

Launching of Indonesia Sustainable Finance Initiative (ISFI)



Eight national banks and WWF-Indonesia, witnessed by the delegation from GIZ, Ministry of Environment and Forestry, and Financial Services Authority, pose for photos after signing the MoU and Pledge Board of Indonesia Sustainable Finance Initiative's launching, Jakarta.

Ministry of Finance, Sustainable Finance Initiative: ToC Mongolia, GIZ, International Finance Corporation (IFC), HSBC Indonesia, PT Royal Lestari Utama, and PT Sarana Multi Infrastruktur. Congratulation on the successful ISFI launching.

On Thursday, 31st May 2018, eight national banks, i.e. Bank Artha Graha International, Bank BRISyariah, Bank Central Asia, Bank Mandiri, Bank Muamalat, Bank Negara Indonesia, Bank Pembangunan Daerah Jawa Barat dan Banten, and Bank Rakyat Indonesia together with WWF-Indonesia, witnessed by the delegation from GIZ, Ministry of Environment and Forestry (KLHK), and Financial Services Authority (OJK), signed the MoU for the Launching of Indonesia Sustainable Finance Initiative (ISFI) at Borobudur Hotel, Jakarta. ISFI initiated as the transformation / agent of change and catalyst for effective and inclusive sustainable finance (SF) norms and implementation; while building potential business opportunities and synergies between its members. ISFI aims to encourage Financial Services Institutions (FSIs): bank and non-bank institution, issuers, public companies, and other institutions to actively contribute towards OJK's Sustainable Finance Roadmap and OJK Regulation No. 51/POJK.03/2017 on the Implementation of Sustainable Finance for Financial Services Companies, Issuers, and Public Companies, to support the Government of Indonesia on achieving the Sustainable Development Goals and Climate Change adaptation & mitigation efforts.

Active participation in ISFI unlock the potential on some accesses, such as capacity building, update on the latest sustainable finance innovation and information, as well as the access of knowledge through sustainable finance research and the development of risk management tools.

The launching event was continued with CEO Dialogue session and sustainable finance seminar which involved panelists from various backgrounds, such as Indonesia's Financial Services Authority, Ministry of Environment and Forestry, Fiscal Policy Agency -

Discussion to Optimize Renewable Energy Development in Indonesia



Participants were listening to the discussion in the *Focus Group Discussion: Optimize Potency of "Green Financing" for supporting Indonesia Renewable Energy Development.*

On 8th June 2018, delegations of ISFI join the Focus Group Discussion: Optimize the Potency of "Green Financing" to Support Renewable Energy Development in Indonesia which was held by WWF-Indonesia at Hotel Le Meridien, Jakarta. The objective of this discussion was to facilitate the initial communication platform for its stakeholders, at which FSIs also included, especially in renewable energy sector.

Director of Policy, Sustainability, and Transformation WWF-Indonesia, Aditya Bayunanda, stated that currently Indonesia' energy supplies are still dominated by fossil fuel, natural gas, and coal. Hence it contributes to a huge carbon footprint that affect the declining quality of environment and human life. Moreover, energy is deemed as an expensive and high risk investment, where environment issue often ignored to obtain "affordable" energy. Additionally, the environmentally friendly-renewable energy development also face some challenges, such as access to finance.

Eka H. Permana from Fiscal Policy Agency – Ministry of Finance stated that Indonesia government committed towards the mitigation of climate change and its impact as well as supporting the international convention via its membership in UNFCCC. Furthermore, Indonesia target the reduction of 29% - 41% green gas house emission by 2020, therefore renewable energy play an important role in achieving this target. The investment required to achieve the 2025 national energy policy target is ~USD 101 billion; yet the APBN capacity is very limited. Therefore the financing gap shall be covered by private investment. Several initiatives, such as 5-years green sukuk amounted ~USD 1,25 bilion has been issued to improve the financing of projects contributing to climate change mitigation and adaption efforts. Moreover, there is also immense potency for Green Climate Fund (GCF) yet it has not been optimally utilized.

This interactive discussion was moderated by Jalal from Green Voice Indonesia and successfully dig up participant's perspectives and enthusiasm of renewable energy investment's challenges. IKBI also able to build stronger networks in this event, especially with some key players in the sector, such as Fiscal Policy Agency – Ministry of Finance, Indonesia's Financial Services Authority, National Energy Council, Indonesian Chamber of Commerce, PT Sarana Multi Infrastruktur (SMI), Indonesian Renewable Energy Sociey (METI), MASKEEI, renewable energy companies, and NGO such as Indonesia Koaksi Indonesia and Yayasan Rumah Energi, as well as the other participants.

As a result, this discussion has also productively identified the challenges and recommendations to discover concrete solution in the renewable energy development. Further recommendations will be discussed in the next FGD of "Green Financing" Potential on July 2018.

Update on Sustainable Palm Oil



Rizal Malik (CEO of WWF-Indonesia) was delivering the speech for participants in Sustainable Palm Oil Update: Promoting Consumption and Production for Indonesia Sustainable Palm Oil.

On 7th June 2018, delegations of Indonesia Sustainable Finance Initiative (ISIF) joined the interactive discussion which provided the most update information in regards of Indonesia palm oil sector issues as well as involved in the brainstorming about the innovation and initiative of the new policies drive the sector. The annual event held by WWF-Indonesia at Shangri-La Hotel Jakarta was aim to strengthen the networks by bridging sustainable palm oil stakeholders.

The discussion involved several panellists, such as: Ministry of Environment and Forestry, PT Sinar Meadow International Indonesia, Edelman Indonesia, UNDP, Ministry of Agriculture, Forest Watch Indonesia, KEHATI, and efficaciously share the latest informations to the participants from banking, private sector, environment community, and NGO. By joining this event, ISFI can participate in supporting sustainable palm oil sector, also broaden its networks and gain the latest information of sustainable palm oil.