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New Forestry Carbon Trading Framework

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Minister of Forestry Regulation No. 6 of 2026 | Indonesia Carbon Market | April 2026

Regulation MOF Reg 6/2026	Issued 13 April 2026	Previous Regulation MOEF Reg 7/2023	Sector Forestry Carbon Trading
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What Is This Regulation?

Ministry of Forestry Regulation No. 6 of 2026 on Procedures for Carbon Trading Through GHG Emissions Offsetting Within the Forestry Sector (**MOF Reg 6/2026**) is Indonesia's current framework governing carbon trading in the forestry sector. This regulation was issued on 13 April 2026 as the implementing regulation of the Presidential Regulation No. 110 of 2025 on the Governance of Carbon Economic Value Instruments for the Achievement of Nationally Determined Contribution Targets and Control of Greenhouse Gas Emissions in National Development (**PR 110/2025**).

Under MOF Reg 6/2026 outlines the requirements for generating, validating, registering, and trading forestry-based carbon credits, including for both domestic and international transactions.

Why Does This Matter?

This regulation affects anyone involved in Indonesia's forestry carbon market, including:

- Companies looking to purchase or develop carbon offsets from Indonesian forests
- Forest concession holders, social forestry groups, and customary communities
- Carbon project developers and intermediaries
- International buyers

Background

MOF Reg 6/2026 was enacted as the implementing regulation of PR 110/2025 which replaced Presidential Regulation No. 98 of 2021 on the Implementation of Carbon Economic Value to Achieve Nationally Determined Contribution Targets and Control over Greenhouse Gas Emissions in Relation to National Development (**PR 98/2021**). The table below outlines the key differences between the two Presidential Regulations and provides context for the new regulation.

Aspect	PR 98/2021	PR 110/2025
Registry system	Uses only the SRN PPI, as the single national registry for NDC	Uses SRN PPI together with SRUK a dedicated carbon unit trading registry added under SRN
International trading	Provided two pathways: SPE and MRA (SPE + international registry)	Provided two pathways: Authorized (with corresponding adjustment) and Non-authorized (voluntary).
NDC linkage	Carbon trading through international markets does not reduce NDC achievement by 2030	Carbon trading can proceed without waiting for NDC achievement, effectively enabling a continuous exchange process
Cross-border rules	International trading may occur at any time without waiting for NDC target	The authorized pathway requires government approval through Corresponding Adjustment, while the voluntary pathway does not require Corresponding Adjustment.
Carbon body	Governance spread across ministries	Establishes the Steering Committee on Carbon Economic Value (<i>Komite Pengarah Nilai Ekonomi Karbon</i>), under the Coordinating Minister for Food Affairs.

Key Shift in a Nutshell

Under PR 98/2021: Trading required specific MRA-based pathways and was constrained by NDC timeline.

Under PR 110/2025: Carbon trading is no longer linked to NDC timelines and the distinction now lies between Authorized and Voluntary transactions.

- Authorized transfers count toward the buying country's NDC and require Indonesian government approval
- Voluntary transfers offer greater flexibility as they do not require Corresponding Adjustment and are excluded from NDC accounting
- MOF Reg 6/2026 operationalizes this PR 110/2025 architecture specifically for the forestry sector.



Source: [Socialization by the Ministry of Forestry on MOF Reg 6/2026](#)

Key Change 1 — Only One Trading Mechanism Now Allowed

Previous Regulation (MOEF Reg 7/2023)

Allowed TWO mechanisms:

1. Emissions Trading (cap-and-trade-style)
2. GHG Emissions Offsetting

New Regulation (MOF Reg 6/2026)

Allows ONLY ONE mechanism:

GHG Emissions Offsetting (Offset GHG Emissions)

New Registration Platform: SRUK Replaces SRN PPI

All forestry carbon projects must now be registered on the SRUK

- During the transition, registration continues through the Ministry of Forestry's internal system
- SRUK aligns with the broader NEK framework under PR 110/2025
- Projects must ensure documents are migrated to SRUK once it is operational
- Indonesia's national SRUK is set to go live by end of June 2026, with large-scale trading expected to begin July 2026. The government confirmed SRUK will ensure transparency and prevent double counting. 70 million tonnes of CO₂ are ready to be traded.

Key Change 2 — Types of Carbon Credits

Under the new framework, there are two types of forestry carbon credits as set out in the table below:

Aspect	SPE GRK	Non-SPE GRK
Authorisation	Recommendation of MOF and subsequently request issuance to the Ministry of Environment (Article 11 and 18)	Approval from MOF
Application document	DRAM and recommendation for the issuance of SPE GRK carbon units	DPP and approval for the issuance of Non-SPE GRK carbon units
Additional requirements	Businesses applying for the above-outlined recommendations or approvals must also enclose relevant reports that address the following specific matters: <ol style="list-style-type: none"> 1. Validation of DRAM or DPP through an independent validation agency; 2. Implementation of climate change mitigation actions in accordance with the DRAM or DPP; 3. Verification of climate change mitigation action achievements through an independent verification agency; 4. Results of the verification of climate change mitigation action achievements; and 5. Relevant supporting data. 	

Submission platform	SRUK	
Involvement of third-party	Business actors (excluding those that are being assisted by registered partners or assistants) may involve input from experts with experience in the Utilization of Forestry Carbon Environmental Services and/or technical personnel working in the Utilization of Forestry Carbon Environmental Services during the preparation of their DRAM and/or DPP.	
Examination period	14 business days (once complete)	
Validity period	Not regulated	6 months

International Standards Recognized for Non-SPE GRK Credits

Indonesia has accepted the following international certification standards for Non-SPE GRK units in the forestry sector. Project developers may pursue certification under any of these recognized bodies:

- Verra VCS — the world's largest voluntary carbon crediting program
- Gold Standard
- Plan Vivo
- Other internationally recognized standards approved by the MOF

This means Indonesian forestry projects can access the global voluntary carbon market while remaining compliant with national regulations. Certification under these standards, combined with the MOF's approval, allows Non-SPE GRK credits to trade internationally.

Key change 3 — Who can participate?

The new regulation clarifies which entities may develop and trade forestry carbon credits:

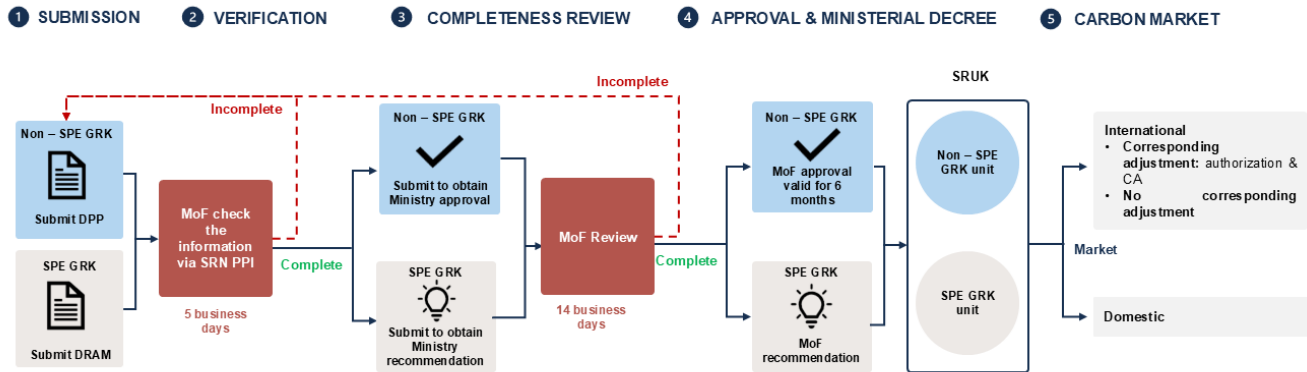
No.	Type of Participant
1	PBPH holders and other forest utilization rights
2	Social forestry approval holders
3	Customary law communities (<i>Masyarakat Hukum Adat</i>) with legally recognized forest status
4	Private forest rights holders (<i>Hutan Hak</i>)
5	PB-PJL Karbon holders

The recognition of PB-PJL Karbon holders constitutes one of the notable additions under this regulation. MOF Reg 6/2026 also clarifies the allocation of responsibility in cooperative arrangements. Where PBPH holders or PB-PJL Karbon holders engage third parties to implement mitigation activities or facilitate carbon trading, the relevant permit holder remains the party responsible for regulatory compliance and the conduct of carbon trading activities. This provision is relevant for project structuring, particularly in relation to liability allocation, operational control, and contractual risk-sharing arrangements.

Assistance Requirement

MOF Reg 6/2026 imposes an assistance requirement for certain participant categories, namely holders of Social Forestry Management Approvals, recognized customary law communities, and PB-PJL Karbon holders. These entities must be accompanied by registered facilitators or partners when participating in carbon trading activities. While the regulation does not comprehensively define the role of such facilitators, they are generally expected to provide technical and administrative support, including carbon measurement, project documentation, implementation planning, and market access.

Procedures for Forestry Carbon Offset



International Carbon Trading

Aspect	Voluntary Market	Corresponding Adjustment
SPE-GRK	Under PR 110/2025 stipulates that GHG emission offset trading that is not used for the fulfilment of the NDC and/or other international obligations, whether conducted under Article 6.4 of the Paris Agreement or through voluntary GHG emission offset trading does not require authorization and Corresponding Adjustment.	PR 110/2025 stipulates that the following transactions require authorization and Corresponding Adjustment: (a) internationally linked GHG emission trading; (b) GHG emission offset trading conducted under Articles 6.2 and 6.4 of the Paris Agreement; and (c) voluntary GHG emission offset trading conducted to fulfil other international obligations. The Minister of Environment grants the authorization based on the recommendation of the relevant minister.
Non-SPE GRK	Under MOF Reg 21/2026 requires business actors applying for the issuance of non-SPE GRK by international standards to submit: (a) validation of the DPP by an independent validation body; (b) evidence of implementation of climate change mitigation actions in accordance with the DPP; (c) verification of mitigation achievement by an independent verification body; (d) verification reports; and (e) supporting data. The MOF grants approval for the issuance of non-SPE GRK for a validity period of six months.	Under MOF Reg 21/2026 requires business actors conducting international carbon trading that requires authorization and Corresponding Adjustment to: (a) submit an application for recommendation to the MOF; (b) attach cooperation documents relating to the GHG emission offset transaction; and (c) applying authorization and Corresponding Adjustment from the Minister of Environment after obtaining the recommendation from the Minister. In assessing the application, the MOF considers: (a) the amount of carbon units proposed for trading; and (b) Indonesia's NDC achievement requirements

Eligible Land Areas — Carbon Projects

Carbon credits can be generated from mitigation activities in the following areas:

1	Permanent Production Forest including convertible production forest and/or utilization blocks of Protected Forest Areas
2	Utilization Zones/Blocks of Nature Conservation Areas and Hunting Parks
3	Customary Forests (<i>Hutan Adat</i>) — communities must have legally recognized customary status
4	Private Forests (<i>Hutan Hak</i>)
5	State land outside designated forest areas

Further, MOF Reg 6/2026 also reformulates the categories of land areas eligible for forestry carbon projects. Carbon units may be generated from mitigation activities undertaken in licensed production forest areas, designated utilization zones or blocks within certain conservation areas and game reserves that are not subject to prior rights or cooperation arrangements, Customary Forests, Private Forests, and state land outside designated forest areas.

Transition Period — What Existing Projects Must Do

6 (six) month adjustment period Deadline: 13 October 2026. All existing projects at any of the following stages must report and comply: <ul style="list-style-type: none">• Validation stage• Implementation stage• Verification stage• Pre-transaction stage• Existing carbon unit holders	1 (one) year deadline for new roadmap A new forestry sector carbon roadmap must be issued within 1 year of enactment. In the meantime: <ul style="list-style-type: none">• May refer to MOEF Decree SK.1027/MENLHK/PHL/KUM.1/9/2023• Registration continues through MOF's internal system until SRUK is ready
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Latest Developments — Indonesia Carbon Market Update

Several significant developments are shaping Indonesia's carbon market landscape alongside MOF Reg 6/2026:

GOVERNANCE JANUARY 2026 Proposal: A Dedicated National Carbon Body Presidential Special Envoy for Trade Mari Elka Pangestu has proposed the creation of a dedicated Carbon Authority to coordinate NEK implementation, green investment, and cross-sector carbon policy. She noted that current governance structure is spread across multiple ministries under Coordinating Minister for Food Affairs. This may create inconsistency and investor uncertainty.	GLOBAL JANUARY 2026 Indonesia Joins Coalition to Grow Carbon Markets On 20 January 2026, Indonesia formally joined the Coalition to Grow Carbon Markets as its 11th government member, announced by Forestry Minister Raja Juli Antoni in London alongside the UK-Indonesia Strategic Partnership. The coalition aims to unlock over USD 50 billion in climate finance annually by 2030.
FINANCING & CARBON MARKETS APRIL 2026 DevvStream Secures Exclusive PLN IP Solar Carbon Credit Partnership. DevvStream Corp., a carbon management firm focused on monetizing environmental assets such as carbon credits, announced an exclusive agreement with PT PLN Indonesia Power, a sub-holding of PT	FINANCIAL REGULATION APRIL 2026 OJK Revising POJK 14/2023 Carbon Trading Rules OJK Chair Friderica Widayarsi Dewi confirmed OJK is revising POJK No. 14 of 2023 on Carbon Trading through the IDXCarbon, with the revised regulation targeted for completion by June 2026. The revision is

PLN, to manage and commercialize carbon credits from PLN IP's solar portfolio in Indonesia. The mandate covers 45 solar power plants and includes end-to-end services from validation and certification to registration and liquidation, under a revenue-sharing structure aligned with Indonesia's clean energy transition.

co-developed with IDX and aligns with MOF Reg 6/2026 and PR 110/2025.

Read more:

- [Indonesia joins global coalition to grow carbon markets — Jakarta Globe](#)
- [Mari Elka proposes a Badan Karbon — Kumparan](#)
- [OJK revising POJK 14 carbon trading rules — Ecobiz Asia](#)
- [DevvStream Secures Exclusive PLN IP Solar Carbon Credit Partnership – Antara News](#)

What Should You Do Now?

Market Entry Companies

- If you are new to Indonesia's forestry carbon market:
- Verify your eligibility — confirm which participant category you fall under
- Identify your land area — check whether your forest area qualifies under the new rules
- Determine your credit type — domestic (SPE GRK) or international (non-SPE GRK)?
- Engage a facilitator early — especially for social forestry or customary community categories
- Prepare DRAM or DPP — engage specialists familiar with Indonesian forestry carbon standards
- Plan for SRUK — ensure your document management can interface with SRUK from June 2026

Advanced Project Developers

If you have active or planned projects:

- Review your current project status — identify which transition window applies
- Update project documents — DRAM/DPP must align with MOF Reg 6/2026
- Audit contractual arrangements — review liability allocation where third-party operators are involved
- Assess compliance history — the Minister may consider sanctions record when granting recommendations
- Monitor SRUK and OJK — SRUK goes live June 2026; revised POJK 14 expected same month

Key Terms

Term	Meaning
CA	Corresponding Adjustment
DPP	Project Design Document (<i>Dokumen Perencanaan Proyek</i>)
DRAM	Mitigation Action Design Document (<i>Dokumen Rancangan Aksi Mitigasi Perubahan Iklim</i>)
GHG	Greenhouse Gas
IDXCarbon	<i>Bursa Efek Karbon</i>
MOF	Ministry of Forestry (<i>Kementerian Kehutanan</i>)
MOF Reg 6/2026	Ministry of Forestry Regulation No. 6 of 2026 on Procedures for Carbon Trading Through GHG Emissions Offsetting Within the Forestry Sector
MOEF Reg 7/2023	Ministry of Environment and Forestry Regulation No. 7 of 2023 on Procedures for Carbon Trading in the Forestry Sector
MRA	Mutual Recognition Arrangement
NDC	Nationally Determined Contribution
NEK	Carbon Economic Value (<i>Nilai Ekonomi Karbon</i>)

Non-SPE GRK	Internationally certified carbon units (e.g. Verra VCS, Gold Standard, Plan Vivo)
PBPH	Forest Utilization Business License (<i>Perizinan Berusaha Pemanfaatan Hutan</i>)
PB-PJL Karbon	Carbon Environmental Services Utilization Business License (<i>Perizinan Berusaha Pemanfaatan Jasa Lingkungan Karbon</i>)
POJK 14/2023	Financial Services Authority Regulation No. 14 of 2023 on Carbon Trading through Carbon Exchange
SPE GRK	Greenhouse Gas Emission Reduction Certificates (<i>Sertifikat Pengurangan Emisi Gas Rumah Kaca</i>)
SRN PPI	National Registry System for Climate Change Mitigation (<i>Sistem Registri Nasional Pengendalian Perubahan Iklim</i>)
SRUK	Carbon Unit Registry System (<i>Sistern Registri Unit Karbon</i>)
UNFCCC	United Nations Framework Convention on Climate Change
Verra VCS	Verra Verified Carbon Standard

What's Next?

We will continue to closely monitor ongoing legal developments in Indonesia and keep you updated as new information emerges. With many new legal regimes still being rolled out, many areas are still being aligned and synchronised.

S&T is well-positioned to provide guidance and practical support to help you navigate these changes with confidence. If you would like any assistance, please feel free to contact us.



S&T is one of Indonesia's leading law firms and an award-winning practice in ESG and Carbon Trading..

If you would like to discuss any aspect of this update, or your industry activities or plans, please feel free to contact us.



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