
Annual Performance Report

Project/Programme title: Supporting Innovative Mechanisms for Industrial Energy Efficiency Financing in Indonesia with Lessons for Replication in other ASEAN Member States

Accredited Entity: Korea Development Bank

Date of Report submission: [2026/04/14]

Version number [V.001]



Contents

Section A	<u>PROJECT DATA</u>
Section B	<u>EXECUTIVE SUMMARY</u>
Section C	<u>RESULTS AND IMPACTS</u>
Section D	<u>RISKS ASSESSMENT AND MANAGEMENT</u>
Section E	<u>FINANCIAL INFORMATION</u>
Section F	<u>ENVIRONMENTAL SOCIAL SAFEGUARDS & GENDER & INDIGENOUS PEOPLE</u>
Section G	<u>ANNEXES</u>

RATIONALE

This report layout is designed to support the drafting of a structured report that assesses, evaluates, documents, and communicates the progress on Funding Proposal (FP) implementation and on its associated Funded Activity Agreement (FAA). The layout aims to provide a clear and comprehensive understanding of key objectives, progress, and risks, drawing on project implementation related data provided by Accredited Entities (AEs). Considering the Green Climate Fund's (GCF) evolving strategic direction toward a Risk-Based Approach, the report is intended to:

- Track quantitative and qualitative progress of the project implementation.
- Highlight critical findings and emerging trends.
- Identify risks and propose actionable mitigation strategies.
- Support evidence-based decision-making.
- Promote transparency and accountability.
- Align with strategic and regulatory frameworks.
- Serve as a foundation for AE engagement on project performance

METHODOLOGY

The report's layout mirrors, to the extent possible, the structure of the Funding Proposal (FP) to maintain coherence with the presented information. However, the FP and the Report differ in scope and strategic intent; thus, while the FP serves a functional role in informing the Report, it does not dictate a strictly parallel structure.

A. PROJECT DATA (Prefilled where possible)				
Should any information/data prefilled from Section A.1 to Section A.12 be incorrect or require updating, please inform GCF's Project Lead of appropriate corrective action.				
A.1. Date of report submission		2/27/2026		
A.2. Project or programme	Programme	A.3. Sector	Private	
A.4. Total Financing (GCF + Cofinance)	GCF financing		million USD (\$) 105.00	
	Guarantees		million USD (\$) 100.00	
	Grants		million USD (\$) 5.00	
	Co-financing		million USD (\$) 142.70	
	Senior Loans		million USD (\$) 133.33	
	Equity		million USD (\$) 9.00	
	In-kind		million USD (\$) 0.37	
Total Financing		million USD (\$) 247.70		
A.5. Total GCF funding disbursed to this date	million USD (\$) 46.38			
A.6. Implementation period	From 4/5/2024 to 4/5/2034			
A.7. ESS Category (Refers to <u>GCF revised Environmental and Social Policy</u> and <u>GCF ESS Standards</u> to assess your FP category.)			I-2	
A.8. Executing Entity Information				
Full legal name	Country of registration	Entity type	Role in project	Focal point(s) and email(s)
ASEAN Centre for Energy	Indonesia	International Organization	Executing Entity for Component 2	Contact AE for information.
PT SMI	Indonesia	Financial Institution	Executing Entity for Component 1	Contact AE for information.
PT IIF	Indonesia	Financial Institution	Executing Entity for Component 1	Contact AE for information.
PT Bank IBK Indonesia	Indonesia	Financial Institution	Executing Entity for Component 1	Contact AE for information.
PT KEB Hana Indonesia	Indonesia	Financial Institution	Executing Entity for Component 1	Contact AE for information.
KB Bukopin	Indonesia	Financial Institution	Executing Entity for Component 1	Contact AE for information.
PT Bank Shinhan Indonesia	Indonesia	Financial Institution	Executing Entity for Component 1	Contact AE for information.
PT Bank Woori Saudara Indonesia	Indonesia	Financial Institution	Executing Entity for Component 1	Contact AE for information.
PT Bank Mandiri (Pesero) Tbk	Indonesia	Financial Institution	Executing Entity for Component 1	Contact AE for information.

PT Bank SMBC Indonesia	Indonesia	Financial Institution	Executing Entity for Component 1	Contact AE for information.
A.9. Co-Financier information				
Full legal name	Country of registration	Focal point(s) and email(s)	Ownership entity type	Beneficial owner(s)
PT Bank IBK Indonesia	Indonesia	Contact AE for information.	Local Investment Company (PMDN); Ltd	Industrial Bank of Korea
Local SMEs	Indonesia	Contact AE for information.	Limited Liability Company	Contact AE for information.

A.10. Alignment with country NDCs & NAP <i>(NB Only populate if applicable, e.g., if your project/programme specifically contributes to a country's NDC or NAP target/s)</i>				
Country	Date of NDC/ NAP submission	NDC/ NAP objective	Brief description of project's alignment with NDC/ NAP objectives	Percentage of target met with proposed project. Beneficial owner(s)
N/A	N/A	N/A	N/A	N/A
A.12 Report to be shared with NDA			Yes ☒ No ☐ (Justification, max. 100 words)	
<i>This report will be shared with the relevant NDA (s). Please tick box N to indicate whether this report should not be shared and enter the justification below. (100 words maximum).</i>				

B. EXECUTIVE SUMMARY

B.1. Summary

Provide a concise overview of your project's overall performance during the reporting period. Summarize key achievements, quantified results, major challenges encountered and how they were addressed, and lessons learned. Focus on actual impact delivered rather than activities completed, and write for a non-technical audience to demonstrate how your project is progressing toward its climate objectives.

There are three chronic barriers hindering the success of the energy efficiency business in Indonesia: financial, regulatory, and demand-side barriers. FP 196 Programme aims to address these barriers through three components, enabling Indonesia and other ASEAN countries to drive a low-carbon development pathway.

To address the financial barrier, KDB issued guarantees to the local financial institutions under Component 1. To ensure energy efficiency improvements in Indonesia, eligibility criteria included a requirement of achieving a 20% energy efficiency improvement. The executing entities of Component 1 are the local financial institutions (LFIs).

In 2025, KDB engaged with various LFIs to identify potential sub-projects. Following detailed discussions on each clause of the Master Guarantee Agreement, two LFIs signed the agreement. Of the three companies that received guarantees last year, two have started installing new machinery. In 2026, KDB will continue engaging with existing and new LFIs to identify additional pipelines and support local SMEs in need of the guarantees.

To address the regulatory and demand-side barriers, Component 2 focuses on introducing localized de-risking mechanisms for the ESI/ESCO model, while Component 3 builds the capacity of stakeholders. ASEAN Centre for Energy ("ACE") is the lead executing entity for the TA Components.

For Component 2, ACE conducted stakeholder analysis, mapping the institutional, financial, industrial and technical ecosystem relevant to industrial energy efficiency in Indonesia. Stakeholders engaged, included Indonesia NDA, ministries, LFIs, and energy efficiency experts - consultants and ESCO companies.

For Component 3, ACE conducted capacity building activities for relevant stakeholder groups. For example, four workshops were held as part of capacity building, including one in Korea, which facilitated knowledge sharing between Korean government-owned Institutions and the regulatory/ministry side of Indonesia.

Overall, the Programme has successfully enabled practical experience in energy efficiency financing, strengthened stakeholder capacity, and provided valuable lessons for scaling industrial energy efficiency across Indonesia.