

Media Statement

Indonesia Taxonomy for Sustainable Finance (TKBI) version 2

OJK consistently supports the commitment to net zero emission (NZE) and the Sustainable Development Goals set by the Government of the Republic of Indonesia. Following the publication of the Indonesia Taxonomy for Sustainable Finance (TKBI) version 1 in February 2024 and the ASEAN Taxonomy for Sustainable Finance (ATSF) version 3 on March 27, 2024, OJK launched TKBI version 2 on February 11, 2025. TKBI is a joint policy resulting from collaboration and synergy across ministries, agencies, and relevant stakeholders to advance the implementation of sustainable finance in Indonesia.

TKBI is a classification of economic activities that supports Indonesia's Sustainable Development Goals, covering economic, environmental, and social aspects. It serves as a guideline to enhance capital allocation and sustainable financing in promoting the achievement of Indonesia's NZE targets. TKBI is developed based on the principles of being scientific and credible, interoperable, supportive of national interests, and inclusive, and TKBI is applicable to various users, from corporations to MSMEs. The framework, elements, and criteria of TKBI are primarily referenced from the ASEAN Taxonomy for Sustainable Finance (ATSF), national policies, and other relevant global taxonomies. The scope of TKBI includes NDC-related sectors (and their updates), as well as enabling sectors.

TKBI is developed with a concept of “Rumah Tumbuh” or living document, where version 1 contains the main taxonomy framework focusing on the Energy sector. Meanwhile, TKBI version 2 includes technical screening criteria (TSC) for the Construction and Real Estate (C&RE) sector, Transportation and Storage (T&S) sector, and some activities of the Agriculture, Forestry, and Other Land Uses (AFOLU) sector, specifically forestry and palm oil plantations. In the following year, TKBI version 3 will be developed to cover the remaining AFOLU sector, Manufacturing/IPPU, and Water Supply, Sewerage & Waste Management.

In addition to the TSC for C&RE, T&S, and some activities of the AFOLU sector, TKBI version 2 also includes **refinements in several annexes** to provide additional clarification and enhance user convenience. These changes include:

1. Annex 3 – Technical Criteria:
 - a. Addition of a mapping between KBLI (Indonesian Standard Industrial Classification) 2017 and KBLI 2020 classifications for each focus sector; and
 - b. Revisions to the presentation of the TSC table for the Energy sector, including the addition of policy references and adjustments to the TSC for Hydropower activities in line with updates in the ATSF;
2. Annex 5 – Do No Significant Harm (DNSH): addition of an example of a Life Cycle Assessment (LCA) worksheet to assist in the evaluation of EO 4 – Resource Resilience and the Transition to a Circular Economy;
3. Annex 8 – Example of Use: addition of use cases for consumer credit/financing;
4. Annex 10 – List of Provisions: addition of provisions for the C&RE, T&S, and part of the AFOLU sectors; and
5. Annex 12 – Climate Risk and Vulnerability Assessment (CRVA): addition of explanations and an example CRVA worksheet to assist in the evaluation of EO 2 – Climate Change Adaptation.

In addition, at the end of February 2025, **the TKBI User Guidance** will also be published as a subsequent supplementary document (a separate part from the TKBI version 2 book). This document aims to assist users in applying and assessing TKBI at the activity, portfolio, and entity levels.

As the criteria for NDC-related sectors are expanded in TKBI version 2, it will further drive the growth of sustainable efforts by stakeholders in these economic sectors.

Going forward, TKBI will be used as the primary reference for green/sustainable indicators for the disclosure of sustainable performance by entities in their Sustainability Reports, and will guide regulatory frameworks in line with the mandate of the P2SK Law (Law No. 4 Year 2023 concerning Financial Sector Development and Strengthening). In keeping with its nature as a living document, TKBI will be reviewed periodically to ensure it stays current with developments in science, technology, and sustainable finance policies at both national and global levels.

More details can be found through the link: <https://gapura.ojk.go.id/tkbi2025>

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