

Indonesia

General Information

<p>Summary</p>	<p>Status: ETS under development</p> <p>Jurisdictions: Indonesia</p> <p>In 2017, Indonesia passed the ‘Government Regulation on Environmental Economic Instruments’ that provides a basis for ETS implementation. This regulation sets a mandate for an emissions and/or waste permit trading system to be implemented by 2024 (within seven years from its passage).</p> <p>In 2018, Indonesia completed a study outlining the emissions profiles and marginal abatement cost curves of the power and industry sectors, in addition to completing the design and governance framework of an MRV system. The MRV guidelines for the power sector were released in mid-2018. Following this, an online GHG reporting platform for electricity generators and a pilot MRV program for electricity generators in the Java-Madura-Bali grid (covering ~70% of Indonesia’s electricity demand) were launched in late 2018. The Ministry of Industry has also developed an online GHG emissions reporting system for industries in Indonesia. Pilot MRV programs are being conducted in the cement and fertilizer sectors.</p> <p>A study completed in late 2018 examined four market-based instrument options: an ETS for the power and industry sectors; energy efficiency certificates for industry; a cap-and-tax system; and a carbon offset mechanism. Based on the study and stakeholder consultations, an ETS scenario was selected for further development.</p> <p>A presidential regulation that will provide a national framework for carbon pricing instruments, including an ETS, is reaching an advanced stage, to be decided in early 2021. In parallel, a limited ETS pilot in the power sector is planned for implementation in 2021.</p>										
<p>Year in Review</p>	<p>No information available yet.</p>										
<p>Overall GHG emissions (excluding LULUCF)</p>	<p>Emissions: 1,457 MtCO₂e (2016)</p>										
<p>Overall GHG emissions by sector (in MtCO₂)</p>	<table border="1"> <thead> <tr> <th>Sector Name</th> <th>MtCO₂e</th> </tr> </thead> <tbody> <tr> <td>Energy (538)</td> <td>538</td> </tr> <tr> <td>Industrial processes (55)</td> <td>55</td> </tr> <tr> <td>AFOLU (including peat fire) (752)</td> <td>752</td> </tr> <tr> <td>Waste (112)</td> <td>112</td> </tr> </tbody> </table>	Sector Name	MtCO ₂ e	Energy (538)	538	Industrial processes (55)	55	AFOLU (including peat fire) (752)	752	Waste (112)	112
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<p>GHG reduction target</p>	<p>BY 2030: 29% below BAU by 2030 incl. LULUCF (unconditional NDC); up to 41% below BAU by 2030 incl. LULUCF (NDC conditional on international support)</p>										
<p>Carbon Price</p>	<p><i>Current Allowance Price (per t/CO₂e):</i> No information available yet.</p>										

ETS Size

Covered emissions	No information available yet.
GHGs covered	No information available yet.
Sectors and thresholds	No information available yet.
Point of regulation	No information available yet.
Number of entities	No information available yet.
Cap	No information available yet.

Phases & Allocation

Trading periods	No information available yet.
Allocation	No information available yet.

Flexibility

Banking and borrowing	No information available yet.
Offsets and credits	No information available yet.
Market Stability Provisions	No information available yet.

Compliance

Compliance Period	No information available yet.
Monitoring, Reporting, Verification (MRV)	No information available yet.
Enforcement	No information available yet.

Linking

Links with other systems	No information available yet.
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Other Information

Institutions involved	Coordinating Ministry for Economic Affairs; Coordinating Ministry for Maritime and Investment Affairs; Ministry of Environment and Forestry; Ministry of Energy and Mineral Resources; Ministry of Industry;
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	Ministry of Finance; Environment Fund Agency; National Development Planning Agency; PMR Indonesia Secretariat; UNDP Indonesia.
Evaluation / ETS review	No information available yet.
Revenue	No information available yet.
Implementing Legislation	GR 46/2017 on Government Regulation on Environmental Economic Instruments Act No. 32/2009 on Environmental Conservation and Management

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