



Indonesia: Maternity and Child Care Hospital Project

Project Name	Maternity and Child Care Hospital Project
Project Number	52120-001
Borrower/Company	PT Medikaloka Hermina
Country	Indonesia
Location	Nation-wide
Approval Number	7555
Type of ADB Assistance / Amount	
Strategic Agendas	Inclusive economic growth
Drivers of Change	Gender Equity and Mainstreaming Partnerships Private sector development
Sector / Subsector	Health - Health system development - Mother and child health care
Gender Equity and Mainstreaming	Gender equity
Responsible ADB Department	Private Sector Operations Department
Responsible ADB Division	Office of the Director General, PSOD
Responsible ADB Officer	Patil, Aniruddha V.
Project Sponsor(s)	
Description	
Objectives and Scope	The equity investment will help Hermina expand its operations from the current 28 hospitals with 2,780 beds to 40 hospitals with 4,000 beds during 2018 -2020. ADB's participation in the initial public offering of PT Medikaloka Hermina as an anchor investor, will play an important role, both by providing direct financing and in attracting third-party investors and establishing confidence in Hermina's future access to capital markets.
Linkage to Country/Regional Strategy	The project aligns with ADB's country partnership strategy, 2016 -2019 for Indonesia, which supports expansion of the universal health coverage program by strengthening local service delivery. The project also catalyzes and enhances the effectiveness of private investment. The project is in line with ADB's operational plan for health and supports health sector development through nonsovereign investments. The operational plan also aims to strengthen gender outcomes in health sector projects by focusing on improving women's access to health services.

Safeguard Categories

Environment	B
Involuntary Resettlement	C
Indigenous Peoples	C

Summary of Environmental and Social Aspects

Environmental Aspects	The potential environmental impacts of hospital construction and operation are limited, generally site-specific, and reversible. Potential environmental impacts during operation includes impacts from hazardous and medical waste management and wastewater discharge. Hermina has developed a set of standard operating procedures to manage these impacts, and engages a third-party contractor to dispose of medical waste.
Involuntary Resettlement	All land required for Hermina hospitals has been purchased on a willing buyer - willing seller basis in accordance with national laws and regulations. Hermina's existing land acquisition procedure is adequate to ensure involuntary displacement impacts are avoided and sufficient consultation and research is carried out to ensure certainty of title being transferred to Hermina.

Indigenous Peoples Hermina's hospitals are in locations that are adjacent to main roads, city centers or major residential or development areas. No distinct or vulnerable indigenous peoples groups have been identified in such areas that would be differently affected, either negatively or beneficially, from the project. No hospitals are planned in areas that would produce such impact.

Stakeholder
Communication,
Participation, and
Consultation

Timetable for assistance design, processing and implementation

Concept Clearance	10 Apr 2018
Due Diligence	
Credit Committee Meeting	23 Apr 2018 to 23 Apr 2018
Approval	24 Apr 2018
Last PDS Update	21 May 2018

Project Page	https://www.adb.org/projects/52120-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=52120-001
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