

Environment Minister Gusti Muhammad Hatta said that about half of the money would be awarded to projects dealing with mitigation and adaptation to prevent climate change.

“The project developers could be from the government, local communities, NGOs or universities,” he told reporters Monday.

The \$87 million grant will be disbursed based on projects approved by the GEF executive board in Washington during the from Aug. 1, 2010, to July 31, 2014.

Indonesia received a \$40 million grant from the GEF for the previous four-year period.

The GEF is an independent financial organization that awards grants to developing countries to finance projects linked to climate change, biodiversity, land degradation, ozone layer and persistent organic pollutants issues.

The GEF was set up in 1991 with the World Bank serves as its trustee.

The GEF has allocated \$8.8 billion for more than 2,400 projects in more than 165 developing countries and countries whose economies are in transition.

GEF's presence in Indonesia is currently chaired by Environment Ministry secretary-general Arief Yuwono.

The GEF Indonesia secretariat, which consists of several senior government officials would assess all proposals before submitting them to the GEF's headquarters in Washington for approval.

Division head for multilateral cooperation at GEF's Indonesia secretariat, Wahyu Marjaka, said that as of Monday, 23 project proposals had been submitted.

“We are still evaluating a proposal to build a water-based electrical power [facility] in Wakatobi, Southeast Sulawesi. We target to propose at least 10 project proposals to GEF Washington before November,” he said.

He said the Wakatobi project would supply free electricity to at least five villages in the area.

Wahyu said the grant from the GEF would also be used to support the government's commitment to cut emissions by 26 percent by 2020.

The government has pledged to cut the country's emissions by 26 percent using Rp 83 trillion of state money. If rich nations provide Rp 168 trillion in additional financial assistance, Indonesia would further cut its emissions by another 15 percent by 2020.

However, the government has not finished formulating its plan to meet the targets.

A number of countries have also pledged to provide money to Indonesia to reduce emissions, particularly from the forestry sector.

Indonesia and Norway signed a climate deal worth \$1 billion to reduce Indonesia's deforestation rate to reduce emissions. Indonesia has received an additional \$106.6 million to preserve its forests.

Australia has said it plans to invest \$70 million for carbon financing projects in Central Kalimantan and Jambi while Germany has promised \$26 million for REDD pilot projects in Kapuas Hulu in West Kalimantan and Berau in East Kalimantan.

South Korea has pledged \$5 million to develop a REDD project for forests in West Nusa Tenggara and last week the United Nations-REDD pledged \$5.6 million for a REDD project in Central Sulawesi.