Summary of a workshop on the governance of mitigation in agriculture and forest landscapes

Friday February 8, 2013, Jakarta, Indonesia Hosted by the Ford Foundation Coordinated by the University of Michigan (UM) and the CGIAR research program on Climate Change, Agriculture and Food Security (CCAFS)

1. Introduction

The purpose of the workshop was to introduce the UM-CCAFS research project, to highlight interventions among projects, and to facilitate exchange and the generation of ideas among participants related to institutional arrangements and the assessment of outcomes.

2. Presentations

The workshop began with presentations from UM-CCAFS and from four projects concerning innovations for avoided deforestation from sustainable oil palm:

a. UM-CCAFS research project

The purpose of the UM-CCAFS project is to conduct research to support improved institutional arrangements for sustainable commodities like oil palm to reduce their climate impacts, especially through avoided deforestation.

Four levels of partner engagement were proposed:

- Characterization of innovation case (survey, finished by June 2013)
- Detailed institutional analysis (primary data on institutions, data collection finished by August 2013)
- Relationship of institutions and outcomes (outcome data) "single snap shot" (finished by March 2014)
- Partner-driven continuation of work, repeated snap shots

b. Projects

- Kalimantan Forests and Climate Partnership (KFCP)
- Project POTICO
- Katingan Project
- Golden Agri-Resources (GAR)

Presentations are available by request from Peter Newton (<u>newtonp@umich.edu</u>).

3. Institutional arrangements

A discussion on institutional arrangements highlighted key institutions that enabled or constrained project efforts. The discussion emphasized the importance of the:

- relationship and negotiations with the district leader (*Bupati*)
- partnership with multiple stakeholders, including dialogue and trust building
- need for coherent standards and laws in relation to the RSPO, ISPO and Indonesian law (especially related to the classification of APL land, peat land, high carbon stock land, clearing of high conservation value forest)
- need for communication among planning bodies (e.g. BAPPENAS and BAPPEDA I and II) and completion of TGHK

- need for districts and provinces to have fiscal or other incentives to meet emissions targets
- supply chain of custody and ensuring all actors in the supply chain participate
- role of the RSPO in bringing stakeholder buy-in and encouraging participants
- need to reduce risk for early movers to encourage more interventions and enable financial viability during long start-up periods
- current logging moratorium

Participants also discussed options for strengthening institutional arrangements:

- Civil society monitoring may be more effective than certification. NGOs are
 already effective at this in many places, e.g. using GPS on bulldozers and cameras
 to document logging activities. Helping these NGO voices to have credibility, as
 well as their skills, numbers and connectivity would help them. Need to build on
 Forest Watch. Cell phones should be a tool for supporting transparency in the
 field.
- There is a need to involve the Bupatis and political parties. Show how these approaches can attract investment. We should help parties be more informed about the issues.
- Make licenses transparent down to the village level.
- Reevaluate concession allocations.
- Use a jurisdictional approach with fiscal incentives for the Bupati, e.g. centrally allocated DAU and DAK.
- May need to pursue initiatives independently of REDD+.
- Support better buyer awareness and pressure throughout the supply chain for sustainable products.

Impacts and Attribution

The discussion on impacts and on the attribution of outcomes to interventions focused on a vision for what needs to be measured to assess outcomes:

- Biophysical metrics needed include forest cover, HCS, HCV (GAR, Katingan and KFCP measure all three of these), as well as permits and engagement in new activities.
- Possible metrics for social impacts include
 - o Income, alternative livelihoods, rubber production
 - Sources of income that do not change lifestyles of farmers
 - Sources of income linked and not-linked to deforestation
 - o Supply chain impacts, esp. employment
 - Available farmland
 - Community areas (participatory maps) and encroachment
 - Social conflict
- Projects differ in how often they monitor carbon (actual or planned), so depends on purpose
 - o GAR- just to establish set aside HCS areas,
 - o Katingan annually by VCS once they start selling credits
 - o KFCP- monthly

- The need for baselines and counterfactuals ('controls') for the attribution of impacts to an intervention, e.g. test impacts in a comparable place where the intervention is not implemented.
- Technologies such as cheaper drones and balloons exist for inexpensive monitoring. Drone package is about USD200k according to Earthline.
- Analysis is currently planned by Climateworks of maps of biophysical conditions, permits (where companies are they in the permit process and physical locations of permits, no solid numbers exist), and social conflict

The workshop concluded by asking participants for their feedback on the research and expressions of interest in participating in the project.

For further information, please contact Peter Newton (newtonp@umich.edu) or Lini Wollenberg (ewollenb@uvm.edu).