ABOUT THIS ISSUE

This issue reports on From Regulation to Market, a ministerial event organized by ICGD and IETA at the IETA Business Hub in Antalya on November 10, 2026.

The event marked one year of Presidential Regulation 110/2025, which set the rules for Indonesia's carbon market. It also launched the international consultation on the High Integrity Principles for Indonesia.

It follows our November 4 brief on carbon markets at COP31, which covered the Article 6 items in the negotiations.

THE SPEAKERS

Eddy Soeparno, keynote
Paul Butarbutar, presentation
Nick Aaron, ICGD, moderator
Ary Sudijanto, Ministry of Environment
Edo Mahendra, Ministry of Forestry
Pahala Mansury, Danantara
Anton Tsvetov, ICVCM
Flora Ji, Rubicon Carbon
Hashim Djojohadikusumo, closing keynote

15–25

PERCENT PRICE PREMIUM FOR CCP-LABELED CREDITS

Buyers pay more for credits carrying the Core Carbon Principles label, ICVCM told the panel.

The Landscape Group

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COP31 ANTALYA 2026

From Regulation to Market: One Year of Perpres 110/2025 toward a High-Integrity Carbon Market in Indonesia

One year of Perpres 110/2025
milestones named at the event, delivered and expected



Figure 1. Milestones in Indonesia's carbon market named by the speakers on November 10, 2026. Red marks fall in the COP31 week. ART is the Architecture for REDD+ Transactions. JCM is Japan's Joint Crediting Mechanism.

The event

Carbon buyers now pay more for credits they can trust, and Indonesia wants its carbon market to earn that trust. On November 10, a ministerial event at COP31 marked one year of Presidential Regulation 110/2025, the legal basis for that market. Government officials, standard setters and investors used it to test how far Indonesia has come toward a high-integrity carbon market.

Their answers cover four things. Buyers reward integrity. Indonesia has drafted its own definition of it. The institutions behind the market are in place. The Article 6 pathway that will carry Indonesian credits abroad is nearly ready.

Price follows quality

For years, carbon credits of very different quality sold at similar prices. Anton Tsvetov of the Integrity Council for the Voluntary Carbon Market (ICVCM) told the panel that price and quality now move together. Credits with the Core Carbon Principles (CCP) label sell at premiums of about 15 to 25 percent. Premiums run higher in project types where integrity has improved most, such as landfill gas and cookstoves.

The label has also become an entry ticket. In one buyer coalition, 40 percent of members prefer CCP-labeled credits, and HSBC buys nothing else. Across a market that has had a hard few years, the high-integrity segment is the only part still growing. Indonesia can reach that demand by aligning with best practice and filling methodology gaps quickly.

The investor view

Flora Ji of Rubicon Carbon, a platform backed by TPG, said carbon credits are an intangible product that sells on trust. Before Rubicon commits capital, it runs the five checks in Figure 2c. An integrity score is only the minimum bar, and quality ratings decide the rest.

Buyers Pay More for Credits They Can Trust

Price and quality now move together, and investors screen community outcomes as closely as carbon.

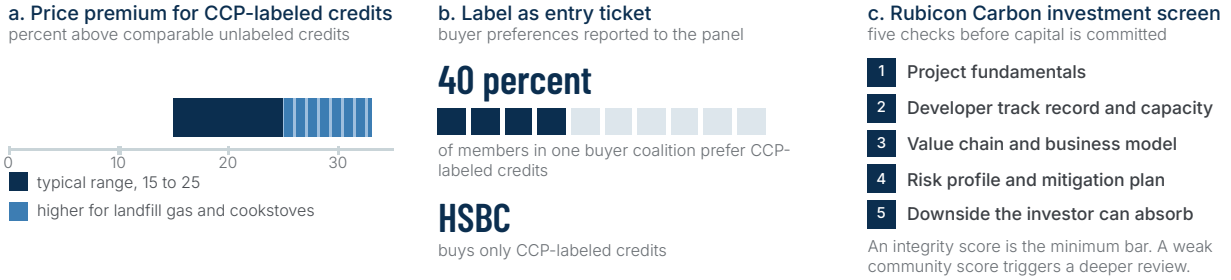


Figure 2. The market case for integrity. a, price premium for credits carrying the ICVCM Core Carbon Principles label. b, buyer preferences reported by ICVCM. c, the investment screen described by Rubicon Carbon.

When a project scores well on carbon but poorly on community, Rubicon looks closely at who lives there, what they give up and how benefits are shared. Nature-based projects depend heavily on local conditions, she said, so an Indonesian definition of integrity helps buyers judge them.

A definition for Indonesia

Paul Butarbutar's team has spent months on what high integrity means on the ground in Indonesia. In Antalya they opened their answer to international comment. Their white paper, the High Integrity Principles for Indonesia, sets out 10 principles under three pillars across six sectors.

Pillar one covers institutional integrity, meaning governance, legal compliance, transparency, accountability and robust monitoring, reporting and verification (MRV). Pillar two covers climate and environmental outcomes. Pillar three covers social integrity. About 110 contextual recognitions explain why each principle needs local detail.

Coverage of global frameworks

The team started from what already exists. Figure 3 maps seven global frameworks against ten core elements of integrity. The ICVCM principles, Article 6.4 and the United Nations Development Programme (UNDP) supply-side criteria cover nearly every element as an explicit requirement. The Cancun safeguards and the REDD+ safeguards information system (SIS-REDD+) focus on governance, rights and safeguards, and leave additionality, baselines and verification to other rules.

Each element maps to one or more Indonesian principles. The UNDP criteria also cover labor rights, gender equality, land acquisition and resettlement, and resource efficiency, which the Indonesian principles pick up in S8, S9, S10 and O7.

Local context

Coverage on paper is a starting point, because a global rule has to work in local conditions. Figure 4 shows the three areas where Indonesian context changes how a principle applies. Some activities that matter for Indonesia's targets sit outside standard methodologies. Forest emissions often depart from past trends, so a baseline built on history can mislead. Many land rights and customary claims are still being formalized, so free, prior and informed consent (FPIC) has to run through the whole life of a project.

The road to adoption

The next stage continues the consultation and tests the principles on real projects (Figure 6). Domestic consultation with businesses, employer associations, think tanks and the chamber of commerce is complete. After the international round, the team will submit the final principles to the government for adoption as the official definition of high integrity. Over time they may also guide development more broadly, because they overlap closely with just transition frameworks.

One year of Perpres 110/2025

A definition needs a policy frame and institutions behind it, and the regulation has built both. Eddy Soeparno, Vice Chair of the People's Consultative Assembly, set the scale in his keynote. Indonesia wants 8 percent annual growth and net zero by 2060 or earlier. Forestry and minerals hold more than 97 percent of its carbon potential. The power plan adds 62 GW of new capacity, most of it renewable, at a cost of $190bn.

Indonesia Writes Its Own Test for High Integrity

The draft principles map seven global frameworks and adjust them to Indonesian conditions.

Coverage of core integrity elements
seven global frameworks and the Indonesian principles that address each element

Integrity element	ICVCM Core Carbon Principles	CORSIA eligible units	Article 6.4 (3/CMA.3)	UK VCM principles	Cancun safeguards	SIS-REDD+ Indonesia	UNDP supply-side criteria	High Integrity Principles for Indonesia
Additionality	●	●	●	●	–	–	●	O4
Realistic baselines and robust quantification	●	●	●	●	–	–	●	O4, O5
Independent validation and verification	●	●	●	●	–	–	●	I3
Permanence and reversal	●	●	●	●	●	●	●	O6
Leakage	○	●	●	●	●	●	●	O6
Governance and transparency	●	●	●	●	●	●	●	I1, I2
Rights, consent and participation	●	○	●	●	●	●	●	S8, S9
Safeguards and no net harm	●	●	●	●	●	●	●	O7, S10
Sustainable development and benefit sharing	●	○	●	●	○	●	●	O7, S9
Alignment with national targets and net zero	●	–	●	–	○	○	●	O7

● explicit requirement ○ addressed within another element – not covered

Figure 3. Global high-integrity frameworks and the core integrity elements they cover, with the Indonesian principle that addresses each element. Codes I1 to I3, O4 to O7 and S8 to S10 refer to the ten principles. Indicative mapping for discussion.

Where local context matters
example contextual recognitions to scale a high-integrity market

Scope

RECOGNIZE

Activities that matter for climate and environmental targets but work within local sectoral, sociocultural and ecological dynamics

EXAMPLES

Forestry and land use
peatland, avoided planned deforestation, improved forest management

Blue carbon
seagrass and other blue carbon beyond mangroves

Agriculture
low-carbon rice and other farm practices

Baselines

RECOGNIZE

Emission trends that are nonlinear or planned, and can improve with higher resolution and more accurate data

EXAMPLES

Nonlinear emissions
forest activities whose past trends do not predict future emissions

Jurisdictional baselines
reconciled with project-based approaches

Feedstock land use
bioenergy and biomass co-firing that drive feedstock demand

Safeguards

RECOGNIZE

Livelihoods, culture and freedom of affected people while rights and resource titles are still being formalized

EXAMPLES

FPIC throughout
across the project lifecycle, beyond commencement

Ongoing rights and status
where land status and customary rights are unresolved

Safe grievance mechanisms
speaking out brings no intimidation or retaliation

Figure 4. Three areas where fitting the elements of high integrity to Indonesian conditions changes how a principle applies, with examples from the white paper.

A Renewable Energy Bill, a revised Electricity Law and a Climate Action Bill will shape that path, and each will also produce high-integrity mitigation.

Ary Sudijanto of the Ministry of Environment described a national carbon trading program that links emissions trading, offsets and international cooperation to the nationally determined contribution (NDC). The national registry, SRUK, is running. The ministry now works on reliable data and MRV, clear procedures and the capacity to run them.

Edo Mahendra of the Ministry of Forestry listed the year's delivery in Figure 1 and more to come. These include a methodology panel, fiscal incentives for nature-based investment, and pooled social forestry projects that institutional investors can join. Each step builds integrity as well as volume. A working registry guards against double counting, nesting keeps project and jurisdictional claims consistent, and agreed methodologies give buyers a shared basis for judging a credit.

Article 6 Opens Once the Regulation Is Out

Indonesia will pursue every route, and the first nature-based transfers follow the Article 6 regulation.

Routes and next steps under Article 6
as described by the Ministry of Environment and the Ministry of Forestry

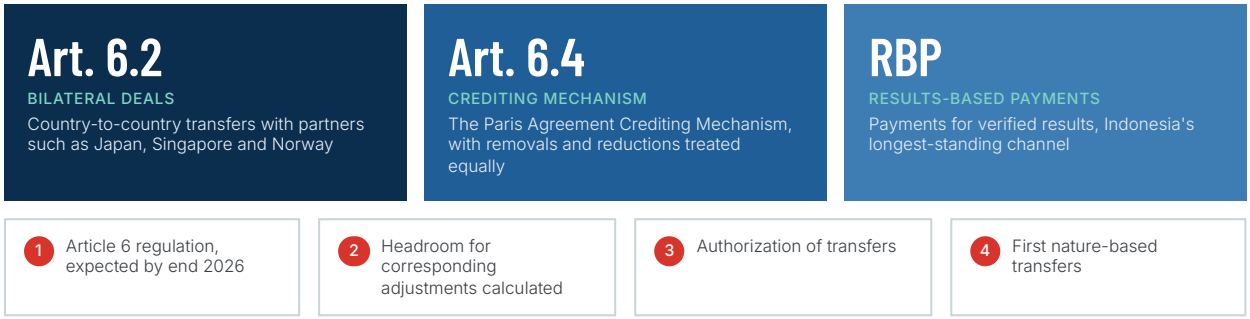


Figure 5. Indonesia's Article 6 pathway. Top, the three routes the government will pursue. Bottom, the steps before the first nature-based transfers.

The Article 6 pathway

Article 6 is where Indonesia's carbon market meets international demand. The Ministry of Environment's Article 6 regulation is expected before the end of 2026 and will set out authorization and accounting. Ary Sudijanto asked partners to weigh early what each cooperation brings, including volumes, periods and accounting rules.

Once the regulation is out, the land ministries will calculate the headroom for corresponding adjustments, and the first nature-based transfers can follow (Figure 5). Edo Mahendra said Perpres 110/2025 opens Indonesia to every form of climate finance. Asked by Axel Michaelowa of Perspectives Climate Research which route comes first, he noted that only a few countries buy under Article 6.2 today, so the market needs more buyers and more trust. He asked that Article 6.4 treat removals and reductions equally.

Integrity carries extra weight under Article 6. Each transferred outcome needs authorization and a corresponding adjustment, so a reduction sold abroad is counted only once. The High Integrity Principles can give Indonesia one test for both project credits and transfers.

Pahala Mansury said Danantara oversees state companies that produce about half of Indonesia's emissions. It will use carbon finance to move them toward clean power and waste to energy, and it wants to join Article 6 talks with Japan, Korea and Singapore.

Risks and safeguards

Forest fires remain the risk every forest buyer asks about. Edo Mahendra proposed testing whether areas with carbon projects burn less than open-access land, since people protect what earns them income. If they do, the approach can scale up to jurisdictional risk mapping. Buffer pools are too thin for a bad fire year, so he called for insurance priced to each project's own risk. Enforcement continues alongside, with 21,000 new forest rangers approved by the President.

Transparency is the second safeguard. The Ministry of Forestry signed a memorandum of understanding with ICVCM in 2025. The Indonesia Forestry Carbon Hub will publish project information online, including benefit-sharing commitments, so anyone can check a project against its design documents.

The investment test

Hashim Djojohadikusumo, the President's Special Envoy for Climate and Energy, closed the event. The foundations are in place, he said, and Indonesia will judge its carbon market by the investment it attracts and the emissions it reduces. Every credit must stand for a real, measurable and verifiable reduction or removal, and every project must respect rights, share benefits fairly and win local consent. He thanked TPG and Rubicon Carbon for backing a project that will benefit 1.6 million families, about six to seven million people.

The buyers in the room said they will pay more for credits they can trust. Indonesia now has most of the pieces to supply them. The second year of Perpres 110/2025 will show whether the principles hold up on real projects and whether the first Article 6 transfers move.

The Principles Move From Consultation to Practice

Testing on real projects comes next, while the institutions built under Perpres 110/2025 take on the work.

Steps for refining and implementing the framework
sequence shown at the launch

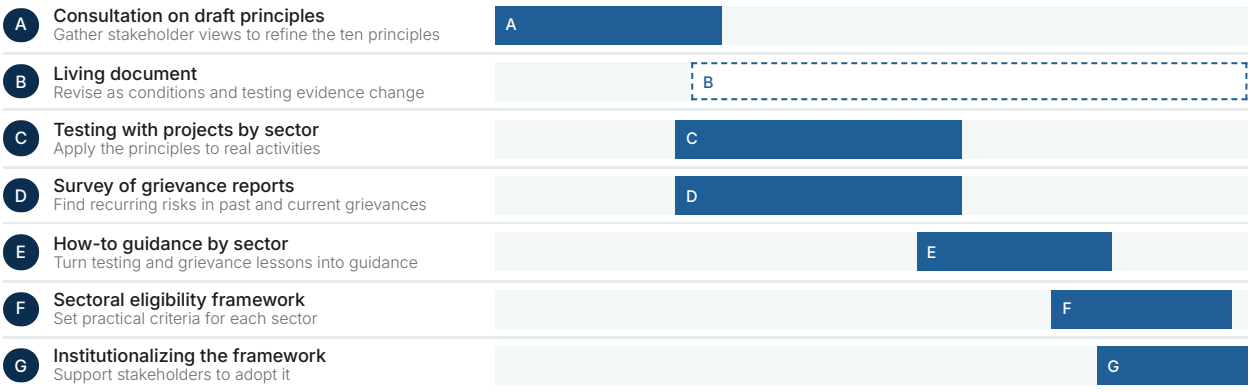


Figure 6. Operationalizing the High Integrity Principles. The consultation leads into sector testing and a survey of grievance reports, then sector guidance, eligibility criteria and adoption. The framework is updated as a living document throughout.

The event in numbers
as stated by the speakers

15–25
PERCENT PREMIUM
for credits with the ICVCM CCP label

40
PERCENT OF ONE COALITION
prefer CCP-labeled credits

10
PRINCIPLES
under three pillars, with about 110 contextual recognitions

31.7m
TONS OF LEGACY CREDITS
issued by the Ministry of Forestry in July

9
PROVINCES
with concept notes submitted to ART

62 GW
NEW POWER CAPACITY
planned at a cost of $190bn, most of it renewable

21,000
NEW FOREST RANGERS
approved by the President

1.6m
FAMILIES
to benefit from the TPG and Rubicon Carbon project

Figure 7. Key numbers from the event. Each figure is as stated by the speaker who cited it.

Dates to watch

Nov 11, 2026	Launch of the nine provincial ART concept notes at the Indonesia Pavilion
November 2026	Social forestry regulation, followed by technical guidance for carbon projects
December 2026	Parliament begins discussion of the Climate Action Bill
By end 2026	Article 6 regulation, draft nesting procedure and methodology panel
End Q1 2027	JCM guideline for nature-based projects, including mangrove and peatland, and target passage of the Climate Action Bill
After the regulation	Headroom for corresponding adjustments calculated, then the first nature-based transfers

Figure 8. Dates to watch after COP31, as named by the speakers on November 10, 2026.

The event and speakers

Ministerial event organized by the Indonesian Climate and Growth Dialogue (ICGD) and the International Emissions Trading Association (IETA) at the IETA Business Hub, COP31 Antalya, Tuesday, November 10, 2026, 10:00 to 11:30.

Role	Speaker	Affiliation
Keynote	Eddy Soeparno	Vice Chair, People's Consultative Assembly of the Republic of Indonesia
Presentation	Paul Butarbutar	High Integrity Principles for Indonesia
Moderator	Nick Aaron	Indonesian Climate and Growth Dialogue (ICGD)
Panelist	Ary Sudijanto	Deputy for Climate Change Control and Carbon Economic Value Governance, Ministry of Environment
Panelist	Edo Mahendra	Ministry of Forestry
Panelist	Pahala Mansury	Managing Director, Global Relations and Communications, Danantara Indonesia
Panelist	Anton Tsvetov	Director for Continuous Improvement Work Programs, ICVCM
Panelist	Flora Ji	Head of Asia and Head of Asset Management, Rubicon Carbon
Closing keynote	Hashim Djojohadikusumo	Special Envoy of the President for Climate and Energy

Sources and method

Event. ICGD and IETA, 2026. Ministerial Event: From Regulation to Market, One Year of Perpres 110/2025 and Indonesia's Article 6 Pathway. IETA Business Hub, COP31, Antalya, November 10, 2026. https://cop31.tr/app/etkinlik/3700?lang=en, accessed on November 10, 2026.

Remarks. Statements by the speakers listed above, from notes taken in the room by Landscape Advisory. Quotations are paraphrased.

Principles. Butarbutar, P., 2026. High Integrity Principles for Indonesia, presentation slides 9, 10 and 13, launch of the international consultation, COP31, Antalya, November 10, 2026.

Speakers. ICVCM, 2026. Anton Tsvetov, Director for Continuous Improvement Work Programs. https://icvcm.org/team-member/anton-tsvetov/, accessed on November 10, 2026.

Context. Landscape Advisory, 2026. Carbon Markets at COP31, Landscape 360, COP31 Antalya 2026 (November 4, 2026). Jakarta.

Method. Figures 3, 4 and 6 redraw the presenters' slides. The mapping in Figure 3 is indicative and open for discussion, as the slide states. Figures 1, 5, 7 and 8 assemble dates, steps and numbers named by the speakers.