

Press Release

INDONESIA AND GERMANY WILL INTENSIFY THEIR COOPERATION ON CLEAN ENERGY AND LOW CARBON DEVELOPMENT

NUSA DUA – Both the Federal Republic of Germany and the Republic of Indonesia are committed promoters of low carbon development. In a very fruitful exchange, the Minister of National Development Planning/National Development Planning Agency of the Republic of Indonesia Mr. Bambang Brodjonegoro, and the Parliamentary State Secretary of the German Federal Ministry for Economic Cooperation and Development Mr. Norbert Barthle, today (10/14) agreed to intensify their cooperation and outlined new and concrete initiatives, funded with a budget of 450 million Euro (approx 7,8 trillion rupiah). Both countries already collaborate actively in the Partnership on Nationally Determined Contributions (NDC Partnership) and have put the promotion of clean energy at the center of their bilateral development cooperation. “The Indonesian government has set itself ambitious low carbon goals. It has sent a strong signal to install a climate-friendly and sustainable development policy,” stated Mr. Norbert Barthle.

By 2030, emissions are to be reduced by 29 percent on its own efforts and up to 41 percent with international support, against the business as usual scenario. The share of renewable energies in the electricity mix is to be increased to about 23 percent by 2025. At the same time, the demand for energy is expected to increase considerably due to continuous economic growth. In order to support the Indonesian endeavours to develop in an environmentally sustainable manner and to fulfill its international commitments, the German Parliamentary State Secretary offered funding to two new bilateral energy-related projects. The first project aims to explore the immense potential of geothermal power throughout Indonesia. A second project will build transmission lines in Sulawesi. The transmission lines will connect sources of renewable energies such as hydropower to the electric grid in Sulawesi. For supporting the projects, the German Government offers funding of up to 300 million Euro (approx. 5,2 trillion rupiah) for the geothermal endeavors and up to 150 million Euro (approx. 2,6 trillion rupiah) for the transmission lines. “Germany is a long-standing and highly reliable partner of Indonesia. Together, we address important challenges and already achieved a history of concrete results. I highly welcome this new funding proposal, which will intensify our cooperation significantly, especially with regard to clean energy and concrete low carbon development,” explained Minister Bambang.

Nusa Dua, October 14th 2018

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