

Terms of Reference
POTENTIAL OF ELECTRIC VEHICLES IN INDONESIA
Jakarta, 3 July 2019

1. Background

Electric vehicles (EVs) are rapidly emerging in many parts of Asia and alleviating the health and environmental burdens caused by the transport sector in what is called a “clean disruption.” EVs are gaining momentum in light of recent announcements by several major car manufacturing countries to ban Internal Combustion Engine (ICE) car sales in the near future, and the plans of major cities to restrict cars using diesel engines from their urban centers. In contrast to these bans, there is increased enthusiasm for EVs, with many developing countries and cities committing to EV deployment to varying degrees and business communities stepping in to provide business models to promote their adoption.

Despite the growing sales of EVs and announcements of policy and deployment plans by many countries and cities, the current number of EVs is still too small to produce any meaningful impact on emissions reduction. EVs are projected to reach a competitive pricing compared to ICE cars by the 2020s, resulting in a significantly higher share of electric car sales globally, and it is estimated that the number of EVs around the world will reach 125 million by 2030.

We must choose the right path to enable electrified transport and help prevent and arrest increasing pollution and higher greenhouse gas emissions. To do this requires concerted efforts and strategic decision-making at multiple levels of government and industry that are involved in the policies and manufacturing of electric vehicles, the construction of charging stations, the provision of mobility services, the mix of the energy supply, and interactions with financial institutions.

ADB has been compiling knowledge and data on EV options in developing Asia and provides the results of further consultations done with stakeholders in selected countries including Indonesia. The findings and recommendations from the study can be used by policy makers and transport company managers who are interested in promoting electric vehicles, in order to design the appropriate policies to support electric vehicle adoption, and to choose the appropriate modes and models for their countries and cities.

2. Objective

The main objective of the workshop is to:

(i) share and discuss the e-mobility policy and strategy for Jakarta and Makassar with the ministries and operators of commercial vehicles base on the study conducted by ADB e-mobility study. The e-mobility study of Jakarta and Makassar shows the environmental and energy impact of fostering (EVs) in Jakarta. It also assesses the financial costs of commercial EVs compared to conventional units. A special focus is made on DAMRI and Trans Jakarta buses and the usage of electric taxis with Blue Bird.

(ii) support e-mobility policy of the Indonesian government and commercial vehicle operators for preparing the e-mobility implementation strategy including financial options and further support from ADB.