

U.S. DEPARTMENT OF THE TREASURY

Remarks by Secretary of the Treasury Janet L. Yellen at Bilateral Meeting with Indonesian Coordinating Minister for Maritime Affairs and Investment Luhut Binsar Pandjaitan

September 16, 2022

As Prepared for Delivery

I am pleased to welcome Minister for Maritime and Investment Affairs Luhut back to the Treasury Department today.

First, I'd like to thank the Minister and Indonesia for their leadership of the G20 this year, and particularly their G20 Presidency's focus on pressing global concerns like pandemic preparedness through the World Bank's new Financial Intermediary Fund, as well as advancing food security around the world.

I was pleased to be able to attend the G20 Finance Ministers meeting in Bali and meet with you in July and look forward to additional conversations this year.

Under the leadership of Minister Luhut, Finance Minister Sri Mulyani, and other senior Indonesian officials, the Government of Indonesia—with the support of the U.S., Japan, and other donor countries—is working to accelerate Indonesia's transition to a cleaner energy future through an emerging Just Energy Transition Partnership.

Minister Luhut's team and the U.S. team, along with our Japanese partners, recently concluded productive meetings in Jakarta. The teams discussed Indonesia's continued efforts to develop and implement an ambitious strategy to transition its power sector. The United States and our donor country partners are prepared to support such a strategy with significant amounts of financial support over several years.

My team also stressed that there is a considerable amount of private capital that is prepared to invest in Indonesia's energy transition – and in its renewable energy sector in particular – if they receive continued clear and strong policy signals. In this regard, we were pleased to see that, earlier this week, President Jokowi issued the Presidential Decree on Renewable Energy. While we are still going through the details of the Decree, it is clear that it represents some important steps forward.

I am also encouraged by Minister Luhut's commitment to ensuring that the transition drives jobs and innovation, while being just and equitable for workers impacted by the energy transition and vulnerable communities.

I would note that, as Indonesia demonstrates its ongoing commitment to a just transition, the United States is doing the same. With the recent enactment of the Inflation Reduction Act – which is our country's biggest-ever investment in fighting climate change – the United States is now on a strong pathway to meeting our emissions reductions targets while catalyzing jobs in fast-growing industries. And critically, the law contains specific provisions aimed at incentivizing investments in low-income and disadvantaged communities that are most vulnerable to the transition.

Finally, I look forward to other topics of discussion today, such as ways that we can address the high costs of energy that are a concern in the U.S. and globally. That includes by maintaining stable energy prices and a steady flow of oil onto international markets in the short term, even as we make investments in preventing future price spikes and our collective energy security through tools like the Just Energy Transition Partnerships and the Inflation Reduction Act.

I now invite Minister Luhut to offer his remarks.

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