



Indonesia G20 Presidency 2022 Prepares Roadmap, Policies, and Social Impact Mitigation Plan for Just and Affordable Climate Transition

Nusa Dua, 14 July 2022 – Indonesia’s Ministry of Finance held the High-Level Sustainable Finance for a Climate Transition Roundtable - as a part of the Third Series of G20 Finance Ministers and Central Bank Governors (FMCBG) Meeting Activities 11-17 July 2022 in Bali. This meeting was conducted in a hybrid format and attended by all G20 members, as well as international organizations. The meeting was designed as an in-depth exploration of issues and opportunities for sustainable finance of energy and climate transition.

Minister of Finance of Indonesia Sri Mulyani opened the roundtable with a call to create *Country Platforms*, building upon the *G20 Reference Framework*. In a time of overlapping crises, such platforms aim at helping governments to finance and achieve a successful transition across public and private sources of funding, and multilateral and national levers. They are an opportunity for countries to showcase their policy frameworks and approaches to decarbonization.

Minister Sri Mulyani encouraged participants to create and share investment opportunities that enable an orderly, just, and sustainable transition. She was joined by Minister of Finance of India Nirmala Sitharaman, Minister of Finance of South Africa Enoch Godongwana, US Treasury Undersecretary Andy Baukol, and Group Chief Executive of Standard Chartered Bank Bill Winters, for a roundtable discussion moderated by Desi Anwar. They discussed public finance for energy transition, the role of private investment-companies in delivering a just and affordable energy transition, and the progress toward a Just and Affordable Transition.

In her remarks, Minister Sri Mulyani said that the transition to a green economy with the principle of just and affordable will occur in the medium and long term, with milestones in 2030 and 2060 or for some countries could be earlier. “For Indonesia, we prepare a roadmap, policies, infrastructure legislation, also analyzing, and dealing, managing social impact in a short time”, said Minister Sri Mulyani.

On the demand side, Minister Sri Mulyani added that Indonesia will ensure (i) stability of the availability of vital essential services such as electricity, (ii) stability of energy prices, food, and public transport, (iii) social protection for the poor and vulnerable, and (iv) the application of sustainable development principles.

The green economy transition should not increase poverty or unemployment, instead, green economic growth will create new and more qualified jobs. This is in line with the Finance Minister of India and Finance Minister of South Africa’s statements who mentioned that in achieving energy transition we should put a social impact on the plan.

Leaders of major global financial institutions and multilateral banks, as well as climate finance partnerships and coalitions further discussed solutions to overcome energy transition and climate mitigation finance gaps and ways to drive system change. In addition, energy industry leaders presented strategies and plan to accelerate transitions.

The launch of Indonesia’s Energy Transition Mechanism (ETM) Country Platform concluded the event. Febrio Kacaribu, Head of Fiscal Policy Agency, Ministry of Finance of Indonesia, stated that this initiative was accurate and timely, particularly at the onset of the Indonesia G20 Presidency meetings. Country Platforms are meant for G20 members and beyond, middle and lower-income countries, to significantly improve the financing and accelerate the delivery of their climate commitments through real, implementable, and at-scale initiatives, he added.

The Sustainable Finance for a Climate Transition Roundtable complements the discussions held under the Sustainable Finance Working Group (SFWG) during the G20 presidency of Indonesia. Scaling up sustainable finance markets and improving access to capital for countries and firms, including developing economies and SMEs, in an affordable way, were among the main priorities.

The Roundtable addressed the priorities of the *G20 Sustainable Finance Roadmap*, especially its Action 15, “*Encourage IFIs, including MDBs, other relevant IOs, and public funds more broadly to mobilize private finance*”. It further addressed the multiple challenges of raising at scale, transformative sustainable finance, following the *Private Sector Roundtable for Sustainable Finance* that was held previously on 18-19 April 2022.

Media Contact: _____

Rahayu Puspasari
Head of Communications and Information Services Bureau
Ministry of Finance



✉ kemenkeu.prime@kemenkeu.go.id

