



CENTRE FOR
STRATEGIC AND
INTERNATIONAL
STUDIES

Term of Reference



2023 Japan

RE Invest Indonesia

Renewable Energy
Investment Forum

The 3rd International Investment Forum to Attract Japanese Investment into
Indonesia's Renewable Energy Sector

Friday, March 3, 2023

ONLINE via Zoom

REGISTRATION: <https://reinvest.id/japan-2023>

Supported by



The **Jakarta**Post



UNIVERSITAS
PRASETIYA MULYA

JAPAN RE INVEST INDONESIA 2023

DATE : Friday, March 3, 2023
TIME : 10.00 am – 12:35 pm Tokyo Time
(08.00 am – 10:35 am WIB)
ONLINE : Live via Zoom
REGISTRATION: <https://reinvest.id/japan-2023>

OPENING

10:00 – 10:15 Tokyo Time (08:00 – 08:15 WIB)

Welcome Speech

H.E. Mr. Heri Akhmadi – Ambassador of the Republic of Indonesia to Japan and the Federative States of Micronesia

SESSION I: RE Policy Update and Investment Opportunity

10:15 – 11:25 Tokyo Time (08:15 – 09:25 WIB)

At the opening session of Business-20 (B-20) Indonesian Inception Meeting 2022, President Joko “Jokowi” Widodo said that a total of 5.5 gigawatts (GW) capacity of coal-powered power plants (PLTU) are ready for early retirement, as part of the Indonesian commitment to reach net zero carbon emissions in 2060.¹ Indonesia has an ambitious yet promising goal to fully phase out coal power plants by 2056. According to PLN’s 2021-2030 RUPTL, 2025 will see the start the replacement of coal-fired power plants in Indonesia by renewable energy. Under the country’s recent pledge at COP26, Indonesia seeks to retire up to 9.2 gigawatts (GW) of coal-fired power plants by 2030. On top of that, the country also commits to scaling up the deployment of renewable power generation, scaling up technologies and policies to move from unabated coal power generation, and strengthening domestic and international efforts to support affected parties during the energy transition to renewable energy.²

Considering Indonesia’s commitment to phasing out coal-fired power plants along with its budding renewable energy sector, this situation provides opportunities for

¹ Katadata.co.id, “Beralih ke Energi Terbarukan, Jokowi Janji PLTU 5,5 GW Pensiun Dini,” Jan. 28, 2022. <https://tinyurl.com/yckjhsxa>

² UKCOP26.org, “Global coal to clean power transition statement”, Nov. 4, 2021 <https://tinyurl.com/cmmjcxft>

investors to take part in the country's transition to renewable energy. In the near term, the 2021-2030 RUPTL itself offers great opportunity for RE developers and investors. In the RUPTL, PT PLN has targeted 40.6 GW new power plant installations in 2021-2030, of which 20.9 GW or 51.6 percent will be sourced from new and renewable power plants. Many of the renewable projects in the RUPTL are actually to achieve a shorter-term target of 23 percent renewable energy in Indonesia's energy mix in 2025.³ The government said Indonesia requires an investment of US\$70 billion to achieve the target of 23 percent renewable energy by 2025.⁴

In this session, opportunities and challenges presented by the 2021-2030 RUPTL and the longer-term coal phase out will be discussed with some key questions to lead the discussion, as follow:

- What are the opportunities available for Japanese investors?
- What are considerable challenges that could hold Indonesia's RE development?
- Why should foreign investors consider Indonesia's transition to clean energy in the first place?

Keynote Speech

H.E. Mr. Dadan Kusdiana – Director General of New, Renewable Energy and Energy Conservation (EBTKE), Ministry of Energy and Mineral Resources of the Republic of Indonesia

Speakers

1. Representative of the International Affairs, Ministry of Economy, Trade and Industry (METI), Japan
2. **Mr. Wanhar**, Director of Electricity Program Development, New, Renewable Energy and Energy Conservation Directorate (EBTKE), to give RE policy update in the macro level and the investment opportunity for Japanese investors
3. **Mr. Evy Haryadi**, Director of Transmission and System Planning, PT PLN, to update PLN's transition to renewable energy, and the investment opportunity it creates for Japanese investors.

Moderator: Mr. Riyadi Suparno, Executive Director of Tenggara Strategics

³ CNNIndonesia.com, "Target Energi Terbarukan 14,5 Persen Belum Tercapai Tahun Ini," Jan. 26, 2022. <https://tinyurl.com/3247s3zj>

⁴ Ministry of Foreign Affairs of the Republic of Indonesia, "Boosting Investment in the New and Renewable Energy Sector, the Ministry of Foreign Affairs and the Ministry of Energy and Mineral Resources Holds an International Webinar." Nov. 30, 2021, <https://tinyurl.com/yc5ubwv6>

SESSION II: ENERGY TRANSITION FINANCING THROUGH JETP & ETM

11.25 - 12.35 Tokyo Time (09:25 – 10:35 WIB)

The Energy and Mineral Resource (ESDM) Ministry's Energy Sector Roadmap to Net Zero Emissions (NZE) in Indonesia, prepared in collaboration with the International Energy Agency (IEA), highlights the urgency of early scaling up of renewable power, such as solar, wind, hydro, geothermal and bioenergy; the critical importance of international support for financing such a pathway; and ensuring the energy supplies needed for Indonesia to take advantage of the economic opportunities of the transition in areas such as critical minerals and clean energy technologies.

These areas have become the key targets of Indonesian Just Energy Transition Partnership (JETP), which will see the mobilization of US\$ 20 billion fund from developed countries and global private lenders, led by the United States and Japan, to accelerate Indonesia's energy transition. The partnership is currently developing an investment plan and technical assistance to ensure Indonesia's energy transition plan is on the right path to achieve climate targets and include workers and communities impacted by the energy transition.

In addition to the JETP, Indonesia has also secured pledges from a group of development banks, private lenders and philanthropic institutions led by the Asian Development Bank (ADB) to buy or refinance coal power plants for its early-retirement and build renewable power plants under the Energy Transition Mechanism (ETM). Two multibillion-dollar funds will be part of the mechanism; the first is devoted to early retirement or repurposing of coal-fired power plants on an accelerated timeline, while the other focuses on new clean energy investments in generation, storage, and grid upgrades. PT Sarana Multi Infrastruktur (SMI) has been assigned to manage the ETM country platform and coordinate the fund, though no pledges have been made under the mechanism to date.

This session will discuss the way to move forward with financing Indonesia's energy transition, focusing on the role of Japan. The key questions on this session will be:

- What is the experience of Japan in financing energy transition?
- What is the potential project collaboration between Indonesia and Japan under ETM and JETP?
- What does Indonesia need to prepare to ensure a just energy transition?

Keynote speech

H.E. Mr. Rachmat Kaimuddin, Deputy for Infrastructure and Transportation Coordination, Coordinating Ministry for Maritime and Investment Affairs, to discuss about JETP Indonesia's framework

Speakers

1. **Mr. Gigih Udi Utomo**, Director of Energy Conservation at the New, Renewable Energy and Energy Conservation Directorate (EBTKE), JETP Secretariat, to update JETP Indonesia's investment plans to attract investment into early retirement of PLTU in Indonesia
2. **Mr. Ekha Yudha Pratama**, Head of Advisory Division, PT Sarana Multi Infrastruktur (SMI), to discuss about Indonesia's Energy Transition Mechanism (ETM) and what it offers to Japanese investors to participate in the ETM program.
3. Representative of the Japan Bank for International Cooperation

Moderator: Mr. Sunan Jaya Rustam, Minister Counsellor of Economic Affairs, Embassy of the Republic of Indonesia in Tokyo

ABOUT US

Tenggara Strategics

Tenggara Strategics is a business and investment research and advisory institution established by the Centre for Strategic and International Studies (CSIS), *The Jakarta Post* and Universitas Prasetiya Mulya. Combining the capabilities of these three institutions, we aim to provide the business community with the most reliable and comprehensive business intelligence related to areas that will help business leaders in making strategic decisions. Tenggara Strategics offers daily media monitoring, strategic briefings and tailored research services to our clients to help them make strategic decisions.

Centre for Strategic and International Studies

Founded in 1971, the Centre for Strategic and International Studies (CSIS) has won recognition as an important research and policy institution both within Indonesia and internationally. Its development over more than three decades is entwined with the history of Indonesia itself. In addition to its core studies in domestic economic and political developments, CSIS has also progressively developed a more international orientation through organizing bilateral conferences involving various countries.