



### Project Summary Information

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| Date of Document Preparation: August 11, 2026    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Project Name</b>                              | Development of the Center of Excellence in Tropical Herbal Medicine                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Project Number</b>                            | P001195                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>AIIB member</b>                               | Indonesia                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Sector</b>                                    | Health Infrastructure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Alignment with AIIB's thematic priorities</b> | Green infrastructure and Technology-enabled Infrastructure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Status of Financing</b>                       | Under Preparation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Objective</b>                                 | To strengthen healthcare service delivery, medical education, and research capacity at Universitas Sebelas Maret Hospital (RS UNS), along with the development of a tropical herbal medicine center of excellence.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Project Description</b>                       | <p>The Project Investment will be carried out with the below Project Components:</p> <p><b>Component A – Civil Works:</b> The Project will develop the following three main buildings with green building features. The Hospital Building, located on the main campus in Sukoharjo Regency, will provide medical services and clinical education. Also on the main campus, the Tropical Herbal Medicine Building will be dedicated to herbal extraction, analysis, and incubation of herbal product start-ups. The Biomedical Engineering Building, located in Kentingan, Surakarta City, will support genomics research, medical product development, and clinical simulation. Component A covers the works carried out under the civil works contract. This includes site development and landscaping, including the medical gardens, structural and architectural works, laboratory fit out and containment, clean zoning, mechanical, electrical and plumbing works, heating, ventilation and air conditioning and filtration, medical gas, lifts, the skybridge, internal data cabling, and the green building measures.</p> <p><b>Component B – Procurement of equipment:</b> This component will finance advanced laboratory, pilot production, and biosafety equipment to support the development and validation of tropical herbal medicine and its integration into modern health service delivery. It also includes complex clinical diagnostic and therapeutic equipment. Additionally, this component includes digital infrastructure and furniture.</p> |

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|                                             | <p><b>Component C – Human Capital Development:</b> The proposed human resource capacity development plan, funded entirely by the Government of Indonesia (GoI), is intended to ensure the long-term sustainability of the infrastructure investments. The non-degree training program entails short courses, internships, workshops, and comparative studies at leading overseas institutions to enhance proficiency, especially in high-end laboratory systems such as next-generation sequencing and other technologies relevant to pre-clinical and pharmaceutical research.</p> <p><b>Component D – Project Implementation Support:</b> The Component D will include implementation support to strengthen execution capacity and ensure compliance with both international standards and GoI regulations. This component will finance project design and management consultancy expertise, including in detailed engineering design, project management and supervision, equipment planning and procurement support, and other technical studies such as environmental assessments.</p>                                                                                                                     |
| <b>Expected Results</b>                     | <p>The Project is expected to deliver results across two levels:</p> <ul style="list-style-type: none"> <li>• At the output level, the Project will add capacity to serve more patients, train medical students and health professionals, and establish the center of excellence for tropical and herbal medicine</li> <li>• At the outcome level, additional patients will be served, especially with advanced medical services, higher number of medical students will be trained by the university and hospital and the number and scope of medical research, especially in tropical and herbal medicine will increase.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Environmental and Social Category</b>    | B                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Environmental and Social Information</b> | <p><b>Applicable Policy and Categorization.</b> The Project is governed by AIIB's Environmental and Social Policy (ESP), including the Environmental and Social Exclusion List and Environmental and Social Standard (ESS) 1 on Environmental and Social Assessment and Management. ESS 2 on Land Acquisition and Involuntary Resettlement is not expected to apply as activities are on university-owned land and no land acquisition or involuntary resettlement is anticipated. ESS 3 on Indigenous Peoples is not expected to apply as no Indigenous Peoples have been identified in Project areas at Concept stage. The Project is proposed as Category B, as environmental and social (ES) risks and impacts are expected to be site-specific, temporary, mostly reversible, and not unprecedented, and managed through good engineering design, national permitting, good international industry practice, and Project-specific ES instruments.</p> <p><b>Environmental and Social Instruments.</b> An Environmental and Social Management Plan (ESMP) proportionate to risks will be prepared before appraisal covering both construction and operation at: (i) UNS Hospital site, comprising a new</p> |

hospital building on greenfield land owned by UNS Hospital; and (ii) UNS main campus Biomedical Engineering building, on UNS land. The ESMP will address construction impacts, expanded hospital operations, wastewater management, labor management, community health and safety, stakeholder engagement and disclosure. It will include Labor Management Procedures, Gender Action Plan (GAP), Stakeholder Engagement Plan (SEP), Project-level Grievance Redress Mechanism (GRM), and worker grievance arrangements. The ESMP will draw on AMDAL and national ES documents, as applicable. ES due diligence (ESDD) will identify any supplementary documents and/or time-bound actions needed to address gaps with AIIB's ESP.

**Environmental and Social Aspects.** Key environmental risks include dust, noise and vibration, construction waste, hazardous medical and chemical waste, wastewater, traffic disruption, emergency access, and community health and safety risks during construction at two main-road-fronting sites. Both sites are greenfield, have no rivers or streams within their boundaries, and are away from settlements. Expanded hospital operations and Biomedical Engineering facility will require management of hospital waste, wastewater, medicinal herb laboratory waste, and other specialized waste streams in line with Indonesian regulations and Good International Industry Practice. The planned wastewater treatment plant upgrade will be reviewed during ESMP preparation to confirm capacity against projected hospital wastewater loads. Potential adverse social risks are expected to be limited and manageable, including temporary construction disturbance, access restrictions, pedestrian and public safety risks, worker-community interactions, labor influx, risks to women and vulnerable groups, and stakeholder concerns on hospital and laboratory operations. No physical or economic displacement is anticipated, subject to confirmation during ESDD through review of ES instruments. A gender assessment integrated into ESMP for both sites will identify barriers to equitable access and participation, assess risks to women and vulnerable groups during construction and operation, and recommend mitigation measures. Findings will inform the GAP in the ESMP. GBV/SEAH prevention and response provisions must be explicitly included in ESMP.

**Occupational Health and Safety (OHS), Labor and Employment Conditions.** The Project will comply with Indonesian labor laws and AIIB's ESP to manage labor and OHS risks during construction, equipment installation, commissioning and operations in an active university campus and hospital. Key risks include working at heights, falls, slips and trips, electrical and mechanical hazards, noise, dust, fire risks, traffic and pedestrian safety, and exposure to hazardous materials, chemical reagents, botanical extracts, solvents and laboratory waste. These risks will be managed through the ESMP and contractors' Construction ESMPs.

**Stakeholder Engagement, Consultation and Information Disclosure.** Stakeholder engagement will be undertaken during preparation of ES documentation. The process will identify and engage Project beneficiaries, potentially affected

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|                                       | <p>persons, campus users, patients and prospective users of services, health workers, students, faculty, staff, contractors, local authorities and other interested parties. The SEP will assess interests and concerns and set out an inclusive engagement strategy during preparation and implementation. Draft ES instruments will be disclosed in English, with Indonesian executive summaries, as appropriate, on the Borrower's and AIIB's websites and through locally accessible channels in accordance with AIIB's ESP.</p> <p><b>Project Grievance Redress Mechanism and PPM.</b> A Project-level GRM will be developed in accordance with AIIB's ESP, building on existing complaint-handling arrangements at UNS and UNS Hospital and strengthened as needed, to meet AIIB's ESP and Project requirements. It will be established in a timely manner and provide accessible channels for Project-related concerns and procedures to receive, record, resolve and report grievances, including confidential handling of sensitive complaints. A worker-specific GRM will also be established. Information on established GRMs and AIIB's Project-affected People's Mechanism (PPM) will be disclosed to relevant stakeholders in an appropriate manner.</p> <p><b>Monitoring and Reporting Arrangements.</b> UNS and the PMU, supported by ES consultants, will monitor ESMP implementation, contractor performance, stakeholder engagement, grievances, incidents and corrective actions. Annual ES monitoring reports will be submitted to AIIB for review in an agreed format. AIIB will conduct periodic field monitoring mission to verify ESMP implementation. Further details will be determined during Project preparation and ESDD.</p> |                                                                                  |                                                                                                                   |
| <b>Cost and Financing Plan</b>        | The total estimated project cost is USD49.49 million of which AIIB loan will fund up to USD47.71 million.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                  |                                                                                                                   |
| <b>Borrower</b>                       | Republic of Indonesia                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                  |                                                                                                                   |
| <b>Implementing Entity</b>            | Ministry of Higher Education, Science and Technology, Indonesia                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                  |                                                                                                                   |
| <b>Estimated date of loan closing</b> | December 31, 2030                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                  |                                                                                                                   |
| <b>Contact Points</b>                 | <b>AIIB</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>Borrower</b>                                                                  | <b>Implementation Organization</b>                                                                                |
| <b>Name</b>                           | Deni Fauzi                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Dian Lestari                                                                     | Ade Faisal                                                                                                        |
| <b>Title</b>                          | Senior Investment Officer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Director of Loans and Grants, Ministry of Finance of Indonesia                   | Head of the Bureau of Planning and Cooperation, Ministry of Higher Education, Science and Technology of Indonesia |
| <b>Email Address</b>                  | deni.fauzi@aiib.org                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <a href="mailto:dian.lestari74@kemenkeu.go.id">dian.lestari74@kemenkeu.go.id</a> | rorenkerma.diktisaintek@gmail.com                                                                                 |

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| <b>Date of Concept Decision</b>             | August 14, 2026   |
| <b>Estimated Date of Appraisal Decision</b> | October 14, 2026  |
| <b>Estimated Date of Financing Approval</b> | November 19, 2026 |

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| <b>Independent Accountability Mechanism</b> | The Project-affected People's Mechanism (PPM) has been established by the AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement its ESP in situations when their concerns cannot be addressed satisfactorily through Project-level GRMs or AIIB Management's processes. For information on how to make submissions to the PPM, please visit the <a href="https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html">https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html</a> . |
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