SUSTAINABLE FINANCE COUNTRY PROFILE

INDONESIA

QUICK FACTS

US$1,015.5 billion GDP (2017)
264.0 million Population (2017)
5.1% GDP growth (2017)
US$3,847 GDP per capita (2017)

FINANCIAL MARKETS

- 566 Domestic listed companies (2017)¹
- US$520.7 billion Market capitalisation of domestic listed companies (2017)¹
- The value of stocks traded represented 9.1% of GDP in 2017.¹
- Sustainability-related indices are provided on the country’s stock exchange.²
- National sustainability reporting policies are in place.³
- US$2.0 billion Green bonds issuance (as of end September 2018)⁴

SUSTAINABLE FINANCE DRIVERS

- 1.3% of GDP Infrastructure investment gap (2016-2030)⁵
- Climate vulnerability High⁶
- Carbon vulnerability High⁶

FINANCIAL INCLUSION

- 17.4 Bank branches per 100,000 adults (2016)
- 48.9% Share of adults with a bank account (2017)

WORK WITH THE INQUIRY

- The Inquiry has worked with the International Finance Corporation (IFC) and the Asia Responsible Investors Association (AsRIA) in developing its report on Indonesia’s approach and potential for developing a sustainable financial system.

MEMBERSHIP IN SUSTAINABLE FINANCE INITIATIVES

POLICIES AND MEASURES

- 2005: Regulation No. 7/2/PBI/2005 concerning the Assessment of Commercial Bank Asset Quality (Article 11.1e)
- 2007: Law 40/2007 on limited liability companies
- 2012: Government Regulation No. 47/2012; Regulation No. 14/22/PBI/2012
- 2013: Green Lending Model Guidelines for Mini Hydro Power Plant Projects
- 2014: Roadmap to Sustainable Finance in Indonesia
- 2016: Call to stop credit for coal-mining projects in East Kalimantan
- 2017: Framework and regulation for green bond issuance in Indonesia; Regulation No. 51 on the Application of Sustainable Finance for Financial Services Companies, Issuers and Publicly Listed Companies

Notes: Infrastructure investment gap does not include additional investment needed to meet the Sustainable Development Goals. Membership of sustainable finance initiatives as of October 2018.

FOR MORE INFORMATION

Towards a Sustainable Financial System in Indonesia

Green Finance Progress Report