



# CITY ENERGY AND CLIMATE ACTION: HOW TO SET TARGETS AND DEVELOP A PLAN

7<sup>th</sup> UCLG ASPAC CONGRESS

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# Outline



**Indonesia  
Climate Change  
Trust Fund (ICCTF)  
as National  
Trust Fund**



**ICCTF  
Mechanism and  
Activities**



**Source of  
Fund**



**The Results  
and Lessons  
from the Field**

# **ICCTF as National Trust Fund**



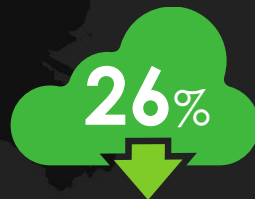


## Indonesia Climate Change Trust Fund

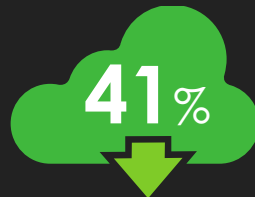
Indonesia Climate Change Trust Fund (ICCTF) is a **National Trust Fund** that served as funding instrument for the Government of Indonesia to support **29%** emission reduction target by national effort and up to **41%** with international support in **2030**.

ICCTF distribute state budget and international funding from development partners for activities that aligned with Government priorities as outlined in National Action Plan on GHG Emission Reduction (RAN-GRK).

*G-20 Meeting 2009  
In Pittsburgh*



National  
Effort

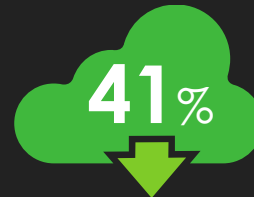


International  
Support

**2020**

Emission  
Reduction  
Target by

*UNFCCC COP21 Paris 2015  
(Paris Agreement)*



**2030**





## Objective

Supporting the Indonesian Government in reducing GHG emission through moves towards a low carbon economy and adaptation to climate change impacts.



## Goals

1. Integrating climate change issues into national, provincial and district development plans;
2. Implementing mitigation and adaptation initiatives in the context of GHG emission reduction.

# History & Milestones of ICCTF

**2016** ●

ICCTF continues to carry various program and project pilots.

**2014** ●

Until 2014 the UNDP was the interim fund manager. Mandiri Bank was appointed as ICCTF fund manager.

**2009** ●

ICCTF was launched by Government of Indonesia to coordinate and harmonize climate finance.

● **2018**

ICCTF added marine based, including blue carbon as new window

● **2015**

ICCTF has transformed into an independent working unit under Bappenas and continually fund successful Small Grant Program throughout Indonesia.

● **2010**

ICCTF successfully funded key mitigation and adaptation projects nation-wide.



## Land-based Mitigation

Aim to reduce GHG emissions through financial support for the programs of reforestation/ rehabilitation of degraded lands, restoration of degraded land into community forest, energy biomass and agroforestry, low carbon and productive management of degraded peat land, and sustainable area conservation management.



## Energy

Aim to reduce GHG emissions significantly in relation to supply and demand of energy, including the financing of low carbon energy generation technologies and the implementation of conservation and energy efficiency.

# Focus areas



## Adaptation & Resilience

Aim to repair national and local institutions in Indonesia as well as the communities that are vulnerable to the impacts of climate change through the dissemination of climate information, development and innovation of adaptation strategies, use of technology and knowledge, and promote the establishment of policies for adaptation.



## Marine based

Aim to promote sustainable use of marine resources and to conserve biodiversity in coastal and marine areas including coral reef and blue carbon ecosystems such as mangrove and seagrass.



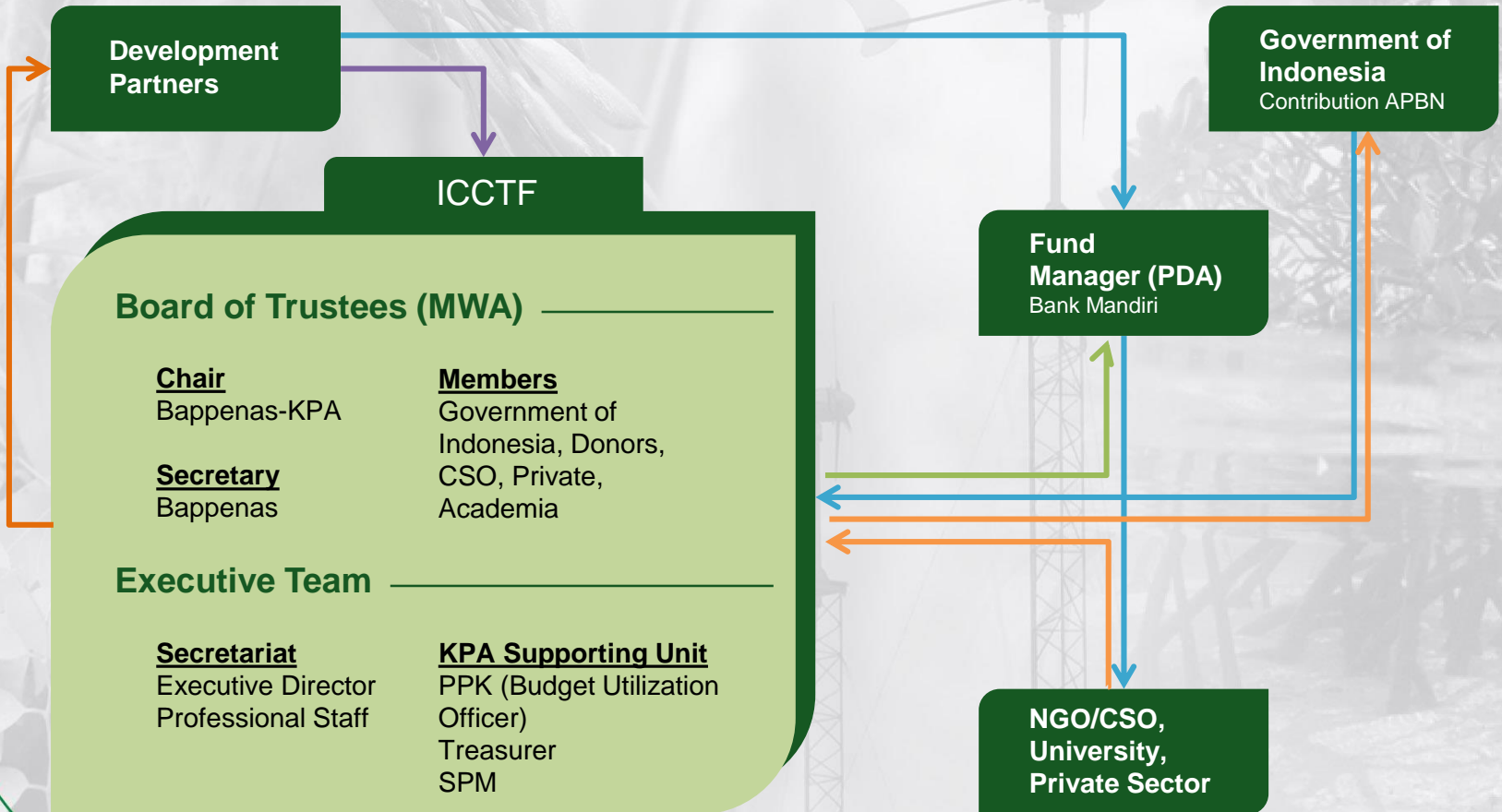
# **ICCTF Mechanism & Activities**





# ICCTF Business Process

■ Grant Agreement ■ Fund Flow ■ Reporting ■ Payment Advice



# ICCTF's Board of Trustees (MWA)

## Chairman

Deputy Minister for Maritime and Natural Resource,  
Ministry of National Development Planning/Bappenas  
**Dr. Ir. Arifin Rudiyanto, M.Sc**

## Secretary

Director of Environmental Affairs, Ministry of  
National Development Planning/Bappenas  
**Ir. Medrilzam, M.Prof.Econ, Ph.D**

## Members

1. Deputy Minister for Development Funding, Ministry of National Development Planning/Bappenas  
**Ir. Kennedy Simanjuntak, MA**
2. Head of Fiscal Policy Agency, Ministry of Finance  
**Prof. Suahasil Nazara, SE, M.Sc., PhD**
3. Deputy Minister for Macroeconomic and Finance Coordination, Coordinating Ministry of Economic Affairs  
**Dr. Iskandar Simorangkir, SE, MA**
4. Deputy Minister for Health Improvement Coordination, Coordinating Ministry for Human Development and Cultural Affairs  
**Dr. Sigit Priohutomo, MPH**
5. Representative of Civil Society Organization, Executive Director of Institute for Essential Service Reform (IESR)  
**Fabby Tumiwa**
6. Representative of Private Sector, Vice Chairwoman for The Indonesian Chamber of Commerce & Industry (KADIN)  
**Shinta Widjaja Kamdani**
7. Representative of Academics, Chairman of Research Center for Climate Change University of Indonesia (RCCC UI)  
**Ir. Jatna Supriatna, M.Sc., Ph.D**
8. Ambassador of Charge d'affaires Royal Danish Embassy  
**Rasmus Abildgaard Kristensen**
9. Head of UK Climate Change Unit  
**Tom Owen Edmunds**
10. Counsellor and Head of Development Cooperation German Embassy  
**Rafael Teck**
11. Director of the Environment Office USAID  
**Matthew Burton**

# Process of Proposal Selection



## Proposal Submission

ICCTF Secretariat announces Call for Proposal on websites and media, and then receives proposals via email.



## Administrative Assessment

ICCTF Secretariat checks all proposals received including the supporting documents.



## In-depth Proposal Assessment

Administratively feasible proposals are assessed by Independent Experts to produce short-listed proposals.



## Induction Workshop & Signing of Contract

ICCTF secretariat assists the selected proponent(s) to develop log frame table and annual work plan. The Committing Officer (PPK) and the chairman of proponent's institution will sign the contract.



## Approval from ICCTF's Board of Trustee (MWA)

ICCTF Secretariat circulates short-listed proposals to be selected by MWA members. The chairman of MWA will issue a letter of funding approval.



## Consultation meetings with Bappenas and/or other ministries/agencies

Short-listed proposals are consulted with the relevant work units in Bappenas and/or other ministries/agencies before being submitted to ICCTF's Board of Trustee.

# ICCTF Project Location (2010-2019)

## FOCUS AREA

- Land based Mitigation
- Energy
- Adaptation & Resilience

Total  
**76**  
projects

Location  
**99**  
areas

On-going  
**13**  
projects

## 23 Sumatra projects

- Jambi (3 projects)
- Bangka Belitung (1 project)
- Riau (1 project)
- Aceh (2 projects)
- North Sumatra (2 projects)
- Riau (9 projects)
- South Sumatra (3 projects)
- West Sumatra (2 projects)

## 36 Java projects

- Banten (1 project)
- Central Java (8 projects)
- East Java (6 projects)
- Jakarta (3 projects)
- West Java (11 projects)
- Yogyakarta (7 projects)

## 19 Kalimantan projects

- Central Kalimantan (11 projects)
- East Kalimantan (1 project)
- South Kalimantan (3 projects)
- West Kalimantan (4 projects)

## 6 Sulawesi projects

- Gorontalo (1 project)
- North Sulawesi (2 project)
- South Sulawesi (1 project)
- Southeast Sulawesi (2 projects)

## 4 Maluku-Papua projects

- Maluku (2 projects)
- West Papua (2 projects)

## 11 Bali-Nusa Tenggara projects

- Bali (1 project)
- NTB (5 projects)
- NTT (5 projects)

Notes: Some projects are located in different provinces



# ICCTF's Implementing Partners

## Government Institution

- Agency of Meteorology, Climatology and Geophysics (BMKG)
- Ministry of Agriculture
- Ministry of Forestry
- Ministry of Health
- Ministry of Industry
- Mt. Ciremai National Park Office

## Universities

- Anthropology Research Center, University of Indonesia (PUSKA UI)
- Climate Change Center, Institute Technology of Bandung (PPI ITB)
- Community Service Institute, University of Mataram (LPM UNRAM)
- Department of Agricultural Engineering and Bio system, Gadjah Mada University (UGM)
- Department of Geophysics and Meteorology IPB (GEOMET IPB)
- Faculty of Agriculture and Forestry, Muhamadiyah Palangkaraya University (UMP)
- Faculty of Fisheries and Marine Science (FAPERIKA UNRI)
- Faculty of Forestry, Gadjah Mada University (FAHUTAN UGM)
- Faculty of Forestry IPB (FAHUTAN IPB)
- Forest Fire Control and Rehabilitation Center, University of Palangkaraya (P2KLH UNPAR)
- Research Center for Climate Change, University of Indonesia (RCCC UI)
- Technical Academy of Industrial Engineering Polytechnic Surakarta (Politeknik ATMI Surakarta)
- The Institute of Research and Community Empowerment of IPB (LPPM IPB)
- University of Jember
- Yayasan Teungku Chik Pante Kulu, Sekolah Tinggi Ilmu Kehutanan (STIK)






# ICCTF's Implementing Partners

## Civil Society Organization (CSOs)

- ARUPA
- Borneo Nature Foundation
- CFES Consortium
- Forest Watch Indonesia & LPPM IPB
- Humaniora
- Indonesia Rubber Research Center
- Indonesian Forestry and Governance Institute
- Jambi Peat Restoration Consortium
- KONPHALINDO
- Perkumpulan Bingkai Indonesia
- Perkumpulan Hutan Kita Institute
- Perkumpulan Pancur Kasih
- Perkumpulan Pikul
- Perkumpulan Relawan CIS Timor
- Perkumpulan Sampan
- Perkumpulan Sesami
- Perkumpulan Walestra
- Pilar Indonesia
- Riau Women Working Group
- Walhi South Sumatera
- Walhi West Kalimantan Consortium
- YAKKUM Emergency Unit
- Yayasan Baileo Maluku
- Yayasan Energi Bersih Indonesia
- Yayasan FIELD
- Yayasan Javlec Indonesia
- Yayasan Lembaga Olah Hidup
- Yayasan Leuser Internasional
- Yayasan Lingkungan Hidup Seloliman
- Yayasan Mitra Insani Consortium
- Yayasan Orangutan Indonesia
- Yayasan Palung
- Yayasan Pengembangan Akhlaq Mulia
- Yayasan Penyu Berau
- Yayasan Rumah Energi
- Yayasan Taman Nasional Tesso Nilo
- Yayasan Terumbu Karang Indonesia
- Yayasan Tiara Pusaka
- Yayasan Transformasi Kebijakan Publik Indonesia

# Fund Managed From State Budget & Donors

## 2015 - 2018

	SOURCES GRANT			SOURCE APBN	TECHNICAL ASSISTANCE
					
Year/IDR	USAID	UKCCU	DANIDA	APBN	BMUB GIZ/INFIS
TOTAL: Equivalen with IDR 191,2 billion	USD <b>5 million</b>	£ <b>4 million</b>	DKK <b>3.5 million</b>	IDR <b>55.4 billion</b>	euros <b>3.5 million</b>



### PIPELINE GRANT



USD  
**6 million**



USD  
**5,2 million**



# Potential Source of Fund





# Potential Source of Fund



## State Budget

Budget that provided by the Government in the form of counterpart fund.

The budget is allocated and channelled through State Budget mechanism



## Bilateral Donors

Grant provided by countries through bilateral cooperation with the Government of Indonesia. The grant can be in the form of cash transfer to ICCTF or technical assistance. Several potential bilateral donors as follows:

- UK through DFID/ UKCCU,
- Denmark through Danida
- Norway
- Australia
- US through USAID
- German through BMUB
- etc



## Multilateral Donors

Grant provided by multilateral organization, that Indonesia become its member.

Several potential multilateral donors as follows:

- World Bank
- ADB
- UNDP
- IFAD



## Global Trust Fund

Grant provided by global facility/ trust fund that is dedicated to support climate change action in countries.

However, this fund can only be accessed by accredited entities, such as UNDP, World Bank, ADB, etc.

Several potential global trust fund as follows:

- Global Environment Facility (GEF)
- Green Climate Fund (GCF)
- Adaptation Fund
- NAMA Facility, etc

# Potential Source of Fund

## Innovative Financing for sustainability of funding sources

- Apply service fee for technical assistance provided by Trust Fund, including for cooperation funded by loan
- Crowdfunding for specific issue, eq: climate change, water & sanitation, conservation, etc. Some platform can be utilized, including: [www.kitabisa.com](http://www.kitabisa.com)
- Carbon tax → need to be elaborated in more detail.

# The Result & Lessons from The Field







# Achievements of Land Based Mitigation Program

**46**  
projects



## Focus of Activities

- Forest and critical land management
- Peatland management
- Forest fire prevention
- Watershed management
- Land productivity improvement
- Land and marine conservation management
- Non-burn land management
- Community livelihood in peatland area

## Improving local economy

- Improving community livelihood up to 600%
- Efficiency of budget for agricultural and households up to 70%

## Improving plant productivity

- Improving paddy productivity through non-burn agriculture





# Achievements of Adaptation & Resilience Program

**22**  
projects



## Focus of Activities

- Science and technology application
- Improving sustainable economy for communities
- Food sovereignty and ecosystem conservation
- Strengthen supporting system to mainstream adaptation into policy

## Economic Improvement

- Saving of cost for vegetables consumption up to Rp 100-250 thousand of each family per month

## Improving of Land Productivity

- Improving of paddy production using System of Rice Intensification (SRI) up to 200%

## Sustainability

- Replication of System of Rice Intensification (SRI) to all districts in NTT
- Leverage of local contribution for rehabilitation of ex-mining land in Belitung with total investment from Rp 2 billion to Rp. 20,5 billion



# Achievements of Energy Program

8  
projects



## Focus of Activities

- Biomass energy utilization
- Wind energy utilization
- Solar energy utilization

## Reducing of GHG Emission

106 tonnes CO<sub>2</sub>/year (RCCC UI, Yayasan Enerbi, LPM Universitas Mataram)

## Economic Improvement

- Saving of cost for communities around Rp 150,000/month/family (Enerbi – Gunungkidul)
- Potential income from water management Rp 15 million/year (Enerbi – Gunungkidul)
- Potential income from farming (papaya and chili) up to Rp 715 million per 2 year (LPM Univ. Mataram – Lombok Utara)



# Lessons from the field:

## Solar Water Pump in Yogyakarta

### Previous condition:

- People have to walk 2 km to get access to clean water, or bought it in amount of IDR 150,000 per month
- Government Water Company (PDAM) can only provide water supply for 44 families out of 177 families in Yogyakarta
- ICCTF in collaboration with proponent from ENERBI installed solar water pump to be distributed to communities.



### Result:

Water pump generate 20m<sup>3</sup> debit water/ day to supply 40 families



# Thank You

## ICCTF Secretariat

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**SUPPORTING  
THE INDONESIAN  
GOVERNMENT  
FOR A BETTER CLIMATE**