

Additional Advice to Bidders on the KFCP

Note: Bidders are referred to the KFCP Framework Design Mission Final Draft Report (dated 15 September 2008) for further details.

The KFCP is intended to inform international negotiations under the UNFCCC on including REDD in a post-2012 international climate change outcome. As part of this effort, the KFCP is expected to demonstrate the following:

- a) A cost-effective reduction in GHG emissions is feasible;
- b) Effective processes for establishing baselines and measuring emission reductions (including additional knowledge and processes specific to peatlands) can be implemented in Indonesia;
- c) Payment mechanisms which provide incentives to achieve and sustain emission reductions can be established and work effectively in Indonesia;
- d) REDD can have positive social impact and contribute to poverty reduction; and
- e) Local capacity in various aspects of REDD is established and sustainable in Indonesia.

In addition to reducing emissions and increasing capacities for REDD, the KFCP is likely to produce a range of co-benefits, including maintaining biodiversity, providing sustainable livelihood benefits for communities that depend on forest resources, reducing health-related impacts and other economic losses from fire and smoke-haze.

The KFCP is to be designed and implemented within the legal and institutional framework of Presidential Instruction (INPRES) number 2 of 2007 for the rehabilitation, conservation, and development of the Ex-Mega Rice Project (EMRP) area in Central Kalimantan. A Master Plan to guide implementation of this Presidential Instruction has been formulated with support from the Dutch government and is expected to be in place in 2009. KFCP is wholly situated within the area covered by the ERMP Master Plan and will be guided by it.

Management Arrangements

KFCP is an integral component of the IAFCP with functional linkages to other components including Indonesia's Forest Resource Information System (FRIS), a National Carbon Accounting System for Indonesia (NCASI), FireWatch Indonesia (a national fire monitoring system), a Technical Panel of experts, and the IAFCP Partnership Office. KFCP will be managed by the IAFCP Facility under the direction of the Partnership Office, which in turn reports to the IAFCP Steering Committee. Task Groups managed by the Partnership Office will formulate discrete tasks for implementation by the Facility Managing Contractor under KFCP and other components of IAFCP.

Partnerships

Partnership is a core principle of KFCP. Where feasible and compatible with the aims of the activity, work shall be done with and through partners so as to build local capacity and ensure sustainable outcomes. The roles of various partners and the structure and functional relationships of partnerships is thus an important part of the design of KFCP.

Key government partnerships to be incorporated in the design of KFCP are those with the Government of Indonesia (GOI), particularly the Ministry of Forestry (MOF); the provincial government of Central Kalimantan, represented by the Provincial Development Planning Agency (BAPPEDA I); the district government of Kapuas, represented by the District Development Planning Agency (BAPPEDA II); and the Dutch government-funded team implementing the EMRP Master Plan.

AusAID anticipates providing support to a provincial secretariat and working group for REDD in Central Kalimantan and a district-level forest management unit under the KFCP design.

The Dutch government has provided funding to a consortium of organizations under the Central Kalimantan Peatland Project (CKPP) and is likely to continue doing so. To the extent their activities overlap or complement KFCP they will be coordinated between the two donor agencies (possibly by co-funding some activities) and incorporated in the detailed design. Other potential partners, including private firms, local NGOs and community-based organizations, will be identified by the design team.

KFCP will also engage a broader group of stakeholders with the aim of building a “REDD constituency” in Central Kalimantan. For this purpose, a behaviour-change communications (BCC) component will be incorporated in the KFCP design.

REDD Outcomes and Learning

As a REDD demonstration activity, KFCP shall be designed to deliver two related but distinct types of result. The first consists of REDD outcomes that contribute directly to the measurable and verifiable reduction of GHG emissions along with tangible co-benefits. These are the outcomes of KFCP as a development activity. The second type of result consists of lessons or “knowledge-based results” that will inform national policy and international negotiations in the UNFCCC. These are the outcomes of KFCP as a learning activity.

The design and implementation of KFCP shall strike a balance between the management aims of a development activity, for achieving on-the-ground REDD outcomes and co-benefits, and those of a learning activity, for achieving knowledge results. The delivery of both types of result shall be measured against milestones leading up to the UNFCCC Conference of Parties (COP 15) in December 2009 and, subsequently, towards an anticipated post-Kyoto international REDD framework commencing in 2012. KFCP shall

make good use of adaptive management principles in order to implement a “rolling design” process that can rapidly and iteratively deploy, test, and evaluate pilot interventions before scaling up to achieve greater impact. This approach can be used for technical interventions such as ecosystem restoration as well as the development of social and economic incentives, governance arrangements, and institutional mechanisms.

Monitoring and evaluation must generate credible data to evaluate program performance and influence key policy decisions. Because of the need for continuous learning and the importance of knowledge-based results, an exceptionally high standard of M&E is required. M&E will include methodologically robust, qualitative and quantitative evaluative studies to determine not only what has worked but why it worked and how it can be replicated. Knowledge management will also engage partners, with an emphasis on communication links that support collective, results-oriented action over fixed information centres. Strong and continuous scientific technical support, including research tailored to the demonstration of REDD, will be required from scientific partners and the experts on the Technical Panel.