



Toward a Greener World

G20 Presidency of Indonesia is a strategic momentum to realise the vision of transformation towards sustainable green energy and a green economy

by Novianto Huntua

Strategic Outlook on Asean



The upcoming G20 summit entitled "Recover Together, Recover Stronger" which is going to take place in Bali, Indonesia, from November 13 to 14, 2022, focuses on three strategic issues. One of them is the transition to sustainable energy and a green economy. In line with that, President Joko Widodo (Jokowi) also encourages Business 20 (B20), the official G20 dialogue forum with the global business community, to contribute to efforts to accelerate this energy transformation.

In the official inauguration of the 2022 B20 Inception Meeting at the end of January, the president joined virtually from the Bogor Presidential Palace, West Java, where he remarked, "We expect B20's contribution to accelerating a smooth energy transformation, without causing negative impacts on small communities."

Furthermore, the president revealed that Indonesia has a potential source of new and renewable energy (EBT) of 418 gigawatts, from water, geothermal, wind and solar. Indonesia also has a wealth of metallic mineral resources needed to drive the transition to a sustainable green economy. In order to realise this potential for creating inclusive and sustainable economic development, he invites the private sector in the global scope to participate in investment in the energy transition.

Shinta Kamdani, Chair of the B20 Forum, viewed that currently, in various developed countries, the trend has begun to move towards energy transition, which previously utilised coal to renewable energy. This energy transition is essential to maintain energy availability in the future. According to the Ministry



of Energy and Mineral Resources records, without the discovery of new reserves, oil in Indonesia will run out in the next nine years, natural gas will run out in 22 years, and coal will run out in the next 65 years.

Further, Shinta adds that Indonesia views the energy transition not only to create a better life and responsive to climate change. But it is also expected to positively impact the social and economic fields in the form of new jobs and wider employment opportunities and increase public capacity.

"Realising the energy transition and green economy, of course, is a big responsibility and simultaneously provides a great opportunity for investment in the new and renewable energy sector. However, it must be followed by a clear scenario and roadmap, including

funding and investment," Shinta tells Tatler Indonesia.

On the other hand, the presence of foreign investment in the green economy sector shall be able to meet several requirements: environmentally friendly, committed to educating local workers, willing to transfer technology, and providing added value for Indonesia in the management of mineral resources.

A green economy is a development model that synergises between economic growth and improving environmental quality by maintaining the balance of nature, benefiting the country and encouraging economic recovery following the COVID-19 pandemic. According to the Ministry of National Development Planning (Bappenas) records, a low-carbon development path to zero carbon emissions by 2045 could result in an average GDP growth rate of 6 per cent per year, above normal business projections as currently. This program is estimated to create 15.3 million jobs and, most importantly, place Indonesia as one of the leading destinations for green investment in developed countries.

B20'S STRATEGIC STEPS

Throughout 2022, the series of events leading up to the G20 Summit is filled with various events, such as the World Economic Forum, and also includes roadshows to various G20 countries. In collaboration with the Ministry of Investment/Investment Coordinating Board (BKPM), B20 Forum curated a pipeline of investment projects to be introduced directly to global business players abroad, one of which is renewable energy projects related to solar TV, marine fishery, eco-tourism and Indonesia's new capital (IKN).

B20 has 6 task forces and one action council. One task force that plays a major role in the energy sector is the Energy, Sustainability and Climate Task Force. The Energy Task Force is moving quickly to host a series of programs that can

contribute to the success of the G20 Summit.

This step is manifested in various activities, including holding a Stakeholder Consultation Task Force Energy, Sustainability & Climate Business Entities, Associations & Think-Tank. This consultative discussion was held in the form of a Focus Group Discussion (FGD), which was attended by 24 business entities and associations to dig up information and absorb stakeholders' aspirations in the energy sector.

Another strategic step is to attend the Bloomberg New Economy Forum (BNEF) in New York, United States, at the end of April 2022. At the forum which was attended by around 300 global business players, the Indonesian Chamber of Commerce and Industry (KADIN) which led the B20 Indonesia forum stated that Indonesia has a strong commitment to support the development of clean energy and realise net zero emissions by 2060 or sooner. Therefore, it is expected that global investors invest in Indonesia to support the development of green energy businesses and the use of new and renewable energy.

Furthermore, another concrete step, to realise the target of zero carbon emissions in Indonesia by 2060, KADIN Indonesia initiated the Net Zero Hub program which aims to become an ecosystem aggregator, technical enabler and forum for all parties who are willing to contribute to this net-zero carbon emission journey. The existence of KADIN Net Zero Hub is expected to be a driving force for the private sector to commit to achieving net-zero company.

As part of the agenda, the B20 forum also conducts roadshows to G20 member countries, including Canada. This roadshow aims to discuss the potential for collaboration and accelerate cooperation and policy curation, which will then be discussed further at the G20 Summit.

During the visit to Canada, the delegation from the Indonesian Chamber of Commerce and Industry (KADIN) was present, including Arsjad Rasjid,

Chairman of KADIN; Shinta W. Kamdani, Chair of B20 who is also Deputy General Chair (WKU) of KADIN Coordinator for Maritime Affairs, Investments and Foreign Affairs; Bernardino M. Vega, Deputy General Chair (WKU) of KADIN for International Relations; Diono Nurjadin, Chair of KADIN's American Standing Committee; Anne Patricia Sutanto, Chair of KADIN's International Treaty Standing Committee and Millie Lukito, Chair of KADIN's Indonesia-Canada Bilateral Committee. They met directly with Canadian business communities and corporate leaders to further discuss the potential for future collaborations between Indonesia and Canada. This meeting was chaired and facilitated directly by the Ambassador of the Republic of Indonesia to Canada, Daniel Tumpal Simanjuntak.

Shinta conveys that one of the issues that attract business people in Canada is clean energy and a green economy because they see Indonesia as a large country with abundant natural resources and the 4th largest population in the world.

Although still constrained by funding budgets to create a just and balanced energy transition, Indonesia also recognises the urgency to start implementing green energy in order to create stable and sustainable long-term economic development. With the strength of Canada's experience, expertise and advanced technology, Indonesia hope that Canada can lead and assist in the transition process.

On August 17, 2022, Indonesia will celebrate its 77th Independence Day. We should be proud of the achievements of the Indonesian government, especially as the host of the 17th G20 Summit. For that, Shinta urges, as a part of Indonesia, to let us help to make the G20 Summit a success. Let us prove that we are a friendly and hospitable host, and we take a serious role in supporting environmentally friendly, clean energy and renewable energy programs for the survival of life on earth in the future.

