

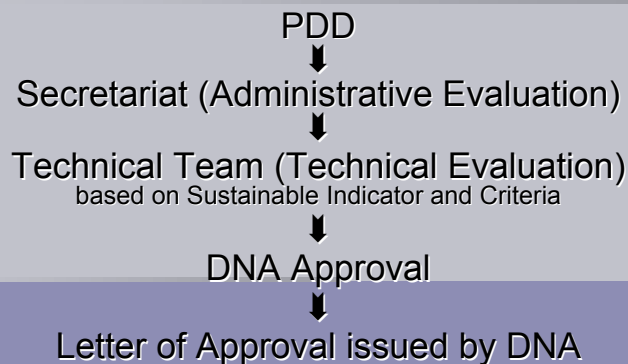


CO-BENEFIT BY IMPLEMENTING CDM IN INDONESIA

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Bonn, 11th May 2007

Approval Procedure for CDM Project



The duration of DNA Approval will take 4 weeks

Indicator and Criteria of Sustainable Development

Environmental Sustainability (1)

The Scope of evaluation is the area within the project's ecological border affected directly by the project activities.

Criteria : Environmental sustainability by practicing natural resource conservation and diversification

- Maintain sustainability of local ecological functions
- Not exceeding the threshold of existing national, as well as local, environmental standards (not causing air, water and/or soil pollution)

Environmental Sustainability (2)

- Maintaining genetic, species, and ecosystem biodiversity and not permitting any genetic pollution
- Complying with existing land use planning

Criteria : Local community health and safety

- Not imposing any health risk
- Complying with occupational health and safety regulation
- There is a documented procedure of adequate actions to be taken in order to prevent and manage possible accidents

Economic Sustainability

The scope of evaluation is within the district (city) administrative border. If the project's impacts are cross-district(city), the scope extends to cover all affected districts (cities)

Criteria: Local community welfare

- Not lowering local community's income
- There are adequate measures to overcome the possible impact of lowered income of community members
- Not lowering local public services
- An agreement among conflicting parties is reached, conforming to existing regulation, dealing with any lay-off problems

Social Sustainability

The scope of evaluation is within the district (city) administrative border. If the project's impacts are cross-district(city), the scope extends to cover all affected districts (cities)

Criteria: Local community participation in the project

- Local community has been consulted
- Comments and complaints from local communities are taken into consideration and responded to

Technology Sustainability

The scope of evaluation within national border

Criteria: Technology transfer

- Not causing dependencies on foreign parties in knowledge and appliance operation (transfer of know-how)
- Not using experimental or obsolete technologies
- Enhancing the capacity and utilisation of local technology

Co-Benefit in Indonesia Development by Implementing CDM

- Reducing Green House Gases Emission
- Achieving Sustainable Development Criteria:
 - ✓ Meet air emission and other national environmental standard
 - ✓ Increasing utilized of renewable energy (Policy on National Energy Mix 2025)
 - ✓ Developing Integrated Domestic Waste Management
 - ✓ Reducing water and raw material consumption
 - ✓ Increasing income generating
 - ✓ Having additional fund for Community Development
 - ✓ Increasing awareness on SME (Tofu Bundling Pilot Project)
 - ✓ Increasing awareness of related sector and local government

What we need to maximize the Co-Benefit (1)

1. Capacity building for central and local government
2. Concrete pilot project to achieve Sustainable Development
3. Optimalization CDM Projects by:
 - ✓ Technology Transfer
CDM as an viable option to support the implementation of Technology Transfer to appropriate countries
 - ✓ Financial
Viability of CDM activities are depending on financing issue (Start from pipeline identification, FS, PDD development, Registration, etc)

What we need to maximize the Co-Benefit (2)

4. Next CDM Strategy
 - ✓ Mainstreaming mitigation activities through sector policies
 - ✓ Encourage sector to reduce GHG by voluntary based
 - ✓ Encourage applicable and efficient Technology
 - ✓ Setting target by activities which produce the most GHG ⇒ sector approach (such as: Oil & Gas, Transportation, Industry, etc)
5. CER Price should equal for Annex 1 and non-Annex 1 countries

Thank You