Justice element in just energy transition partnership decarbonization policy: a conceptual legal analysis

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Abstract. Decarbonization is an essential strategy in reducing greenhouse gas emissions. Therefore, Indonesia committed to adhere to the Just Energy Transition Partnership (JETP) to pursue its climate targets by establishing energy transition targets for decarbonization. Nevertheless, the “Just” element in JETP remains unclear. Therefore, this paper aims to examine the justice aspect in JETP through a conceptual legal analysis of justice. This research method is a normative legal analysis conducted by examining legal theories, concepts, principles, laws, and regulations as primary data, with literary sources as secondary data analyzed through a conceptual approach. The result shows that there are several targets and current directives of JETP that may not fulfill the just aspect and are incoherent to the concept of justice. In conclusion, the JETP shall improve its directives and targets prior to its implementation by involving regional government and society as key sectors to ensure a just energy transition.

1 Introduction

To achieve the climate target by limiting temperature to 1.5°C as mandated by the Paris Agreement, it is imperative to reduce emissions through decarbonization by lowering the amount of greenhouse gas (GHG) emissions [1]. This decarbonization shall target sectors associated with the use of fossil fuels, electricity generation, and industrial processes [2]. Therefore, countries should ensure the incorporation of a decarbonization strategy in their Nationally Determined Contribution (NDC).

Indonesia’s NDC set its goal to reduce GHG emissions by 32% (unconditional) and 43.20% (conditional) [3]. To reach this goal, Indonesia launched a Just Energy Transition Partnership (JETP) agreement in 2022. JETP was first proposed at the 26th annual meeting of the United Nations Framework Convention on Climate Change (UNFCCC) conference of parties held in Glasgow. It was created for developing countries heavily relying on fossil fuels as energy sources [4]. Therefore, on November 15, President Biden, the current
President of Indonesia (Mr. Joko Widodo), and other world leaders agreed to initiate JETP in Indonesia through 20 billion funds over the next three to five years to focus on five targets as the following:
1) Transmission network development,
2) coal power plant early retirement,
3) baseload renewable energy acceleration,
4) Variable renewable acceleration, and
5) renewable energy supply chain development.

The JETP aims to reach peak emission from the electricity sector by 290 million metric tons of CO₂ in 2030, a 34% renewable energy mixed sources in 2030, and achieve net-zero emission in the energy sector by 2050[5]. In reaching this JETP goal, strategic actions from various key sectors including energy industries, public authority, society, labor, and consumers are pivotal. This JETP shall ensure its “just” element is able to resolve the underlying socio-economic issues that have existed and potentially emerged due to this transition. This includes the electricity oversupply concentrated in Java despite the electricity crisis on other islands and potential labor issues due to coal-fired power plant phase-out plans [6]. These issues further challenge the role of the state as the provider of welfare.

Therefore, this research aims to elaborate on the concept of justice, focusing on distributive and procedural justice which will be utilized to examine the “just” element of JETP by answering two research questions: What is the concept of justice? Does JETP coherent with the concept of justice? The result will explore discussions concerning the justice aspect of JETP.

2 Research method

The data used includes primary legal materials obtained from relevant legal instruments (Table 1), while secondary legal materials are collected from related kinds of literature. This data will be analyzed and assessed to interpret just elements in JETP as the result.

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Year</th>
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<tbody>
<tr>
<td>Government Regulation Number 79 concerning National Energy Policy as the basis for the preparation of the National Energy General Plan</td>
<td>2014</td>
</tr>
<tr>
<td>Presidential Regulation Number 112 concerning the Acceleration of Development of Renewable Energy for the Provision of Electricity</td>
<td>2022</td>
</tr>
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The analysis will begin to dissect the JETP policy and analyze the primary legal materials in the legislative inventory. Furthermore, the justice element in JETP will be interpreted through 3 concepts of justice obtained from secondary legal materials mainly sourced from journal articles and policy briefs. The results will reveal the justice element in JETP and its relevancy to the three-justice concepts.

3 Results and discussions

JETP has two important components to support renewable energy. First, it promotes renewable energy and clean energy. Second, it supports decarbonization for economic growth. Apart from encouraging climate change in the form of an energy transition, the JETP model also seeks to promote a green economy and meet the economic needs and social groups
of people vulnerable to the impacts of the energy transition. JETP may encounter challenges in overcoming climate change and sustainable development, including defining the concept of justice.

Just energy refers to environmental justice, the implications of social justice, and the transition to low-carbon energy. Sovacool defines energy equity as a global energy system that equitably distributes both the benefits and burdens of energy services and a system that contributes to more representative and inclusive energy decision-making [7]. In context to this research, JETP will start a comprehensive investment and policy plan in August 2023. In its preparation, Indonesia should have the principles of energy justice as a distinctive vision of the Ministry of Energy and Mineral Resources (ESDM) which explicitly includes the principles of just energy in its policies and programs.

The challenge of equitable access to energy has been a matter of concern to the international community for a long time. For example, the United Nations (UN) has included access to electricity as part of the Sustainable Development Goals to ensure access to affordable, reliable, and sustainable energy for all people [7]. The national legal framework for just and fair energy has been stipulated under Law Number 30 of 2007 where energy is managed based on the principles of efficacy, rationality, efficiency with justice, increasing added value, sustainability, community welfare, preservation of environmental functions, national resilience, and integration by prioritizing national capabilities. Government Regulation Number 79 of 2014 concerning National Energy Policy is the basis for the preparation of the National Energy General Plan (RUEN) and the National Electricity General Plan (RUKN), which state that national energy policies must be formulated based on the principles of justice. Finally, an academic draft of the New and Renewable Energy Law also states that to achieve the management of national energy security must be based on management principles that uphold justice and equality.

After observing the high priority of equitable energy development in ensuring the just transition framework, Indonesia needs to consider the basic principles of justice that must be obeyed by all stakeholders including foreign investors providing funds to assist Indonesia in achieving its decarbonization target. However, this research will only limit the philosophical foundations of just energy to procedural justice, distributional justice, and recognitional justice.

i. Procedural justice requires access to decision-making. Procedural justice must be realized as justice by involving all stakeholders in a non-discriminatory way. In addition, procedural fairness must ensure transparency, such as information disclosure and the involvement of all public consultations [5].

ii. Distributional justice, the government is required to provide energy that is affordable and accessible to everyone [7]. Article 7 of the Energy Law 30/2007 requires energy to be determined based on reasonable economic value, and the government is obliged to provide subsidies to the poor who still have difficulty accessing energy.

iii. Recognitional justice, recognitional justice is emphasized on guaranteeing complete and equal political rights of various social groups and identities [8]. An example of a case regarding recognition of justice is that PLN has the responsibility to provide access to affordable electricity for all Indonesian people, but there are still many areas in Indonesia that are considered economically unfit for investment that are still neglected and as a result, do not get access to electricity. In this case, viewing access to electricity only from an economic perspective will only lead to a failure in recognizing energy justice [9].

3.1 Discussion

The Presidential Regulation Number 112 of 2022 concerning the Acceleration of Development of Renewable Energy for the Provision of Electricity (Presidential Regulation 112/2022) and Presidential Regulation Number 11 of 2023 concerning Additional
Concurrent Government Affairs in the Energy and Mineral Resources Sector in the New Renewable Energy Sub-sector (Presidential Regulation 11/2023) as the legal basis for JETP has not been able to precisely define the principle of justice in implementing just transition [5]. There are three concepts to interpret the justice element in JETP: 1) procedural, 2) distributional, and 3) recognitional justice.

Procedural, distributional, and recognitional justice focuses on the ability of the state to accommodate the needs of society by guaranteeing access to energy for underprivileged communities. Regional governments, as authorities that deal directly with the community, should have the authority to implement energy transition policies to guarantee energy access for the community. However, local governments have not been involved in the JETP energy transition policy, considering that the Regional Government currently does not have a regulatory framework implementing Presidential Decree No. 11/2023 and stated that the Presidential Decree did not address the energy transition needs. This certainly impacts the autonomous region's economy given that JETP's main focuses include an early coal-powered plant retirement.

The regional governments have the obligation to ensure an increase and equal distribution of society's income [10,11]. Moreover, the delegation of authority in the JETP policy in Presidential Decree 11/2023 does not grant authority to district/city governments, only to the provincial government. Considering that JETP will directly impact regional income, local government involvement in JETP policy is highly needed. As a result, the Regional Government did not provide material protection guarantees for society after the coal-powered plant closure.

The employment sector which focuses on transportation will be one of the affected areas. This indicates that if there is no anticipation through preparations, including capacity building, this will seriously jeopardize society, particularly the lower-middle class. This cycle will also impact economic circulation, considering that transportation has become a means to meet people's needs. Therefore, in a just energy transition, an emphasis on anticipating affected groups is necessary by establishing regulations in accordance with the legal issues faced by society because of JETP implementation.

**Conclusion**

The Justice Element in JETP refers to the availability, accessibility, and affordability of clean energy. This means that it must consider the high dependence of society on energy so that public guarantees within the scope of trade unions need to be considered. Moreover, the scope of the energy transition is limited to access to energy and protects all elements subject to replacing coal as an energy source. To activate public participation, the establishment of implementing regulations by regional governments as state organs that interact directly with the public is the primary step. However, until now there is an absence of Regional Regulations regarding anticipation after the implementation of JETP. This will threaten economic sustainability because people's dependence on coal is very high. Here, local governments can design appropriate regulations, especially in anticipating human resource capabilities after the implementation of JETP to get closer to the concept of justice contained in JETP.

**References**


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