

INDONESIAN – GERMAN ENERGY TRANSITION SYMPOSIUM

22 March, 10:00-13:30 CET | 16:00-19:30 WIB



A JUST ENERGY TRANSITION – MATCHING LEARNING CURVES FROM GERMANY AND INDONESIA

#F20EventReport

on the Indonesian – German
Energy Transition Symposium
in the context of the G7 and
G20 Presidencies in 2022

virtual event | 22 March, 2022

**A Just Energy Transition
in Germany and Indonesia:
More trust, ambition,
collaboration, inclusion
and partnership
at a quicker pace**

The F20 Symposium was an important and encouraging cornerstone to take further steps towards the just energy transition and showed very clearly, that not only the governments are ready for this endeavour, but that also many stakeholders and foundations in Indonesia and in Germany will play their role as part of the solution.

It has never been more timely to accelerate the development and supply of renewable energy sources to reduce and in the long run eliminate dependence on fossil fuels whilst strengthening self-sufficiency and sovereignty in terms of energy supply.

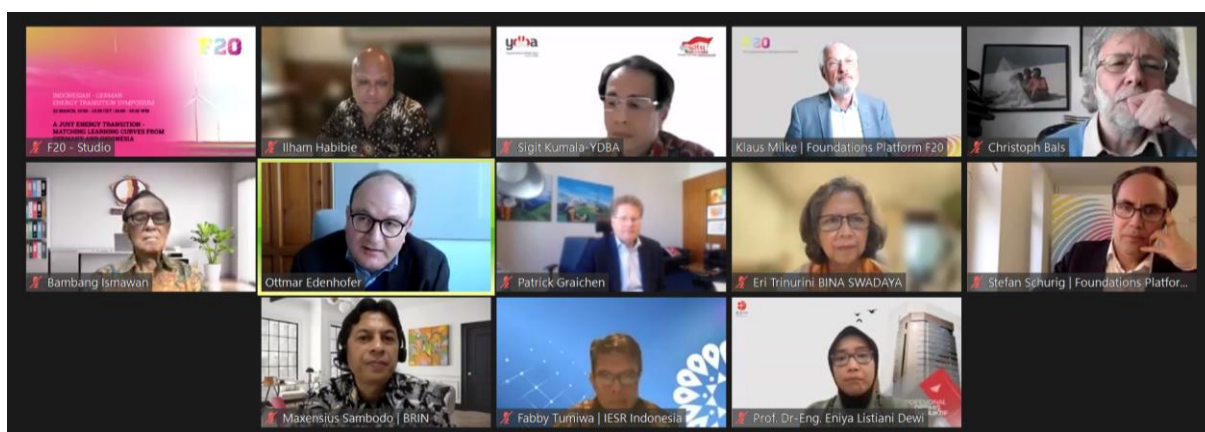
#F20EventReport by Klaus Milke,
F20 Chair and Stiftung Zukunftsfähigkeit

Under the headline of “A Just Energy Transition - Matching Learning Curves from Germany and Indonesia”, the virtual event tried to provide an overview of learning curves from Indonesia and Germany on the energy transition including questions such as CO₂ pricing, phase out of coal and upscaling renewable energy in the context of the G7 and G20.

In the uptake of this year’s G7 Presidency of Germany and G20 Presidency of Indonesia, the Foundations Platform F20 brought together a number of global thought leaders from Germany and Indonesia to explore and discuss future-proof pathways to embark on a renewables-based trajectory at the rate necessary to prevent catastrophic climate-change scenarios.

[The Indonesian – German Energy Transition Symposium](#) identified how foundations in both countries can be part of the solution and pointed out to the opportunities for upscaling renewable energy and the importance of a just coal phase out.

Counting more than 75 foundations worldwide among its partners, the Foundations Platform F20 plays a bridging function to help enable mutual understanding and joint activities in the run up to the G7 Summit in June in Elmau/Germany, the G20 Summit in October in Bali/Indonesia and up to COP27 in Sharm el-Sheikh/Egypt in November. The symposium strongly emphasised that local knowledge is valuable to identify common ground for climate action and that it needs to be fed into multilateral decision-making.



Matching learning curves from both countries

From left to right: Dr. Ilham Habibie; Sigit Kumala; Klaus Milke, Christoph Bals; Bambang Ismawan, Prof. Dr. Ottmar Edenhofer, State Secretary of German Ministry for Economics and Climate Dr. Patrick Graichen, Eri Trinurini, Stefan Schurig, Dr. Maxensius Tri Sambodo, Dr. Fabby Tumiwa, Prof. Dr. Eniya Listiani Dewi.

Change of time

Klaus Milke, F20 Chair and Chair of Stiftung Zukunftsfähigkeit, referred to the current geopolitical situation in his opening speech of the Indonesian German Energy Transition Symposium by stating: “The world is no longer the same. The world order based on international law and sovereignty of states is being called into question on a massive scale. In this situation, we feel more than confirmed with the global Just Energy Transition. The growth of renewables must happen even faster than climate science is already telling us.”

Ilham Habibie, F20 Co-Chair and Co-founder and Chairman of Board of Trustees of The Habibie Center Foundation, underlined the importance of a knowledge building dialogue and reaffirmed the need of increased efforts and fostering trustful international relationships in these challenging times.

The many following statements reflected the topic at stake from a range of different perspectives with high-ranking representatives coming from politics, business, civil society think tanks and academia and echoed the importance of comparing and matching different learning curves when it comes to finding the solution-oriented answers to climate change. As there is no panacea to solving the climate crisis, any trajectory towards the energy transition must integrate the socio-economic perspective to ensure a cross-cultural sensitive approach in the spirit of leaving no one behind.

Having a closer look at the pure numbers, specifically on the recent price

increases for gas and oil fuelled by the current international scenario, coal appears to be increasingly competitive on the global market than it was a few months ago. In his keynote, Prof. Dr. Ottmar Edenhofer pointed out to this trend which entails the risk of a lock in effect of coal.

Although the described short-term business case for coal sends alarming signals, it must not be forgotten that the competitiveness of renewables has not ceased, he added. Rather to the contrary, the “Energy transition is no longer a price issue. This is rather an issue of how quickly we are able to ramp up the volumes that we need,” commented the German State Secretary Dr. Patrick Graichen, highlighting that solar and wind electricity are far more competitive than they were before. But tremendous volumes are needed in the near future.

To make renewables a reality, “it is inevitable that we need to diversify our energy to ensure that everyone has access to green energy to mitigate conflicts”, urged Yenny Wahid, Director of the Wahid Foundation, stressing the socio-economic perspective and the pivotal aspect to both avoid fragmentation of societies and maintain social cohesion. It goes without saying that the implementation of a just energy transition requires a multi-stakeholder approach that is sustainable, inclusive and equitable in scope to respond to the most pressing questions of our time.

Prof. Dr. Eniya Listiani Dewi described how far The Habibie Center in Jakarta is playing a constructive role by enhancing innovative technologies such as

green hydrogen, developing future business models and strengthening awareness building and democracy in the Indonesian society.

Bambang Ismawan, an important pioneer in Indonesia on sustainability, social movement and small and medium entrepreneurship and the founder of Bina Swadaya was very clear with regard to the fact that the climate crisis is affecting all, but mainly the poorer population. So to bring up programmes for rural development and more resilience is absolutely crucial.

By sharing experiences of the German *Energiewende* and especially the discussed coal phase out in Germany up to the year 2030, the Symposium shed light upon the processes of ownership, trust and awareness building for a just transition.

Fabby Tumiwa, Executive Director at the Institute for Essential Services Reform (IESR) and C20 Co-Chair, pictured the severe impact of climate change on Asia. Based on the scientific evidence provided by the latest IPCC report, he said that the level and evidence of climate-related risks will further increase: "Our cities in the coastal areas are threatened by climate change. The entire north coast of Java is actually threatened and we have seen how many people are suffering actually from the sea level rise in the last 20 years". Fabby Tumiwa outlined in particular the climate change-related damages in critical infrastructure and the disruption of services and supply chains that will occur.



Shared vision

Key stakeholders from Indonesia and Germany convened virtually on March 22 to explore common pathways for a just energy transition. Minister Luhut Binsar Pandjaitan, Coordinating Minister of Maritime Affairs and Investments of Indonesia (see picture on the top left) underlined the need of more cooperation and energy and climate partnerships.

Fostering international cooperation and open dialogue spaces

The Indonesian Coordinating Minister of Maritime Affairs and Investments of Indonesia, Mr Luhut Binsar Pandjaitan stressed the fact that the Energy Transition “needs a lot of capital and needs to be supported from international public and private sectors. Not just in the form of debt but also equity.” He underlined the need of more cooperation and energy and climate partnerships. He concluded “we need the support from the international community, at least in particular from developed countries.” Sigit Prabowo Kumala from Dharma Bhakti Astra Foundation (YDBA), one of the foundations of the well-known Indonesian Astra-Group described the processes they support with MSMEs on sustainability and to become more climate friendly.

Frank Niederländer from the BMW Foundation Herbert Quandt illustrated that his foundation focuses in depth on connecting people across the globe. “Climate is now the key of our strategic planning. Climate is a big opportunity to strengthen our action concerning the 2030 agenda.” It is within this context that the BMW Foundation Herbert Quandt has set up the RESPOND Accelerator. Another important element of the foundation’s work are cities: finding solutions and driving innovation, cities are a good place to do that.

Shinta Kamdani, Business 20 Chair and owner of Indonesian-based consumer products and energy company Sintesa Group, commented on this affirming the need of cross-sectoral cooperation. According to her assessment, “governments may have political will, but we must admit that businesses have rooms for innovation and financial resources,” bringing the strategic benefit of business and corporate sectors to the fore.

Till Kötter, Head of European and International Policy at Stiftung KlimaWirtschaft, an alliance of German CEOs, shared this assessment also for the German business landscape and echoed the most pressing questions for businesses in Germany: “How can we strengthen our economic resilience by accelerating the expansion of energy efficiency of RE and of green hydrogen? But also what price are we as society and export oriented economy willing to pay?”

All speakers agreed that in this year Indonesia in a transformative collaboration with Germany has a unique strategic chance to inspire the global energy transition efforts. Here, Germany can play a supportive role to promote international cooperation, dialogue and mutual trust. “It is all the more important to make best use of the objective of the German G7 Presidency to build an alliance for climate competitiveness and industry as it was called for a cooperative and open climate club,” concluded Till Kötter.

Given the aim to strike a balance and maximise synergies between the host countries of this year’s G7 and G20 summits, the symposium set the scene

for illustrating the great potential of international energy and climate partnerships both on the national and international level. Likewise, the case of the Just Energy Transition Partnership with South Africa as announced at COP26 in Glasgow last year can serve as promising vehicle, underlined State Secretary Patrick Graichen in the beginning.

It is within this context, that “we have to rethink our relation with coal ... We should not delay our efforts to start reducing emissions”, said Fabby Tumiwa before in the Indonesian case. Inaction will yield ever increasing costs and damages to our planet and our livelihood, he warned.



Diversifying our Energy

“It is inevitable that we need to diversify our energy to ensure that everyone has access to green energy to mitigate conflicts”, urged Yenny Wahid, Director of the Wahid Foundation (see picture on the bottom right).

Dr. Maxensius Tri Sambodo, involved very much in Science 20, another G20 engagement group, focused on the scientific fundament that is existing and which can be used for leapfrogging technologies today towards a just energy transition. Scientific research shows that the distinct challenges of the climate and biodiversity crises are closely interwoven so that any adaptation effort is likely to have unforeseen implications that will require new adaptation measures on their own.

Important was the voice of Dolf Gielen from the International Renewable Energy Agency. IRENA is working with ASEAN in the region. PV deserves much more attention in the Indonesian context. “We see a strong role of electromobility and we see a key role for biomass and hydrogen going forward in Indonesia.” IRENA is supporting two roundtables in early June.

Philanthropy's and parliamentarians' role in the race to the top

Rizal Algamar from Filantropi Indonesia with more than 110 members in Indonesia remarked positively: "In the context of G7 and G20 in the year 2022, it is of high value that German and Indonesian foundations have agreed upon a deeper dialogue and cooperation in order to support climate action and higher ambitions on the global scale."

The representative of the World Future Council Alexandra Wandel showcased the high importance to work with parliamentarians worldwide on energy and climate and also in the context of G7 and G20.

In their closing statement, the F20 Chairs Klaus Milke and Ilham Habibie made the appeal to the G7 and the G20 countries to demonstrate leadership. The conclusion was stark that the international climate cooperation of this year's G7 and G20 hosts provides a special momentum that needs to be seized.

In the final statement and summary of the event, Christoph Bals from the German NGO Germanwatch strongly echoed the general affirmation among the speakers during the symposium, that "(...) the need to act and leverage on a quick phase out of fossil fuels is more urgent than ever before. And there are now geopolitical reasons adding to the climate-political reasons."

With the event drawing to a close, F20 Secretary General, Stefan Schurig, emphasised the crucial outcome: "Remaining under the 1.5 degrees, still, is a decision. And it depends on how we decide to change the energy sector. It is within this spirit, that the G20 countries need to demonstrate concrete action and revisit their NDCs to be Paris-aligned with interim targets of RE to make this a reality."

[F20 Event Report on an article by Anna Keremen and Karina Turan]