

# Status of project components

<b>Country:</b>	<b>Indonesia</b>
<b>Grant Executed By:</b>	<b>UNDP</b>
<b>Grant Amount (USD):</b>	<b>US\$3 million</b>

<b>Project Component</b>	<b>Status</b>	<b>Est. date of completion</b>
GHG emissions profiles in the power and energy-intensive industry sectors	<b>Completed</b>	-
Design of MRV framework for power and energy-intensive industries	<b>Completed</b>	-
Piloting an MRV System	On-Going	June 2019
Development of a MBI Framework	On-Going	June 2019
Organization, Communication, Consultation and Engagement	On-Going	June 2019

# Key achievements since last ISR

---

## MRP Achievements

- ✓ GHG emissions profiles in the power & industry sectors
- ✓ MRV systems for power & industry
- ✓ preparation to pilot the MRV systems
- ❑ Study of MBI options assessment nearly complete (Nov 2018). Carbon offsetting mechanism; voluntary ETS(s); and cap setting for power sector under discussion

## Regulatory Achievements

- ✓ Government Regulation on Environmental Economic Instruments: provide policy basis for MBI and mandate to establish ETS before 2024
- ✓ Presidential Regulation on Management of Environmental Funds: establishes fund management agency with climate change incentive distribution tasks.

# Key Challenges Going Forward

---

- **Convening decision-makers and reaching consensus**

*Mitigation: multiple approaches to build multi-stakeholders' consultations process.*

- **Changes in government structure/organization**

*Mitigation: capacity building and extensive training across relevant ministries to guard against loss of institutional memory. Targeted awareness-raising to secure high-level commitment from key decision-makers and foster a sufficient number of project champions to sustain project outcomes following project completion.*

- **Sustainability/replicability**

*Mitigation: PMR results driven by external financing and support, project results must be sufficiently institutionalized if the larger outcomes are to be sustainable.*

# Key Challenges Going Forward (cont.)

---

- **Election cycle and political commitment**

Indonesia will have presidential and parliamentary elections in 2019. Risk that new administration does not prioritize PMR work. Expect high-level decision making to stall in lead up to election.

*Mitigation: PMR team is focused on ensuring:*

- *emission reductions policies in energy sector are incorporated into the upcoming Mid-Term Development Plan for 2020-2024,*
- *sufficient (APBN) budget will be available to support the continuation of the MRV system implementation, and including the further implementation of the selected MBI options,*
- *relevant capacities and knowledge related to MRV and MBI have been established and institutionalized within the responsible units.*

# Key Lessons Learned

---

- Strong government leadership and continuous engagement critical to managing conflicting priorities and interests
- Investment in activities to strengthen institutional mechanisms for improved coordination and collaboration is important
- Champions within **each** institution need to be fostered and be ready to lead during changes in leadership to preserve and retain the institutional memory.

