



MINISTRY OF FINANCE
FISCAL POLICY AGENCY

**Indonesia NDA GCF 5th Annual
Participatory Review (APR)
July 2023
Event Report**



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Badan Kebijakan Fiskal
Kementerian Keuangan Republik Indonesia
NDA – GCF Indonesia

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1. Introduction

1.1. Background

The Government of Indonesia has ratified the Paris Agreement in 2016, and the Nationally Determined Contribution (NDC) outlines the country's transition to a low-emission and climate-resilient future, which stipulates that Indonesia will reduce its GHG emissions by 31.89% compared to the business-as-usual (BAU) scenario in 2030 solely with domestic resources, and 43.20% with international assistance. The Government of Indonesia has allocated a budget for financing climate change projects/programs but still cannot meet the overall needs of climate finance. The National emission reduction goal has resource consequences that are not possible to be wholly borne by the government's budget, which made the private sector's optimal participation and support from global funding in GHG emissions reduction a necessity.

The Green Climate Fund (GCF) is an implementing entity of the financial mechanism of the United Nations Framework Convention on Climate Change (UNFCCC) established in 2010 and was specifically formed to provide financial support so that developing countries such as Indonesia can achieve their emission reduction targets. Projects to be funded by the Green Climate Fund are required to be aligned with developing countries' priorities in accordance with the country ownership principle. Consequently, GCF provides modalities in which national and subnational organizations can receive funding directly.

Furthermore, the appointment of National Designated Authorities (NDAs) is also one of the efforts to ensure GCF-funded projects are aligned with national climate priorities. The NDA is the main communication channel between the country and the GCF. The Fiscal Policy Agency (FPA), Ministry of Finance (MoF), is the NDA in Indonesia. As of March 2023, Indonesia has got 12 full funding proposal projects and 3 Project Preparation Facility (PPF) requests approved by

GCF. Nine of the approved projects are multi-country projects/programs.

In Indonesia, the Fiscal Policy Agency, Ministry of Finance as the National Designated Authority (NDA), continues to carry out its duties as the representative of Gol for the GCF. Some of the roles include screening and discussing NOL (No-Objection-Letter) on Project Proposals submissions from Accredited Entities, as well as consultation with stakeholders and representatives from communities and vulnerable groups. One of the NDA's efforts to engage with stakeholders is through conducting an Annual Participatory Review (APR) Forum to review and evaluate the effectiveness of climate finance mobilization.

The APR forum discusses different topics each year, depending on the main activities conducted or any pressing issues that need to be addressed by the NDA in the respective year. This year's APR will focus on the theme of adaptation.

The objectives of the event were as follows:

- Informing the latest update on GCF funding and related activities in Indonesia.
- Identify opportunities in integrating climate adaptation actions in mitigation and/or cross-cutting projects.
- Identify current challenges in integrating climate adaptation actions in mitigation and/or cross-cutting projects.
- Identify the required capacity and skills for national stakeholders to properly integrate adaptation activities in their climate projects.

1.2 Participants

The participants of the event consisted of representatives from various government ministries/institutions, potential and existing direct and international accredited entities, NGOs/CSOs, the private sector, and local governments. Of the 39 participants, 56% were female, and the remaining 44% were male. The following are the details of the participants' background:

No	Institution	Male	Female
1	United Nations Environment Programme	1	-
2	United Nations Development Programme	1	-
3	Kemitraan	1	-
4	PT Sarana Multi Infrastruktur	-	1
5	Save the Children	1	-
6	Indonesia Infrastructure Finance	1	-
7	Penabulu	-	1
8	Yayasan Kehati	-	1
9	Mercy Corps Indonesia	-	2
10	Asosiasi Pengusaha Hutan Indonesia	1	-
11	Koalisi Perempuan Indonesia	-	1
12	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	-	1
13	Pengelola Listrik Negara (PLN)	1	-
14	Asosiasi Bank Sampah Indonesia (ASOBSI)	-	1
15	Électricité de France	1	-
16	HDF Energy	-	1
17	Samdhana Institute	-	1
18	Ministry of Health	-	1
19	Local Government of Kota Pekalongan	1	1

No	Institution	Male	Female
20	Local Government of Kabupaten Pekalongan	1	
21	Provincial Government of Gorontalo	1	-
22	Fiscal Policy Agency, Ministry of Finance	3	5
23	Global Green Growth Institute (GGGI)	3	5
	Total	17	22

1.3. Methodology and Process

The event was conducted in-person at Grand Mercure Kemayoran Hotel, Jakarta, with the limited option of online participation for local government representatives on Tuesday, 11 July 2023. The discussion was opened with a presentation from the NDA, followed by a presentation on lessons learned from adaptation projects in different countries by Eco Ltd. After the series of presentations, the FGD was led by the main facilitator, Ms. Chandra Sugarda as the GESI Advisor of NDA GCF Indonesia, with assistance from the other facilitators from the NDA Secretariat.

2. Presentation & Discussion

The event was opened by remarks delivered by Noor Syaifudin, Senior Analyst from the Center for Climate Finance and Multilateral Policy, FPA, followed up by presentations from Nita Arista, Analyst from the Center for Climate Finance and Multilateral Policy, FPA, as the representative of the NDA GCF Secretariat on updates of the NDA GCF Indonesia's activities.

In the opening speech, Mr. Noor Syaifudin, Senior Analyst from the Center for Climate Finance and Multilateral Policy, FPA, representing the Head of Center for Climate Change and Multilateral Policy appreciated the participants' background variety at the 5th Annual Participatory Review (APR) hosted by the NDA GCF Indonesia. Indonesia has ambitious commitments to tackling issues pertaining to climate change, and Mr. Noor emphasized the exorbitant funding required to fulfil the pledges. The NDA aims to bridge the financial gap in climate actions by mobilizing financing from the GCF to assist Indonesian climate projects, namely through the Readiness and Preparatory Support Program (RPSP) with the Global Green Growth Institute (GGGI) as the delivery partner. Furthermore, a background on the objectives of an APR was shared with the participants, which is to act as a platform to disseminate updated NDA activities alongside discussion on a distinctly identified theme. As previous APRs did, the implemented theme was based on its respective urgency at that time. The 5th APR held this year focused on climate change adaptation. The urgency stemmed from the growing gap between the continuously implemented mitigation activities to reduce emissions and the need for more adaptation activities to adapt to the detriments of climate change affecting vulnerable communities. It was important to highlight that projects in the adaptation sector have unique challenges, highly involving the grassroots and vulnerable communities. The 5th APR intends to explore the adaptation sector deeply and identify the challenges and opportunities within it.

Following up, the NDA Secretariat, represented by Ms. Nita Arista, Analyst from the Center for Climate Finance and Multilateral Policy, FPA, presented information on recent activities of the NDA, accentuating the progress and cruciality of

intensifying the adaptation sector. The information provided consists of the amount in various GCF financing instruments, total project value, funding in different sectors, and progress on the published No Objection Letters (NOLs).

As the final part of the opening session, Eco Ltd, a consulting company mainly active in the climate finance sector, brought upon several successful GCF adaptation projects from other countries as an exemplary case study for prospective adaptation projects in Indonesia to emulate and learn from. The company specializes in climate finance work in many ways, such as capacity building, market studies, and project proposal formulation for GCF and other climate funds as well. Moreover, Eco Ltd has collaborated with the NDA GCF Indonesia in the past to build the capacity of involved stakeholders in writing concept notes during the 1st Call for Project Concept Notes.

2.1 Focus Group Discussion on the Identified Topics

During the FGD session, each group was provided four guiding questions set by the NDA GCF Indonesia. The participants were then divided into four groups to discuss their experience and knowledge using the guiding questions, which then each group was asked to present their discussion briefly. Several key points from the discussion are described below:

1. What are the challenges in integrating climate adaptation actions in mitigation or cross-cutting projects?
 - Limited funding channeled to climate adaptation.
 - Capacity and knowledge gap on climate adaptation.

- Limited availability of climate-related data.
 - Intangibility of the climate adaptation sector makes tracking results arduous compared to the climate mitigation sector.
 - Fixation on the high risk of return on investment.
 - Non-alignment with national development priorities that focuses on climate mitigation action.
2. List the opportunities to integrate climate adaptation actions into your mitigation or cross-cutting projects.
- Conducting surveys and mapping potential climate-vulnerable locations and communities to understand the needs of each context.
 - Increasing capacity building and education on the importance of climate adaptation action.
 - Integrating climate adaptation actions into the planning system, so that they can be formally regulated from a budgetary and institutional perspective.
 - Integrating climate adaptation action and goals into relevant governmental plans on the national to the local level.
 - Coupling climate adaptation action into climate mitigation action as both sectors can effectively work hand-in-hand.
 - Accepting technical assistance from third parties to bridge the knowledge gap of climate adaptation action.
3. Who are the stakeholders and groups that should be involved in adaptation projects, from the planning, implementation, to monitoring and evaluation stages?
- National government.
 - Provincial government and local governments (city, district, and village level).
 - NGOs and CSOs.
 - Universities and academicians.
- Climate-vulnerable communities (e.g., people with disabilities, indigenous people, women, and children).
 - Private sector.
 - Local businesses.
4. Please indicate the support you need to be able to integrate climate adaptation actions into existing projects.
- Regulatory support from the national government in various aspects, such as integrating climate mitigation action with climate adaptation action.
 - Higher access to flexible financing from the numerous financial instruments provided by the GCF to reduce risks (e.g., educational workshops to learn about GCF).
 - Stronger involvement of the private sector to bridge the financing gap and provide flexibility in climate finance to complement the presence of the GCF.
 - Institutional and educational capacity building to bridge the gap in climate adaptation comprehension.
 - Collaboration with third parties focused on the climate adaptation sector to assist in numerous aspects, such as the monitoring and evaluation aspect.
 - Provision of relevant and up-to-date climate data.
 - Mainstream climate studies in the national curriculum.

2.2. Conclusion and Closing

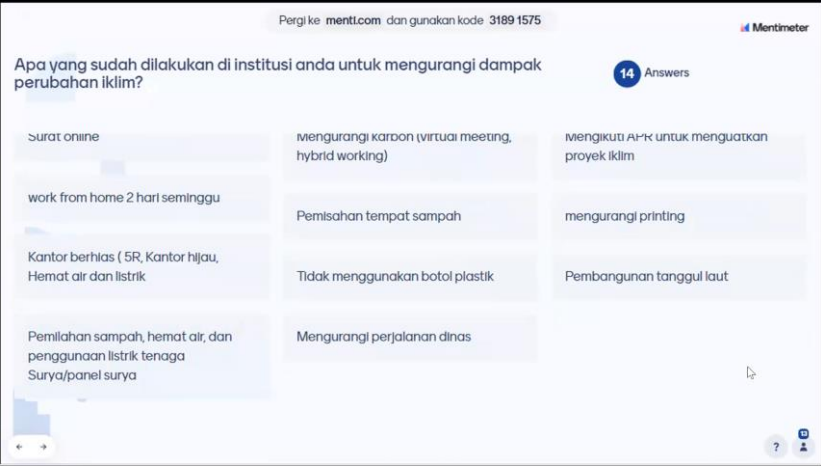
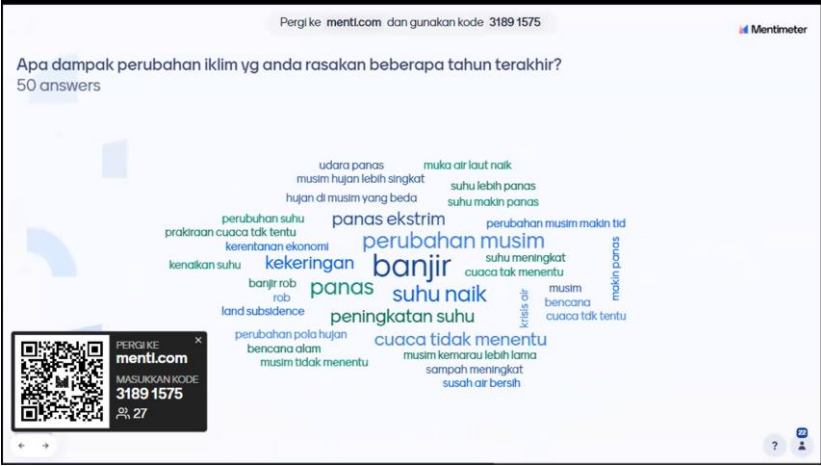
In the closing statement, Ms. Vidya Fauzianti, as the representative of the NDA GCF Indonesia, highly appreciates the active participation and involvement of the participants. The presentation and FGD sessions in the 5th APR aim to identify the level of knowledge and disseminate information on climate adaptation actions. The updated information on the NDA GCF Indonesia's activities and project pipeline would also be included in the Annex of Indonesia's Country Programme Document (CPD), available publicly on the NDA's website. The NDA can facilitate separate follow-up meetings to discuss potential



assistance if needed. The APR forum will continue to be conducted yearly, with the 6th forum planned to be conducted in 2024.



Annex 1: Selected Pictures



The FGD was kicked-off using mentimeter



Participants discussing the assigned questions with their respective groups during the FGD session



Sharing session on the FGD results by the groups



Photo session with participants after the event

Annex 2: Participants

Badan Kebijakan Fiskal	Noor Syaifudin, Indrawan, Faradina Salsabil, Zemithra A.P, Angga Andara, Amelia Adhasara, Naelly, Nita Arista, Astrid Wiyanti.
Global Green Growth Institute	Vidya Fauzianti, Titaningtyas, Ilmi Yahdiyan, Inez Darmalia, Yonathan Djari, Paulus Tallulembang, Cicilia Peggy.
United Nations Development Programme	Andrys Erawan
United Nations Environment Programme	B. Nicodemus
Kemitraan	Abimanyu Aji
PT Sarana Multi Infrastruktur	Puti Faraniza
Save the Children	Yudha Lubis
Indonesia Infrastructure Finance	Adina Rizka
Penabulu	Nurul Chotimah
Yayasan Kehati	Ami R. Putriraya
Mercy Corps Indonesia	Khair Ranggi, Denia A. S.
Asosiasi Pengusaha Hutan Indonesia	M. Iskandar
Koalisi Perempuan Indonesia	Mike Verawati
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	Fiferi Murni
Pengelola Listrik Negara (PLN)	Rico
Asosiasi Bank Sampah Indonesia (ASOBSI)	Wilda Yanti
Électricité de France	Fathan Musib
HDF Energy	Dhiah Karsiwulan
Samdhana Institute	Nurul Chairunnisa
Ministry of Health	Adelina Hutauruk
Local Government of Kota Pekalongan	Diah Wahyuningrum, Imron Rosyidi

Local Government of Kabupaten Pekalongan	Widi Hari Nugroho
Provincial Government of Gorontalo	Nursyahadah Sjarif





KEMENTERIAN KEUANGAN
REPUBLIK INDONESIA

NDA | National Designated Authority
GCF | Green Climate Fund
Indonesia

Sekretariat NDA-GCF Indonesia

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