Green Governance Provide Laws and Economy’s Tools Toward Protecting the Environment

Submitted by: Indonesia
Green Governance
Provide laws and economy’s tools toward protect the Environment

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Chronological

**Backgrounds** : Begins with intensively participated in preparation for the 13th UN climate change conference in Bali whereas Indonesia also proposed on a financial discussion for climate change at the first finance ministers meeting.

**Reasons** : Indonesia’s climate policy cannot be separated form its agriculture, forestry, energy and environmental

**Facts** : September 2010, Yudhoyono - the G20 summit – it had to be possible to save the planet without jeopardising the economy

**Actions** : November 2009, Indonesia Finance Ministry published a green paper - all environmental strategies must be synchronised with the economic goals – proposed incentives strategies for investors and local government
**Strategies:** Good governance in energy managements

**Transparency,** this principle is energy applied on the freedom of access to current energy information on applicable regulations and legislation.

**Accountability,** measuring the extent implementation of compliance with applicable laws or policies that have been implemented.

**Effectiveness and Efficiency,** state officials should always try to achieve optimal results for the needs of citizens using the available and applicable resources.

**Regulation:**

Indonesia National Standard (SNI) on Energy Conservation in Building:

- SNI 03-6389-2000: Energy Conservation in Building Envelope
- SNI 03-6390-2000: Energy Conservation of Air Condition System in Building
- SNI 03-6196-2000: Energy Audit Procedure in Building
- SNI 03-6197-2000: Energy Conservation of Lighting System in Building

*Source: Indonesia National Standard (SNI)*
### POLICY AND REGULATION ON ENERGY

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<tr>
<th>POLICY</th>
<th>SECTOR</th>
<th>OUTLINE</th>
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| 1. Energy Law No. 30/2007 | All Sector | ▪ Central and regional government as well as people should be responsible for the implementation of energy conservation program  
▪ Government will provide incentive and disincentive for energy consumer as well as producer of energy efficient equipment |
| 2. Government Regulation on Energy Conservation No. 70 Year 2009 | All Sector | Content of the regulation:  
- Energy Conservation should be implemented in all stages of activities from upstream to downstream  
- Implementation of energy efficiency standard and labeling  
- Facilitation, incentive and disincentive  
- Direction and supervision |

*Source: Ministry of Energy and Mineral Resources*

### POLICIES AND REGULATIONS ON ENERGY

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<td>3. National Master Plan of Energy Conservation 2005</td>
<td>All Sector</td>
<td>To decrease energy intensity at least 1% per year until 2025</td>
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</table>
| 4. Presidential Instruction No. 2/2008 on Energy and Water Efficiency | Government | Instruction to governments offices:  
▪ To increase efficiency for energy and water consumption |
| 5. Ministry of Public Work Regulation No. 29/PRT/M/2006 on Guidance of Building Technical Requirement | Building Sector | Application of Indonesia National Standard on energy conservation in building for artificial lighting system, air conditioning system and building envelope |

*Source: Ministry of Energy and Mineral Resources*
Additional Supporting:

**KEY - ORGANISATIONS involved in Sustainable / Green Building Policies in Indonesia**

- Ministry of Environment
- Ministry of Energy and Mineral Resources
- Directorate General of New Renewable Energy and Energy Conservation
- Directorate of Energy Conservation
- Directorate General of Electricity
- Ministry of Public Works
- National Energy Council
- National Electric Company (PLN)
- Provincial Government
- Green Building Council Indonesia
- any diverse-background engineer associations

*Courtesy of Indonesia Country Report – BCA – UNEP 2010*

Additional Supporting:

**Voluntary policies instruments and tools for greening the environments**

- GREENSHIP: Green Building Certification
- National Energy Efficiency Movement (MEMR)
- Labeling Programs on Energy and Water Efficiency
- Audit for Building on Energy Consumption
- Partnership Program on Energy Conservation
- Educational Programs on Energy Conservation Awareness and Training,
- Awareness raising programs on Energy Efficiency, Alternative Vehicle Fuels and GHG Emission Reduction
- ASEAN Energy Award

*Classified by UNEP-SBCI 2010 – Indonesia Country Reports*
**EXAMPLE OF Voluntary Sustainable Building Policies in INDONESIA**

- **The Basic Principles of Green Building:**
  - Site Management
  - Water Management
  - Energy Efficiency and Atmospheric Natural Resources
  - Indoor Air Quality

- **There are no specific standards for the whole world**
  - Each country must have a local regional standards based on local conditions

- **LEED:**
  1. Sustainable Sites
  2. Water Efficiency
  3. Energy & Atmosphere
  4. Material & Resources
  5. Indoor Environmental Quality
  6. Innovation & Design Process

- **GBC Indonesia**
  1. Appropriate Site Development
  2. Energy Efficiency and Conservation
  3. Water Conservation
  4. Material Resources and Cycle
  5. Indoor Health and Comfort
  6. Building Environment Management

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**BARRIERS**

*Barrier of implementation energy conservation policies and their implementation in building are:*

- Lack of commitment from Top Management from all sectors
- Financial Constraint
- Market and Industry Structure
- Fiscal instruments and incentives
- Weaknesses in policies instrument and tools
- Lack of concerning energy matters
- Lack of awareness of energy user – It is importance rule of human resources
**Targets**

Indonesia set a target of energy elasticity in 2025 to less than 1% (according to Presidential Decree No. 5 Year 2006)

**Through implementing based-policies**

- Energy Law No.30 of 2007
- Government Regulation No. 70 of 2009 regarding Conservation of Energy
- Taxation and customs facilities for the utilization of renewable energy resources are regulated through the Ministry of Finance No.21/PMK.011/2010
- Regulation Ministry of Renewable Energy No.14 of 2010 on Determination and Application of Standard of Competence for Manager of Energy in Buildings

**Recommendation**

- Prepare a plan master plan of green activities with GBC’s regional and any voluntary sustainable agencies through the efforts of a multi-disciplinary stakeholders,
  - Streamline agency responsibilities related to energy and green buildings,
  - Reviewing policies, including resource prices, taxes, incentive,
- Consider the ease laws on minimum levels of environmental performance in various types of buildings, a review of procedures and plans for building approval,
- Developing local benchmark devices, collecting data about the environmental performance of buildings,
- Providing national service for the information dissemination, case studies and best practices,
- Publicise the success of pilot projects encouraged awareness and inspiration between clients and professional in preparing guideline