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NUSA DUA/SHARM EL-SHEIKH: A coalition of countries will mobilise US\$20 billion (RM90.9 billion) of public and private finance to help Indonesia shut coal power plants and bring forward the sector's peak emissions date by seven years to 2030, the United States, Japan and partners announced yesterday.

The Indonesia Just Energy Transition Partnership (JETP), more

than a year in the making, "is probably the single largest climate finance transaction or partnership ever," a US Treasury official told reporters.

The Indonesia JETP is based on last year's US\$8.5 billion initiative to help South Africa more quickly decarbonise its power sector that was launched at COP26 in Glasgow by the US, Britain and European Union.

To access the programme's US\$20

billion worth of grants and concessional loans over a three- to five-year period, Indonesia has committed to capping power sector emissions at 290 million tonnes by 2030 - and with a peak that same year. The public and private sectors have pledged about half of the funds each.

Indonesia also has set a goal to reach net-zero emissions in its power sector by 2050, a full decade before its

current target set in its national climate plan, and to double the pace of renewable energy deployment so that it accounts for at least 34% of all power generation by 2030.

"We've built a platform for cooperation that can truly transform Indonesia's power sector from coal to renewables and support significant economic growth," US Special Envoy on Climate Change John Kerry said.

"We've wrestled with countless issues to arrive at today's groundbreaking announcement."

The Treasury official said the peak power emissions for Indonesia in 2030 under the plan would be at a level 25% lower than their currently estimated peak in 2037. Indonesia's annual emissions reduction over those years would be larger than Britain's annual power sector emissions. - Reuters