



PMR East Asia and Pacific Regional Webinar on Carbon Pricing - from Readiness to Implementation

Indonesia

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Outline of the PMR's support

With the expected outcome to improve Indonesia's readiness in designing and implementing carbon pricing instruments in energy sector, PMR Indonesia works in three areas within the power and industry sectors which are (a) GHG emission profiling, (b) MRV system development and piloting and (c) carbon pricing instrument development and piloting.

Program's Implementation Components

2017	2018	2019	2020	2021
Development of GHG emission profile in power and eight energy-intensive industries as well as climate change potentials in each sectors and their costs.				
	Development of MRV systems in power and industry.	Piloting MRV systems in power, cement and fertilizer industries.		
Defining and assessing four possible carbon pricing scenarios for Indonesia including its mitigation and economic impacts.		Development of cap setting approaches for power and industry sectors.	Development of ETS piloting concept and implementation plan in power sector.	
	Development and piloting of domestic carbon crediting mechanism (Indonesia Certified Emission Reduction).		Development of carbon pricing general framework for Indonesia.	
Capacity building activities, development of communication materials, awareness raising activities, development of knowledge products.				

Achievements to date

During programme implementation, PMR has engaged 140 power companies with 4800 power plant units, more than 300 industries within the eight energy-intensive industry subsectors, and 16 private sector associations. There were more than 168 meetings/workshops/trainings held involving more than 550 professionals and 600 other participants.

Program's Outputs

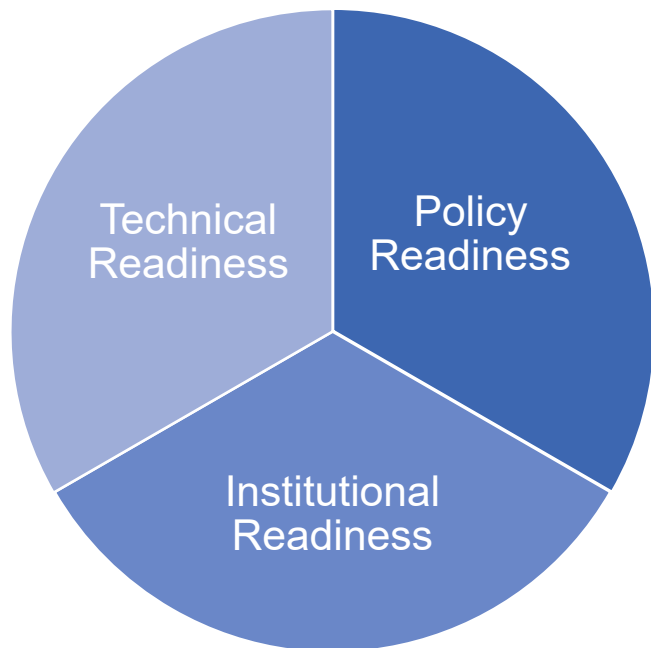
Power Working Group	Industry Working Group
<ul style="list-style-type: none"> • GHG emissions profile and Marginal Abatement Cost Curves (MACC) in power sector • MRV guideline for power sector • Online GHG reporting tools, APPLE-GATRIK • Piloting MRV system for Java-Madura-Bali grid (extended for national grid using MEMR budget) • Design of a market-based instrument pilot for coal power plants • Capacity building activities • Piloting ETS 	<ul style="list-style-type: none"> • GHG emissions profile and Marginal Abatement Cost Curves (MACC) in energy-intensive industries • Updated MRV guidelines for cement, fertilizer and pulp & paper industries • Piloting MRV systems for fertilizer and cement industries • Discussions on a market-based instrument pilot for cement and fertilizer industries • Capacity building activities
Market-Based Instrument Working Group	Capacity Buildings and Publications
<ul style="list-style-type: none"> • Assessment on Market-Based Instruments options for Indonesia • Development of general guidelines, project design document template and validation/verification manual for domestic crediting mechanism Indonesia Certified Emission Reduction (ICER) • Development of draft methodologies for ICER mechanism • Piloting of ICER mechanism on a micro hydro power plant in Jambi province • General framework for carbon pricing implementation in Indonesia • Capacity building activities. 	<ul style="list-style-type: none"> • MBI introductory workshops. • MRV workshops for power and industries. • Carbon pricing weekly (workshop series in August 2018) • International workshop on MRV and ETS (2019) • ETS capacity building (2020) • Introductory book to carbon market (2018) • Five policy briefs in cooperation with MoEF (2018) • Technical notes on Baseline, GHG Reporting, Carbon Offset, ETS and Registry • Four briefing paper on various topic • Newsletters

CPI's role in the country's decarbonization goals

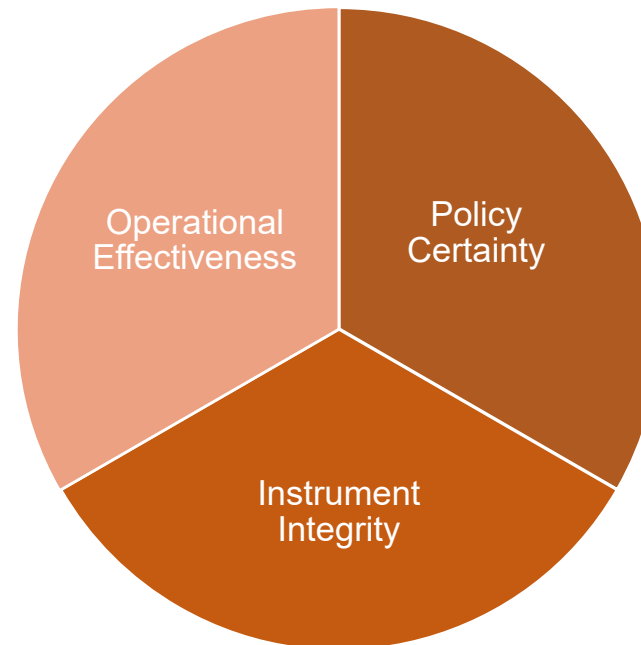
CPIs will assist Indonesia in mobilizing Non Party Stakeholders / private sector's participation and investment in climate change mitigation thus assisting in Indonesia's NDC target achievement cost-effectively and contribute to resource-efficient and low carbon development.

Theory of Change

Readiness Phase



Implementation Phase



Expected Results

