

The government of the Republic of Indonesia and the EIB strengthen cooperation on green infrastructure

A major agreement to further develop green infrastructure in support of climate change mitigation and adaptation projects in Indonesia was signed today by the Ministry of National Development Planning of the Republic of Indonesia and the European Investment Bank (EIB). The Memorandum of Understanding (MoU), which was signed on Saturday (10/13) afternoon at the Inaya Putri Bali Hotel, Nusa Dua, Bali, was also on the margins of the 2018 International Monetary Fund-World Bank Group Annual Meeting. The MoU, signed by the Minister of National Development Planning/Head of Bappenas Bambang Brodjonegoro and EIB President Werner Hoyer, in the presence of His Excellency Vincent Guérend, Ambassador of the European Union to Indonesia and Brunei Darussalam, will contribute to the 2030 United Nations Sustainable Development Goals as well as the European Union and Indonesia's climate action agendas.

"The Government of Indonesia is on track to mainstream the implementation of green economy to achieve inclusive development as well as to reduce greenhouse gases emission. Driven by the New Climate Economy 2018 Report data which revealed that bold climate action could deliver US\$ 26 trillion in economic benefits such as creating new jobs and providing better health outcomes globally, between present time and 2030 compared to business-as-usual routine, I am sure it is timely for Indonesia to put in place sustainable development principles that balance the economic, social and environmental aspects by using strategies such as implementing renewable energy and green financing mechanisms and initiating Low Carbon Development Program, to name a few, also with this Memorandum of Understanding signage with the European Investment Bank (EIB)," Minister Bambang said.

The development of renewable energy such as hydro, wind and solar energy infrastructure will support the country in its transition to a more diversified energy mix and improve energy supply to people living in both cities and rural areas. Urban transport is another area where projects could be financed to enhance people's mobility, cut journey times and improve safety. The EIB has a strong track record of Inter city and regional transport projects, is another area where the such as its investment in the Bangalore and Lucknow metros. "I welcome this landmark agreement. The focus of the European Investment Bank's operations on climate mitigation and adaptation will provide additional opportunities for important projects for low carbon development, resilient cities and infrastructures. This is a key element of the partnership between the European Union and Indonesia," His Excellency Vincent Guérend concluded.

The EIB-Indonesia MoU strengthens the collaboration between Indonesia and the EIB initiated in 1995 and fits into the partnership agreement between Indonesia and European Union which entered into force in 2014. The government

of Indonesia and the EIB will focus on key investment in green infrastructure sectors that will increase the country's resilience to natural disasters in the medium and long term, and improve the lives of people in an immediate way. Areas of potential collaboration notably encompass: renewable energy, transport, including urban transport and waterways, lower carbon and efficient energy generation, forestry, waste and water management as well as low carbon technologies.

"I would first of all like to express my deepest sympathy to the government of Indonesia for all the human lives lost during the terrible disaster on the Lombok and the Sulawesi islands. This is a wake-up call for all of us to support the building of more resilient societies, and to do so in partnership. Collaboration is the only way to deal with the scale of the global challenges facing us today. This Memorandum of Understanding represents a new chapter in the partnership between the European Investment Bank and Indonesia. With this agreement we want to bring our expertise and support where it is most needed. As the European Union Investment partner, we intend to complement what other International Financial Institutions and foreign governments are already doing in the country to develop green infrastructure, supporting projects that help communities adapt to the effects of climate change and through investment in clean energy to mitigate its impact as well as improving people's daily lives," EIB President Werner Hoyer emphasized.