

**OFFICIAL
DOCUMENTS**

LN 8618-1D

Supplemental Letter**REPUBLIC OF INDONESIA**June 21, 2016

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Re: Loan No. 8618-ID
(First Indonesia Fiscal Reform Development Policy Loan)
Article VI of the General Conditions
Financial and Economic Data

Dear Sirs and Mesdames:

In connection with the Loan Agreement of this date between the Republic of Indonesia (Member Country) and International Bank for Reconstruction and Development (Bank) providing a loan (Loan) for the above-captioned Program and the General Conditions (General Conditions) made applicable to the Loan Agreement, I am writing on behalf of the Member Country to set forth the following:

1. We understand and agree that, for purposes of Section 6.01 of the General Conditions, the Member Country is required by the Bank to report "long-term external debt" (as defined in the World Bank's Debtor Reporting System Manual, dated January 2000 (DRSM)), in accordance with the DRSM, and in particular, to notify the Bank of new "loan commitments" (as defined in the DRSM) not later than thirty (30) days after the end of the quarter during which the debt is incurred, and to notify the Bank of "transactions under loans" (as defined in the DRSM) once a year, not later than March 31 of the year following the year covered by the report.

2. We represent that no Liens (as defined in the General Conditions), other than those excluded pursuant to Section 6.02(c) of the General Conditions, exist on any Public Assets (as defined in the General Conditions), as security for any External Debt (as defined in the General Conditions). No defaults exist in respect of any external public debt (as defined in the DSRM). It is our understanding that, in making the Loan, the Bank may rely on the representations set forth or referred to in this letter.

3. Please confirm your agreement to the foregoing by having a duly authorized representative of the Bank sign in the space provided below.

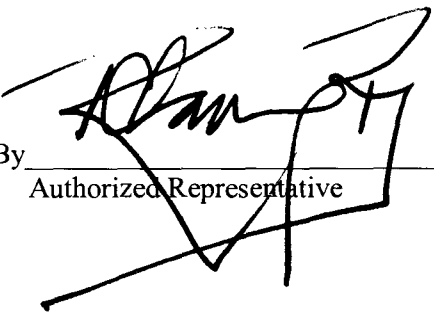
Very truly yours,

REPUBLIC OF INDONESIA

By  _____
Authorized Representative

AGREED:

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**

By  _____
Authorized Representative