

Indonesia – Building momentum for a secure, clean energy future

Deep policy dialogue between the IEA and the world's fourth most populous country covers the just energy transition, energy storage and energy efficiency

- **The IEA's Net Zero Roadmap, developed with the Ministry of Energy and Mineral Resources, helped shape the country's Just Energy Transition Partnership (JETP)**
- **The IEA was a key partner in delivering the JETP, leading its Technical Working Group and updating its Comprehensive Investment and Policy Plan in 2025**
- **Supporting Indonesia's utility PLN to finance 6 GW of new battery storage and mobilise private investment for a cleaner, more reliable grid**
- **Helping advance national fuel economy standards for trucks and mandatory energy reporting by large users**

Key facts

4th **most populous country in the world**

4th | 2050 Expected to become the 4th **biggest economy** in the world by 2050

Largest energy producer and consumer in Southeast Asia

15% current share of **renewables** in power generation (2024)

1.5 Gt/Year Energy emissions to **reach about 1.3 Gt/year** by 2050 if no further policy action

Sources: IEA (2026), World Energy Balances; IEA (2025) Global Energy and Climate Model

Designing energy efficiency standards

Road freight is vital to Indonesia's economy and a major source of energy demand. In 2023, heavy trucks accounted for almost 40% of road transport energy use and about half of the sector's greenhouse gas emissions, with use set to climb steeply. At the government's request, the IEA worked with the Ministry of Energy and Mineral Resources (MEMR) on truck fuel economy standards. Published in August 2026, *Improving the Fuel Economy Performance of Trucks in Indonesia* sets out a phased pathway for national regulation, from governance and data collection to labelling and fleet-average standards, with early action on engines delivering near-term gains. The IEA and MEMR also identified policies to unlock energy savings in Indonesia's textiles sector, with lessons for other light industries.

Storage for a reliable grid

The IEA is working closely with Indonesia's state utility, PLN, to help integrate more renewable energy, including through large-scale staff training and support on financing energy storage. At the government's request, the IEA examined how to finance the 6 GW of battery storage PLN plans to build by 2034. Published in September 2026, *Financing Battery Energy Storage Systems in Indonesia* assesses project bankability and outlines the investment and market rules needed to attract private capital and ease budget pressures. Its recommendations will inform Indonesia's energy storage policy.

Sustainable and responsible critical minerals

Indonesia is a leading producer of the critical minerals that power clean energy worldwide, making it central to secure, sustainable and responsible global supply chains. The IEA works closely with Indonesia's MEMR to strengthen the environmental and social foundations of its mining sector, through expert technical exchanges and analysis that help identify regulatory gaps and shape future regulation. In 2026, a joint workshop in Jakarta focused on managing greenhouse gas emissions and mining waste to make critical minerals supply chains more sustainable.

Strengthening energy management

Sound policy depends on reliable data, and the IEA has helped Indonesia build both. Since 2019, the IEA has supported the development and upgrade of POME, the online reporting system used by Indonesia's largest energy users to manage and report on their energy use. Working with the MEMR's energy conservation directorate, the IEA provided technical support to enhance the platform, strengthen the ministry's data analysis and improve national energy data. This work helped enable a milestone in national policy: in March 2025, the MEMR introduced Regulation No. 8, which required large energy users in the transport, buildings and industry sectors to manage their energy systematically, conduct audits, appoint certified energy managers and report through POME. The upgraded system enables data sharing across ministries and local governments, strengthening oversight and implementation nationwide.

IEA Net Zero Roadmap underpins the Indonesia JETP

The IEA's *Energy Sector Roadmap to Net Zero Emissions in Indonesia*, developed jointly with the MEMR, helped shape the targets of Indonesia's Just Energy Transition Partnership (JETP), including commitments to cap power-sector emissions at 290 Mt and reach a 34% renewable share in electricity generation by 2030. At Indonesia's request, the IEA served as Strategic Advisor to the JETP Secretariat and led its Technical Working Group. The IEA played an instrumental role in updating JETP's Comprehensive Investment and Policy Plan, incorporating captive power for the first time, and published analysis focused on implementation, including the JETP Progress Report 2025 and studies on energy efficiency, electrification and captive power. This work helped the government prioritise concrete next steps and strengthened the programme's shared evidence base.

Opportunities for engagement

- **Scaling up solar power**
  The IEA supports Indonesia in turning its solar ambitions into practical policies that integrate storage and attract investment in reliable renewable power.
- **Advancing energy efficiency policies**
  The IEA will provide analysis and policy advice to help the country's transport sector reach net-zero emissions and withstand future energy shocks.
- **Mobilising investment in clean electricity**
  The IEA is collaborating with Indonesia to strengthen policy capacity and develop approaches to attract capital for Indonesia's clean electricity transition.

This work is supported by the **Clean Energy Transitions Programme,** the IEA's flagship programme for taking action to achieve a clean energy transformation worldwide.

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