Early Warning System

AIIB-001195

Indonesia : Development of the Center of Excellence in Tropical Herbal Medicine

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Quick Facts

Countries	Indonesia
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Proposed
Bank Risk Rating	B
Voting Date	2026-11-19
Borrower	Republic of Indonesia, Dian Lestari
Sectors	Education and Health
Investment Type(s)	Loan
Investment Amount (USD)	$ 47.71 million
Loan Amount (USD)	$ 47.71 million
Project Cost (USD)	$ 49.49 million

Project Description

According to bank's website, the proposed project aims 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. The Project Investment will be carried out with the below Project Components:

Component A – Civil Works: 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.

Component B – Procurement of equipment: 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.

Component C – Human Capital Development: 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.

Component D – Project Implementation Support: 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.

Investment Description

- Asian Infrastructure Investment Bank (AIIB)

The total estimated project cost is USD49.49 million of which AIIB loan will fund up to USD47.71 million.

Contact Information

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ACCESS TO INFORMATION

You can submit an information request for project information at: https://www.aiib.org/en/contact/information-request/index.html

ACCOUNTABILITY MECHANISM OF AIIB

The AIIB has established the Accountability Mechanism for Project-Affected People (PPM). The PPM provides Òan 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 AIIBÕs failure to implement the ESP in situations when their concerns cannot be addressed satisfactorily through Project level GRMs or AIIB Management processes.Ó 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 (August 11, 2026) (English) [Original Source]