Early Warning System

AIIB-001197

Indonesia: Development of the Technovation Center of Excellence for Semiconductor and Artificial Intelligence (TECXSA) at Politeknik Negeri Batam Project

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Quick Facts

Countries	Indonesia
Specific Location	Polibatam
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Proposed
Bank Risk Rating	B
Borrower	Republic of Indonesia, Dian Lestari
Sectors	Education and Health, Infrastructure
Investment Type(s)	Loan
Investment Amount (USD)	$ 60.01 million
Loan Amount (USD)	$ 60.01 million
Project Cost (USD)	$ 60.43 million

Project Description

According to bank's website, the proposed project aims to increase the supply of industry-certified semiconductor and artificial intelligence graduates and to strengthen applied research and industry collaboration capacity at Polibatam, contributing to the development of Indonesia's semiconductor and artificial intelligence ecosystem. The Project Investment will be carried out with the below Project Components:

Component A: Civil Works. Construction of two buildings: (i) a Technology Innovation Center (Technovation Tower) housing semiconductor design laboratories, AI innovation facilities, research centers, incubation space, and a Tier-2 AI data center; and (ii) a 5-story Mechatronics and Robotics Teaching Factory supporting advanced manufacturing, automation and robotics. The civil design incorporates climate mitigation features, comprising rooftop solar photovoltaic arrays on both new buildings, rainwater harvesting and greywater recycling, and climate adaptation features.

Component B: Equipment: Procurement and installation of a semiconductor value chain equipment suite spanning IC design and simulation, silicon CMOS wafer fabrication, gallium nitride (GaN) prototyping, and assembly, testing and metrology; a Tier-2 AI data center providing high-performance computing infrastructure for an Indonesian-language large language model and other AI applications; The manufacturing and robotics workshop; the metallurgy and occupational health and safety laboratory, including waste treatment; and furniture for the Tower and Hub. The equipment is specified for teaching, training, prototyping and applied research.

Component C: Human Capital Development. Faculty upskilling and international placements; curriculum development, preparation of teaching materials and accreditation support for three new D4 degree programs in semiconductor design, semiconductor fabrication, and AI engineering, financed as consultancy services; a diagnostic and remedial learning platform to support student competency benchmarks; the establishment and initial operating costs of an industry partnership unit, and the design and administration of a structured internship program with SIJORI-corridor enterprises, and a technology commercialization and startup incubation facility. Placements are limited to faculty and laboratory staff who will teach or operate the financed facilities and are tied to specific equipment and curriculum.

Component D: Project Monitoring. Establishment and operation of the Project implementation unit; engagement of a construction management consultant for physical milestone certification and cleanroom classification testing; equipment commissioning support, including factory and site acceptance testing; and external audit, monitoring and evaluation, and third-party environmental and social monitoring.

Investment Description

- Asian Infrastructure Investment Bank (AIIB)

The total estimated project cost is USD60.43 million of which AIIB loan will fund up to USD60.01 million.

Contact Information

Project Team Leader: Deni Fauzi

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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 27, 2026) (English) [Original Source]