



# The Role of Civil Society in Indonesia: Going the Extra Mile

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# Points

- Background – Competition in securing energy resources
- Indonesia's Dilemma
- Role of Indonesia's civil society
  - Policy advocacy on good governance in energy sector
  - Empowering the people
  - Challenges

# Competition in securing energy resources

- Inevitable increased of demand for primary energy resources (oil, natural gas, coal)
- ‘Control’ of supply – not within the hands of the resource-rich countries, but of the rich countries which have the capacity to absorb supply of energy resources

# Competition in securing energy resources

- Zero-sum game – ‘peak-oil theory’ – supply of primary energy resources will decline when the peak level is reached
- Scarcity of supply - competition

# Indonesia's dilemma

- Resource-rich country
    - Oil (2008): 4.370 billion barrels
    - Coal (2007): 5,5 billion short tons
    - Natural Gas (2007): 97,780 billion cubic feet
- [Source: [http://tonto.eia.doe.gov/country/country\\_energy\\_data.cfm?fips=ID](http://tonto.eia.doe.gov/country/country_energy_data.cfm?fips=ID)]
- Dilemma between the needs to fulfill domestic consumption and the necessity to gain foreign exchange for exporting energy resources

# Indonesia's dilemma

- Net importer of oil since 2002
- Increasing domestic demand, esp. for gas and coal
  - Energy diversification for household consumption from kerosene to LPG
  - Government's plan (2x 10,000 MW) to generate electricity power based on coal and natural gas

# Indonesia's dilemma

- Requirement to maintain export of energy as reflected in several national regulations [Act No. 22/2001, Act No. 4/2009, RJPM 2005-2009]
- Unable to renegotiate long-term contracts
  - Continue the LNG and coal export to China
- Wrong mindset – too late?



# Role in Civil Society

- The civil society acknowledge the dilemma, but argue that the government is responsible to ensure the fulfillment of domestic needs (energy resilience)
- Two kinds of competition:
  - External competition – energy-thirst countries' policy
  - Internal/ domestic competition – domestic needs vs foreign exchange



# Role of Civil Society

- The civil society urge the government to come up with realistic steps on how to achieve energy security – optimal energy mix by 2025 (non-renewable + renewable energy)

# Various roles

- Policy advocacy
  - Criticizing excessive exploitation of resources to meet the external demand
  - Surveys/ studies on energy condition in Indonesia, i.e. LNG, electricity
- Public education
  - Energy Efficiency campaign
  - Study on the development of renewable energy
- People empowerment
  - Initiation of small renewable energy projects

# Challenges

- Severe gap between targets set up in regulations and real implementation, or at least clear steps on how to achieve those targets
- Lack of coordination among relevant government bodies, esp. to support energy renewable projects proposed by NGOs – ill-support, i.e. funding
- ‘Short-term’ memory syndrome – reactive rather than well-planned

