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Indonesia Fosters Investment Mobilization to Achieve Gigawatt Order of Solar

Jakarta, 19 April 2022 - Indonesia's presidency at the G20 2022 is a momentum to show Indonesia's seriousness in accelerating the global energy transition and the national energy transition plan to achieve carbon-neutral 2060 or faster. One of the ways to achieve it is by accelerating the utilization of solar PV, which has a potential of up to 3400 Gigawatts in Indonesia. Through the Indonesia Solar Summit 2022 organized by the Ministry of Energy and Mineral Resources (MEMR) in collaboration with the Institute for Essential Services Reform (IESR), it is hoped that the commitment of local governments, electricity consumers, private and state-owned developers, regional owned-enterprises, and the community to encourage the adoption of solar PV and mobilize the required investment.

Representing the Minister of Energy and Mineral Resources (MEMR), Secretary General of the Ministry of Energy and Mineral Resources Ego Syahrial said that Indonesia's energy transition roadmap to achieve Net Zero Emission (NZE) by 2060, solar energy will play an important role in national electricity supply, of which 587 GW capacity new renewable energy (NRE), of 361 GW or more than 60% will come from solar energy.

"The government has three major programs for utilizing solar energy, namely rooftop solar PV, large-scale ground-mounted solar PV, and floating solar PV. The implementation of these various programs requires contributions from many parties, not only the government, business area holders, and renewable energy developers, but also energy users, such as the commercial and industrial sectors," explained Ego in his speech as well as opening the Indonesia Solar Summit/ISS 2022 event.

The commitment, continued Ego, to realize the 2.3 GW (accumulated) solar PV project in 2022 and 2023 which was declared by 31 companies and the plan to build a solar PV component factory in Indonesia to re-energize its solar energy investment in Indonesia.

Ego added that the rooftop solar power plant itself is one of the quick wins in accelerating the use of solar energy through direct contributions from energy users, especially for industry to meet increasingly strong market demands for green products.

"Support from local manufacturers is also very much needed to fulfill local content requirement and provide great benefits for the country, especially in terms of job creation. Besides that, aspects of easy access to cheap financing, incentives, and other financing facilities are very important to provide financial feasibility and increase energy investment in renewable energy such as solar PV," he said.

The commitment to realize 2.3 GW (accumulated) solar projects in 2022 and 2023 are declared by 29 companies, including the plans to build a domestic solar PV manufacturing plant in Indonesia to re-energize

its solar energy investment.

Michael R. Bloomberg, Founder of Bloomberg LP and Bloomberg Philanthropies and United Nations Special Envoy for Climate Ambition and Solutions, emphasized the importance of transitioning to renewable energy as one of the right solutions to achieving zero emissions. He continued that speeding up the investment in solar power will accelerate the green resilient economic development.

"Indonesia has the potential to be a global leader in solar power. This summit is an important opportunity to showcase and accelerate the country's clean energy efforts before G20 leaders arrive in Bali this November. Solar is already cheaper than coal in many countries. The more we do to speed up investment in solar power, the faster we can cut emissions, create new jobs, and build a stronger and more resilient global economy," Michael explained.

In 2021, IESR identified large-scale PV project pipelines totaling 2.7 GWac, with an investment value of US\$3 billion. At the ISS 2022, the number of solar PV project pipelines committed by multiple companies amounts to 2,286 MW, consisting of rooftop PV (largest percentage), ground-mounted solar PV, and floating solar PV. To mobilize this investment potential, an attractive and supportive ecosystem is needed; including sound policies and regulations, comprehensive implementation of existing regulations, and support to drive the development of the solar PV industry supply chain in Indonesia.

Fabby Tumiwa, Executive Director of the Institute for Essential Services Reform (IESR) stated that to achieve the renewable energy target of 23% by 2025 according to Presidential Regulation 22/2017, as well as the RUPTL target of 10.9 GW, additional renewable energy generating capacity of 4 GW is needed from outside of PLN. This addition can be contributed by solar PV, both rooftop solar and the use of solar PV in other PLN electricity business holders.

"From the declaration of the 2.7 GW PLTS project at ISS 2022, shows the enormous potential of solar energy in Indonesia. Indonesia can become a Solar Powerhouse in Southeast Asia with potential growth of 3-4 GW annually if it is fully supported. It opens up opportunities for green investment to stream, opportunities to grow the integrated solar power industry from upstream to downstream, and employment and become the driving force for post-COVID economic recovery. President Jokowi needs to see this potential and lead the solar energy revolution for the energy transition in Indonesia," said Fabby Tumiwa.

The Indonesia Solar Summit (ISS) 2022 is held on 19 and 20 April 2022, highlighting support from the Coordinating Minister for Economic Affairs, Minister of Energy and Mineral Resources represented by the Secretary-General of the Ministry of Energy and Mineral Resources, Deputy Minister of State-Owned Enterprises, Deputy for Investment Planning at the Ministry of Investment, representatives of the Ministry of Finance, CEOs of national and multinational companies, and 15 speakers on Summit Day 2 workshop. ISS 2022 receives support from Bloomberg Philanthropies, Matahari Power, Utomo SolaRuv, BloombergNEF, International Solar Alliance, the Indonesian Solar Energy Association, and the Clean Affordable and Secure Energy in Southeast Asia (CASE) Project; and is attended by 1,000 participants online and offline.