



Indonesia: Municipal Bond Issuance and Infrastructure Finance

Project Name	Municipal Bond Issuance and Infrastructure Finance
Project Number	46380-035
Country	Indonesia
Project Status	Approved
Project Type / Modality of Assistance	Technical Assistance
Source of Funding / Amount	TA 9615-INO: Municipal Bond Issuance and Infrastructure Finance Government of Australia US\$ 530,000.00
Strategic Agendas	Inclusive economic growth Regional integration
Drivers of Change	Governance and capacity development Knowledge solutions Partnerships Private sector development
Sector / Subsector	Finance - Infrastructure finance and investment funds - Money and capital markets
Gender Equity and Mainstreaming	No gender elements
Description	The Government of Indonesia has plans to establish the country's first municipal bond issuance program. This is to help raise funds for infrastructure and other development expenditures at subnational government level. This will be piloted by DKI Jakarta and Central Java. Another priority initiative is the introduction of new infrastructure financing products in support of private sector investment in infrastructure through the state-owned infrastructure financing company, PT Sarana Multi Infrastruktur (PT SMI) as well as the Indonesia Infrastructure Facility (IIF) and the Indonesia Infrastructure Guarantee Fund (IIGF).
Project Rationale and Linkage to Country/Regional Strategy	Inadequate infrastructure, due in large part to underinvestment in the past, is a key constraint to higher and more inclusive growth in Indonesia. Recognizing this, the Government has embarked on an ambitious infrastructure development agenda comprising significant increases in public sector spending in infrastructure financing as well as policy and institutional reforms, to create an enabling environment for PPPs and private sector investment more generally.
Impact	Infrastructure and connectivity sectors developed, and private sector participation encouraged.

Project Outcome

Description of Outcome	Private sector participation in innovative infrastructure financing facilitated
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Progress Toward Outcome

Implementation Progress

Description of Project Outputs	1. Preparatory activities towards Indonesia's first ever municipal bond issuance completed. 2. Municipal funding plan established. 3. Innovative infrastructure financing strategy adopted.
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Status of Implementation Progress (Outputs, Activities, and Issues)

Geographical Location	Nation-wide
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Summary of Environmental and Social Aspects

Environmental Aspects

Involuntary Resettlement

Indigenous Peoples

Stakeholder Communication, Participation, and Consultation

During Project Design

During Project Implementation

Responsible ADB Officer Ainabe, Benita

Responsible ADB Department Southeast Asia Department

Responsible ADB Division Public Management, Financial Sector and Trade Division, SERD

Executing Agencies *Coordinating Ministry for Economic Affairs also known as Kementerian Koordinator Bidang Perekonomian (KKBP)
2nd Floor, Jl Lapangan
Banteng Timur 2-4
Jakarta Pusat 10710*

Timetable

Concept Clearance	-
Fact Finding	02 Jul 2018 to 02 Jul 2018
MRM	-
Approval	15 Oct 2018
Last Review Mission	-
Last PDS Update	25 Sep 2018

TA 9615-INO

Financing Plan/TA Utilization						Cumulative Disbursements		
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
0.00	530,000.00	0.00	0.00	0.00	0.00	530,000.00	-	0.00

Project Page <https://www.adb.org/projects/46380-035/main>

Request for Information <http://www.adb.org/forms/request-information-form?subject=46380-035>

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