Early Warning System

AIIB-000291

Indonesia: Multifunctional Satellite PPP Project

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Quick Facts

Countries	Indonesia
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Approved
Bank Risk Rating	B
Voting Date	2020-09-24
Borrower	Adi Rahman Adiwoso, Chief Executive Officer
Sectors	Communications
Investment Type(s)	Loan
Investment Amount (USD)	$ 150.00 million
Loan Amount (USD)	$ 150.00 million
Project Cost (USD)	$ 540.00 million

Project Description

According to the bank document, " Indonesia’s Ministry of Communication and Informatics (“KOMINFO”) initiated the Government of Indonesia Multifunctional Satellite PPP Project to provide fast internet access to remote areas in Indonesia which can be accessed by various government sectors, such as maritime, education, health, agriculture, communication and others. Satellite-based connectivity is the only feasible access technology to cost-effectively address these remote locations. This is the first telecommunication satellite PPP (Public-Private Partnership) Project in Indonesia.

The main responsibilities of the Project Sponsor under the concession agreement include:

* Securing the satellite orbit.

* Constructing the satellite.

* Constructing the launch rocket.

* Acquiring the gateway location.

* Acquiring the earth station location.

* Launching the satellite.

* Construction of the gateway and earth stations.

* Obtaining insurances for the Project.

* Operation and maintenance of the satellite, gateway, and earth stations.

The objective is to improve connectivity to public service points in the least developed, frontier, and outermost regions of Indonesia."

Investment Description

- Asian Infrastructure Investment Bank (AIIB)

Private Actors Description

AIIB is considering financing to a Special Purpose Vehicle Company, PT Satelit Nusantara Tiga ("PSNT") comprised of PT Pasifik Satelit Nusantara ("PSN"), PT Pintar Nusantara Sejahtera ("Pintar"), PT Nusantara Satelit Sejahtera ("NSS") and PT Dian Semesta Sentosa ("DSMT").

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	PT Dian Semesta Sentosa	Parent Company	-
-	-	-	-	PT Nusantara Satelit Sejahtera	Parent Company	-
-	-	-	-	PT Pasifik Satelit Nusantara	Parent Company	-
-	-	-	-	PT Pintar Nusantara Sejahtera	Parent Company	-
-	-	-	-	PT Satelit Nusantara Tiga	Client	-

Contact Information

1/ Project Team Leader

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2/ Borrower

Adi Rahman Adiwoso

Chief Executive Officer

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ACCOUNTABILITY MECHANISM OF AIIB

The AIIB has established the Accountability Mechanism for Project-Affected People (PPM). The PPM provides “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 the ESP in situations when their concerns cannot be addressed satisfactorily through Project level GRMs or AIIB Management processes.” Two or more project-affected people can file a complaint. Under the current AIIB policy, when the bank co-finances a project with another development bank, it may apply the other bank's standards. You can refer to the Project Summary Information document to find out which standards apply. You can learn more about the PPM and how to file a complaint at: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html.

The complaint submission form can be accessed in Arabic, Bahasa Indonesia, Bengali, Chinese, English, Tagalog, Hindi, Nepali, Russian, Turkish, or Urdu. The submission form can be found at: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/submission/index.html.

Bank Documents

- Project Summary (December 17, 2019) [Original Source]