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## PARADISE REOPENS

INDONESIA'S TOURISM AND CREATIVE SECTORS ARE ON THE PATH TOWARDS STRONGER RESILIENCY AND GREATER SUSTAINABILITY UNDER THE LEADERSHIP OF SANDIAGA SALAHUDDIN UNO.

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By Chris Wren

# E-Prix Hosting – More Than a Sport for Indonesia

**Indonesia has** hosted motor sports events before, Formula A and MotoGP, but the Formula E, or E-Prix, on 4 June was a first for the country. Formula E is the only sport to leave no carbon footprint. The concept is for races to be held in cities to bring a sharper focus on fossil fuels and carbon emissions, whilst developing the EV technology beyond racing. Advancements in software arguably deliver the greatest benefit to EVs, rather than mechanics and as well as sustainability, social progress is a key mission for Formula E. The organisation promotes Smart Cities to advance the development of sustainable, safer, and connected cities, working towards a lower carbon-economy. BritCham has significant interest in EV development from Indonesian and regional-based members, as well as via the Smart Sustainable Cities and Climate Change & Environment Member Focus Groups. Hosting the G20 and B20 meetings later this year and renewed commitments to net zero at COP 26 have made Jakarta's maiden E-Prix highly relevant for Indonesia as a nation.



Indonesia possesses the world's largest reserves of nickel, a crucial metal for the battery cells which power EVs. Since 1 January 2020, the government has pursued policies to encourage the development of downstream activities which increase the value of the products produced, introducing new skills, creating jobs and delivering economic benefits to the country. On 11 March 2022, President Joko "Jokowi" Widodo said, "Seven years ago, our raw material nickel exports reached \$1 billion to \$1.5 billion in value. Because we stopped exporting, there became downstream industrialization. In 2021, our nickel export rose to \$20.8 billion because [we have turned them] to semi-finished or finished products."

Jaguar Landrover is one global brand that has declared their EV commitment. James Barclay, Team Principal, Jaguar TCS Racing explains "At Jaguar Land Rover, our new global strategy will see us reimagine our future with sustainability at the centre. From 2025 Jaguar will become an all-electric luxury brand. As the world's first net carbon-zero sport since inception, Formula E provides a real-world performance test bed for us to develop our future electrification technology."

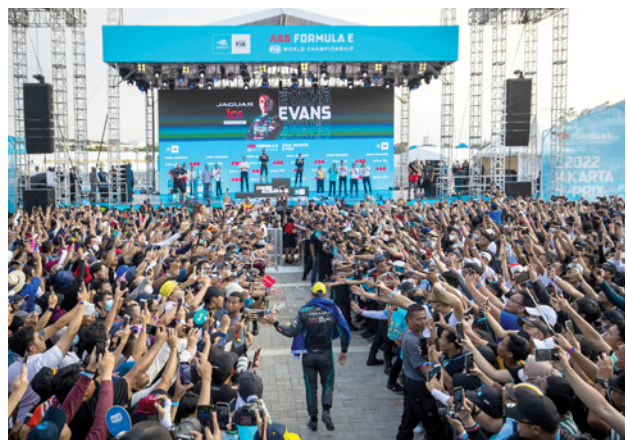
Despite commitments like these, western governments and

companies have been slow or reluctant to engage with Indonesia in the development of a secure supply of metals essential for the implementation of their EV objectives. China, on the other hand, has been quick to invest in processing plants. Intermediate products produced in Indonesia are shipped to China, which currently has a virtual monopoly on the refining of such products.

Unfortunately, much of this investment has gone to build plants which have at least one inherent environmental flaw - the production of considerable quantities of tailings, as much as 5 tonnes of tailings for each EV manufactured. This necessitates the construction of tailings dams or the disposal of tailings in the sea, something which the Indonesian government has wisely banned.

Given that the initial processing of the ore is where the most environmental damage is likely to occur and the most waste material generated, then this is a good start to the supply chain.

The EV supply chain involves several steps: mining – processing – refining – cathode manufacturing – cell manufacturing – module assembly – pack assembly – vehicle and Indonesia may use export taxes to drive further development of value-chain. Such steps will encourage the expansion of ore processing and the development of refining plants and,



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perhaps, cathode manufacturing in the near term. Eventually, the government wishes to see EVs built in Indonesia.

The question is who will do this and what technologies will be applied? Any technology which does not create waste products clearly has the edge on older, polluting technologies. The issue then becomes whether those wishing to secure a supply of battery metals are willing to adopt new technology, like Altilium's DNi Process™.

"As a primary objective of the shift to EVs is to improve the environment – such as clean air – it would be ironic if the technologies employed to achieve that objective themselves caused environmental damage. That is both the risk and the opportunity," notes Chris Gower, CEO of UK-headquartered Altilium Group Ltd.

Commodities are often regarded as national treasures and the use of these assets is inevitably driven by governments and politics. However, the other stated goal and opportunity of the E-Prix success story was earlier referred to as software and technology advancement. These are spaces in which the private sector can forge its own mutually beneficial partnerships.

BritCham member Micro Focus joined forces with Jaguar TCS Racing in 2021 as their official technical partner for the Formula E Championship.

Stephen McNulty, President, Director, Asia Pac & Japan Micro Focus "We are both technology-forward organisations looking to push boundaries in our own ways – Micro

Focus in enabling organisations to achieve business outcomes and success with the power of software; and Jaguar TCS Racing is continually pushing for more points, podiums, and wins on the racetrack. This is a partnership of great synergy in achieving speed, agility, and innovation, on and off the track.

"Most importantly, there is a natural alignment in our values towards sustainability. Jaguar will become an all-electric luxury brand from 2025. At Micro Focus, we see our software as an enabler for sustainable behaviours – from helping organisations such as Jaguar TCS Racing to reduce their environmental footprint, to empowering them to establish market trust and transparency within their operations.

"Through more such partnerships, we hope to help more organisations see technology as an enabler to addressing some of the world's biggest challenges today."

So, the recent hosting of the e-Prix is symbolic for Indonesia. It demonstrates the country's interest in and commitment to the electrification of transportation. Gower believes "it is appropriate that the country with the world's largest reserves of some of the key metals needed to deliver the mass adoption of electric vehicles is pursuing policies to increase the likelihood that the global targets for EV sales will be met."

Without the metals required for the batteries, the vehicles won't get far! 🏎️