest classes - degradation).
- There are potential technical improvements to the RL after the signing of the ERPA and before the first verification (as per recent CFP guidance to this effect).



*Thank You....*



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