

Indonesian Special Envoy Hashim Djojohadikusumo announces EUR 1,2 Billion Green Funding

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The Indonesian Government, through Special Presidential Envoy of the Republic of Indonesia Hashim Djojohadikusumo, announced EUR 1.2 billion in green funding for the Indonesian power sector from German state development bank Kreditanstalt für Wiederaufbau (KfW) at the COP29 World Climate Conference in Baku, Azerbaijan.

The agreement was marked by the signing of a Memorandum of Understanding (MoU) between PT PLN (Persero) and KfW to support Indonesia's energy transition towards self-sufficiency with the development of various green power and clean energy projects, centered on the Pumped Storage Hydroelectric Power Plant (PLTA) and transmission network connecting with green power plants.

Hashim emphasized that the government is committed to accelerating the energy transition. By fostering collaborations at the global level, the shift towards renewable energy is expected to support energy self-sufficiency and drive national economic growth. "We have developed a new strategy over the next five years to achieve a minimum of 8% sustainable economic growth," Hashim affirmed.

He stated that the development of clean energy sources is crucial for enhancing industrial competitiveness. Over the next 15 years, Indonesia's renewable energy generation capacity is targeted to increase by 75% from the total addition of 100

gigawatts (GW) in electricity capacity.

"We will be a major country fulfilling our responsibility to protect the environment's future. We deeply appreciate the established international cooperation as a joint effort toward reaching the Net Zero Emissions (NZE) target," Hashim explained.

PLN President Director Darmawan Prasodjo expressed full support for the government's initiatives in advancing the energy transition. Various collaborations and initiatives have been implemented by PLN to ensure the success of sustainable electricity projects. Darmawan noted that KfW's involvement in PLN's green projects is expected to attract more international partners to collaborate.

This will create a synergy of sustainable strategic, technical, and investment collaboration in global climate action. "This collaboration signifies PLN's proactive steps in expanding international partnerships to enhance national energy self-sufficiency in line with global climate actions," Darmawan stated.

KfW Group's Sustainability Officer, Jorgen Kern, explained the KfW support for Indonesia represents Germany's commitment to international cooperation for green transformation. Further, Jorgen highlighted that PLN is at the center of Indonesia's energy transition. PLN is strongly committed to greening the energy sector while ensuring reliable energy access.