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General Information

Applicant: WWF Indonesia

Jurisdiction: North Kalimantan, Indonesia

Project title: **Readiness for Jurisdictional Land-based Low Carbon Development of North Kalimantan, Indonesia: Institutional Arrangement, Strategic Interventions and Sub-National MRV**

Proposed start date: July 1st, 2018

Proposed duration (must not exceed 18 months): 18 months

Total request in USD (must not exceed \$400,000): USD 299,841

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Proposal Outline

1. Rationale and Approach	3
1.1. Summary.....	3
1.2. Self-Assessment.....	3
1.3. Strategic Opportunities.....	11
1.4. Objective and Expected Result.....	14
1.5. Description of Activities.....	16
1.6. Implementation Plan and Timeframe: 12 – 18 Months (table)	17
1.7. Cross-cutting Issues	19
2. Risks, Monitoring and Evaluation	20
2.1. Risk Management	20
2.2. Monitoring.....	20
2.3. Sustainability of Results.....	21
3. Budget (to be included as separate excel file)	21

1. Rationale and Approach

1.1. Summary

North Kalimantan is located in the northern part of Borneo Island. It is Indonesia's youngest province, officially ratified as a province on October 2012. North Kalimantan is divided into four regencies (*kabupaten*) and one city (*kota*). The Province lies within the Heart of Borneo (HoB) National Strategic Area of Indonesia, makes up of 22% of the total HoB area. The total area of North Kalimantan is 75,467.70 km², with a total population of approximately 666,333 persons in 2017. Three of the five districts are, partially or completely, situated in the Heart of Borneo (HoB): Malinau, Nunukan and Bulungan. Occupying a great deal of HoB area, North Kalimantan is extremely important to the conservation of HoB.

In 2016, the extent of forest cover shows a figure at 78.4%, or nearly 6 million hectares. The average deforestation in the past five years only reaches 33,000 hectares annually given large-scale agriculture for oil-palm plantations, commercial logging and smallholders agriculture are named as the primary drivers of deforestation.

GHG emission sources in North Kalimantan Province include: primary dry forest changes into secondary dryland forests, secondary dryland forest changes into open land, secondary dryland forest changes into plantations, mangrove forest changes into shrimp ponds, secondary forest conversion to agricultural land, secondary dryland forests changes into paddy fields, open land conversion into settlements, secondary dry forest changes into mining (Draft of GHG Action Plan of North Kalimantan, 2016). So far, the Provincial Government of North Kalimantan has made a breakthrough to reduce deforestation and degradation through establishing areas in Provincial and District Spatial Planning (RTRWP & RTRWK), seeking to issue some local government policies favoring sustainable development and conservation, encouraging stakeholder engagement (especially community and private sector), as well as trying to allocating budget for some activities that contribute to the reduction of deforestation and degradation.

In balancing the need of accelerating the province economic growth and avoiding deforestation, this project is aimed at strengthening governance of natural resources in the province through policy and implementation of the green economic approach, as well as improving the multi-stakeholder initiative on Better Management Practices (BMP) and social forestry. At the end of the 18 months project duration, the partner will deliver a governance model of sustainable natural resources in sustaining biodiversity and ecosystem services in priority areas of North Kalimantan jurisdiction. A total amount of USD 400.000 is proposed to GCF Fund to support the strengthening of green economic approach in North Kalimantan. By 2020, the model is designed to evolve as a center of excellence for other jurisdictions.

1.2. Self-Assessment

Existing Jurisdictional Strategies

- Is there an existing jurisdictional REDD+ strategy? Yes No If yes, please provide name, year of approval, and link to the strategy online. **Yes**, North Kalimantan government has yet to developed jurisdictional REDD+ Strategy. The government, however, has put in place a commitment to begin Jurisdictional GHGs Emission Reduction Action Plan. A statutory document derived from national action plan. In remark of the commitment, the government has officially signed and ratified the Rio Branco Declaration on 20 April 2018
- What is the geographic coverage of the strategy? The coverage of the strategy is applicable to the entire jurisdictional boundaries of the North Kalimantan province.

- Which drivers of deforestation (direct and underlying) are addressed? Which agents of deforestation/change are associated? The primary driver of deforestation in the province is from the agriculture sector, with particular emphasize from oil palm plantations (and minor contribution from rice, cassava), land conversion from natural forest to forest plantation, mining. In detail are primary dry forest changes into secondary dryland forests, secondary dryland forest changes into open land, secondary dryland forest changes into plantations, mangrove forest changes into shrimp ponds, secondary forest conversion to agricultural land, secondary dryland forests changes into paddy fields, open land conversion into settlements, secondary dry forest changes into mining (Draft of GHG Action Plan of North Kalimantan, 2016). The agents are some government institutions.
- How does the strategy fit with the broader policy framework, including sectoral policies? Are there any inconsistencies? The strategy of the Government of North Kalimantan has been in place under the mid-term development plan 2016 – 2021. It outlines 9 strategic issues:
 1. Lack of comparative advantage of the human resources in facing the global competition.
 2. The provincial economic growth mainly relies on activities that are vulnerable against economic and environmental sustainability.
 3. Low utilization of agriculture resources, perennial crops, plantations, husbandry, forestry, fisheries and aquafarming towards downstreaming of the industry in order to enhance people livelihood, sustainability and food resilience.
 4. Poor access and regional connectivity and limited infrastructure that -in combination- causing slow-growth.
 5. Inequality of economic opportunities that cause unemployment and poverty.
 6. Illegal activities across the national boundaries that cause loss of economic potential and also social disruption.
 7. Lacking provision and distribution of energy.
 8. Under-capacity to meet good dan clean governance;
 9. declining environmental resilience impacted by land use change due to irresponsible development.

This project proposal is aimed at addressing the provincial government's, among others, strategic issues pertaining to no.7 and no.9: lack of provision and distribution of energy (electricity) and declining environmental resilience impacted by land use change due to irresponsible development.

- Is there a link between the jurisdictional strategy and national REDD+ strategy or processes? Yes No What about global processes? Yes No If yes, please describe. **Yes**, Based on MoEF No:P.70/MENLHK/SETJEN/KUM.1/12/2017 about Procedure Reducing Emissions From Deforestation and Forest Degradation, Role of Conservation, Sustainable Management of Forest and Enhancement of Forest Carbon Stocks. For global processes, the rule actually has been followed the IPCC Guideline. Besides that, based on available data on draft of Local Action Plan – Green House Gases of North Kalimantan Province (RAD-GRK), has not been calculated / measured in detail deforestation and degradation in Kaltara. In additional information, By 2019 in National Policy that all of RAD-GRK document in Indonesia will be revised/reviewed and the document will be changed into PPRK (Perencanaan Pembangunan Rendah karbon/Low Carbon Development Plan). Currently, the regulation that support this still in the draft of Presidential Regulation (Raperpres), the future will be used instead of Perpres No.61/2011 related RAD-GRK. Now, at the national level is still on going review process of RAN-GRK. This proposal will review the draft of RAD-GRK of North Kalimantan 2016, complete the necessary data and conduct analysis and adjustment to the regulations and guidelines related to PPRK including the new RAN-GRK. Also ensuring integration

between PRRK North Kalimantan with initiatives that are relevant and contained in the Regional Mid-Term Development Plan (RPJMD) document, the Strategic Plan of Agencies and the Annual Budget of Work Plan of Agencies. Usually, Bappeda (Regional Development Planning Agency) take a lead all the process and will be coordination with relevant agencies to conduct activities that contribute to reduce emission from deforestation and forest degradation.

- Is there a system for monitoring progress of the existing jurisdictional strategy (forest and non-forest data)? Yes No Please describe and provide links where relevant. **No**, not developed yet
- Does the strategy link to national forest monitoring systems, safeguards information systems, or other relevant national/global monitoring processes? Yes No If yes, please describe. **Yes**, there is National Registry System which accommodate all of the land base and non land base sector activities in supporting for monitoring the GHG reduction target in sub national. The strategy link to national based on Regulation of MoEF No: P.71/MENLHK/SETJEN/KUM.1/12/2017 about MRV Action Guideline and Climate Change Control Resources.

Other Relevant Low-Emissions Development Processes

- Are there any supply chain commitments and/or initiatives currently active in the jurisdiction? Yes No **Yes**
- If yes, how does your existing jurisdictional strategy relate to existing sustainable supply chain initiatives, if at all? In 2010 the Government of Indonesia pledged to reduce emissions by 26% (41% with international support) against the business as usual scenario by 2020. The current administration, under President Joko Widodo, has determined priority actions within the national Nawa Cita (Nine Priority Agendas) framework, which includes protecting Indonesia's citizens, encouraging rural and regional development, improving the quality of life, and improving productivity and global competitiveness. These core missions are consistent with the national commitment towards a low carbon and climate change-resilient development path, in which climate change adaptation and mitigation constitute an integrated and cross-cutting priority of the National Medium-Term Development Plan. In the jurisdictional context, there are 1 forest concession that have been FSC certified and 1 cold storage company that has been ASC certified. Several supply chain companies in North Kalimantan are now seeking to sustainable management certification, the Provincial Government of North Kalimantan strongly supports and encourages the private sector to work with development partners such as WWF Indonesia & GIZ Forclime that has been working in North Kalimantan to achieve of sustainable management recognition.
- Are there any commitments and/or initiatives with Indigenous Peoples and/or Local Communities (IP/LC)? Yes No **Yes**
- If yes, how does your existing jurisdictional strategy relate to existing IP/LC initiatives, if at all? The indigenous people, Dayak, who mostly live in and surrounding Kayan Mentarang National Park has established an initiative, FOMMA (*Forum Musyawarah Masyarakat Adat*). This initiative also covers indigenous network in Malaysia's Borneo as a platform to maintain and enhance the resilience of the indigenous people. The jurisdictional strategy to be develop will take into account the inclusion of indigenous people rights, this will not only promoting the adaptation and implementation of Free Prior Informed Consent (FPIC) but will strive to promote the indigenous people as influential.
- Are there any other important projects or activities relevant to REDD+/LED occurring in the jurisdiction? Yes No If yes, please list the organisation(s) or partner(s) and briefly describe the initiative(s). **Yes**

- Regional Development Planning Agency → initiate to develop Local Action Plan-Green House Gases (RAD-GRK), committed to conservation and sustainable development in the Heart of Borneo (HoB), coordinate to all of relevant agencies that contribute to reducing emission
- Environmental Agency → as a Liaison of GCF for North Kalimantan, initiate to “program Kampung Iklim/Green Village” where is this program coming from National Government (MoEF), coordinate to all of agencies that related to environmental issues
- Forest Management Unit (IUPHHK-HA) → (Sustainable Forest Management Implementation)
- Forest Management Unit (KPH) → (Long Term of Forest Management Plan/RPHJP, Bussiness Plan & Social Forestry)
- GIZ Forclime → Peatland Management & FMU Good Governance, support Malinau District to implement DA-REDD+
- WWF Indonesia → Mangrove management (including to conduct better management practices for shrimp ponds toward Aquaculture Stewardship Council/ASC), Social Forestry, Renewable Energy, Sustainable Forest Management

Financing and Investment

- Is the jurisdictional strategy supported by a clear and detailed investment/implementation plan? Yes No **Yes**
- If yes, what is the reach of the investment plan (for example, geographic reach, sectoral reach)? Please describe. Geographic and sectoral reach. The target of total emission reduction has been decided. This target have been consists of land-based sector and non-landbased sectors.
- Have you identified the various existing financial streams that may be relevant to the implementation of the REDD+ strategy/plan and ways to engage them (at the very least public financial flows, domestic and international, and potentially private streams)? Yes. Until now, there is a little existing financial stream from Government budget, GIZ Forclime and WWF-ID that may be relevant to the implementation of the REDD+ strategy
- How much of the budget is being financed, and by whom? USD 400,000 by GCF Fund
- Are there opportunities to align existing financing to the jurisdictional REDD+ objectives? Yes No If yes, please describe. **Yes**, 1. Mainstreaming the REDD+ activities into Long-Term (20 years) and Mid-Term Regional Planning (5 years); 2. Mainstreaming REDD+ activities in Annual Working Plan of the Government Agencies; 3. Synchronizing the activities with development stakeholder purposes

Learning from existing strategies or plans (if applicable)

- What have been the main results of the jurisdictional strategy(ies) and/or plan(s), and have they led to the expected outcomes and/or outputs? The main results are: 1. Stakeholders committed to support and implement emission reduction through REDD+ stratgey at jurisdictional approach; 2. Increased stakeholders capacity (technically and institutionally) to support and implement REDD+ strategy; 3. Documented and shared Model (demonstration plot) and lessons learned on experience in implementing REDD+ strategy
- What is (still) needed in order to achieve the desired impact? 1. Preventing land and forest fire, land and estate fires; 2. Community, with emphasis on gender equity, empowerment and monitoring; 3. Controlling licensing process
- Have there been any unexpected outcomes or outputs? Many sectors and/or actors are not ready to implement REDD+ because of lack of capacity
- What are the most important lessons learned (good or bad) from implementation of existing

strategy(ies) and/or plan(s)? The agreement among Head of Districts (Bupati's) and the Provincial Government (Governor) on consistency to implement Provincial Spatial Planning as well as conserving HCV within provincial area

- Describe the most important challenges in developing or implementing the strategy(ies) or plan(s)? Please consider the following:
 - o Which aspects of the strategy(ies) and/or plans have not been implemented and why? 1. Commitment and Policy Inconsistency; 2. Transparency on licences; 3. Lack of monitoring for small scale enterprises/entities; 4. Lack of Financing
 - What are the ongoing barriers? 1. Lack of recognition of community and indigenous tenurial system; 2. Lack of coordination between Districts and Province concerning Permit issues

Partner Capacity

- Does the partner organisation have a strong presence in the jurisdiction? Yes No Briefly describe any previous relevant REDD+/LED initiatives led by the partner organization. **Yes.** Previous relevant REDD+/LED initiatives led by the partner organization:
 - a. Plantation Agency : Establishment of a sector of sustainable plantation, managing land and estate fires, etc
 - b. Forestry Agency : Managing forest fire, establishment community-based forestry, SFM, etc
 - c. Environment Agency : Implementing the all of policy that related to good environmental governance, conflict resolution in Kayan-Sembakung Delta, protected and conserved the Bornean Pygmy Elephant, etc
 - d. University : Research on establishment some of tools such as MRV, safeguard, facilitating document HCV-tools, etc
 - e. GIZ : Support the development of Forest Management Unit in North Kalimantan, contributing the development of Strategic and Action Plan of Provincial GHG Mitigation, North Kalimantan
 - f. WWF: Supporting the low carbon development program and mainstreaming climate change issue into annual and mid term development planning, will be develop North Kalimantan FREL, supporting the development of Web-based Portal Data on MRV
- Is this a regional proposal? **Yes** No Yes If yes, please describe why a regional approach is necessary. The North Kalimantan has relatively good forest cover in Kalimantan. As a new autonomy area North Kalimantan will be opened their areas for developments. If the North Kalimantan has not policy or intent to protect the remaining natural forest, the North Kalimantan will become higher emitters for emission. With the authority given to the Province, it can develop policies that are agrees with sustainable development and monitoring the implementation.
- Does the partner have the capacity to effectively manage a project of this scale? **Yes** No Yes. Please describe. The Environmental Agency of North Kalimantan has successfully gave inputs (especially for environmental issues) to North Kalimantan Provincial Spatial Planning, especially for environmental issues such as Bornean Pygmy Elephant protection (habitat), Protecting the main watershed, HCV identification areas, Peatland and Mangrove areas.
- Is the partner working with other jurisdictions on separate proposals? Yes No **No**
- If yes, does the partner have the capacity to work with multiple jurisdictions? Yes No Please describe.
- Does the partner have the capacity to apply [UNDP's Social and Environmental Standards \(SES\)](#)? Yes No If yes, please provide evidence." **Yes.** Description of how the

project/program meets the UNDP SES. Indonesia has developed social and environmental safeguards system, comprises three integrated processes. These are (a) Strategic Environmental (and Social) Assessment (*Kajian Lingkungan Hidup Strategis/KLHS*), (b) Safeguards Information System (SIS) and (c) Feedback, Grievance and Reporting Mechanism (FRGM). Whilst the two have been relatively well developed, FRGM is still in process of refinement.

Relevant policies, regulatory frameworks have also been put in place with regards to Human Right (Principle-1), Gender Equality and Women's Empowerment (Principle-2), Environmental Sustainability (Principle-3) as well as Biodiversity Conservation and Sustainable Natural Resources Management (Standard-1), Climate Change Mitigation and Adaptation (Standard-2), Community Health, Safety and Working Conditions (Standard-3), Cultural Heritage (Standard-4), Displacement and Resettlement (Standard-5), Indigenous Peoples(Standard-6), Pollution Prevention and Resource Efficiency (Standard-7).

With regards to Gender Equity and Women's Empowerment, Indonesia acknowledges that gender issues is paramount. This political commitment is translated into legal and budget commitment with the issuance of relevant regulatory framework and adoption of gender responsive planning and budgeting. Indonesia adopts the twin track of gender mainstreaming and women's empowerment. Including in the relevant policies and legal frameworks that have been developed in ensuring that gender equality concerns are well integrated and addressed in country development frameworks, are, among others, gender budgeting, sex-disaggregated data, and women empowerment programs.

Indonesia's Law No. 32/2009 (on environmental management and protection) and Government Regulation No 46/2016 (on the procedures for the development of Strategic Environmental Assessment (*Kajian Lingkungan Hidup Strategis*KLHS) provide a legal framework for SESA through on environmental protection and management, stipulating the obligation of the Government in developing KLHS as part of the prevention for environmental and socio-cultural negative impacts and risks. The law necessitates KLHS to comply with the following key traits of: (a) being developed at the initial stage of policy, planning and program (KRP) formulation, (b) incorporating the environmental impact assessment; (c) taking into account socio-economic-cultural impact (such as on livelihood, social conflict, socio-cultural heritage, and health), (d) taking sustainability issue into consideration. These traits makes KLHS can be considered as Indonesia's SESA with the needs to develop further the social aspects into it.

The Natural Habitat is one of the major concerns of Indonesia's with more positive than potential negative impacts on natural habitat. Appropriate measures, including policy reform and law enforcement, are identified for addressing the possible negative impacts and risks are, among others, land conversion for one commodity, invasive varieties, and non-treated post mining areas. These measures will facilitate more robust positive impacts that include, among others, restored and better maintained biodiversity, environmental service and ecosystem, reduced deforestation and increased carbon uptake, reduced degraded land, better protected forest areas and its wildlife habitat, decreased fire hotspot, enhanced healthy ecosystem, declined GHG emissions, reduced possible risks of changes in physical and chemical properties of the soil, better provision of livestock feed, more appropriate measures for post-mining reclamation and revegetation, better assurance for well qualified reclamation, and enhanced ecosystem sustainability.

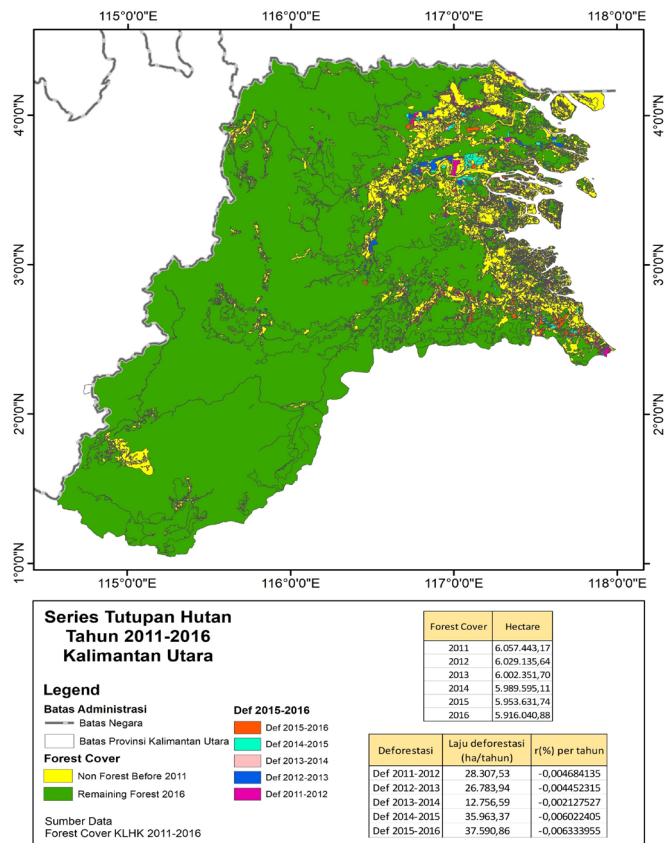
Indonesia fully recognizes the existence of Indigenous People and also Constitution

guarantees the *adat* (customary) community legal rights. The Government is obliged to provide and secure their legal status and identity. *Adat* community is defined as possessing the following characteristics of (a) having been settled in a particular geographic area for over generations, (b) demonstrating the existence of ancestry tied, (c) strong dependence on the environment, (d) following a particular economic, politic, social and legal system (Law No 32/2009). In obtaining their legal status and identify, however, the *adat* community, requires filing a formal request to the Government that will be followed by further identification and verification prior to the Government decision on their legal status. This can be problematic with *adat* community often has limited contact with the outsider and thus limited knowledge and capacity re their legal status and rights. The Government has been putting pro-active approach trough, among others, identifying and documenting *adat* community.

The aforementioned policy and regulatory framework on *adat* community strongly linked and provide assurances on the protection and restoration of both soft and physical cultural heritage. The existing mechanism for protecting and restoring cultural heritage will be maintained and if necessary, refined further. This will be done with intensive engagement of *adat* community.

- Indonesia voluntarily pledged to reduce emissions by 26% on its own efforts, and up to 41% with international support, against the business as usual scenario by 2020, Indonesia has promulgated relevant legal and policy instruments, including the national action plan on GHG emissions reduction as stipulated in Presidential Regulation (PERPRES) No. 61/2011 and GHG inventory through Presidential Regulation (PERPRES) No. 71/2011. Post 2020, Indonesia envisions a progression beyond its existing commitment to emission reductions. Based on the country's most recent emissions level assessment, Indonesia has set unconditional reduction target of 29% and conditional reduction target up to 41 % of the business as usual scenario by 2030. Indonesia has taken significant steps to reduce emissions in land use sector by instituting a moratorium on the clearing of primary forests and by prohibiting conversion of its remaining forests by reducing deforestation and forest degradation, restoring ecosystem functions, as well as sustainable forest management which include social forestry through active participation of the private sector, small and medium enterprises, civil society organizations, local communities and the most vulnerable groups, especially adat communities.
- As the landscape of North Kalimantan consists of dense highland and lowland tropical rainforest, with patches of savanna, karst, and mangrove ecosystem with the river of Kayan connecting the downstream area, challenges of developing the area sustainably are accompanied by mounting opportunities. The Spatial Plan of North Kalimantan (*Rencana Tata Ruang Wilayah Propinsi Kalimantan Utara / RTRW-P*) and Regional Regulation No. 01/2017, allocate 31.887 km² (40.84%) to forest area (*kawasan hutan*), 22.736 km² (29.15%) to agricultural land, including settlements and 23.426 km² (30.00%) to protected areas including national parks. There is the spatial pattern is determined with the aim of optimizing the utilization of space in accordance with its designation as a protected area, cultivation area and custom forest area based on carrying and environmental capacity.

- To put the potential environmental contribution of North Kalimantan into perspective, the forest cover in the area of North Kalimantan is 86.26 % in 2016, which is still exceptionally high for a province in Kalimantan. The result of the land cover/land use interpretation in 2017, the primary dryland forest is still the dominant land use class in North Kalimantan. The proportion is 59% of the total area of North Kalimantan followed by the Secondary Dryland Land with proportion of 22%, and plantations with a proportion of 5%. The rate of deforestation is 0.006% per year, which is the lowest in Kalimantan region (1% per year). Withal, North Kalimantan contributes 22% (5.8 million Ha) of the total forest cover in Kalimantan. Not to mention the exotic biodiversity within the landscape that adds up the value of ecosystem services.



- Taking into consideration the inherited biodiversity-rich region, the North Kalimantan Provincial Government established working groups to ensure that conservation and sustainable natural resources management are properly addressed in the Provincial Medium-Term Development Plan (*Rencana Pembangunan Jangka Menengah Daerah/RPJMD*). The working groups advise and support policy-making process on, notably, land-use planning at provincial and district levels. Through the working groups, pertinent stakeholders can actively collaborate amongst themselves in supporting sustainable development in North Kalimantan. At least there are several working groups among the parties are the North Kalimantan Spatial Plan Coordinating Agency (BKPRD), Collaborative Management Body of Kayan Mentarang National Park (MoEF Decree), Delta Kayan-Sembakung WG's, Social Forestry WG's, HoB WG's, REDD+ WG's.
- Women's empowerment and child protection is one of the issues in the Long-Term Regional Development Plan (RPJPD) 2005-2025 of North Kalimantan Province. The current condition of women's participation in the government of North Kalimantan Province is 30.52% and at the legislative level 10.92% (BPS Kalimantan Utara, 2017). Based on data from the Central Bureau of Statistics (BPS), during the period 2013 to 2015, there was a positive increase in the value of the Gender Development Index (Indeks Pembangunan Gender/IPG), both nationally and in the North Kalimantan. Recorded, in 2013 the North Kalimantan IPG 85.63 (National 90.19), then in 2014 increased to 85.67 (National 90.34) and in 2015 was recorded at 85.68 (National 91.03). The value of North Kalimantan IPG is still below the national average. The indicator of gender equality variables shows a good average, that is equal treatment between men and women (P3) with an average value of 4.57, (P4) with an average score of 4.57, the same obligation between men and women (P5) with an average grade of 4.70. This indicates that governmental institutions of North Kalimantan Province has a good perception of gender equality practice.

1.3. Strategic Opportunities

North Kalimantan is enjoying the largest remaining natural forest cover at 86.26 % with the lowest rate of deforestation at out of provincial terrestrial area and the lowest rate of deforestation at 0.006% in Indonesia. However, the situation may change in the future by what so called need for development in just economic growth business as usual (BAU). The table below is trying to summaries direct drivers of deforestation and it root causes as gap of jurisdictional green growth of North Kalimantan in the forest and other land use sectors. Furthermore, we identify main interventions and the goals as opportunity for jurisdictional green growth development.

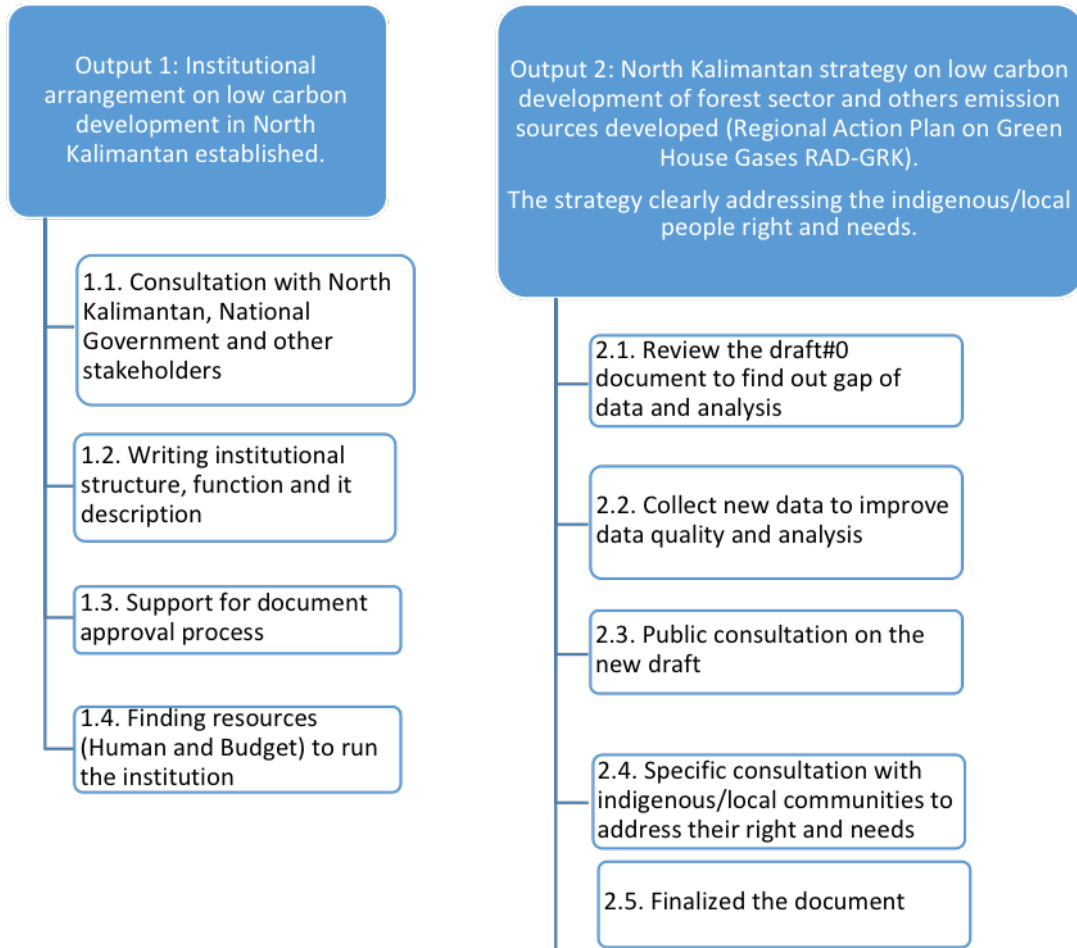
Drivers		Opportunity for Interventions	Goal/Objective
Direct	Root Causes		
Forest conversion for palm oil	Unsustainable policy and practice of land base economic	Sustainable spatial planning policy Controlled permits Strengthen the database system Improve governance; Piloting better management practices; Promoting and attracting green investment and market	Zero deforestation Increase oil palm production with using sustainable & green investment
Expansion of extractive mining	Unsustainable policy and practice of land base economic	Controlled permits Promoting and attracting green investment and market Providing information to support law enforcement	Implementing regulation related to environment
Expansion of shrimp pond on mangrove	Unsustainable policy and practice of land base economic	Clear land allocation and registration Piloting better management practices; Providing information to support law enforcement	Adoption of Aquaculture Stewardship Council, AWS Standard
Road network and to the Infrastructure development	Economy and social connectivity Growth distribution to remote areas	Infrastructure planning KLHS/spatial planning Baseline biodiversity, HCV, HCS	Green infrastructure planning
Unsustainable management of forest concession	Exceeding practice from annual cutting permit Land tenure conflict with local indigenous communities	FSC, SVLK Conflict resolution Spatial planning/permits	Adoption of FSC, SVLK, Conflict Resolution

As a new province and new member of GCF, North Kalimantan needs to prepare the enabling condition to implement the interventions. We identify three main enabling conditions need to be available which consisted of institutional arrangement for jurisdictional program, the finalized strategy of sustainable forest and other land use strategy as part of RAD-GRK and the availability of baseline on forest cover, cover changes and capacity on carbon inventory In North Kalimantan.

Diagram below describe schematic flow of main activities to achieve the expected outcome and impact

Impact: Deforestation rate in North Kalimantan stable in under 1%

Outcome: Within the 18 months, enabling conditions -institutional arrangement, the strategy and the capacity on carbon inventory- are available to enable North Kalimantan in implementing Jurisdictional Strategy



1.4 Objective and Expected Result

Expected Output	Output Indicator	Data Sources	Baseline		Targets	Data Collection Method & Risks	Key Assumptions
			Value	Year			
Output 1: Institutional arrangement on low carbon development in North Kalimantan established.	The Governor decision letter on low carbon development institution; Structure and functions of the institution; The institution acknowledges by stakeholders and have a representatives from women as well as customary peoples	Relevant regulation and policy of the provincial and national (MoEF decree no 70, 71, 72 and 73 2017)	No such institution available	2018	The establishment of low carbon development institution of North Kalimantan	Method: Workshops, FGDs, study visit Risks: Fail to find resources for institution to functioned	Continuous support from the Governments
Output 2: North Kalimantan strategy on low carbon development of forest sector and others emission sources developed (Regional Action Plan on Green House Gases RAD-GRK). The strategy clearly addressing the indigenous/local	The document of RAD-GRK are reflected of low carbon development of forest sector The indigenous/local people & women right and needs are accommodated within the document	National FREL NDC of Indonesia Spatial Planning, Strategic Environmental assessment and regional development planning document of	Draft#0 RAD GRK North Kalimantan Spatial Planning, Strategic Environmental assessment Regional development	2017 2017 2016 2016	Governor regulation on RAD GRK	Method: Collecting data and analysis, workshops, FGDs. Risks: Quality of data availability	Support from some provincial government agencies is high

Expected Output	Output Indicator	Data Sources	Baseline		Targets	Data Collection Method & Risks	Key Assumptions
			Value	Year			
people right and needs.		North Kalimantan	planning document				

1.5. Description of Activities

Output-1: Institutional arrangement on low carbon development in North Kalimantan established

- 1.1. **Consultation with North Kalimantan, National Government and others stakeholders (Local Government, CSO, Local Community & Women Groups, Private Sectors):** these consultations are important to get the policy, interest of the stakeholders as a references to formulate institutional arrangement of low carbon development
- 1.2. **Writing institutional structure, function and its description:** WWF staffs and one consultant will analyze the result of activity 1.1 to start writing the institutional arrangement. There will be a draft ready for feedback in the various consultation with stakeholders
- 1.3. **Support for document approval process:** the draft that already incorporated feedback and input the activity 1.2 to be submitted to provincial government for final input and approval. The process of approval will be followed the government procedure
- 1.4. **Finding resources (Human and Budget) to run the institution and ensure women as well as community representatives:** there will be follow up discussion to start activating to ensuring the women and community representatives in the institution and the approved institutions. So that, consultations with the government to find out government budget allocation as well as with potential donors to be connected under this activity.

Output-2: North Kalimantan strategy on low carbon development of forest sector and others emission sources developed (Regional Action Plan on Green House Gases RAD-GRK). The strategy clearly addressing the indigenous/local people right and needs.

- 2.1. **Review the draft#0 document to find out gap of data and analysis:** based on the draft#0 available of RAD-GRK, the consultant will review the draft to find out gap of data and analysis.
- 2.2. **Collect new data to improve data quality and analysis:** from the result of the activity 2.1 WWF and consultant will collect more data to improve the draft of existing RAD-GRK
- 2.3. **Public consultation on a new draft:** this activity to be used for getting feedback and buy-in from relevant stakeholders (government, cso, local community, women group and private sector)
- 2.4. **Specific consultation with indigenous/local communities and women groups to address their right and needs:** this activity needed to get clear understanding on the right and needs of indigenous/local peoples and women groups to be incorporated into strategic intervention
- 2.5. **Finalized the document:** the consultant and WWF including selected government official will finalize the document incorporating including activity 2.3 and 2.4.

1.6. Implementation Plan and Timeframe: 12 – 18 Months (table)

Impact	Outcome	Expected output	Indicator	Planned activities	Responsible (government or partner)	Implementation schedule					
						Q1	Q2	Q3	Q4	Q5	Q6
Deforestation rate in North Kalimantan stable in under 1%	Within the 18 months, enabling conditions - institutional arrangement, the strategy and framework for subnational MRV- are available to enable North Kalimantan in implementing Jurisdictional Strategy.	Output 1: Institutional arrangement on low carbon development in North Kalimantan established.	The Governor decision letter on low carbon development institution; Structure and functions of the institution; The institution acknowledges by stakeholders dan memiliki representative dari perempuan serta masyarakat adat ...	1.1. Consultation with North Kalimantan, National Government and other stakeholders (Local Government, CSO, Local Community & Women Groups, Private Sectors)	WWF ID for arranging consultation and North Kalimantan Government for approval	V	V				
				1.2. Writing institutional structure, function and it description	WWF ID		V	V			
				1.3. Support for document approval process	Provincial Government			V	V		
				1.4. Finding resources (Human and Budget) to run the institution	WWF ID					V	V
				2.1. Capacity building and Review the draft#0 document to find out gap of data and analysis	WWF ID and Provincial Government	V					
		2.2. Collect new data to improve data quality and analysis	WWF ID and Provincial Government	V	V						
		2.3. Public consultation	WWF ID and				V				
		Output 2: North Kalimantan strategy on low carbon development of forest sector and others emission sources developed (Regional Action Plan on Green House	The document of RAD-GRK are reflected of low carbon development of forest sector The indigenous/local								

Impact	Outcome	Expected output	Indicator	Planned activities	Responsible (government or partner)	Implementation schedule					
						Q1	Q2	Q3	Q4	Q5	Q6
		Gases RAD-GRK).	people right and needs are	on the new draft	Provincial Government						
		The strategy clearly addressing the indigenous/local people right and needs.	accommodated within the document	2.4. Specific consultation with indigenous/local communities to address their right and needs	WWF ID and Provincial Government				V		
				2.5. Finalized the document	WWF ID and Provincial Government					V	V

1.7. Cross-cutting Issues

Interaction with Broader Policy Framework

The biggest forest cover and lowest deforestation rate in Borneo, North Kalimantan contribute to region and national target to reduce emission from degradation and deforestation. The RAD GRK document with legal position of North Kalimantan Province will be in line with National Strategy. With the strength and professional organization, the climate changes issues can be the main issues to mainstream in North Kalimantan. The model's implementations in each sector also contribute the NDC such as food, forest, water and energy.

The project is in-line with Indonesia's national strategy as in Indonesia's NDC that has been submitted to the UNFCCC in 2015. It described baseline and projection of the emission from sources of emission such as forestry, agriculture, energy, waste and industry. It is known that forestry is still the main contribution of the emission and hence allocate to have a high percentage of target to reduce it emission at 40% among other sources. Furthermore, Indonesia has launched in 2017 various regulation on environment including GHG emission. These include regulation on instrument economic for environments, ministerial of Environment and Forestry regulation on REDD+, MRV, GHG project registration. The project will align and contribute to improve synchronization between the national policy and guideline to provincial subnational especially on institutional arrangement, national GHG strategy (RAN GRG) into provincial GHG strategy (RAD GRK) and synchronizing support system of subnational MRV into the national MRV.

The national government has issuance four related to REDD+ technical regulation, namely The MoEF regulation on REDD+, MRV, National Registry System in 2017. These four regulation will be basic references for low carbon development of forestry sector in North Kalimantan. The RAD-GRK strategy is obligatory strategy at provincial government on low carbon development whereby the strategy supported by this project will be integrated into RAD-GRK strategy to ensure integration.

The obligatory to develop the MRV system is at national level. So that, the sub-national MRV system has to be in-line with the national MRV system. The added value sub-national MRV framework will be fine tune data and analysis at the national level to the finer tier to support the forest management on the ground such as forest concessioners, protected areas authorities, community conserved areas to detect analyze and provide spatial recommendations and its intervention to mitigate drivers of deforestation. It can be a step wise approach to improve the quality and validity of calculation planning and intervention. Therefore, data collection and analysis of secondary data on forest cover and forest change is essential to support the MRV system. In addition, capacity building to link the MRV, Benefit Sharing Mechanisms and development strategies to halt deforestation is also necessary for stakeholders in North Kalimantan.

Partnerships

Partnership as a key of the project success. Especially in relation to provincial government of North Kalimantan because this project saving the objective of low carbon development strategy of the province. Key partners identified in provincial level are: forestry, plantation, regional planning, environment, public work and spatial planning, energy, transportation, agriculture, fisheries, association, NGOs, University.

The success of this project depends on and synergizes with the support from multi stakeholders. In general, several forms of contribution expected from project partners can be identified in order to support this program, among others: WWF Indonesia (since 1991 working in North Kalimantan, support the collaborative management of Kayan Mentarang National Park, Support the indigenous community conserve areas, BMPs in forest, agriculture, energy and aquaculture, support the others initiative such as HoB, Social Forestry and Delta Kayan Sembakung); GIZ-ForClime (technical support on climate changes issues, capacity building for KPH human resources, organization strengthening for Forestry Agency and KPH, support on KPH plan set up such as assistance on set up and implementation of Long-Term Forestry Management Plan/RPHJP, Short-Term Management Plan, SOP, and support on implementation of Sustainable Production Forest Management/PHPL);

Borneo University and Kaltara University. For cost affectivity and efficiency of program target achievement, it requires integration of activities and funding convergence with partners who have similar programs as well as activities and funding from national and provincial government.

Multi-stakeholder Participation

The multi-stakeholder participant has ensured in each multi-stakeholder's initiative of each strategic issues in North Kalimantan. The multi-stakeholder participation begins when to identified the strategic/common issues, substance, structure and working mechanism how to deliver the issues. Develop the work plan and identified the resources to deliver the work plan.

Gender Mainstreaming

Each activity uses the basic principle that there is no discrimination against marginalized groups, including women and indigenous peoples. The project will contribute to increasing the women participation in each activity. For the community-based activities as well as to ensure the food resilience, the women is a key actor on this project contribution. The implementor trying to find an easy and affordable place for women representative, so they can easily participate in every activity undertaken.

Knowledge Management and Communications

The North Kalimantan Website has been established, HoB Center also has been established. Especially on climate changes issues, the professional organization will be established including the center of excellent infrastructure by the project planning. Regular meeting, media coverage and regular publication also can be option to communicated to all the parties and public.

2. Risks, Monitoring and Evaluation

2.1. Risk Management

Risks that may be encountered in the project implementation are:

Risk-1: Change of North Kalimantan Governor in 2019. This project needs leadership from jurisdictions. To anticipate the impact from the political process, Project has prepared to be established the organization of climate changes issue in 2018.

Risk-2: Limited the human resources with climate changes issues. The professional's recruitments for organization team and capacity building for selected-relevant stakeholders will be mitigate this gap.

Risk-3: Tenure issues in Forest Areas. In general, the tenurial conflict resolution requires long time if it is not preceded by proper identification of disputants. Capacity building for conflict mediators and the availability of social forestry development acceleration team led by North Kalimantan Forestry Agency and support by social forestry WG's and/or others stakeholder's initiative.

Risk-4: Mindset on BAU in sectors activities. The document of RAD GRK will be mandatory by relevant stakeholders to implement the document. And under multi-stakeholder's initiative and BMP's implementation models can be key tools to advocated the sectors.

Risk-5: Economic condition and financial capability of the government to fully support the sustainable natural resources management. Mobilization of resources, convergence, program integration and encouragement for partnership and investment can be solution to reduce this risk.

Risk-6: Absence of Women's Participation. The participation of women is very important, the mainstreaming women becomes a major focus in every process both in document and implementation. The Government of North Kalimantan is committed to promoting justice and equality. This claim is supported by the establishment of Women Empowerment and Child Protection Agency (DP3A-P2KB).

2.2. Monitoring

Project monitoring will be carried on quarterly-basis through participatory meetings with multi stakeholders, to measure and generate recommendation as well as improvement for the consecutive activity plan. Mid-term review and/or project evaluation in middle years of implementation will be conducted with recommendation result. Final monitoring to view the

project impact and to set up exit strategy will be conducted at the end of the project, and to ascertain the extent to which action plans are adopted and budgeted can be use the tolls 'budget tagging'.

2.3. Sustainability of Results

Local Action Plan-Green House Gases (RAD-GRK) will be changed into Low Carbon Development Plan (PPRK) and the preparation of PPRK must be in-line with Medium Term Development Plan and Strategic Plan of Agencies. This is to ensure that activities have a budget and are implemented. Another thing that Low Carbon Development has become a national commitment, then local government are obliged to committed to do so.

The implementation and learning on this project as a baseline and leverages implementation on sustainable natural resources management in North Kalimantan. The multi-stakeholder's initiative with formal organization, personal skill and BMP's are improved to ensuring the biodiversity and environmental services and be replicated to areas and sectors. The availability of RAD GRK document and project evaluation process make it possible to conduct post project activities. The issuance of supporting policies, by both Agency and Governor, becomes a commitment for the post-project program sustainability.

Moreover, as this project runs and achieves the planned output, this can strengthen North Kalimantan jurisdiction to implement the Green Economic Approach and access Green funding schemes.

3. Budget (to be included as separate excel file)

The detail budget will be presented in separated excel file.