

Joint Announcement on Asia Zero Emission Community (AZEC) Concept
November 14th, 2022

Japan and Indonesia jointly announced an initiative toward realizing the Asia Zero Emission Community (AZEC) concept on 14th November 2022 in Bali, on the side-lines of the G20 Summit. Both countries believe that Asia, as the center of global economic growth, will become a driving force for the world economy as well as a model for cooperation in realizing a clean, sustainable, just, affordable, and inclusive energy transitions while taking into account different national circumstances. Security of supply, affordability, and people-centered are the main keys in the energy transition process to achieve the goal of carbon neutrality/net zero emission to enable this region to lead the global energy transition process without compromising economic development.

Japan and Indonesia, who share the view that energy transition will drive economic growth, invite other Asian nations to join this initiative. Both countries believe that mutually beneficial cooperation and collaboration in sharing experiences and capacities are the key to realizing the AZEC concept.

Japan expressed its readiness to assist Indonesia by mobilizing resources and funding from Japanese public institutions together with Indonesian parties to support the energy transition process in Indonesia, as part of the AZEC cooperation framework. Nippon Export and Investment Insurance (NEXI) will sign an amendment of Memorandum of Understanding (MoU) aiming to secure the provision of financing insurance of up to USD 500 million to support the efforts of PLN as the Indonesian state-owned fully integrated electric utility company to implement energy transition. Japan Bank for International Cooperation (JBIC) and PLN have also signed an MoU to promote sustainable energy transition through collaboration between PLN and the Japanese business community to strengthen partnerships in the deployment of potential renewable energy projects and technology to reduce emission. This cooperation is not limited to the aforementioned activities and will continue to be developed involving more parties.

The two countries hope that the developing AZEC cooperation can pioneer the model of cooperation in Asia. We reiterate our invitation to other Asian countries in joining these collaborative efforts to accelerate energy transitions in Asia.