ACCELERATING SUSTAINABLE ENERGY DEPLOYMENT IN INDONESIA

CONTEXT

With ambitious climate targets and energy demand growing five percent a year, Indonesia is striving for universal electrification while reducing its greenhouse gas emissions. Renewable energy solutions will support Indonesia to advance these goals and bring greater prosperity to all corners of the archipelago.

Energy security, equity, and sustainability are critical for driving inclusive economic growth. As of 2021, more than 99 percent of Indonesians enjoy access to electricity. The Government of Indonesia now seeks to reach the last mile while increasing the amount of energy from renewable sources in the national energy mix to 23 percent by 2025 (up from 12 percent in 2018).

USAID SUSTAINABLE ENERGY FOR INDONESIA’S ADVANCING RESILIENCE (SINAR)

Through SINAR, the United States Agency for International Development (USAID) supports Indonesia’s goal to expand reliable and equitable energy services to advance sustainable development and inclusive
economic growth.

USAID SINAR builds upon the longstanding commitment and partnership between the U.S. Government and the Government of Indonesia in low carbon development in the energy sector. Through SINAR, USAID will help national and subnational governments, state-owned energy utilities, businesses, financial institutions, universities, and other key players to (1) accelerate the deployment of advanced energy systems, (2) improve the performance of energy utilities, (3) advocate for transparent and best value procurement, and (4) strengthen the institutional frameworks and capacity for energy sector transformation.

Collectively, these efforts will help Indonesia meet its ambitious renewable energy and energy efficiency targets while driving energy transformation that reduces greenhouse gas emissions. USAID SINAR works at the national level, while simultaneously engaging local governments in selected provinces to align national and sub-national plans and programs.

RESULTS

USAID SINAR has helped a 98.4 megawatt Rantau Dedap Geothermal Power Project in South Sumatra reach commercial operations and 13.3 megawatts of hydro power projects in West Sumatra, Lampung and North Sulawesi secure $30.3 million in financing. These projects have reduced more than 990,000 metric tons of greenhouse gas emissions, while providing more than 1.2 million people with improved energy services.

Through USAID SINAR and its predecessor programs, USAID has helped install more than one-fifth of Indonesia’s newly created renewable energy supply since 2015. These efforts brought clean energy to more than 4.7 million Indonesians and reduced nearly eight million tons of greenhouse gas emissions. Over the past seven years, USAID facilitated more than $1.65 billion in renewable energy investments.

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