

 Early Warning System

ADB-53211-003

Competitiveness, Industrial Modernization, and Trade Acceleration  
Program, Subprogram 3



## Quick Facts

<b>Countries</b>	Indonesia
<b>Financial Institutions</b>	Asian Development Bank (ADB)
<b>Status</b>	Approved
<b>Bank Risk Rating</b>	C
<b>Voting Date</b>	2025-10-14
<b>Borrower</b>	Government of Indonesia - Coordinating Ministry for Economic Affairs
<b>Sectors</b>	Industry and Trade, Law and Government
<b>Investment Type(s)</b>	Loan
<b>Investment Amount (USD)</b>	\$ 500.00 million
<b>Project Cost (USD)</b>	\$ 1,292.38 million



## Project Description

According to the Bank's website, the project consists of a proposed policy based loan to the Republic of Indonesia for subprogram 3 of the Competitiveness, Industrial Modernization, and Trade Acceleration Program.

The program will support Indonesia's desire for higher growth and sustainable development by (i) creating an enabling environment for investments, (ii) easing barriers to trade, and (iii) growing and upscaling enterprises. The program will enhance Indonesia's efforts to develop its green industries to support global and local work to combat climate change. Building on the momentum of this program and evidence of continuing political commitment to reform, the government agreed to a post-program partnership framework (P3F) to further progress the reforms.



## Early Warning System Project Analysis

In compliance with ADB's Safeguard Policy Statement (2009), the program is classified category C for environment, involuntary resettlement, and Indigenous Peoples. The program is not expected to have adverse environmental or social safeguard impacts within the meaning of ADB's Safeguard Policy Statement.

Major risks and mitigating measures are:

- **Global economic uncertainty.** Global economic uncertainty is high because of uncertainties driven by rising trade tensions, which are leading to higher costs, supply chain disruptions, and reduced economic growth.
- **Institutional capacity and coordination.** Low institutional capacity and coordination weaken reform implementation. This is particularly relevant for reforms that require the involvement of many line agencies.



## Investment Description

- Asian Development Bank (ADB)

### ADB Financing:

- Regular ordinary capital resources loan: US\$ 500.00 million

### Cofinancing:

- Japan International Cooperation Agency (not ADB administered): US\$ 345.00 million

- Germany's KfW Development Bank (not ADB administered): US\$ 447.38 million

Total: US\$ 1,292.38 million



## Contact Information

### For the Borrower:

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## ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.adb.org/forms/request-information-form>

ADB has a two-stage appeals process for requesters who believe that ADB has denied their request for information in violation of its Access to Information Policy. You can learn more about filing an appeal at: <https://www.adb.org/site/disclosure/appeals>

## ACCOUNTABILITY MECHANISM OF ADB

The Accountability Mechanism is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an Asian Development Bank-financed project. If you submit a complaint to the Accountability Mechanism, they may investigate to assess whether the Asian Development Bank is following its own policies and procedures for preventing harm to people or the environment. You can learn more about the Accountability Mechanism and how to file a complaint at: <http://www.adb.org/site/accountability-mechanism/main>.



## Bank Documents

- [Competitiveness, Industrial Modernization, and Trade Acceleration Program, Subprogram 3: Report and](#)
- [Loan Agreement \(Ordinary Operations\) for 4659-INO: Competitiveness, Industrial Modernization, and Tr](#)

## Media

- [ADB Supports Indonesia's Efforts to Strengthen Competitiveness, Green Growth, and Trade Acceleration](#)



## Other Related Projects

- ADB-53211-001 Competitiveness, Industrial Modernization and Trade Acceleration Program