

# OSIRIS-Indonesia

A free, unofficial tool to assist in the design of REDD+ rules and incentives in Indonesia

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## Many aspects to REDD

- Technical
- Legal
- Institutional
- Social
- Political
- Economic

## REDD+: An opportunity and a challenge

- Opportunity: \$\$\$ from reducing emissions from deforestation nationally
- Challenge: Make local communities better off financially with forests than agriculture
- Challenge: Make government institutions better off financially with forests than agriculture
- If REDD+ is to succeed, both communities and government must be better off with land maintained in forest than cleared for agriculture. This requires a system of national economic rules and incentives.


## Potential national REDD+ rules and incentives:

- Revenue sharing rules (local, district, province, central government)
- Province, district or local baselines
- Province or district targets (nesting)
- Insurance and permanence buffers
- Protected areas
- Land swaps
- Industry-specific incentives and regulations (e.g. oil palm)

# Indonesia R-PP to FCPF, May 2009

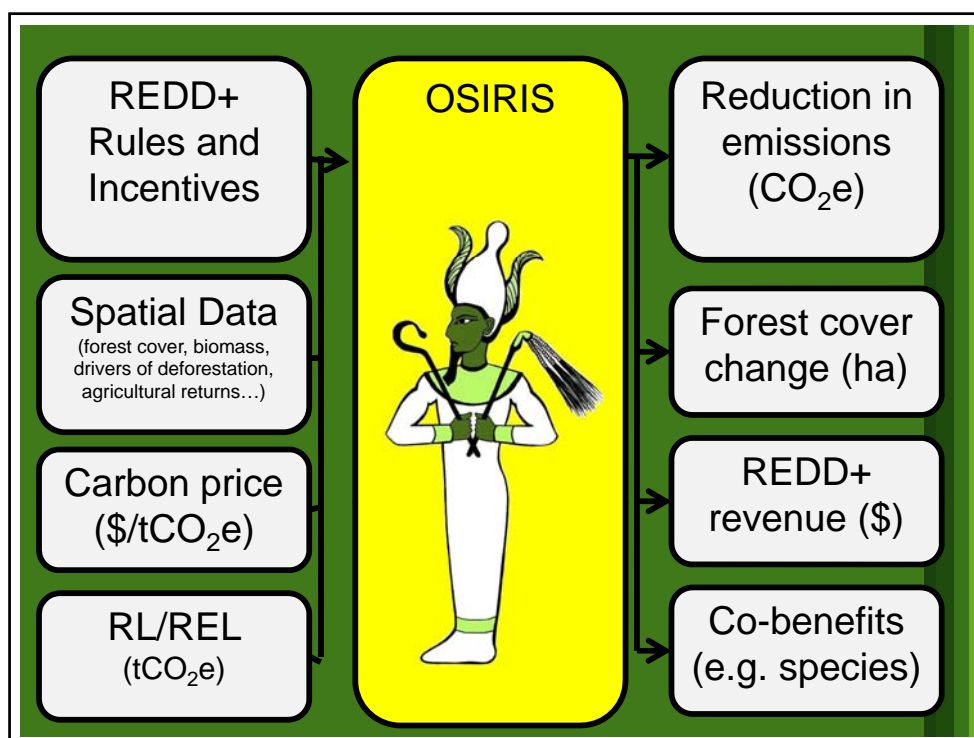
For which aspects of the R-Plan does the country seek external support? :

1. In depth analyses which can provide options as the basis to determine reference emission level (REL),
2. In depth analyses relevant to REDDI approach 'national accounting with sub-national implementation', for example, how to make sure technically and methodological consistency between regions at the sub-national level and between national and subnational levels, including practical models on how to manage this system over time.
3. In depth analysis on financial aspects (especially for readiness phases), potential markets for REDD, and MRV issues under Bali Action Plan which will affect REDD implementation.
4. Capacity building at all levels, access to data/information, technology transfer and know how, shared learning.
5. Identification of specific on the ground investment and other activities that between now and 2012 will lead to emission reductions and sustainable development. Translating these activities into a format that will provide a basis for appraisal by interested private and public investors.

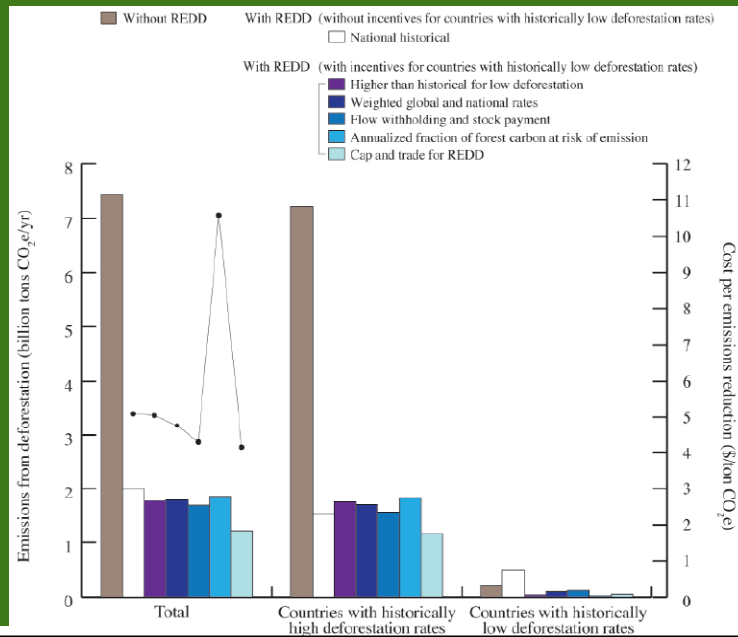
 <b>REDDI STRATEGY</b>	
LEVEL	STRATEGY CATEGORY
NATIONAL	<ol style="list-style-type: none"> <li>1. Policy interventions to tackle drivers of Deforestation and Forest Degradation</li> <li>2. REDD regulations (REDD Guidelines and REDD Commission)</li> <li>3. Methodology (establishment of National REL and MRV system)</li> <li>4. Institutional (National Registry, <b>distribution of incentives/responsibilities</b>, capacity building, stakeholders communication, coordinations among REDD institutions)</li> <li>5. Analytical works (REL, MRV, Opportunity costs, Co-benefits, risks, etc)</li> </ol>
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## What is OSIRIS?

- Open Source Impacts of REDD+ Incentives Spreadsheet
- Goal: Enable REDD+ decision makers and stakeholders in Indonesia to access top quantitative information to support design of national REDD+ rules and incentives.
- Spreadsheet tool and spatial analysis to estimate impacts of alternative REDD+ rules and incentives
- Global and National-level tools to support design of national REDD+ rules and economic incentives (Global, Brazil, Indonesia\*, Peru\*, Madagascar\*)

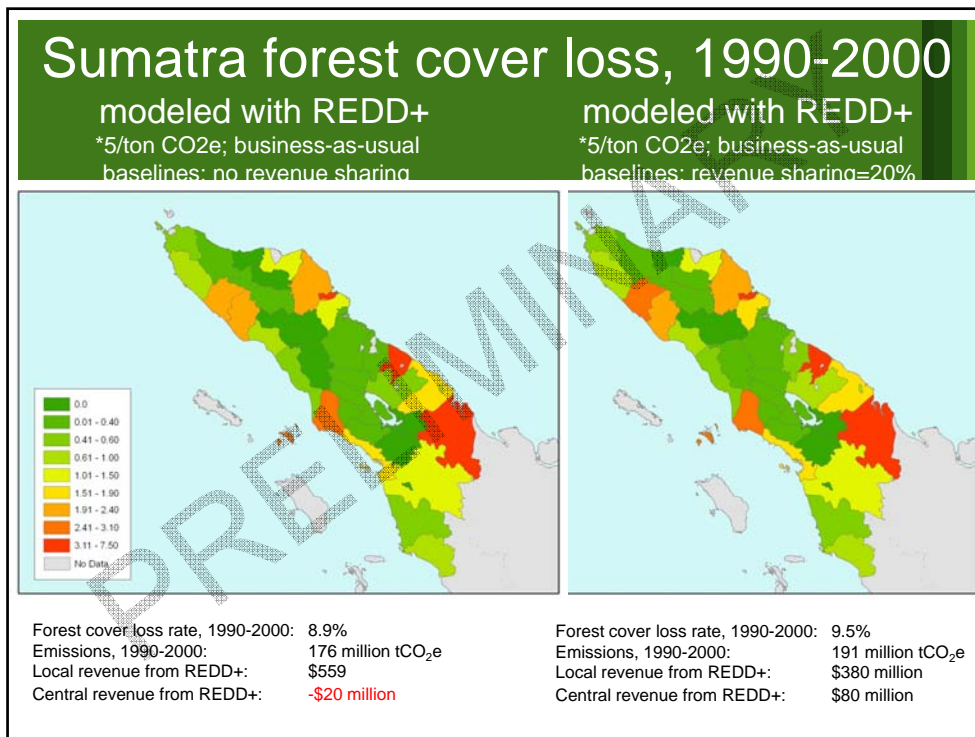
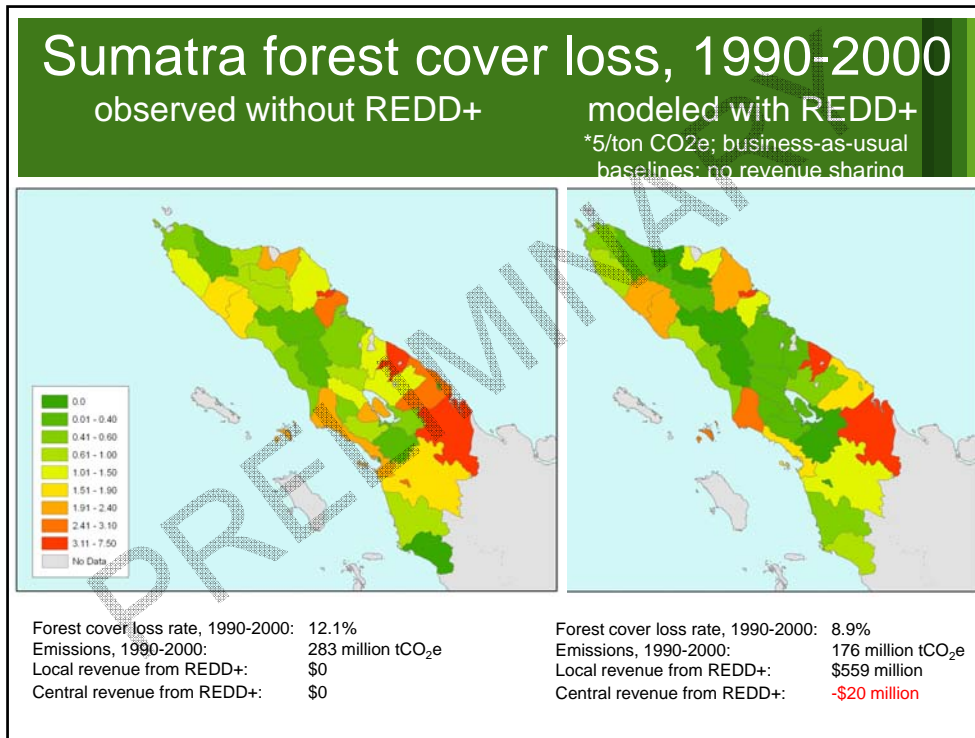


## Example from OSIRIS-Global



## Example from Brazil (Cattaneo et al, 2010)

STATE	POLICY 1: Stock-Flow-Targets		POLICY 2: Cap-And-Trade	
	Reduction in emissions from deforestation	REDD+ revenue	Reduction in emissions from deforestation	REDD+ revenue
Acre	-93%	\$117	-92%	\$88
Amapá	-95%	\$14	-95%	\$152
Amazonas	-97%	\$415	-97%	\$1,073
Maranhão	-88%	\$180	-88%	\$94
Mato Grosso	6%	\$1	-18%	\$(1,163)
Pará	-95%	\$1,327	-95%	\$646
Rondônia	-67%	\$315	-67%	\$(147)
Roraima	-86%	\$50	-86%	\$68
Tocantins	-6%	\$5	-6%	\$(11)
<b>ALL STATES</b>	<b>-56%</b>	<b>\$2,425</b>	<b>-64%</b>	<b>\$799</b>



## Concluding Messages

- Across tropical forest countries REDD+ presents both an opportunity and a challenge
- There are multiple approaches to designing REDD+ rules and incentives, OSIRIS can assist the design of these rules and incentives by allowing the comparison between alternatives
- **Goal: Enable stakeholders across scales to use the tools of economic analysis in the design of REDD+ rules and incentives**

## Terima Kasih!

We invite your input and suggestions

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...and growing!

<http://www.conservation.org/osiris>

