

REGULATION OF COORDINATING MINISTER FOR MARITIME AFFAIRS AND
INVESTMENT OF THE REPUBLIC OF INDONESIA

ON

NUMBER 5 OF 2022

THE STRUCTURE AND WORK PROCEDURES OF THE STEERING
COMMITTEE FOR THE IMPLEMENTATION OF CARBON PRICING TO ACHIEVE
THE NATIONALLY DETERMINED CONTRIBUTION TARGET AND CONTROL
OVER GREENHOUSE GAS EMISSIONS IN THE NATIONAL DEVELOPMENT

BY THE BLESSINGS OF ALMIGHTY GOD

THE COORDINATING MINISTER FOR MARITIME AFFAIRS AND INVESTMENT
OF THE REPUBLIC OF INDONESIA,

Considering : that in order to implement Article 84 section (6) of Presidential Regulation Number 98 of 2021 on the Implementation of Carbon Pricing to Achieve the Nationally Determined Contribution Target and Control Over Greenhouse Gas Emissions in the National Development, it is necessary to issue Regulation of the Coordinating Minister for Maritime Affairs and Investment on the Structure and Work Procedure of the Steering Committee for the Implementation of the Carbon Pricing to Achieve the Nationally Determined Contribution Target and Control over Greenhouse Gas Emissions in the National Development;

Observing : 1. Article 17 section (3) of the 1945 Constitution of the Republic of Indonesia;

2. Law Number 39 of 2008 on State Ministry (State Gazette of the Republic of Indonesia of 2008 Number 166, Supplement to the State Gazette of the Republic of Indonesia Number 4916);
3. Law Number 32 of 2009 on Environmental Protection and Management (State Gazette of the Republic of Indonesia of 2009 Number 140, Supplement to the State Gazette of the Republic of Indonesia Number 5059);
4. Law Number 23 of 2014 on Local Government (State Gazette of the Republic of Indonesia of 2014 Number 244, Supplement to the State Gazette of the Republic of Indonesia Number 5587), as amended several times, and last by Law Number 9 of 2015 on the Second Amendment to Law Number 23 of 2014 on Local Government (State Gazette of the Republic of Indonesia of 2015 Number 58, Supplement to the State Gazette of the Republic of Indonesia Number 5679);
5. Law Number 16 of 2016 on Ratification of Paris Agreement to the United Nations Framework Convention on Climate Change (State Gazette of the Republic of Indonesia of 2016 Number 204, Supplement to the State Gazette of the Republic of Indonesia Number 5939);
6. Government Regulation Number 46 of 2017 on Environmental Economic Instruments (State Gazette of the Republic of Indonesia of 2017 Number 228, Supplement to the State Gazette of the Republic of Indonesia Number 6134);
7. Presidential Regulation Number 92 of 2019 on Coordinating Ministry for Maritime Affairs dan Investment (State Gazette of the Republic of Indonesia of 2019 Number 265);
8. Presidential Regulation Number 98 of 2021 on the Implementation of Carbon Pricing to Achieve the Nationally Determined Contribution Target and Control over Greenhouse Gas Emissions in the National Development (State Gazette of the Republic of Indonesia of 2021 Number 249);

9. Regulation of the Coordinating Minister for Maritime Affairs and Investment Number 10 of 2020 on Organization and Work Procedure of the Coordinating Ministry for Maritime Affairs and Investment (State Bulletin of the Republic of Indonesia of 2020 Number 1331);

HAS DECIDED:

To issue : REGULATION OF THE COORDINATING MINISTER FOR MARITIME AFFAIRS AND INVESTMENT ON THE STRUCTURE AND WORK PROCEDURES OF THE STEERING COMMITTEE FOR THE IMPLEMENTATION OF CARBON PRICING TO ACHIEVE THE NATIONALLY DETERMINED CONTRIBUTION TARGET AND CONTROL OVER GREENHOUSE GAS EMISSIONS IN THE NATIONAL DEVELOPMENT.

Article 1

In this Coordinating Ministerial Regulation:

1. Nationally Determined Contribution, hereinafter abbreviated as NDC, means a national commitment for handling global climate change in order to achieve the goals of the Paris Agreement to the United Nations Framework Convention on Climate Change.
2. Carbon Pricing (*Nilai Ekonomi Karbon*), hereinafter abbreviated as NEK, means the value of each unit of greenhouse gas emissions, generated from human and economic activities.
3. Greenhouse Gas, hereinafter abbreviated as GHG, means gases contained in the atmosphere, both natural and anthropogenic, which absorb and re-emit infrared radiation.
4. GHG Emissions means the release of GHG into the atmosphere in a specific area within a specific period of time.
5. Steering Committee means Committee as referred to in the Presidential Regulation Number 98 of 2021 on the

Implementation of Carbon Pricing to Achieve the Nationally Determined Contribution Target and Control over Greenhouse Gas Emissions in the National Development.

6. Coordinating Minister means the Minister administering coordination of government affairs in the field of Maritime and Investment.
7. Chairperson of the Steering Committee means Chairperson of the committee as referred to in the Presidential Regulation Number 98 of 2021 on the Implementation of Carbon Pricing to Achieve the Nationally Determined Contribution Target and Control over Greenhouse Gas Emissions in the National Development.
8. Secretariat of the Steering Committee means supporting elements of the Steering Committee to assist the implementation of the duty and functions of the Steering Committee related to the secretariat.
9. Working Group means supporting elements of the Steering Committee formed based on necessity.

Article 2

- (1) Steering Committee has duty of providing direction related to NEK policies in achieving NDC targets and controlling GHG emissions for national development.
- (2) In order to implement the duty as referred to in section (1), the Steering Committee has the following functions of:
 - a. holding a Steering Committee meeting and deciding the direction of the NEK policy to achieve the NDC target and controlling GHG emissions for national development.
 - b. providing a consideration and input to ministries/agencies and local governments in determining NEK policies to achieve NDC targets and controlling GHG emissions for national development;
 - c. problem settlement in the implementation of NEK across sectors;

- d. development of national and international cooperation across sectors; and
- e. controlling and evaluating the policy of sector.

Article 3

Structure of the Steering Committee as referred to in the Presidential Regulation Number 98 of 2021 on the Implementation of Carbon Pricing to Achieve the Nationally Determined Contribution Target and Control over Greenhouse Gas Emissions in the National Development, consists of:

- a. Chairperson : Coordinating Minister for Maritime Affairs and Investment
- b. Vice Chairperson : Coordinating Minister for Economic Affairs
- c. Members :
 1. Minister of Home Affairs;
 2. Minister of Finance;
 3. Minister of Environment and Forestry;
 4. Minister of National Development Planning of Indonesia / Head of National Development Planning Agency;
 5. Minister of Energy and Mineral Resources;
 6. Minister of Industry;
 7. Minister of Transportation;
 8. Minister of Public Works and Housing;
 9. Minister of Agriculture;
 10. Minister of Marine Affairs and Fisheries;
 11. Minister of Trade;
 12. Head of Meteorology, Climatology, and Geophysical Agency; and

13. Head of Peatland and Mangrove Restoration Agency.
- d. Head of Sector : 1. in the sector of the NDC and NEK, Minister of Environment and Forestry;
2. in the sector of the regional coordination, the Minister of Home Affairs; and
3. in the sector of the fiscal substance and financing, Minister of Finance.

Article 4

The chairperson as referred to in Article 3 point a, has duty to lead the implementation of the duty and functions of the Steering Committee.

Article 5

The vice chairperson as referred to in Article 3 point b, has duty to assist the implementation of the duty of the Chairperson of the Steering Committee.

Article 6

The members as referred to in Article 3 point c, have duty to support the implementation of the duty of the Steering Committee in their respective ministries/agencies.

Article 7

- (1) Head of the sector of NDC and NEK as referred to in Article 3 point d number 1 has duties to:
- a. act as a National Focal Point (NFP) of the United Nations Framework Convention on climate change;
- b. conduct a discussion of formulation, determination, and revision to the national GHG Emission baseline;

- c. conduct a discussion of formulation, determination, and revision to mitigation and adaptation target of the National GHG Emissions;
 - d. formulate and determine NDC, NDC Implementation strategy, NDC roadmap, Long-Term Strategy for Low Carbon and Climate Change 2050 (LTS-LCCR 2050) and submitting to the United Nations Framework Convention on Climate Change;
 - e. coordinate the implementation of GHG inventories, mitigation actions, adaptation actions, climate change resources and NEK management for achieving NDC targets and controlling GHG emissions in national development, at the national level together with the Coordinating Minister;
 - f. coordinate the implementation of GHG inventories, mitigation actions, adaptation actions, climate change resources and NEK management for achieving NDC targets and controlling GHG emissions in national development, at the provincial level together with the Minister of Home Affairs; and
 - g. formulate and submit reports on NEK implementation for the accomplishment of NDC targets and control of GHG Emissions in national development to the President through the Coordinating Minister.
- (2) Head of the sector of regional coordination as referred to in Article 3 point d number 2 has duty to:
- a. perform a discussion of formulation, determination, and revision on the baseline of provincial GHG emission;
 - b. perform a discussion of formulation, determination, and revision on target of provincial climate mitigation;
 - c. conduct a discussion of plan of action on mitigation and adaption of provincial climate change and regency/municipality;
 - d. coordinate the implementation of GHG, mitigation actions, adaptation actions, climate change resources and NEK management for achieving NDC targets and

- controlling GHG emissions in national development, at the provincial level together with the Minister of Environment and Forestry; and
- e. optimize the synchronization and harmonization to the local planning document in relation to GHG reduction target according to NDC policy by 2030.
- (3) Head of the sector of Fiscal and Financing as referred to in Article 3 point d number 3 has duty to:
- a. coordinate the implementation of NEK governance through levies on carbon to achieve NDC target and control of GHG emission in national development;
 - b. formulate, draft, and/or coordinate direction and strategy of fiscal policy related to NEK at national level by referring to Government Working Plan, *Rencana Kerja Pemerintah (RKP)* and Medium-Term Development Plan, *Rencana Pembangunan Jangka Menengah Nasional (RPJMN)*;
 - c. formulate, draft, and/or coordinate direction of NEK financing policy strategy;
 - d. harmonize and synchronize direction and strategy of fiscal policy between central and local or between NEK related areas; and
 - e. optimize the synchronization and harmonization of budgeting policy related to NEK contribution in achieving NDC target.

Article 8

In performing its duties, Steering Committee may involve ministries/non-ministerial government institutions, local government, chambers of commerce association, and other relevant parties.

Article 9

- (1) Steering Committee organizes meeting at the minimum of 1 (one) time in 1 (one) year and/or at any time if required.

- (2) The meeting as referred to in section (1) is held based on the proposal of:
 - a. members of Steering Committee as needed;
 - b. stakeholders; and/or
 - c. head of sector.

Article 10

- (1) Steering Committee Meeting is chaired by the Chairperson of Steering Committee and attended by vice Chairperson, members, and head of sector.
- (2) In the event that the Chairperson of Steering Committee cannot lead the meeting as referred to in section (1), the meeting is chaired by the vice chairperson.
- (3) In the event that the members cannot attend the Steering Committee meeting as referred to in section (2), the presence can be delegated by other senior level officer.

Article 11

- (1) The Leader of the meeting must decide the result of the Steering Committee meeting.
- (2) Decision-making of the result of the Steering Committee meeting as referred to in section (1) must be attended at least by the Chairperson of Steering Committee and/or vice chairperson and head of sector.
- (3) In accordance with the result of meeting as referred to in section (1), the leader of the meeting may provide direction to the head of sectors to follow up the result of the meeting.
- (4) Head of sector carries out technical meeting to follow up the direction from the Leader of the meeting as referred to in section (3).
- (5) The result of technical meeting as referred to in section (4) is reported by the Head of Sector to the President through the Coordinating Minister.

Article 12

Steering Committee reports the duty implementation to the President in writing at least 1 (one) time in 1 (one) year or at any time required.

Article 13

In carrying out their duty and functions, the Steering Committee and the head of sectors are assisted by:

- a. Secretariat of the Steering Committee; and
- b. Working Group.

Article 14

- (1) Secretariat of the Steering Committee as referred to in Article 13 point a is located at the Coordinating Ministry for Maritime Affairs and Investment.
- (2) Secretariat of the Steering Committee as referred to in section (1) is responsible for providing operational and administrative technical support and service to the Steering Committee.
- (3) In performing duty as referred to in section (1), Secretariat of the Steering Committee carries out the following functions of:
 - a. receipt, record, and distribution of any documents and text in relation to the implementation of duty and functions of the Steering Committee;
 - b. preparation of material for Steering Committee meeting;
 - c. preparation of organizing Steering Committee meeting;
 - d. taking notes and conclusion of Steering Committee meeting;
 - e. preparation of periodical work report to the Steering Committee; and
 - f. any other necessary duties.

Article 15

- (1) Secretariat of the Steering Committee as referred to in Article 13 point a is led by an ex-officio head that is served by Deputy Coordinating Minister for Forestry and Environmental Management, Coordinating Ministry for Maritime Affairs and Investment.
- (2) The Membership structure and duty of Secretariat of the Steering Committee is determined by the Coordinating Minister as the Chairperson of the Steering Committee.

Article 16

- (1) Working Group as referred to in Article 13 point b is established to assist the implementation of the duty of the Steering Committee as required.
- (2) The composition of membership, duty and work procedure of Working Group is determined by the Coordinating Minister as the Chairperson of the Steering Committee.

Article 17

- (1) In the event that it is required to support the smooth implementation of the duty of the head of sector as referred to in Article 7, a secretariat may be established.
- (2) Secretariat as referred to in section (1), includes:
 - a. secretariat in charge of NDC and NEK;
 - b. secretariat in charge of regional coordination; and
 - c. secretariat in charge of fiscal and financing.
- (3) Secretariat as referred to in section (2) point a is determined by the Ministry of Environment and Forestry.
- (4) Secretariat as referred to in section (2) point b is determined by the Ministry of Home Affairs.
- (5) Secretariat as referred to in section (2) point c is determined by the Ministry of Finance.

Article 18

All cost incurred during the implementation of duty and function of Steering Committee is borne to the state budget, also other legal source of funding in accordance with the provisions of legislation.

Article 19

This Coordinating Ministerial regulation comes into force on the date of its promulgation.

In order that every person may know hereof, it is ordered to promulgate this Coordinating Ministerial Regulation by its placement in the State Bulletin of the Republic of Indonesia.

Issued in Jakarta
on 8 June 2022

COORDINATING MINISTER FOR MARITIME AFFAIRS
AND INVESTMENT OF THE REPUBLIC OF INDONESIA,

signed

LUHUT B. PANDJAITAN

Promulgated in Jakarta
on 9 June 2022

MINISTRY OF LAW AND HUMAN RIGHTS
OF THE REPUBLIC OF INDONESIA,

signed

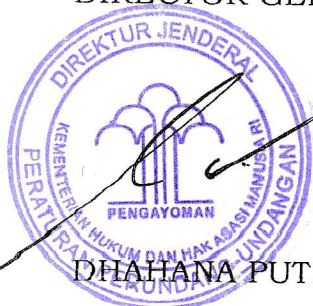
YASONNA H. LAOLY

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Jakarta, 17 October 2022

Has been translated as an Official Translation
on behalf of Minister of Law and Human Rights
of the Republic of Indonesia

DIRECTOR GENERAL OF LEGISLATION AD INTERIM,



DHAHANA PUTRA