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REPUBLIC OF INDONESIA

at

Workshop

Opening Investment Potential for Energy Conservation in Indonesia

Jakarta, 31th January 2012

His Excellency Mr. Mark Canning, Ambassador of British for Indonesia,

Distinguished Speakers,

Ladies and Gentlemen,

a pleasant “Good Morning” to all of you.

First of all, let us extend our gratitude to God the Almighty, as through His blessing and grace we can make a wonderful gathering today and allow me to deliver opening remarks in this Workshop entitled “Opening Investment Potential for Energy Conservation in Indonesia”.

It is a great pleasure for me to be here today and I would like to express my great appreciation to British Embassy Jakarta and all institutions partners who have take part in this workshop.

Ladies and Gentlemen

The Government of Indonesia commits to reduce the emission of green house gas by 2020 with national efforts and this figure can be substantially elevated up to 40% with international support. To engage with this target, the energy sector is one of the leading sectors to contribute to the emission reduction target. To address the twin challenges in achieving national target of reducing greenhouse gas emissions at the same time, therefore energy conservation is the most low hanging fruit and the most cost-effective approach.

Ladies and Gentlemen,

The legal basis of energy conservation implementation is Law No. 30 Year 2007 which mandates everyone, the government, local governments, private sector and social organizations to practice energy conservation. It should be implemented at all stages of energy management from upstream to downstream.

Derivative of the Energy Law is Government Regulation No. 70 Year 2009 which requires energy conservation action on energy management for the energy user who consumes with equivalent of 1000 liter of oil (TOE) per year or more, as well as incentive and disincentive for energy conservation implementation.

I just want to slightly mention the legal basis for implementing energy conservation policy, regulation, program and activity on energy conservation will be presented by Maryam Ayuni, the Director for Energy Conservation.

Ladies and Gentlemen,

The energy saving opportunity in end user sector is quite significant around 15-30% for building. It shows that the prospect of investment for energy efficiency by replacing obsolete and inefficient equipments with the more efficient ones is high.

The energy efficiency implementation gives a big impact to the industrial and commercial sector by increasing productivity and competitiveness of product/service in domestic and international market is in line with the national development policy directive: “pro growth, pro environment, pro social justice and pro poor”.

Ladies and Gentlemen,

Based on Market Feasibility Study done by ReExCapitalAsia in 2010 that for energy efficiency investment potential ranking among ASEAN Country (excluded Brunei, Laos and Myanmar), Indonesia is in the second position.

I just underline that doing business on energy efficiency still opens wide, but first we should remove all the barriers in order the energy efficiency investment works well.

Through this workshop, I hope that the identified barriers could be breakdown in concrete and measureable actions to overcome the barriers for energy efficiency investment.

I think to implement energy conservation in each end user sector is a real challenging action that needs awareness, political will, and integrated steps among related stakeholder. Because energy is important supporting commodity in Indonesia economy growth so we could not let the presence of sectoral egoism in energy conservation implementation.

Ladies and Gentlemen,

I hope all of us can take the advantage from this workshop. Again I would like to emphasize that we should work together and need good coordination among institutions since energy efficiency and conservation is engaged with some different institutions that have different interest. However, we should have the same vision to achieve our goal and save our Planet in where we live together.

Finally, on behalf of the Government of Indonesia I am really grateful for the British Government that shows enthusiastic efforts to promote and strengthen cooperation between Indonesia-British, particularly in energy sector.

I do believe this cooperation will produce a mutual benefit for both countries. Have a great workshop with good results.

Thank you for your attention,

Director General for New Renewable Energy

And Energy Conservation

Dr. Kardaya Warnika