



4th Asia Pacific Conference on Contemporary Research (APCCR- 2018),  
Bali, Indonesia  
ISBN :978-0-6481172-9-2  
Asia Pacific Institute of Advanced Research (APIAR)  
[www.apiar.org.au](http://www.apiar.org.au)

## **EMERGING NEED OF SOCIAL LICENSE TO OPERATE FOR THE DEVELOPMENT OF RENEWABLE ENERGY IN INDONESIA**

Farah Mulyasari  
Universitas Pertamina, Jakarta, Indonesia  
*Corresponding Email:farah.mulyasari@gmail.com*

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### **Abstract**

The location of Indonesia in the Ring of Fire enables the country to have vast serial of volcanoes along the Archipelago and thus, has the potential of geothermal energy, as one the country's major source of renewable energy. Most of the geothermal systems in Indonesia have high temperatures, mostly above 225 degrees Celsius, which is ideal for the power generation. The Geological Agency of the Ministry of Energy and Mineral Resources of Republic Indonesia has identified 299 geothermal areas in Indonesia with a huge amount of electricity potential of approximately 29,000 MW. However, to date, only 9 areas have been used for the power generation. The Government of Indonesia in 2005 set a target in the Geothermal Development Road Map to increase the capacity of geothermal power plants. This roadmap has been revised several times due to project delays, mainly due to low electricity prices, the overlapping land use regulations between geothermal and forestry, legal aspects, financing, and public acceptance from nearby communities. The later one is becoming a major issue in geothermal energy development in Indonesia and is subject to public debate. To obtain and maintain the support of local stakeholders is, therefore, of major importance if the government and project developers are longing for the exploration and harnessing the geothermal energy as much as possible. This has put the concept of Social License to Operate (SLO) at the forefront, which will be illustrated for the development of renewable energy in Indonesia; as role of human capital development, trust building between various local stakeholders, and legitimacy are the fundamentals for the function of the SLO and thus hold an essential key in successful development of renewable energy in the country.

**Keywords:** Geothermal, Power Plants, Renewable Energy, Public Acceptance, Social License to Operate.

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