

**COMBINED PROJECT INFORMATION DOCUMENTS / INTEGRATED
SAFEGUARDS DATA SHEET (PID/ISDS)
CONCEPT STAGE**

Report No.: PIDISDSC15813

Date Prepared/Updated: 10-Dec-2015

I. BASIC INFORMATION

A. Basic Project Data

Country:	Indonesia	Project ID:	P157490
		Parent Project ID (if any):	
Project Name:	Indonesia's Infrastructure Finance Development (IIFD) - RE (P157490)		
Region:	EAST ASIA AND PACIFIC		
Estimated Appraisal Date:		Estimated Board Date:	03-Mar-2016
Practice Area (Lead):	Finance & Markets	Lending Instrument:	Investment Project Financing
Sector(s):	General energy sector (20%), General transportation sector (20%), Rural and Inter-Urban Roads and Highways (20%), General water, sanitation and flood protection sector (20%), General finance sector (20%)		
Theme(s):	Infrastructure services for private sector development (50%), Other Financial Sector Development (50%)		
Borrower(s):	Ministry of Finance		
Implementing Agency:	Debt Management Office, Ministry of Finance		
Financing (in USD Million)			
Financing Source		Amount	
Borrower		0.00	
INDONESIA INFRASTRUCTURE FINANCE DEVT		8.24	
Total Project Cost		8.24	
Environmental Category:	A - Full Assessment		
Concept Review Decision:	Track I - The review did authorize the preparation to continue		
Is this a Repeater project?	No		
Other Decision			

(as needed):	
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B. Introduction and Context

Country Context

Indonesia enjoyed a period of sustained growth averaging 5.8 percent a year between 2004 and 2013 fueled, to a great extent, thought the export of primary commodities. This period of economic prosperity returned a social divided as the national poverty rate declined by more than half to 11.3 percent, while human capital indicators also showed impressive gains. However, the growth rate and rate of social improvements are slowing with inequality rising stubbornly. The economic deceleration will have the added effect of constraining fiscal expenditures despite the ambitious development agenda of the Government of Indonesia (GOI).

One of the strategies prioritized by the GOI to buttress the economic growth is to close the country's large infrastructure gap. Despite rising government spending in recent years, Indonesia's core infrastructure stock, such as road networks, ports, electricity, irrigation and water and sanitation services has not only not kept pace with economic growth, but the infrastructure stock as a share of GDP has been declining over the past decade. Total infrastructure investment—that is, investment by the central government, sub-national governments, state-owned enterprises and the private sector—has remained at only 3 to 4 percent of GDP over the past decade. This is far below the rates of above 7 percent of GDP before the 1997 Asian financial crisis, and the 10 percent and 7.5 percent spent by China and India, respectively. Total resources needed to close Indonesia's infrastructure gap by the end of 2019 is estimated at about US\$ 500 billion by the new administration (US\$ 100 billion a year). Of this, the State Budget is expected to finance about one-third, permitted by a significant reduction of fuel subsidies. The remaining two-thirds is expected to come primarily from the private sector and, to a lesser extent, SOEs. Leveraging private funds to bridge the infrastructure funding gap, and hence strengthening the partnership between the public sector and private domestic and foreign investors is crucial for the government to achieve its objectives in the infrastructure sectors. In addition, PPPs are a cost-effective way for governments to fund national and sub-national infrastructure projects, and are more likely to be done on time and within budget, relative to government-funded projects.

Sectoral and Institutional Context

PPPs in Indonesia and private sector spending on infrastructure are not growing fast, despite numerous efforts by GOI with support from the World Bank, which have led to the establishment of institutions and programs to leverage private capital into public infrastructure alongside streamlining government reforms to be able to deliver infrastructure connectivity, a key national development priority . To illustrate, GOI had identified 58 projects for funding through PPP schemes, for a total value of US\$51.2 billion in the period 2010-15. By 2012, however, only three projects were considered “ready for offer,” 26 projects were categorized as “priority,” and 29 as “potential PPP projects.” This is particularly poignant given that the significant part of this priority investment is in sectors with well-established willingness to pay (such as power or ports).

The potential of the private sector remains subdued due to two sets of constraints. The first concerns the PPP framework; legal and regulatory complexity; multiple GOI agencies involved; lack of clarity of roles and responsibilities and resulting overlaps compounded by lack of coordination; difficulties in securing land and environment/safeguards clearances; and very limited capacity of GCAs to prepare, structure and implement projects. The second concerns the lack of appropriate financial tools to channel long-term funds to infrastructure lack of financial

instruments; poor capacity of the financial market to manage exchange, interest, and maturity mismatch risks; and lack of risk sharing support by government to attract private investors into public infrastructure projects.

With a regulated PPP framework and a set of supporting funding mechanisms now in place, getting some successful PPPs off the ground is crucial for its demonstration effects. Initial projects need to be relatively simple, commercially viable, and well-prepared. Indonesia has invested a significant effort in developing PPPs and the associated regulatory framework. Per the current process (as set out in Perpres 75/2014 and 38/2015), PPPs together with other infrastructure projects are identified by the various Government Contracting Agencies (GCAs), i. e. line ministries such as Transport, Energy, or sub-national entities. The identified projects are then evaluated by Bappenas, having regard to the national plan, and a decision is made by Bappenas as to whether the project should be designated as a priority project candidate, based on the information provided by the GCA, which is often of uneven quality and requires targeted capacity building. These candidate projects are then evaluated by the KPPIP, a coordinating body with representation from key concerned ministries, which determines which investment projects should be developed as PPPs. KPPIP has not convened over the past years after its inaugural meeting and needs improved functioning. Once a project has been selected by the KPPIP for development as a PPP, the MOF's PPP unit, which manages the contingent liabilities and government support of infrastructure, then has the responsibility of working with the GCA to have a final feasibility study done (the study can be funded using the MOF's Project Development Facility – PDF, directed by the PPP Unit and implemented by PT SMI). The PPP procurement which is usually multi-year, is then approved by MOF. PPP projects can also take advantage of various other forms of assistance offered by the MOF, such as long-term debt and equity funding (under SMI-Indonesia Infrastructure Finance (IIIF)), guarantees against government-related contractual risk for PPPs (Indonesia Infrastructure Guarantee Fund (IIGF)), Viability Gap Financing (VGF) to bridge the break-even barrier for socially-desirable but commercially non-viable greenfield and other PPP investments, and availability payments to manage risk of revenue shortfall for lack of demand. These assistance programs are insufficiently used by line ministries that are not well-informed on their existence and generally have no incentive to offer the commercially viable infrastructure projects to the private sector or prepare and structure the deals sufficiently rigorously to interest the private sector. Finally, both public and PPP operations would benefit greatly from effective implementation of the new land law, which will require good implementing regulations. Without faster and less conflict-ridden acquisition of land, implementation of infrastructure projects will remain uncertain and costly.

On the financial markets side, Indonesia features a relatively vibrant capital market, but there is little financing from capital market are channeled to developing new infrastructure. Financing for infrastructure has so far limited to only large utilities companies like telecoms, PLN (electricity), and few construction companies. The market lacks appropriate tools that allow new infrastructure companies or projects to obtain financing. Among others: securities issuance processes are too cumbersome and costly that only large companies can afford; pooled funding mechanisms are ineffective due to outdated regulatory model and inefficient taxation framework; and standardized guarantee instruments are non-existent. Institutional investors such as social security funds, pension funds, and insurance companies, have a large potential to provide long-term funding for infrastructure through the capital markets due to their matching long-term liabilities. However, a proper incentive structure – through a modernized regulatory and supervisory framework for asset-liability management – that would drive them to better allocate their investments into long-

term assets such as infrastructure is lacking. To date, their investments are concentrated in seemingly low-risk, low-return instruments (e.g., government bonds, bank deposits), at the expense of the purchasing power of their beneficiaries in the long run. The lack of standardized risk management instruments in the local markets also deter investors –domestic and foreign alike – from being more active in long-term local currency securities market. For example, investors flock in the short-to-medium term instruments because the lack of interest rate hedging tools mean that they are exposed to risks associated with interest rate movement. The long-term swap market is small and illiquid, thus constraining funding for infrastructure projects that are long-term in nature.

Relationship to CAS/CPS/CPF

Against this backdrop, the Infrastructure Finance and Development (IIFD) Trust Fund presents a comprehensive approach to financing infrastructure development in Indonesia that is well-aligned with its current development imperative as a Middle Income Economy (MIC) of driving robust and inclusive growth amid global economic uncertainties. Making public institutions interface effectively with private capital is a key priority for Indonesian infrastructure and directly impacts the ability of GOI to drive PPPs. The World Bank’s Country Partnership Framework (CPF) for Indonesia identifies and discusses this interface and its centrality in Indonesia’s developmental strategies. The work identified for the BETF and RETF are grounded in the priorities identified within the World Bank’s CPF, which focuses on the “Delivery of Infrastructure” as a central target for the World Bank’s engagement in Indonesia, and how PPPs can be used to reduce the country’s yawning investment deficit.

C. Proposed Development Objective(s)

Proposed Development Objective(s) (From PCN)

The Project Development Objective (PDO) is “to assist Indonesia in closing its large public infrastructure gap by supporting the flow of private capital into infrastructure development and improving the institutional, legal and regulatory framework to enhance the ability of private capital and public institutions to work together for infrastructure development.”

Key Results (From PCN)

The Project is designed to develop operational, ready-to-implement next-steps toward a robust infrastructure and PPP financing market in Indonesia. Among other things, the RETF will clarify specific legal and regulatory provisions and corresponding operational policies and procedures; enhance inter-agency coordination and develop skills and capacity of national level agencies (MOF; KPPIP; Bappenas; Coordinating Ministry of Economic Affairs (CMEA)) and Government Contracting Agencies (GCAs) vis-à-vis public sector and PPP financing of infrastructure.

D. Concept Description

Project Components

Component 1: Strengthening Individual Agencies. Component 1 of the Project concerns establishing the PPP Unit and other key entities in the PPP framework including KPPIP as fully functional, capable of assuming the technical, coordinative and knowledge responsibilities expected. This also includes support for the GCAs to produce high quality Outline Business Case (OBC) for submission to Bappenas, and better selection criteria resulting in more efficient investment projects as selected by Bappenas. The Project will further help GCAs make better use of the PDF, and other PPP supporting instruments run by MOF. The pillar will also contribute to

better capacity in government agencies involved in the selection and prioritization of PPP projects. This Pillar will also support the establishment of operational and business processes (incl. SOPs) as well as support capacity building (incl. trainings, twinning arrangement and secondments of staff across concerned agencies) of the staff and the dissemination. Taken together these will help the PPP Unit engage with concerned national level agencies and GCAs proactively, as well as strengthen capacity of infrastructure and PPP financing agencies across the board.

Component 2: Legal and Regulatory Considerations. Component 2 will contribute to improving the legal and regulatory frameworks underpinning PPPs in Indonesia, among other things, by: (i) making revisions, amendments and/or replacement legislation(s) required to improve the regulatory environment supporting PPPs in Indonesia, including clarifying inconsistencies in cross-sector and sectoral PPP regulations; local government PPP regulation, SOE's role in implementing PPPs; implementation of the Land Acquisition Law; and legal basis for Government Support schemes, as well as potentially explore the drafting and enactment of the PPP law; and (ii) implementing the recommendations from the regulatory review on the broader infrastructure policy, linked to the national investment priority, focusing on access to long term finance resources from the national and international markets, including local currency funding and risk management / risk markets.

Component 3: Project Selection, Preparation and Transaction. Activities under this Component will be critical to the overall success of the Project as they directly support the speed, quality and efficiency of the PPP deal pipeline and flow, and build upon the intra-agency capacity building activities under Component 1. This Component captures the range of technical support needed to move a PPP project from concept stage through implementation, and will ensure a select set of promising pilot projects to use for a successful demonstration effect. Activities within this Component will provide technical inputs on project identification, selection, preparation, technical analysis, financial deal structuring by preparing business cases, standardizing and preparing tender documentation, helping with market sounding, assessing the PPP risk profile and conducting risk management, preparing the transaction for market and following through on deal bid and close.

Component 4: Inter-Agency Coordination. This Component will facilitate coordination among government stakeholders directly involved in PPP development in Indonesia. Based on the detailed review of existing inter-agency / institutional arrangements and best practice for PPPs, a key activity under this Component will be to support GOI in clarifying and strengthening the roles and responsibilities of national agencies working on infrastructure development, and enabling better coordination.

II. SAFEGUARDS

A. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

The RETF component of the project will involve three types of TA: (i) Strengthening client capacity, (ii) Assisting in formulation of policies, programs, plans, strategies and legal frameworks, and (iii) Preparing feasibility studies directly in support of the preparation of future investment projects to be financed after the life of the TA project (that may or may not be funded by the Bank).

The project is designed to provide time bound TA to the GoI to facilitate the flow of private capital

into infrastructure development and improve the institutional, legal and regulatory framework to enhance the ability of private capital and public institutions to work together for infrastructure development. Parts of the TA will support preparation of FS/RFP/bidding documents for pilot demonstration PPP projects that will lead to future infrastructure investments. The Bank's safeguards policies will only apply to RETF components of the project, but implementation of the BETF activities will fully incorporate and be consistent with international best practices, as reflect in Bank safeguards policies.

The project will be national in scope and include support for future infrastructure investments in the following sectors: energy (including power generation, transmission and distribution), water and sanitation, transportation (including roads, rail, ports and airports) and telecom, among others. However, the exact location, nature and scope of the potential environmental and social impacts of the up to 5 pilot PPP demonstration projects can only be determined during implementation – involving screening and appraisal of potential projects submitted to MOF PPP by line ministries and other project development agencies.

Since the pilot demonstration projects will be selected to demonstrate the success of the GoI PPP processing, although they may include projects that are large or complex, it is more likely that they will be projects that are deemed “do-able” in a reasonable time-frame to demonstrate benefits of PPP financing. Although the scope, scale and nature of each pilot is unknown at this stage, they may include Category A investments that would generate large scale, significant and irreversible adverse environmental and social impacts when financed to full implementation after the life of the TA project (using the feasibility studies that are the main outputs of Pillar 3 of the RETF part of the TA),

By appraisal, the client will prepare an Environmental and Social Management Framework (ESMF) to ensure that relevant environmental and social issues are taken into account in conducting the feasibility studies for the up to five pilot demonstration projects in a manner that reflects the principles and guidelines of Bank safeguard policies and the World Bank Group Environment, Health and Safety (EHS) Guidelines. The ESMF will set out the principles, rules, guidelines and procedures to assess the environmental and social impacts of the proposed pilot projects. It will include sections addressing the requirements of individual safeguard policies applicable to the project including Environmental Assessment (OP/BP 4.01); Natural Habitats (OP/BP 4.04); Forests (OP/BP 4.36); Pest Management (OP 4.09); Physical Cultural Resources (OP/BP 4.11); Indigenous Peoples (OP/BP 4.10); Involuntary Resettlement (OP/BP 4.12); and Safety of Dams (OP/BP 4.37). The ESMF will also includes an Indigenous Peoples Planning Framework (IPPF) and a Resettlement Policy Framework (RPF) to address OP 4.10 and 4.12 requirements, respectively. Recommendations for incorporating environmental and social considerations into the FS study and TA for regulatory changes to the land acquisition framework, training and capacity building as well as budget for ESMF implementation will be included in the ESMF scope of work.

The project will need to screen each pilot project, based on the guidelines of the ESMF for environment and social impacts, to identify: (i) safeguards policies triggered, (ii) EA category, (iii) safeguards instruments and associated analyses to incorporate risk and impact minimization, mitigation measures and monitoring program. Based on the screening results, specific safeguards instrument for each pilot demonstration project will be developed as part of the feasibility studies packages, and (iv) consultation and disclosure requirements.

Prior to appraisal, the ESMF will be publically consulted and disclosed in country and at the

InfoShop in accordance with Bank guidelines. The project will ensure that ESMF is used to guide identification and preparation specific safeguards instrument for each pilot demonstration project during its feasibility study stage. Disclosure and consultation of each pilot project will be carried out following guidance to be developed as part of the ESMF.

The Task Team will be responsible for ensuring that the preparatory activities of the RETF are in compliance with applicable Bank safeguards policies at all times. The reputational risks to the Bank concerning implementation of the project and project ESMF will be presented in project documents (e.g., Appraisal ISDS, PAD) and the Board paper, along with proposed risk mitigation measures including continued opportunities for consultations, project communication strategy and supporting transparent decision making processes in pilot selection.

B. Borrower's Institutional Capacity for Safeguard Policies

The RETF funded activities will be managed by the Office of the Director of Government Support and Infrastructure Financing's PPP Unit at the Ministry of Finance under the Directorate General for Risk Management and Financing that will be the recipient for the RETF.

The PPP Unit will be responsible for the daily operation of all RETF activities, including supervising grant reporting activities, developing activity and annual summary reports. A Project Management Unit (PMU), within the PPP Unit, will be established to oversee the implementation of RETF activities in a manner to achieve the IIFD PDO.

The Ministry of Finance, through its Directorate General of State Assets does have experience with the application and compliance requirements of Bank safeguard policies as the Executing Agency for the IIFF loan financed by the Bank as an FI operation. However, neither the Directorate General for Risk Management and Financing, the Office of the Director of Government Support and Infrastructure Financing nor the PPP Unit have knowledge of or experience with applying and complying with World Bank safeguard policies. They have no experience in preparing projects that involve environmental and social impacts and require risk and impact minimization, mitigation and management measures.

Country systems for safeguarding the large-scale, significant and irreversible environmental impacts of major infrastructure project are deemed adequate, however implementation and enforcement remain weak. For social safeguards, including involuntary resettlement and Indigenous Peoples, the legal and regulatory frameworks are less clear. Conflicts around land rights, land acquisition and land administration are prevalent and contentious and present a high risk to the future success of PPP infrastructure projects in Indonesia. TA support for implementation of the Land Law will likely help address some of the issues regarding the ongoing land disputes and is considered a positive social safeguard impact of the project.

To address the lack of safeguards knowledge and capacity in the responsible units of MoF for delivery of the RETF, the World Bank will deliver a comprehensive safeguards training workshop for the PMU to build their knowledge and capacity to apply and comply with Bank safeguard policies, in particular preparation and use of the project ESMF. The PMU will be directed to hire and maintain a full time Environment and Social Safeguard Specialist/s, acceptable to the Bank, to oversee implementation of the project ESMF, screen pilot demonstration projects, oversee and guide preparation of pilot project specific safeguard instruments aligned with the feasibility studies and ensure that the project complies with Bank safeguards policies at all times. The Bank will provide

ongoing training on safeguards policies and management throughout the life of the project to the PMU. As this project is Category A project, all safeguards TORs, including those of the pilot 5 projects, will need to be reviewed and cleared by RSA/RSS.

C. Environmental and Social Safeguards Specialists on the Team

Isono Sadoko (GSURR)

Wasittee Udchachone (GENDR)

D. POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>The project will provide TA to the GoI to improve infrastructure delivery in the following areas: (i) legal and regulatory frameworks; (ii) leveraging funding and managing risk; and (iii) enhancing capacity, coordination, and monitoring of infrastructure.</p> <p>The project will not finance specific infrastructure project investments, but it will finance preparation of feasibility studies for up to five pilot demonstration projects to demonstrate the effectiveness of the PPP process being established with the TA.</p> <p>Although the IIFD RETF activities themselves will not generate direct adverse environmental or social impacts, the investment activities that may take place after the life of the TA, and using the feasibility studies prepared for the pilot demonstration projects financed under the TA, may generate adverse environmental and social impacts downstream. As such, the TA project triggers OP/BP 4.01 on Environmental Assessment.</p> <p>Given the nature of the TA, the client will prepare an Environmental and Social Management Framework (ESMF) to manage the risks and range of safeguards issues related to the project. The ESMF will set out the principles, rules, guidelines and procedures to assess the environmental and social impacts of the proposed pilot demonstration projects and ensure compliance with Indonesian Law and regulations and the World Bank Group Environment, Health and Safety (EHS) Guidelines, as well as OP/BP 4.01 (Environment Assessment).</p> <p>Prior to appraisal, the client will prepare the ESMF.</p>

		<p>The client will then also recruit an experienced Senior Environmental and Social Safeguards Specialist to oversee implementation of the project ESMF. And, when the pilot demonstration projects are selected, the Specialist will oversee application of the ESMF to ensure successful preparation of pilot project specific safeguards screening and safeguard instruments alongside the feasibility studies prepared as outputs of the TA project.</p> <p>Specifically, each pilot project will be screen, based on the guidelines of the ESMF for environment and social impacts, to identify: (i) safeguards policies triggered, (ii) EA category, (iii) safeguards instruments and associated analyses to incorporate risk and impact minimization, mitigation measures and monitoring program. And, based on the screening results, specific safeguards instrument for each pilot demonstration project will be developed as part of the feasibility studies packages, and (iv) consultation and disclosure requirements.</p> <p>Although the location, nature, scale and scope of the proposed pilot projects will only be identified at a later stage during project implementation, it is anticipated that the pilots selected will likely be either Category A or B investments in transport, water and sanitation, energy and telecom, among others. Taking this into account, the TA project is classified categorized as a Category A.</p>
Natural Habitats OP/BP 4.04	Yes	<p>Details of the pilot demonstration projects can only be identified during project implementation. Some of pilot demonstration PPP projects may affect natural habitats and, as such, the project ESMF will include appropriate measures to address the requirements of OP 4.04. None of the pilots will take place in critical natural habitats since they are likely to be large-scale, significant and irreversible infrastructure projects. The ESMF will include screening measures to ensure that the feasibility studies for potential pilot projects that may cause significant degradation and/or conversion of critical natural habitats will not be financed.</p>
Forests OP/BP 4.36	Yes	<p>Details of pilot projects can only be identified during project implementation stage. Some of pilot projects may take place in or in close proximity to forest areas or their buffer zones, since 70% of Indonesia's</p>

		land area lies within the Forest Estate. No pilot will be selected that would take place within critical and/or protected forest areas. The project ESMF will include appropriate screening tools and measures to address all of the requirements of OP 4.36.
Pest Management OP 4.09	Yes	Although it is highly unlikely that the project will support large scale infrastructure investment projects in the agriculture sector that would involve procurement of pesticides or increase the use of pesticides. The pilot demonstration projects prepared to feasibility may involve investments that include pesticide purchase, use, distribution and disposal. As such, the ESMF will include IPM measures and other measures to address the requirements of OP 4.09.
Physical Cultural Resources OP/BP 4.11	Yes	Details of the pilot demonstration projects will only be determined during project implementation. Some of pilot PPP projects may affect physical cultural resources. The environmental screening procedures to be included in the project's ESMF will ensure that the pilot projects will not adversely affect sites having archeological, paleontological, historical, religious or unique natural values. The ESMF will also include chance finds procedures.
Indigenous Peoples OP/BP 4.10	Yes	It is expected that the infrastructure pilot demonstration projects will be geographically distributed across the country. OP 4.10 is triggered because of the presence of Indigenous Peoples in the project areas and their collective attachment to land. An IPPF will be prepared as part of the ESMF to address the requirements of OP 4.10 for this project.
Involuntary Resettlement OP/BP 4.12	Yes	Most if not all of the infrastructure projects to be proposed for PPP processing will likely require land acquisition, including the pilot demonstration projects and thus OP/BP 4.12 is triggered. A RPF will be prepared as part of the ESMF to address the requirements of OP 4.12 for this project. The project will also involve a review and drafting of an amendment of the Land Law. The ToR for this work will be shared with the RSS/LEGEN for review and clearance.
Safety of Dams OP/BP 4.37	Yes	The pilot projects may involve construction or rehabilitation of a dam or rely on the performance of an existing dam or dam under construction. This will only be determined during project implementation when the pilot projects are selected. However, the TA project as a whole is setting the stage for

		infrastructure investments that include energy generation, transmission and distribution. As such, OP 4.37 is triggered and will be reviewed during implementation and pilot selection to determine if it is indeed triggered for each pilot. The ESMF will include appropriate measures and guidance to ensure compliance with OP 4.37, including the circumstances under which the appointment of independent dam specialists is required, in the preparation of the feasibility studies of pilot projects that trigger OP 4.37.
Projects on International Waterways OP/BP 7.50	No	There are no known project components involving international waterways as defined under the policy.
Projects in Disputed Areas OP/BP 7.60	No	The project is not located in any known areas as defined under the policy.

E. Safeguard Preparation Plan

1. Tentative target date for preparing the PAD Stage ISDS

10-Jan-2016

2. Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing should be specified in the PAD-stage ISDS.

Prior to appraisal, the ESMF will be publicly consulted and disclosed in country and at the InfoShop in accordance with Bank guidelines. The client will recruit an experienced Senior Environmental and Social Specialist to join the newly established PMU who will be tasked with overseeing implementation of the ESMF that will be used to guide identification and preparation of the screening and specific safeguards instrument for each pilot demonstration project during the feasibility study stage later during implementation. Disclosure and consultation of each pilot project's safeguards documents will be carried out following guidance of the ESMF. Since it is a Category A project, the RSA/RSS will retain oversight of the project safeguards and review and clear all safeguard instruments prior to disclosure.

III. Contact point

World Bank

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Title: Infrastructure Specialist

Borrower/Client/Recipient

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V. Approval

Task Team Leader(s):	Name: Andri Wibisono	
<i>Approved By</i>		
Safeguards Advisor:	Name: Peter Leonard (SA)	Date: 10-Dec-2015
Practice Manager/ Manager:	Name: James Seward (PMGR)	Date: 10-Dec-2015
Country Director:	Name: Josephine M. Bassinette (CD)	Date: 12-Jan-2016

1 Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.