



Resilience  
Development  
Initiative



International Federation  
of Red Cross and Red Crescent Societies



PARTNERS FOR RESILIENCE

# ***What are the gaps in the implementation of climate change adaptation financing in Indonesia?***

Saut Sagala, Ramanditya Wimbardana, Raja Siregar, Nur Febriani Wardi



**2018 Southeast Asia  
Disaster Risk Governance**

**Academic Seminar**

**24-26 September  
Bangkok, Thailand**

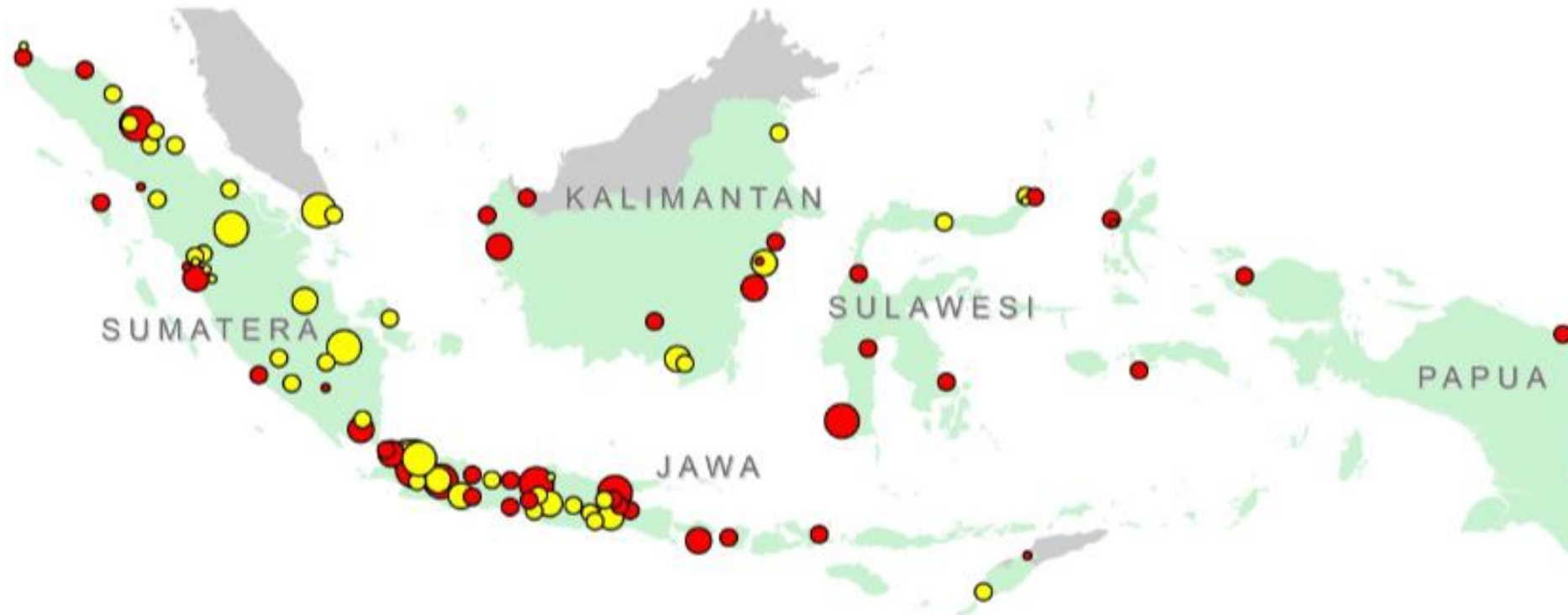
# Outline

- Introduction
- Research Methods
- Results: existing, challenges, gaps
- Conclusion

# Indonesia Population and Climate Change

Long coastline

High density of population exposed to coastal hazards (flooding, tidal flood, extreme weather), droughts, landslides, destructive winds





# Why Are There So Many Landslides Indonesia This Year?

Last year was one of the worst years on record for landslides in Indonesia and four months in, 2017 looks just as bad.

SHARE



TWEET



[https://www.vice.com/en\\_id/article/ezw9kz/why-are-there-so-many-landslides-happening-recently](https://www.vice.com/en_id/article/ezw9kz/why-are-there-so-many-landslides-happening-recently)



Adi Renaldi

Apr 5 2017, 9:00am



*By the start of this month, there were already 251 landslides reported throughout Indonesia, according to the National Disaster Mitigation Agency (BNPB). It's a deadly start to 2017, and a grim sign of what's to come. Last year, the BNPB recorded 612 landslides in Indonesia—the highest number in more than a decade.*



## SRN National Registry System



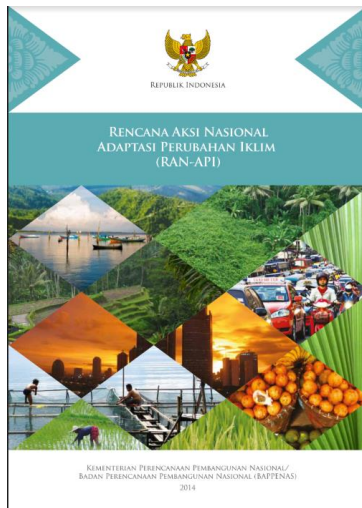
## Guideline for adaptation action plan



## Climate village program



# climate change adaptation policy in Indonesia



## FGD Pengembangan Indeks Resiliensi

Jun 05, 2018



## Review of CCA National Action Plan (2018)

## Projects:

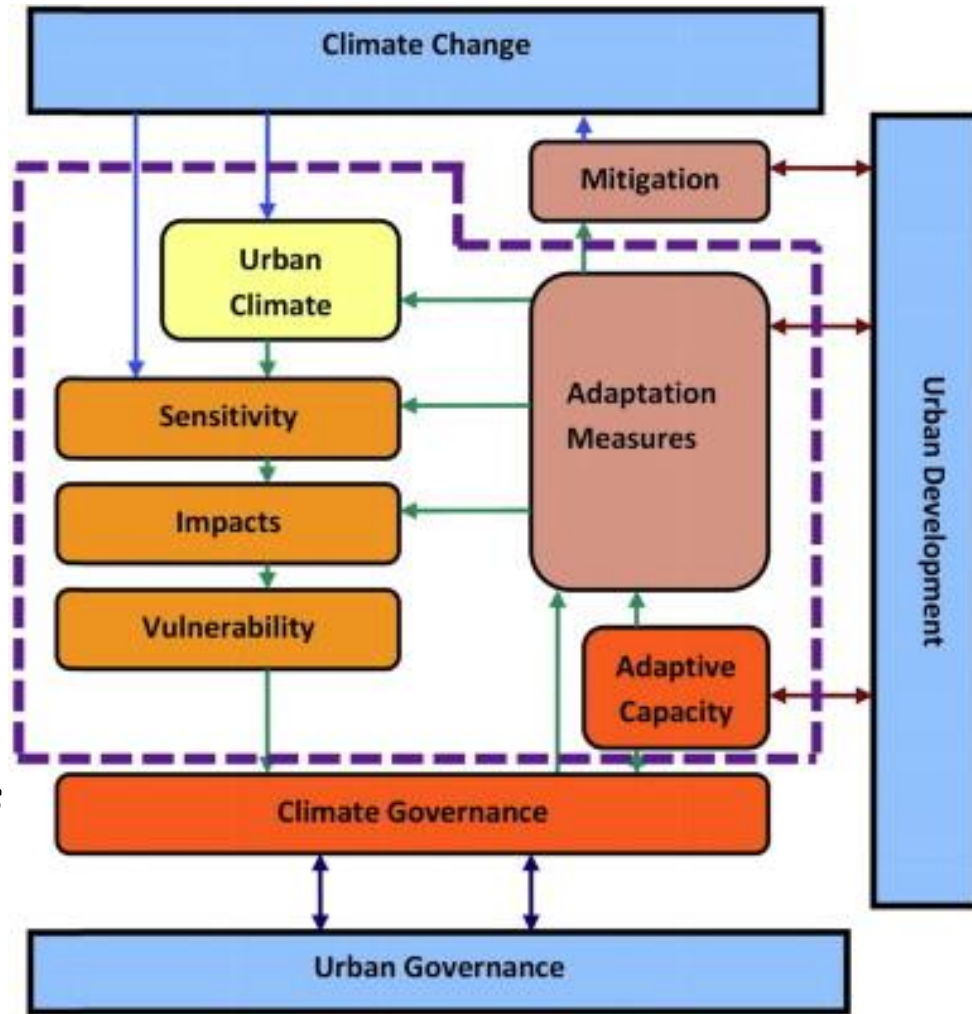
ACCCRN (two cities), SCDRR (two cities), APIK (several districts & cities), and many more

2018 Disaster Risk Governance Academic Seminar

not lacking of planning & policy!

# Climate finance & governance

- Important of **climate protection policy is taking shape locally** (Bulkeley & Kern, 2006)
- ...policy responses to address each of these independently **may be redundant or, at worst, conflicting** (Schipper & Pelling, 2006)
- NAP CCA should be followed up by **allocation of budget** (Tambunlertchai et al 2014; Buchner et al 2014; Ha et al 2016).



Albers, R. A. W., et al. "Overview of challenges and achievements in the climate adaptation of cities and in the Climate Proof Cities program." (2015): 1-10.



# Research Problems and Questions?

- Given many planning documents & guidelines availability, much more important to make sure the implementation.
- Resources come with planning, regulation, priorities, etc.
  - What policies exist to support climate change adaptation financing?
  - What are the challenges?
  - What are the gaps?
- Limited resources require more efficiency & effectiveness, by working together (coordination & mainstreaming).

# Methodology

- This study applied qualitative approach & analysis.
- Policy review was done to analyze the content of regulation related to DRR, CCA, spatial planning, and development planning.
- This study covers four aspects as follows:
  - Integration Methodology;
  - Planning Coordination;
  - Budgeting Coordination; dan
  - Implementation Coordination .
- The data was collected through in-depth interview and dan *focus group discussion* (FGD).



# THE LIST OF INTERVIEWEES



**BNPB**



KEMENTERIAN KOORDINATOR BIDANG PEREKONOMIAN  
REPUBLIK INDONESIA



**APIK**



**PARTNERS FOR RESILIENCE**

Working together on disasters, climate, ecosystems

- National Agency for Disaster Management (BNPB) - Dir. DRR dan Dir. Community Development
- Ministry of Environment and Forestry (KLHK) - Dir. CCA
- Ministry of Land and Spatial Affairs (KemenATR) - Dir. Spatial Planning dan Dir. Spatial Implementation
- Ministry of National Development Planning (BAPPENAS) - Dir. Environment dan Dir. Underdeveloped Region, Transmigration, dan Rural Areas
- Ministry of Home Affairs (Kemendagri) - Dir. Local Development Empowerment
- Ministry of Economic Coordinator (Kemenko Perekonomian) - Spatial Planning Affair
- Ministry of Finance (Kemenkeu) - Fiscal Policy Agency
- Ministry of Public Works (Regional Infrastructure Development Agency)
- UNDP
- PFR (Partner for Resilience)
- APIK

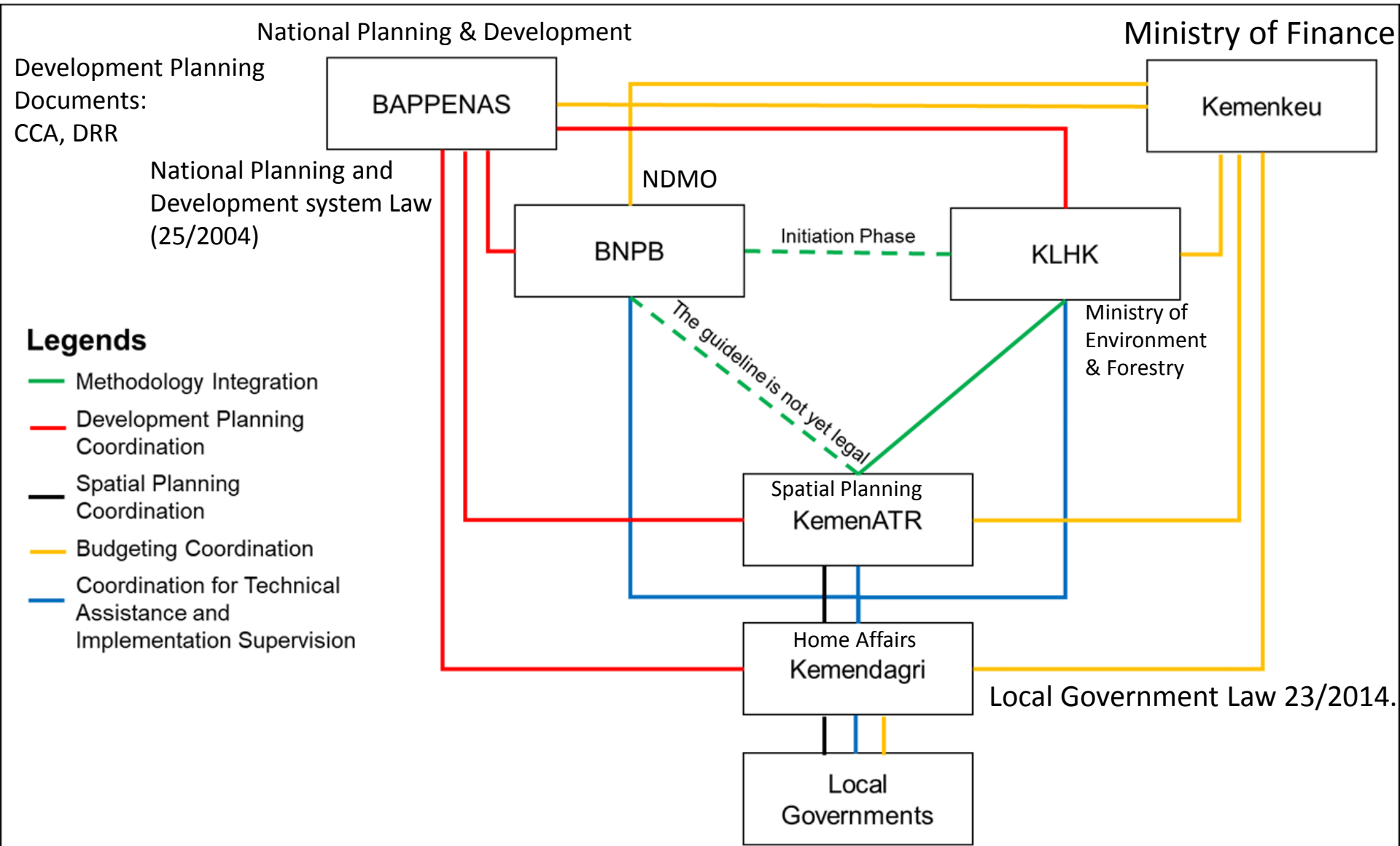
# Two important laws, not related (directly) to CCA!

- Local Government Law 23/2014.
- National Planning and Development system Law (25/2004)

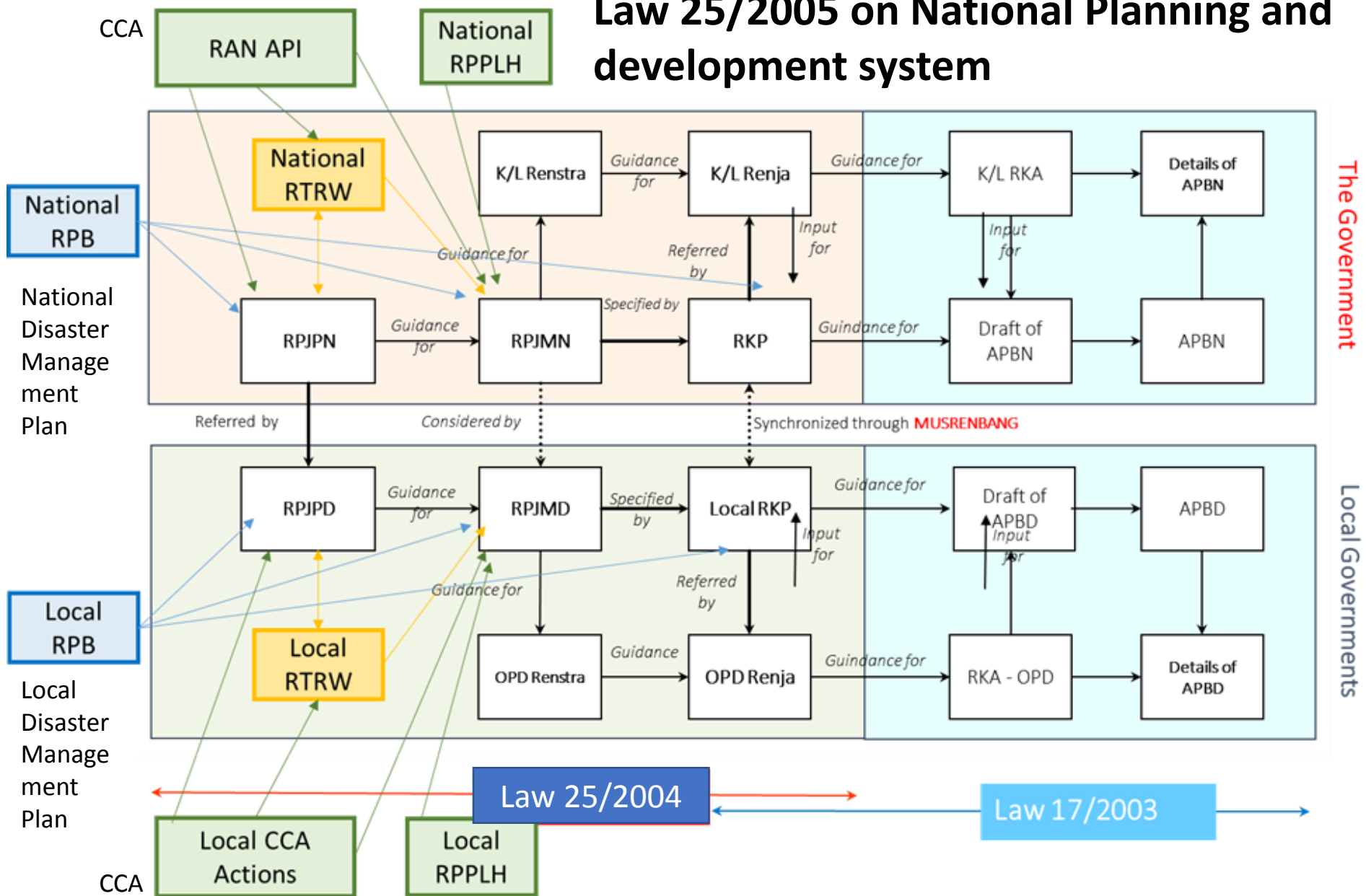
**Governance is important!**



# Integration between CCA and DRR into development and spatial planning based on current regulation



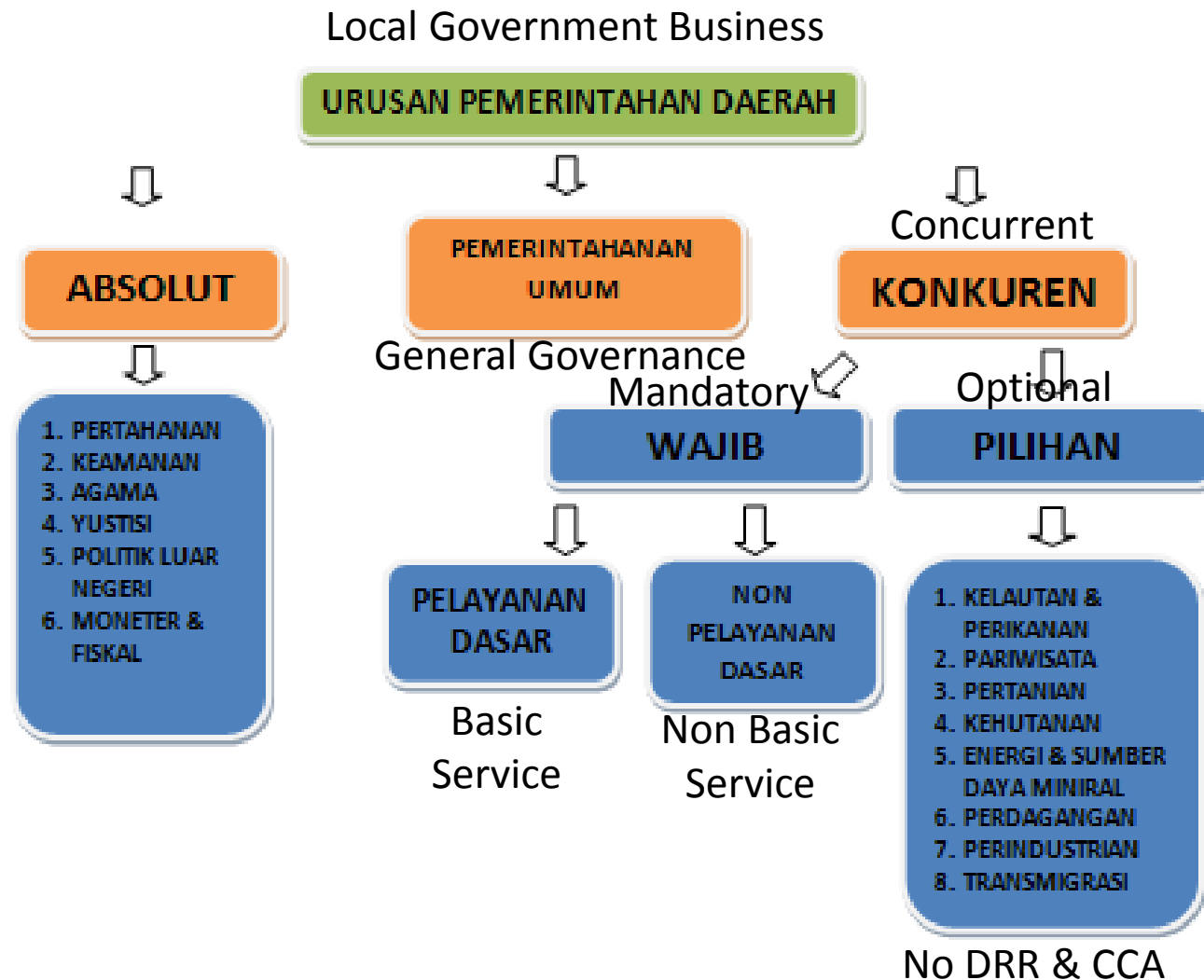
# Law 25/2005 on National Planning and development system





# Current Law on Local Government 23/2014

- Dependency to the budget allocation from central government
- Limitation of own source revenue.
- Limitation of what local government can do based on the mandatory and optional businesses (activities).
- Limitation of capacity & resources in carrying out the implementation.



# What kinds of existing policy to support CCA financing?

- **RAN API guides the coordination of climate change adaptation in Indonesia** (national-local, government – non government).
- **Development programs: RPJMN (National), RPJMD (Local)**
  - ministries / agencies submit their budget to APBN / D to finance their development programs, following a development cycle.
- **Law of Decentralisation, national government (ministries/agencies) do not implement at local level.**
- **Special allocation budget (DAK):** In addition, ministries/agencies can allocate DAKs through APBN schemes when CCA, DRR and land use programs become national priorities.
- **The use of DAK budget (special budget) for local level,** requires coordination between the **Ministry of Home Affairs, the Ministry of Finance, BAPPENAS and K / L.**

# Challenges

- Limited **budget** for local governments to carry out CCA. Many local government use about 60-70% for operational, not for programs and/or infrastructure development.
- Low **awareness** on CCA issues among local government officials and how CCA would impact the districts / cities.
- Limited **skills** to plan and implement CCA at local level, let alone integration and mainstreaming CCA into other sectors in the local government.
- CCA is **not in the 'menu'** of the activities & programs to be done by local government.

# Opportunities

- **Funding comes from international funding sources, assistance from foreign sources**, to be distributed to institutions that will carry out CCA activities, such as department/agencies, local governments, non-governmental organizations and universities.
- **ICCTF is a main instrument of the national government** to achieve the goal of CC mitigation and adaptation.
- **A village fund** that can be used to finance integration programs
- **Sustainability Fund**, issued by Ministry of Finance.



# Gaps

- No **instructions or guidance** on how the proposed (adaptation) programs take into account the budgeting mechanism.
  - The current guidelines do not indicate any budget reference issued by the ministry of finance, such as the budget tag mechanism.
- No **operational definition related to CCA**, so there are differences in the designation of the program between department / agencies.
  - This results in inadequate budget tag.
- Unclear **technical guidelines** for obtaining grants managed by ICCTF & other sources.
  - This is actually accessible to ministries / local governments

# Gaps

- Provincial and district / city governments are **unclear as to what their role & how their involvement** in the implementation of CCA programs.
  - no guidelines for how to access the budget for climate change adaptation programs.
- In the planning phase, ministries / agencies must **synchronize their planning and program with the budget regulations** promulgated by the Ministry of Finance. **And they change!**
  - involvement of Ministry of Finance staff early in planning is necessary, supported by clear and formal guidelines

# Conclusion

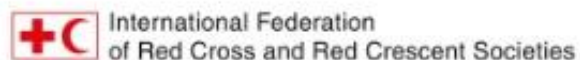
- Refer to the **national action plan of DRR, CCA to be incorporated into the development planning**. (Next cycle 2019).
- Integration of DRR, CCA and development planning should be **adapted to government key priorities** & into the national budget (mechanism) and also through **the use of DAK (special budget)**.
- MoF issued **Sustainability Fund**.
- CCA and DRR must be **integrated with village-level development priorities**.
- Other funding sources: foreign budget, NGOs and private sector.



**THANK YOU**



Co-organized by:



In partnership with:



50  
1948 - 2018



ATENEO DE MANILA  
UNIVERSITY



Resilience  
Development  
Initiative



**RSiS** | S. RAJARATNAM  
SCHOOL OF  
INTERNATIONAL  
STUDIES  
Nanyang Technological University, Singapore



**Canadian  
Red Cross**

A Canada-ASEAN  
project. Funded by

**Canada**