

















Republic of Indonesia Strengthening Policy Synergy to Maintain Stability and Recovery amid Lower Global Growth and Heightened Uncertainty

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Investor Relations Unit (IRU) of the Republic of Indonesia has been established as a joint effort between Coordinating Ministry of Economic Affairs, Ministry of Finance and Bank Indonesia since 2005. The main objective of IRU is to actively communicate Indonesian economic policy and to address concerns of investors, especially financial market investors.

As an important part of its communication measures, IRU maintains a website under Bank Indonesia website which is administered by International Department of Bank Indonesia. However, day-to-day activities of IRU are supported by all relevant government agencies, among others: Bank Indonesia, Ministry of Finance, Coordinating Ministry for Economic Affairs, Ministry of Investment, Financial Services Authority, Ministry of State-Owned Enterprises, and The Committee for Acceleration of Priority Infrastructure Delivery.

IRU also convenes an investor conference call on a monthly basis, answers questions through email, telephone and may arrange direct visit of banks/financial institutions to Bank Indonesia and other relevant government offices.

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Commitment to Sustainability and Preserving the Environment

Global Trends Strengthening Attention to Climate Change





Countries will be encouraged to achieve Net Zero Emissions by 2050 in COP26

Source: Ministry of Finance

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Indonesia is Highly Vulnerable To The Impacts Of Climate Change



RISKS OF CLIMATE CHANGE



WATER SCARCITY

Increasing levels of floods and severe drought will exacerbate the scarcity of clean water.



LAND ECOSYSTEM DAMAGE

It is scientifically predicted that severe forest fires will occur. This can lead to loss of ecosystems, biodiversity, and changes in Biomass.



MARINE ECOSYSTEM DAMAGE

Rising sea surface temperatures cause the extinction of coral reefs, seaweed, mangroves, some biodiversity and marine ecosystems.



HEALTH QUALITY DECREASE

Floods can cause the spread of vector-borne diseases and death from drowning. An increase in temperature can cause death from heatstroke.

FOOD SCARCITY

Changes in the production of biomes and ecosystems can lead to food scarcity for all living things.

Source: MoF, BP Statistical Review of World Energy 2021

Climate Change may increase the risk of hydrometeorological disasters, which currently reach

80%

of the total disasters that occurred in Indonesia. Source: NDC, 2016

Indonesia's potential economic losses can reach **0,66% to 3,45% of GDP** in 2030 Source: Roadmap NDC Adaptasi, 2020

Green Economy Has Become One Of Indonesia's Economic Transformation Strategies



- The energy transition is inevitable, and we have to face it. As a country that still relies on fossil energy, **Indonesia views the energy transition to** reduce the share of fossil energy in the energy mix. This decline in share shortly will not necessarily reduce the amount of fossil energy used.
- For doing so, **Indonesia has several policies on compensation and incentives**, i.e., clean energy acquisition, energy transition mechanism (coal-fired PP early retirement), conversion of dirty energy sources, carbon trading, **carbon tax**.
- The Carbon Tax will be enforced from April 1, 2022, based on Law Number 7 of 2021 concerning the Harmonization of Tax Regulations.



- Fossil fuel share will be decrese, but the magnitude not recessarily reduced
- Renewable energy share will increase and dominate the energy mix.

- Corporate that still use non-renewable energy
 - a) Upgrading technology to clean technology
 - b) Use of CCS (Carbon Capture Storage);
 - c) Early retirement Coal power plant;
 - d) Carbon trading; and
 - e) Clean energy R&D investment

New corporation

- a) Clean energi utilization
- b) Carbon trading
- c) Clean Energy R&D Investment

Policy – Compensation & Incentives



Source: Coordinating Ministry for Economic Affairs

Climate Governance in Indonesia





The Government's commitment to climate change mitigation has been formulated in the Nationally Determined Contribution (NDC) and Net Zero Emission (NZE)



INDONESIA'S CLIMATE CHANGE AGENDA

Paris Agreement and Nationally Determined Contribution (NDC) 2030

Target: 29% national effort 41% with international support

Stated in:

• First NDC (2016)

• Updated NDC (2021)



Long-Term Strategy for Low Carbon and Climate Resilience 2060

Mandate from:

- Paris Agreement Article. 4.19
- Dec.1/CP.21 Para 35

LCCP Scenario:

• Peak emission 5 sector in 2030 =

540 Mton CO2e

- Net-Sink FOLU in 2030
- Net Zero Emission in 2060 or sooner

Toward Net Zero Emission 2060

Commitment to Sustainability and Climate Change Mitigation

SDGs

Republic of Indonesia's Commitment to Sustainability which Includes Climate Change Mitigation

Background of Commitment Combining public and private funds to support Commitment to Sustainability The President's Nawacita Programme Sustainable Development Goals (SDG)s The Government of Indonesia through the Ministry of Successfully implemented the Sustainable Development Finance and PT Sarana Multi Infrastruktur (SMI) seeks Goals by achieving the 2030 development agenda The Nine Agenda Priorities of the President's to achieve the SDGs through the establishment of an introduced by the United Nations (UN). The Indonesia's priority actions. Shifting to a low-carbon and integrated platform called "SDG Indonesia One"1 Presidential Regulation no. 59/2017 concerning the climate-resilient development path is an integral which combines public and private funds through implementation of SDGs in Indonesia mandated the part of this mission and is integrated in blended finance schemes to be channeled into Ministry of National Development Planning to provide the development policies, strategies and programs



Environment Commitment and Objectives

Mitigation

- Based on the Paris Agreement and Indonesia's NDC, Gol
 has committed to reduce greenhouse gas emission by 29% in 2030 on unconditional mitigation scenario using self-financing, and by 41% in 2030 on conditional mitigation scenario using international financing support
- Based on National Energy Policy, increase New Renewable Energy to 23% of national energy mix by 2025
- Strengthen the Core Actions through strengthening the policy framework, human and institutional capacity, socializing, and researching
- With regards to forestry, the actions should include deforestation prevention, forest degradation prevention, conservation, and others

Note: (1) SDG Indonesia One, PT Sarana Multi Infrastruktur

Adaptation

infrastructure projects related to the achievement of

- **Climate Change:** Significant risks for Indonesia's natural resources that will impact the production and distribution of food, water, and energy
- National Action Plan on Climate ChangeAdaptation:National framework for adaptationinitiativesmainstreamedintotheDevelopment PlanNational
- Medium-term Goal of Indonesia's climate change adaptation strategy: reduce risks on all development sectors by 2030 through local capacity strengthening, improved knowledge management, convergent policy on climate change adaptation and disaster risks reduction

Biodiversity

- Indonesia is the world's largest archipelago comprising over 16,056 islands with unique ecosystems containing a large number of diverse species.
- Contains the world 3rd largest area of rainforests
- Biodiversity Strategy and Action Plan 2015-2020 was launched to provide an outline on how biodiversity could be utilized sustainably to improve economic and development opportunities.

Roadmap of SDGs in Indonesia

Commitment to Handling Climate Change





Source: Ministry of Finance

The Government Has Committed to Address Climate Change Impacts





Enabling Factors To Achieve Enhanced NDC



Requirements to Reduce Emissions

ENERGY DIVERSIFICATION

Development of RE Power Plants

RUPTI: Additional 20.92 GW until 2030

Beyond RUPTL: Rooftop Solar, RE PPs for non-PLN Business Areas, Large-Scale hydro.

Biofuel Utilization

Implementation of the B40 Program starting in 2025, with a target of biofuel production reaching 30 million KL in 2030

Early Retirement Coal PP

Starting in 2027, the total capacity of the Coal PP that will be "retired" is 9.1 GW. Requires an NRE baseload generator as a replacement

Utilizing New Energy as Baseload

Encouraging the use of new energy, including nuclear (every 1 GW of nuclear power plants will reduce 6.7 million tons of CO2), as an alternative provider of base load electricity

ENERGY CONSERVATION





03

04



Application of Energy Management

Implementation of energy management compliance in all sectors, including industry, transportation, and buildings through the Revised GR on Energy Conservation which was completed this year.

Electric Vehicle

- □ 13 million two-wheeler by 2030
- 2 million four-wheeler by 2030

Electric Stoves and Gas Network

- Flectric Stove for 19 Households
- Expand Gas Network until 10,2 million SR by 2030

Implementation of policies on Minimum Energy Performance Standards (Standar Kinerja Energi Minimum -SKEM), Fuel Switching, and Clean Generation Technology.

Net Zero Emission (NZE)







Source: World Resource Institute



Net Zero Emission is a more ambitious Long Term Strategy to keep the global temperature rate below 1.5 degrees.



In 2018, the Special Report on Global Warming of 1.5°C, the Intergovernmental Panel on Climate Change (IPCC) stated the importance of achieving the NZE by 2050 or earlier to prevent the worst effects of climate change.



Long Term Strategy was mandated ini Paris Agreement Article 4.19

Sumber: World Resource Institute

"All Parties should strive to formulate and communicate long-term low greenhouse gas emission development strategies...."

10 Key Solutions to Achieve NZE 2050



Indonesia's Net Zero Emission





Currently, there are 48 Parties (with a global emission share of 54%) that have communicated to the UNFCCC regarding the target NZE.



Indonesia and 148 other Parties (with a global emission share of 46%) have not submitted the document



The Government of Indonesia is drafting the Long Term Strategy on Low Carbon and Climate Resilience 2050 (LTS-LCCR) document and sectoral strategies to support the commitment to Net-Zero Emission 2050.



Roadmap New Renewable Energy (NRE) to Net Zero Emission



- The NRE Roadmap towards Net Zero Emission is a form of energy transition roadmap from fossil energy to renewable energy to achieve net zero emission in the energy sector.
- Some of the important points in this roadmap include : NRE development to reach 100% in the national energy mix, Reducing the operating
 emissions of PLTD which is getting bigger, Reducing fossil energy consumption, both in the residential, transportation, and power generation
 sectors, Utilization of energy efficiency equipment on a large scale.



The ETM Mechanism To Address The Energy Transition Challenges



The Main Objectives



Shortening the economic life of the PLTU project (early retirement of coal)



Getting additional reduction of greenhouse gas emissions to achieve Indonesia's NDC (CO2 emission avoidance)

<u>, 8</u>

Does not provide additional burden from the fiscal side / APBN (minimum fiscal burden)



Limitation:

Does not change the electricity tariff as stated in the Electricity Sale and Purchase Agreement (PJBL) / Power Purchase Agreement (PPA) which will increase the electricity rates



Gaining access to financing with lower cost of fund



Solution

Support for Cost of Capital Reduction



Support to reduce the *Cost of Equity*

Support to reduce *Cost of Debt*

Energy Transition Mechanism Overview





Note:

The CRF is not bundled with CEF, but there will be a commitment to use the proceeds of CRF directly and indirectly to develop new renewable energy projects

INDONESIA ENERGY TRANSITION MECHANISM COUNTRY PLATFORM (Carbon Reduction Fund)



ETM Transaction Mechanism





Indonesia Energy Transition Mechanism Country Platform



The Steering Committee (SC) provides directions, sets targets and KPIs, and makes critical decisions regarding the provision of financing instruments (facilities) to energy transition projects.

The SC Secretariate plays role in carrying out daily tasks related to the SC function.

The Country Platform Manager manages the related funds and provides the facilities to the projects according to the direction of the SC.

Phasing Out Coal Scenario







Skenario Zero Carbon 2060 (TWh)

In 2060 All Power Plants in Indonesia are Using Clean Energy

- 1. The market size utility in 2060 is 1,800 TWh, currently electricity production is 300 TWh plus the launch of 120 TWh from the 35 GW program, so there is room for 1,380 TWh for additional New Renewable Energy (NRE) generating capacity.
- 2. From 2020 onwards, the portion of PLTU capacity will be reduced (in the graph, it can be seen from the decreasing black color).
- 3. Efforts to retire fossil power plants will start in 2030 and significantly decrease in number by 2040, following the completion of the power plant contract.
- 4. Nuclear plants will enter in 2040 to maintain system reliability as nuclear technology becomes more secure.
- 5. Phase out all coal-fired power plants in 2056, because they have been replaced by NRE.
- 6. Meanwhile, the development of NRE power plants will experience a massive increase starting in 2028 due to the advancement of battery technology which is getting cheaper. Then it will increase exponentially starting in 2040. And by 2045, the portion of NRE will already dominate the total power plant. The next decade, all power plants in Indonesia came from NRE.

The Roadmap To Net Zero Emission In The Electricity Sector

Without carbon abatement, the electricity sector is estimated to contribute 0.92 billion tCO2e/year emissions by 2060.



Source : PLN

- In the **business as usual scenario**, Electricity contributed 0.92 billion tCO2e/year in 2060.
- Getting around this needs to be devised a strategy to reduce emissions through increased RE and decrease in fossil-based generation.
- According to PLN's estimation, current best scenario is a shift in power generation to 66% based on EBT and 26% CCS technology in 2060.
- This scenario also supports the PLTU phasing down program in the future. The PLTU early retirement scheme through the ETM has the potential to be carried out.

Carbon Pricing or Carbon Economic Value (NEK) is a part of a comprehensive policy package for climate change mitigation

01.

02.

Trading instruments, consists of 2 types:

- **a.** Emission Trading System (ETS) an entity that emits more buys emission permit from other entities that emits less
- **b.** Crediting Mechanism: entities undertaking emission reduction activities can sell their carbon credits to other entities requiring carbon credits



- a. Carbon tax, imposed on carbon content or carbon emitting activity
- **b.** Result Based Payment (RBP): payment is given as a result of emission reduction

Carbon tax is one of the instruments of Carbon Economic Value (NEK)

OBJECTIVES

CHANGE BEHAVIOR

Aims to change the behavior of economic actors to switch to low-carbon green economic activities.

SUPPORTS EMISSION REDUCTION

Support GHG emission reduction targets in the medium and long term.

PRINCIPLES

AFFORDABLE

Paying attention to affordability aspect for the benefit of the wider community.

Paying attention sector readiness so as not to burden the community.

as one concrete step, the policy of carbon taxes is regulated in the Law 7/2021 concerning the Harmonization of Tax Regulations (UU HPP) to support NDC target by 2030.

Background:

- GHG emission controlling to decrease climate change risk and disaster in Indonesia.
- Through NDC, Indonesia committed to reduce 29% of its GHG emissions against the BAU or 41% of its emission with international support by 2030.
- Indonesia climate change mitigation strongly needs fiscal instrument.
- Economic behavior transformation that leads to low carbon development.

Key Points of The Carbon Tax Regulation on the Law 7/2021 (UU HPP):

- The Carbon Tax will be carried out in stages according to a roadmap that will take into account the development of the carbon market, achievement of NDC targets, sector readiness, and economic conditions.
- The implementation will prioritize the principles of justice and affordability by taking into account the business climate and small communities.
- The carbon tax rate is set higher or equal to the carbon price in the carbon market with a minimum rate of IDR 30.00 per kilogram of carbon dioxide equivalent (CO2e) and will be evaluated periodically, in line with the development of the GHG emission rate and the national economy's performance.
- Starting in 2022, it will be imposed on the coal-fired power plant sector with a cap and tax scheme
 that is in line with the implementation of the carbon market which has already started running in the
 coal-fired power plant sector.

Principles of Rate Arrangement and Basis for Carbon Tax Imposition

Carbon Tax Implementation

- 1. The Carbon Tax will be imposed for the first time on entities operating in the coal-fired power plant sector with a tax mechanism based on emission limits.
- 2. The implementation of the carbon tax was decided to be postponed to July 1, 2022 from the initial plan of April 1, 2022, taking into account the Indonesia conditions The Government focused on ensuring the availability and stabilization of energy and food prices, ensuring the acceleration of the national economic recovery after the pandemic, as well as to harmonize with efforts to improve various technical regulations for implementing carbon market schemes.
- 3. Technical regulations related to the carbon tax need to be implemented immediately to support the implementation of the carbon market that has been started in the coal-fired power plant sector.
- 4. The Ministry of Finance is currently preparing a Government Regulation on the Carbon Tax Roadmap which will be aligned with the Carbon Market Roadmap. The Government Regulation on Carbon Tax Roadmap will be issued in 2022. This is conveyed to comply with the provisions of the HPP Law, that the determination of the Draft Minister of Finance Regulation (RPMK) on Tariffs and Basis for Imposition of Carbon Taxes requires prior consultation with the parliament.

Tax Base

Excess

Carbon Emission

within 1 tax

year above the emission technical approval issued for the emitting unit

Tax Rate		Carbon Market Definition	Stages of Application in Coal-fired Power Plants	
		"The place where carbon trading takes place		
2022	2023 1.2 x average	which is integrated in the National Registry System for Climate Change Control (SRN-PPI) ¹	2022 limited to the State	2023 Coal-Fire
IDR30/ kg CO2e	*in the previous tax year's carbon market or IDR30/kg CO2 (whichever is higher)	Refers to carbon trading that is already running and determined by the relevant minister or carried out through the PPI sub- SRN which is registered and registered at the PPI SRN ¹	(PLN) and IPP* generating units with a capacity of > 100 MW	Power Plant with a capacity of ≥ 25MW

Source: Ministry of Finance

¹If carbon trading has not been integrated into the SRN PPI

Connectivity NDC And Carbon Pricing

In-scope NDC

- Sector, sub-sector and activities included on the 29% NDC target;
- Sector, sub sector and activities baseline;
- Financing sources from APBN/APBD, Green Sukuk, SDG Bonds, Carbon bonds, Carbon pricing;

2 Out-scope NDC

- Sector/sub-sector not included yet on the 29% NDC target;
- Potential to become NDC upgraded commitment;

Examples:

- Blue economy, blue carbon, sea grass submitted on the 2021 NDC updated;
- Energy Efficiency through CCS and CCUS submitted on the 2021 NDC *updated*;

Beyond NDC

Voluntary Carbon Market

- Sector, sub-sector and activities already included on the 29% NDC target and beyond achievement;
- Basic requirement: beyond achievement, government authorization and registered on the SRN;

Source: draft Ministerial Regulation on NDC, 2022

PATHWAYS IN SCOPE, OUT SCOPE and BEYOND NDC

Indonesia's Green PPP Project Priority Sector

- Indonesia realizes that investment in green and sustainable infrastructure is becoming increasingly important in post-pandemic.
- □ Regarding the NDC targets in reducing carbon emission, Indonesia has outlined the PPP priority sectors of 2020-2024, in which two sectors are related to climate issue, respectively:
 - Urban Transport, and
 - Waste Management
- Environmental quality aspects of projects are considered since the beginning of PPP project cycle, notably in planning and preparation stage, such as climate change issues and promoting green financing.
- □ The Project Development Facility (PDF) from MoF is focused to assist those priority sectors while considering environmental and other quality aspects during project preparation and its implementation..

Source: Ministry of Finance

MoF launched the ESG Framework and Manual in November 2022 to be implemented to projects which involve private financing and receive government supports

Frameworks and manual are developed in collaboration with UNDP and the World Bank

ESG Framework

The Role of Fiscal Policy in Green Economic Transformation

State **revenue** policy is directed to support the development of **renewable energy** as well as **environmentally friendly business** areas

The Ministry of Finance provides tax facilities in the form of tax holiday, tax allowance, import duty exemption, VAT reduction, government borne income tax, and reduction of property tax to support the development of geothermal and other renewable energy State **expenditure** policy is directed to support **low-carbon and climate-resilient government spending** (spending better).

The Ministry of Finance implements the Mechanism of **Climate Budget Tagging** at the national and regional levels to determine the contribution of the State Budget and Sub—National Budget to tackle climate change.

Implementation of climate budget tagging in the region in collaboration with the Ministry of Home Affairs and Local Government.

Financing policy is directed to support expansive fiscal policy through the development of innovative financing instruments

The Ministry of Finance issues **Sovereign Green Sukuk (Green Islamic Bond)** both **global green sukuk** and **green sukuk retail** to finance climate mitigation and adaptation projects.

Recent Policies

Facing the existing challenges, the Government continues to develop innovative policies. Two of them are:

- a. Climate Change Fiscal Framework (CCFF)
- b. Carbon Pricing

CCFF is a framework for formulating fiscal policies and strategies to mobilize

URGENCY

Strengthening Fiscal Functions - Supporting NDC, SDGs & RPJMN commitments
 Mobilizing funding sources - Strengthening the framework of funding institutions

Impact

State Expenditure for Climate Change

- Nominally, the climate change budget in Indonesia experienced an increasing trend from 2016-2018.
- For the year 2019 to 2020, there was a decline as a result of the shifting energy policy to diversify renewable energy infrastructure development by private sectors or through PPP. In 2020, due to Covid-19 pandemic, GOI implement the budget reallocation and activity refocusing policy into health sector and social safety net.
- Along with the economic recovery, the climate change budget bounce back in 2021 with a total budget ceiling of IDR 110.65 trillion and already spent IDR 104,85 trillion (disbursement rate 94,8%.
- During the last 6 years, the average climate change expenditure has reached IDR 83.8 T per year or 3.7% of the state expenditure per year.

Government Expenditure for Climate Change

Climate Expenditure by Climate Activities

Source: Ministry of Finance, calculated

Climate Expenditure FY 2021 by Output Type 2021

Budget Allocation (LHS)
 Budget Realization (LHS)
 Disbursement Rate (RHS)
 Source: Ministry of Finance, calculated

Capital Exp Goods Exp Social Assistance Exp 3.6% 16.2% 20.2% 20.6% 25.4% 26.0% 22.8% 73.5% 74.0% 83.8% 79.8% 74.6% 79.4% 2017 2019 2020 2021 2016 2018

Climate Expenditure dominated by Capital Expense

(%)

Percentage

- Decreasing trend of mitigation expenditure due to diversification renewable energy infrastructure financing policy and some of multiyear infrastructure projects already done. But still, government need to pay attention on mitigation action particularly on energy and FOLU to support ENDC target.
- Increasing trend of adaptation expenditure due to climate resilience development policy particularly to develop water resilience infrastructure and blue sector infrastructures.
- Most of climate expenditure is in the form of capital expense with average 77,5% per year or IDR 75,91 trillion per year.
- In 2021, 91% climate budget directed to develop green infrastructures, and already disbursed IDR 95,27 trillion (94,5% disbursement rate).

Fiscal, Monetary, and Financial Sector Policy Mix for Green Economy

KEMENTERIAN KEUANGAN REPUBLIK INDONESIA

Fiscal Policy:

- 1. Mitigation Fiscal Framework
- 2. Implementation of Govt. Expenditure for Climate Change
- 3. Tax Facilities
- 4. Republic of Indonesia's Green Bond/Sukuk Framework
- 5. Indonesia SDGs Government Securities Framework
- 6. Sustainable Finance Platform: SDG Indonesia One, Green Climate Fund, BPDLH
- 7. Development of Climate Change Fiscal Framework
- 8. Government support for new and renewable energy (NRE) development

Central Bank Policy:

- 1. Macroprudential Policy that encourages financing in green building and environmentally friendly vehicles
- 2. Technical Assistance/Capacity Building to increase awareness about sustainable and green finance
- 3. International Cooperation Forum (Network for Greening the Financial System/NGFS)

Financial Sector Authority Policy:

- 1. Roadmap of Sustainable Finance,
- 2. Regulation of Sustainable Finance Implementation,
- 3. Green Bond/Sukuk Regulation,
- 4. Capability Enhancement to market participants with support from the International Finance Corporation (IFC) and the Sustainable Banking Network (SBN)

National Climate Financing

CHALLENGES AHEAD, ESPECIALLY DUE TO THE COVID-19 PANDEMIC

Limited fiscal space Strengthening the fiscal reform agenda and fiscal consolidation will be the key to fiscal sustainability onward.

Optimal mobilization of non-state budget climate change funding sources.

Ensure that the economic recovery and transition to a green economy is **Just and Affordable.**

Strengthen the **viability** of green projects so that they can be financed by the financial sector and receive international support.

The current market mechanism has not been able to reflect the price difference between the Green and non-Green sectors. Currently, it is still limited to Green Financing, it is necessary to strengthen **Greening the Finance** in order to support the sustainable development agenda.

The Need of Climate Change Funding

Cost Estimation of Climate Change Mitigation

Reference	Scope	Cost/Impact Estimation
Second Biennial Update Report, KLHK (2018)	The cost of mitigating climate change to achieve NDC	Accumulated mitigation cost reaches IDR3.461 trillion until 2030
Roadmap NDC Mitigation Indonesia, KLHK (2020)	Cost of climate change mitigation to achieve NDC (using mitigation action cost approach)	Accumulated mitigation cost in 2020-2030 reaches IDR3.779 trillion (IDR343,6 trillion per year)

The Need of Climate Change Mitigation Funding, by Sector

Sectors	Second BUR (Rp trillion)	NDC Mitigation Roadmap (Rp trillion)
Forestry	77,82	93,28
Energy and Transportation	3.307,20	3.500,00
IPPU	40,77	0,92
Waste	30,34	181,40
Agriculture	5,18	4,04
Total	3.461,31	3.779,63

Source: Second Biennial Update Report (2018) & Roadmap NDC Mitigasi (2020)

Policies are required to ensure that financing requirements are met.

Indonesia's commitments are derived into each sector's agenda. The commitments have significant financial consequences

Role of The Ministry of Finance in Mobilizing Funds From Non-State Budget

- The GCF is the implementing entity for the UNFCCC financial mechanism which was established by the Conference of Parties (COP) in 2010.
- Has the potential to help Indonesia achieve its Nationally Determined Contribution (NDC) target without burdening the state budget.
- The world's largest climate change fund.
- Intended for developing countries.
- Have a variety of financial instruments.
- Have a balanced target between mitigation and adaptation

- SDG Indonesia One is an integrated funding cooperation platform managed by PT. SMI by combining public funds and private funds through a blended finance scheme to be channeled into infrastructure projects in Indonesia related to the achievement of the SDGs.
- SDG Indonesia One funding sources come from the private sector, donors/philanthropy, financial institutions, institutional investors, and bilateral and multilateral institutions.

- BLU BPDLH or Indonesia Environment Fund (IEF) is a merger between the BLU of the Center for Forest Development Financing and the environmental conservation program of the Ministry of Environment and Forestry.
- IEF manages and provides the funds needed for environmental and forestry protection, preservation and conservation, biodiversity management, and climate change mitigation and adaptation.
- IEF not only manages funds in the environmental & forestry sector, but also in the fields of energy, agriculture, transportation, marine & fisheries, and industry.

GCF Approved Indonesian Projects/Programs

Source: Ministry of Finance

Indonesia Environment Fund /BPDLH

$13^{\text{PRIORITY}}_{\text{PROGRAMS}}$

In accordance with the Regulation of the Minister of Finance No. 124 of 2020 concerning Procedures for Management of Environmental Funds

- 1. Climate change control (including the REDD+ program)
- 2. Sustainable forest management (including the REDD+ framework)
- Forest and land fire control and peatland restoration (including the REDD+ framework)
- Social forestry and environmental partnership (including the REDD+ framework)
- 5. Forest and land rehabilitation activities and other supporting activities (including the REDD+ framework)
- Conservation of biodiversity and ecosystem(including the REDD+ framework)

8. Increasing the competitiveness of natural resource-based industries

9. Treatment of solid, liquid and hazardous waste

10. Use of environmentally friendly and low-carbon materials and technologies

11. Increasing the application of energy efficiency, NRE, and social energy conservation and environmental partnership

- 12. Reducing disturbances, threats, and violations of environmental and forestry laws
- 13. Other environmental protection and management activities

Funding Gap for Climate Change Management

NDC Unconditional Target

(avoiding emission in 2030 as much as 29% of BAU)

(1) The effects of covid are estimated to be apparent until 2023. (2) The need for green investment refers to the actual amount of green investment per tonne of emissions averted in the past, as well as the ratio of investment in mitigatied sector vs adaptation in the past. (3) does not take into account the role of local governments. (4) The cost of non-field works is factored into the calculations.

Fiscal Policy Responses

Optimization of budget utilization

Optimal mobilization of non-Budget climate change funding sources, domestically and internationally.

Taxation and Excise incentives

to stimulate the role of the private sector, for example through efforts to develop EBT and electric vehicles

Ministries/Agencies Budget for Climate Change Mitigation and Adaptation

CBT in planning and budgeting systems

Transfer to Regions and Village Funds (TKDD)

- TKDD also encourages the increase of regional governments role in dealing with climate change :
 - a. Physical DAK (food, water, health, environment and forestry sectors)
 - b. Non-Physical DAK (waste management)
 - c. Regional Incentive Fund (incentive from waste management performance)
 - d. Village Funds (use of low-emission alternative energy)
 - e. Ecology Based Fiscal Transfer (financial assistance for environmental improvement)

Innovative Financing for Sustainable Development

• Strengthening green infrastructure financing and deepening the Islamic financial market through Green Bond/Sukuk Framework dan SDGs Government Securities Framework

CCFF

Government Support for New and Renewable Energy PISP Fund & Government Guarantee for Electricity Projects

- To promote new and renewable energy development, the Government provides fiscal support in the form of government guarantee for electricity projects (credit guarantee and business viability guarantee), guarantee for SOEs direct lending from international financial institutions, and Geothermal Fund Facility (PISP Fund).
- Several guarantees has been provided to renewable energy power plant construction and Power Purchase Agreement (PPA), i.e hydropower, geothermal, and solar PV.
- PISP funds (and its co-finance), can be used for geothermal development in the exploration stage and eligible for Government Drilling, SOE Drilling/Public Window, and Private Drilling/Private Window.

PISP Fund Exploration Financing Facilities

(MOF Regulation 80/2022)

PISP Co-financing

(Collaboration with international funding)

Objective	for geothermal exploration		CTF grant (USD49million) and
Fund Manager	PT Sarana Multi Infrastruktur (SMI)		GEF grant (USD6,25million).
Total Funds	IDR 3,1 Trillion (revolving fund)	Geothermal Energy Upstream	Aims to support the
Fund Distribution	Ind DistributionLoans and data provisionsDevelopment Project (GEUDP) - World BankMain featureDe-risking facility for exploration stage		and information provisioning facility (Government Drilling). PT SMI as fund manager & PT
Main feature			
	 Minister of Finance's Assignment Letter (SK) to PT SMI to finance 		GDE as implementing agency.
	exploration project. Monitoring and supervision by The Joint Committee between	Geothermal Resource Risk	Total USD655 million (loan,
	MoF and MEMR.		Aims to support exploration on
Governance	 Engaging academic, professional experts, and independent 	Mitigation (GREM)	the SOE Drilling & Private
	appraisal to provide review and assessment for strategic decision of the Joint Committee		Drilling scheme.
	 Strongthoning the role and supergy of MOE's Special Mission 		
	Vehicles		39

Sustainable Finance Initiatives

Sustainable Finance Roadmap Phase I (2015 - 2019)

OJK is committed to supporting the Indonesian Government's target to achieve Net Zero Emission and enhancing stakeholders' awareness on the importance of sustainable finance development.

Phase I Achievement

Strategic Policies

- 1. Implementation of 8 sustainable finance principles.
- 2. Reports of SF Action Plan from financial institutions.
- 3. Corporate Social **Responsibility fund** allocation.
- 4. Financial institutions' Sustainability Report.

Enhancing Awareness

- 1. Capacity building for OJK's supervisors and stakeholders.
- 2. Guideline on Sustainable Credit. Financing. Investment for palm oil plantation and industry, clean energy, green building, and organic farming with sharia scheme.

Institutional Collaboration

1. Collaboration with ministries and other national/international organizations, including universities and research centers.

Regulation on Sustainable Finance

OJK stipulated some regulations to support SF

- a. POJK No.51/2017 regarding the Implementation of SF for Financial Institutions, Issuers and Public Companies, which aims to enhance awareness of the financial industry, regulate financial institutions' obligation to submit action plan for enhancing sustainable finance and to publish sustainability report.
- **b.** POJK No.60/2017 regarding framework and incentives for issuance of green bonds.
- c. In 2020, OJK also issued supervisory guidance and policy regarding incentives for electric vehicle-related financing.

Sustainable Finance Roadmap Phase II (2021 - 2025)

focuses on sustainable finance ecosystem development consisting of 7 components. The Roadmap reflects OJK's commitment to realizing transparent regulations, building synergies in cooperation with relevant ministries/agencies and stakeholders, as well as improving the capabilities of the financial industry.

- Green Taxonomy
- ESG Risk Integration in **Financial Institutions Risk** Management
- **Developing Incentives**
- Guidebook of Credit/Financing/ Investment in Sectors
- National Campaign Indonesia Sustainability Week
- Sustainable Finance Inclusion Program
- Informative Publications for New Investors

OJK's Support for Sustainable Finance Development

OJK strategic actions to ensure effective implementation of Sustainable Finance principles and to respond to climate change:

- 1. Developing a Green Taxonomy
- 2. Preparing for carbon exchange operations, in line with the Government's policy
- 3. Developing a reporting system for financial institutions, including green financing/instruments in accordance with the Green Taxonomy
- 4. Developing a risk management framework for financial services industry and a risk-based supervision guideline for supervisors to implement climate-related financial risks
- 5. Developing innovative and feasible project financing schemes
- 6. Enhancing awareness and providing capacity building programs for all stakeholders

The establishment of the Financial Services Sector Sustainable Finance Task Force as a forum for cooperation and coordination with the industry to respond to developments in sustainable finance at national, regional and global forums.

Urgency of the Development of Green Taxonomy

Urgency of Green Taxonomy Development at OJK

- To standardize green definitions and criteria.
- To regularly monitor credit/financing disbursement to the green sectors.
- To improve reporting process carried out by the Financial Services Industry.

Targets

- Policy in the green sector, as the basis for developing innovative products and/or sustainable financial services as well as incentive and disincentive mechanisms for financial services sector.

- Availability of database for green sectors.

Strategic Goals

- To develop standard definitions and green criteria of economic sector activities that support sustainable development, and climate change agenda in Indonesia.
- To encourage innovation and investment in economic activities that have a positive impact on improving the quality of the environment.
- To encourage the financial sector to provide financing for green economy activities.
- To provide a reference for financial services sector, investors, business players (national and international) to disclose information related to financing, funding, or investment in green economy activities.

Green Taxonomy

Proposed Definition of Green Taxonomy

Classification of sectors based on business activities that support environmental protection and climate change mitigation and adaptation.

- The Green Taxonomy is used as a guideline for information disclosure in the Financial Services Sector and can be used as a reference for creating innovative sustainable financial products and/or services.
- In developing the Green Taxonomy, OJK actively participates in the Financial Stability Board, particularly regarding sustainable financial disclosure for Financial Services Institutions in the Financial Stability Board Workstream on Climate Disclosures/WSCD and the ASEAN Taxonomy Board.
- The finalization of the Green Taxonomy involved 43 Directorate Generals in 8 related ministries to confirm the thresholds and to categorize around 2,700 sectors and sub-sectors classification.

Green
Taxonomy
Definition

Benefits of

Green

Taxonomy

Green taxonomy is a classification system that establishes a list of environmentally sustainable economic activities.

(EU Green Taxonomy, 2019)

A classification tool for the financial industry (banking) to protect the environment and reduce greenhouse gas emissions.

(China Green Catalogue, CBRC, 2013).

- As a guideline for allocating capital, a tool to support risk assessment, and a reference for other stakeholders in supporting efforts to mitigate and adapt to climate change.
- In its development, the green taxonomy is flexible and dynamic so that it can adapt to investment strategies and patterns and changes in technology, science, activities and new data.

(ASEAN Taxonomy for Sustainable Finance ver.1, Nov 2021)

Indonesia's Existing Green Bond and Sukuk Framework

Existing Green Bond and Sukuk Framework under which the Republic of Indonesia can Finance and Refinance Selected Eligible Projects

Use of proceeds of Green Bond and Green Sukuk

Eligible Green Projects must fall into one of the nine eligible sectors Project Evaluation and Selection

2

Review and approval process by Ministry of Finance and National Development Planning Agency

Project selection will utilize the Climate Budget Tagging (CBT) mechanism Management of Proceeds Management – Ministry of Finance

The Green Bond and Green Sukuk proceeds will be credited to a designated account of relevant ministries for funding exclusive projects as previously defined. Allocation is managed by Ministry of Finance

Line Ministries

The line ministries utilizing the proceeds shall track, monitor and report to Ministry of Finance, on the environmental benefits of the Eligible Green Projects

Reporting

Ministry of Finance will prepare and publish a Green Bond and Green Sukuk annual report on the list of projects, amounts of proceeds allocated to such projects and estimation of beneficial impacts

 $\overline{\heartsuit}$

The Framework has received a second opinion from the Centre for International Climate Research (CICERO) and is awarded medium green shading, which allows the possibility of light, medium and dark green project types. This shade also shows that eligible listed projects are representing the country ongoing efforts towards the long-term vision in carbon emission reduction

Indonesia's Existing Green Bond and Sukuk Framework (cont'd)

Existing Green Bond and Sukuk Framework under which the Republic of Indonesia can Finance and Refinance Selected Eligible Projects

Indonesia's Green Initiatives: Projected Environmental and Social Impacts Environmental Benefits Arising from 2021 Global Green Sukuk

Projected Environmental and Social Impacts For 2021 Global Green Sukuk

Renewable Energy	Resilience to Climate Change	Sustainable Transport	Waste Management	Green Buildings
 Expected to: Reduce 136.86 tCO₂e and generate 150kWp clean electricity Reduce 4,972 tCO₂e, generating 2,456,654 kVA of clean electricity 	 Expected to Improve drinking water supply debit serving 180,000 household connections or 900,000 individuals Benefit 58,624 ha, 1,175 ha and 3,650 ha irrigated rice/crop areas in Central Java, DI Yogyakarta and South Sulawesi, improving cultivation intensity 685 building units benefitting low-income labours, vulnerable communities and students 	 Expected to: The railway infrastructure and facility development shows insignificant GHG reduction due to the decline of public transportation demand resulted from lockdown and work from home policies, and changes in lifestyle and movement pattern during the COVID- 19 pandemic period 	 Expected to: Benefit 865,357 households due to the improved waste management Benefit 75,780 households from sewerage systems 	 Expected to Reduce electricity consumption at 10,371m2 floor-sized green buildings Benefit 670 MSMEs

Indonesia is highly committed to the achievement of the Sustainable Development Goals, which have been integrated into the national mid-term development plan. The Green Sukuk proceeds have contributed to the achievement of these goals:

Source: Joint Second Party Opinion from CICERO and IISD on the Republic of Indonesia SDGs Government Securities Framework, Ministry of Finance Note: (1) CICERO is a global, independent, research-based second party opinion provider on green bond frameworks, (2) IISD is a Second Party Opinion provider offering practical solutions to the growing challenges and opportunities of integrating environmental and social priorities with economic development

Tangible Results from Indonesia's Green Sukuk Initiatives

Green Projects Refinanced and Financed with Proceeds from Indonesia's Green Sukuk Issuance in 2021

Proceeds from Indonesia's Green Sukuk Initiative has been successfully deployed to a range of eligible Green projects

	Renewable Energy	Resilience to Climate Change	Sustainable Transport	Waste Management	Green Buildings
Locations	DKI Jakarta	Across the country	Jakarta, Java, Sumatera	Sumatera, Sulawesi Selatan, Yogyakarta, Riau	North Sumatera, Jakarta, Lampung
Amount Committed to Finance 2021 New Projects	USD 2.0 million	USD 204.4 million	USD 91.9 million	USD 62.6 million	USD 7.5 million
Amount Committed to Refinance 2017 Projects	USD 162.9 million	USD 85.2 million	USD 134.4 million	-	-
Relevant SDGs	👻 👯 🔂 🦉	🗧 🖏 🛃 🗑 🐺 📲 🔮 🌉 🐻 🖏 🚺	👻 🚽 🕺 🔤 🙃	🔅 😈 😸 🔀 🗛 🗓	🔅 😈 😴 🔀 🔂
Project Examples Financed / Refinanced	 Planning, Development, and Supervision of New, Renewable Energy and Energy Conservation Infrastructure Installation of 23 units of rooftop solar PV plants on the State's border stations and 2 volcano observation stations Provision and revitalisation of solar PV powered aids to navigation at sea to enhance the sea safety transportation and traffic services 	 Flood and Lava Control, Urban Drainage Management, and Coastal Protection Construction of seawalls, sea dikes or breakwaters of 160 meters in length, and were built to protect the housings inhabited by 758 residential areas and public facilities of fishermen settlements, as one of the climate vulnerable communities Development of Drinking Water Supply System Construction, expansion and improvement of reservoirs, intakes, transmission pipes, water treatment plants serving 3 to 4 neighbouring municipalities. The development is prioritized at areas prone to prolonged drought or flooding due to the impact of climate change and improve the drinking water supply debit 	 Construction and Management of Railways Infrastructure and Supporting Facilities Improvement of operational facilities of the Palembang Light Rail Transit (LRT), to reduce traffic congestion and reduce duration of commute, with use of electricity as the LRT's system main source of power Development of electric- powered railway systems in other urban areas, including an airport railway system in Jakarta, Medan, and Yogyakarta 	 Improvement of Municipal Solid Waste Management System at Regional- and City-scale Development of sanitation services, which cover municipal solid waste (MSW) management and sewerage management systems 	 Construction and rehabilitation of buildings that meet the green and environmental friendly criteria and indicators set by the Government; Reconstruction of the Aksara Traditional Market buildings with a green building concept The Aksara Traditional Market in Medan provides 670 kiosks benefiting for 670 MSMEs.

Note:

Information extracted from Green Sukuk Issuance Allocation and Impact Report 2022, which has obtained a limited assurance statement from EY

Projects were financed in Indonesian Rupiahs and the currency exchange rate is based on the State Budget Assumption for 2021 budget year of IDR 14,600 per USD.

Green Sukuk issued in 2018-2021 will follow the Rol Green Bond and Green Sukuk Framework. Going forward, Green and SDGs Securities will follow the SDGs Framework.

2022 Republic of Indonesia Global Green Sukuk USD1.50 Billion

lssuer	Republic of Indonesia through Perusahaan Penerbit SBSN Indonesia III
Issuer Rating	Moody's: Baa2 (Stable) / S&P: BBB (Stable) / Fitch: BBB (Stable)
Format	144A / Reg S
Settlement Date	June 6 th , 2022
Tenor	10 Year
Maturity Date	June 6 th , 2032
Issue Size USD1.50 billion	
Profit Rate	4.70% p.a
Reoffer Price	100.00%
Use of Proceeds	In line with Rol'S SDGs Government Securities Framework
Listing	SGX-ST and Nasdaq Dubai
Joint Bookrunners	CIMB, Deutsche Bank, Dubai Islamic Bank, HSBC, and Standard Chartered Bank
Co-Managers PT BRI Danareksa Sekuritas Tbk and PT Trin Sekuritas Indonesia Tbk	

Transaction Highlights

- The USD1.50 billion 10-year global green sukuk issuance was part of two-tranches USD3.25 billion Rol sukuk issuance in international market at June 2022.
- The largest green sukuk issuance in international market has received a very positive response from investors, indicated by the total order more than USD5.1 billion, reflecting an oversubscription of 3.4x
- The first green sukuk issuance in 10-year maturity by the Rol.
- The successful 5th issuance of global green sukuk demonstrates the Rol's dedication and commitment to green and sustainable finance, as well as diversifying financing methods in the effort against climate change.

Indonesia's Green Initiatives: Financing Green Projects

Indonesia's Green Projects Financed by a Combination of Green Sukuk and Other Funding Sources

The Government of Indonesia has issued five sovereign global green sukuk, consecutively in March 2018, February 2019 and June 2020, 2021 & 2022, with the total amount of **USD5.00 billion**

In 2019-2021, the Government of Indonesia issued three retail green sukuk (all issuances held in November), with the total amount of **IDR11.88 trillion**.

Global Green Sukuk Proceeds Allocation by Sector (in percentage)

30.14%

38.57%

22%

55%

27%

Note:

Information extracted from Green Sukuk Issuance Allocation and Impact Report 2022, which has obtained a limited assurance statement from EY

Projects were financed in Indonesian Rupiahs and the currency exchange rate is based on the State Budget Assumption for 2021 budget year of IDR 14,600 per USD.

Source: Ministry of Finance

Innovative Financing: Sovereign Green Sukuk and SDGs Bond

Sovereign Green Sukuk and SDG Bond

No	Issuance	Value
1	Global Green Sukuk (Mar 2018)	USD1.25 billion
2	Global Green Sukuk (Feb 2019)	USD750 million
3	Green Sukuk Retail (Nov 2019)	IDR1.46 trillion
4	Global Green Sukuk (Jun 2020)	USD750 million
5	Green Sukuk Retail (Nov 2020)	IDR5.42 trillion
6	Global Green Sukuk (Jun 2021)	USD750 million
7	SDG Bond (Sep 2021)	EUR500 million
8	Green Sukuk Retail (Nov 2021)	IDR5.00 trillion
9	Global Green Sukuk (Jun 2022)	USD1.50 billion
10	PBSG001 (Sept-Dec 2022)	IDR5.73 trillion
11	FRSDG001 (Oct-Nov 2022)	IDR3.26 trillion
12	Green Sukuk Retail (Dec 2022)	IDR10.00 trillion

• Sovereign green sukuk is Indonesia's main financing instrument for climate actions.

- Total global green sukuk financing: USD5.00 billion
- Total green sukuk retail financing: IDR21.88 trillion
- Green sukuk has financed various projects in 6 sectors, mostly for sustainable transportation and resilience to climate change projects .
- In June 6th, 2022, Rol has successfully issued its 5th global green sukuk by the amount of USD1.5 billion (10y tenor).
- In September and October 2022, ROI issued the first green sukuk series and the first SDG bond series offered through auction mechanism in the domestic primary market
- In December 7th, 2022, Rol issued its 4th green sukuk retail by the amount of IDR10.00 trillion (2y tenor).

Source: Ministry of Finance

Overview of the Indonesia SDGs Government Securities Framework

The SDGs Government Securities Framework is the Key to the Issuances of Green and SDGs Securities

Indonesia SDG Government Securities Framework (cont)

Updated Green Bond and Sukuk Framework which the Republic of Indonesia can Finance and Refinance Selected Eligible Projects (of social (SDGs), green or blue projects)

Eligible SDGs Expenditures with Green and Blue focus

* Eligible SDGs Expenditures with Green focus can be further linked to Blue (ocean related) projects

Alignment with the Rol's 2030 SDGs Target

Source: Indonesia SDG Government Securities Framework

Indonesia SDGs Government Securities Framework (cont)

Updated Green Bond and Sukuk Framework which the Republic of Indonesia can Finance and Refinance Selected Eligible Projects (of social (SDGs), green or blue projects)arecfv D7YC34E

Eligible SDGs Expenditures with Social focus

Employment Generation including through the Potential Effect of SME Financing and Microfinance

Socioeconomic Advancement and Empowerment

Access to Essential Services

Food Security and Sustainable Food Systems

Affordable Basic Infrastructure

Alignment with the Rol's 2030 SDGs Target

External Review of Indonesia SDGs Government Securities Framework

Engaged with CICERO and IISD to Adhere to the Best Market Practice of External Reviews

() IISD

Republic of Indonesia SDCs Framework Second Opinion

Joint Second Party Opinion from CICERO Shades of Green¹ and IISD²

Extracts of Republic of Indonesia SDGs Framework Second Opinion "In alignment with the green bond principles, social bond principles, and sustainability bond guidelines." "CICERO Shades of Green governance procedures in the Republic of Indonesia's framework to be Good." "Eligible social projects credibly aim for enabling sustainable development that will be supported by proposed comprehensive reporting of impacts" "We rated Republic of Indonesia's green bond and sukuk issuances under this framework CICERO Medium Green".

Aligned with Best Practice and to Obtain Assurance on Post-Issuance Annual Reporting

The Republic of Indonesia will engage an independent third party to provide assurance on its annual reporting on Green and SDGs Securities and the compliance of each Green and SDGs Securities issued with this Framework

Source: Joint Second Party Opinion from CICERO and IISD on the Republic of Indonesia SDGs Government Securities Framework

- 1. CICERO is a global, independent, research-based second party opinion provider on green bond frameworks
- 2. IISD is a Second Party Opinion provider offering practical solutions to the growing challenges and opportunities of integrating environmental and social priorities with economic development

Republic of Indonesia Sustainable Development Goals (SDG BOND) EUR500 Million

lssuer	Republic of Indonesia			
Issuer Rating	Moody's: Baa2 (Stable) / S&P: BBB (Negative) / Fitch: BBB (Stable)			
Format	SEC-Registered			
Settlement Date		September 23, 2021		
Tranche	USD Tap of 2031s	USD 40 Year	EUR Long-12 Year	
Currency	USD	USD	EUR	
Issue Size		\$650 million	€500 million (SDG)	
Original Principal Amount	\$600 million			
Reopening Size	\$600 million			
Maturity	July 28, 2031	September 23, 2061	March 23, 2034	
Coupon (p.a.)	2.150%	3.200%	1.300%	
Reoffer Yield	2.180%	3.280%	1.351%	
Reoffer Price	99.734%	98.225%	99.419%	
Use of Proceeds	Repurchase certain of its outstanding global bonds pursuant to its tender offer announced on September 13, 2021		Invest in projects that may qualify as Eligible SDGs Expenditures	
Listing	SGX-ST and Frankfurt Stock Exchange			

Transaction Highlights

- Debut Sustainable Development Goals (SDG) EUR issuance by an Asian Sovereign
- Debut Liability Management transaction and Debut US\$ 40 Year issuance by ROI
- Tightest ever spread achieved by ROI for a US\$ 10Y issuance to date yet again (implied spread of +85.8 over 10Y UST)
- Tightest ever spread achieved by ROI for a EUR 12 / long-12 Year issuance
- Achieved zero to negative new issue concessions across all 3 tranches despite a crowded primary market on the day of bookbuild
- The successful debut SDG Offering demonstrates Rol's commitment towards financing environmental and social projects in contribution to the 2030 National Development Agenda and to be aligned with the SDGs.

