Towards A Comprehensive Green Growth Project Database in Indonesia

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Outline of the Presentation

• Quick review of UNEP’s Green Economy definition

• What defines a Green Economy Project?

• Database development process

• Database structure

• The future?

• Next steps
Green Economy

• Green Economy as defined by UNEP:
  “improve human well-being and social equity, while significantly reducing environmental risks and ecological scarcities”

• Key elements
  – Improved wealth $\rightarrow$ continued growth, measured in terms of national wealth (capital base) and GDP as a result
  – Socially inclusive $\rightarrow$ pro-poor and ensuring the inclusion of the most vulnerable
  – Environmentally sound and climate smart $\rightarrow$ increased resource efficiency to reduce carbon/environmental footprint (decoupling)
  – Enhance the natural capital basis (reducing scarcities) of development
What defines a Green Economy Project?

- Based on a broad interpretation of the UNEP definition, over 50% of ODA can be classified as “Green Economy Activities”

- Green economy projects defined as projects developing strategies aiming to go beyond the existing baseline development plan and focusing on:
  - "Greening" policies and encouraging policy reforms
    - Internalisation of environmental externalities
    - Creating an environment enabling green business to emerge and/or the greening of existing businesses
  - Reducing GHG emissions while generating co-benefits
    - Natural capital (biodiversity, climate, natural resources)
    - Social capital enhancement (e.g. social inclusive)
  - Initiating green behaviors within governmental or private bodies
What defines a Green Economy Project? (II)

Project Examples

• Projects enabling to shift from coal to renewable energy sources (ex: waste to fuel land fill methane capturing, geothermal)
  – Impacts in terms of wider environmental benefits are significant due to high costs of coal related externalities (health, biodiversity (mining), ecosystem quality, etc.)
    → included in the database and defined as Green Economy projects

• Projects providing policy support for macroeconomic stabilisation
  – Reducing risk with regards to macroeconomic instability is considered as baseline development
    → not included
Process

1. Reviewing existing data sources; internet searches
   • Development of a list of projects meeting the criteria

2. Selected projects enter the database

3. Classification of projects based on defined key variables

4. Database update
   • Contacting implementing agencies/donors/project managers for additional information
   • Reassessing the classification based on findings

NB: projects in the concept note stage are not included.
Structure

• There is no “Green Economy” or “Green Growth” definition specific to Indonesia yet, so the UNEP definition is used as a basis

• Focus on a functional classification
  – To capture best what is on-going in the field and ensure the database makes sense for practitioners
  – To include cover niche activities (eco-tourism) important in the Indonesian context
## Database

<table>
<thead>
<tr>
<th>Projects/organizations</th>
<th>Objectives</th>
<th>Type of funding</th>
<th>Amount of funding/budget</th>
<th>Source of funding</th>
<th>Duration</th>
<th>National/local agencies involved</th>
<th>Policy framework</th>
<th>Complementary information</th>
<th>Contact person</th>
<th>Contact</th>
<th>Sources</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of the Project</td>
<td>What does the project want to achieve</td>
<td>Loan, grant, guarantee etc</td>
<td>Amount (in original currency)</td>
<td>Who is funding</td>
<td>Time span (based on plan)</td>
<td>Nat. Counterpart agencies</td>
<td>Relevant policies to which project relates</td>
<td>Specific aspects of project implementation</td>
<td>Project contact</td>
<td>Other contacts related to the project</td>
<td>Sources of information</td>
<td></td>
</tr>
</tbody>
</table>
Key Categories

• General Policy/Climate Change mitigation focused projects (often combined):
  – Mainly low carbon related activities
  – Green Economy exploring green economy
  – Work focusing on SEEA/Ecosystem valuation (none at this point)

• Energy related projects
  – Renewables (geothermal, biogas, hydropower, biofuels, waste to fuel)
  – Energy efficiency

• Forestry, land use and REDD+ projects with a well defined GE development component

• General GE projects implemented at provincial and/or local levels.

• Regional Projects with activities in Indonesia

• Eco Tourism (specific to the Indonesian context)
Future Development?

- Linking the database to a possible Indonesian Climate Finance Options Framework (The CFO-Indonesia is currently being considered by BAPPENAS)

  – On going in Viet Nam → integrated in the CFO-VN to link the development/financing aspects of projects with existing activities.
Next Steps

• Further improve the classification process and Green Economy Definition
  – A definition specific to Indonesia?
• Start with a Gap analysis based on GOI policy priorities with regards to the existing project portfolio to better
  – Target new initiatives
  – Align with GOI policies
• Identify “Green Economy Initial Lessons learnt” based on in-country experience of the existing project portfolio.
• Expand to “Pipeline” projects/activities?
Points for Discussion

• Have we missed key projects/initiatives?
• Do you believe the classification we have used is useful? What additional information would you like to see?
• How can best link between project with a focus on “field/technical capacity focus” and projects with a “policy focus”?
• Any other points?
Contact Points

• For Updates/New Entries for the Database:
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• For General Green Economy Related Comments:
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