

Abstract

The purpose of this thesis is to see how partnerships can be utilized to combine various stakeholders' attributes, interest, and competencies toward sustainable biofuel production in Indonesia. The Domestic Market Transformation (DMT) project was assessed by its outcomes and the challenges to understanding the bigger picture of Indonesia's biofuel industry. Power, gaps and misalignment of interest with the government body are among the main challenges that caused the DMT project to fail to meet its target of integrating NDPE Policies into government regulation. Using the Stakeholder Theory, Social Network Analysis, and Actor Theory Network, this thesis draws up the complexity of stakeholders in Indonesia's biofuel industry and its relation. The result found that the Ministry of Energy and Environment (MEMR) is the most critical stakeholder in this industry, which allows them to intervene in sustainability practices through their Indonesia Bioenergy Sustainability Indicator (IBSI). Indonesia's government's sustainability interest and willingness to collaborate with other stakeholders open the opportunity to break the sustainability issues challenge in the biofuel industry by forming a partnership. The thesis also found that using the Indonesia Sustainable Palm Oil (ISPO) mechanism as the device of interest to achieve the sustainable requirement in biofuel's upstream industry is recommended instead of implementing a different policy by the respective ministerial body (IBSI).

Keywords: Sustainable, Biofuel, Stakeholder, Partnership, Interest