Early Warning System

# IFC-39160

## IIF USD Loan

# Early Warning System

## IIF USD Loan

IFC-39160

### Quick Facts

| | |
|---|---|
| **Countries** | Indonesia |
| **Specific Location** | Nation wide |
| **Financial Institutions** | International Finance Corporation (IFC) |
| **Status** | Approved |
| **Bank Risk Rating** | A |
| **Voting Date** | 2017-06-09 |
| **Borrower** | INDONESIA INFRASTRUCTURE FINANCE, PT |
| **Sectors** | Finance |
| **Ring Fence** | No Restrictions |
| **Investment Type(s)** | Loan |
| **Investment Amount (USD)** | $ 50.00 million |
| **Project Cost (USD)** | $ 100.00 million |

## Project Description

The project consists of a senior debt package to PT Indonesia Infrastructure Finance in Indonesia. The Project will support the Company’s lending program for a pipeline of infrastructure projects in Indonesia.

The Project is expected to create development impact by i) increasing the number of infrastructure projects achieving financial close; ii) increasing funding available for infrastructure projects and iii) increasing support to private and public companies through advisory services from IIF. The proposed Project would help: (i) reduce the infrastructure gap with long-term funding that is consistent with the underlying cash flow profile of the projects (ii) alleviate the constraints that infrastructure bottlenecks impose to competitiveness, growth and creation of jobs; (iii) support the delivery of services including water, sanitation, and electricity; (iv) provide inclusion and connectivity; and (iv) provide broader economic benefits generated through taxes levied on project companies and indirect impacts through higher company growth and more efficient operations. The project will allocate a portion of the proceeds to renewable energy and other green infrastructure projects, thereby boosting sustainable development in Indonesia.

## Investment Description

- International Finance Corporation (IFC)

Shareholders of the Company are PT Sarana Multi Infrastruktur (Persero) (“SMI”) with 30.00%, Asian Development Bank (“ADB”) with 19.99%, Deutsche Investitions-Und Entwicklungsgesellschaft mbH (“DEG”) with 15.12%, Sumitomo Mitsui Banking Corporation (“SMBC”) with 14.90%, and International Finance Corporation (“IFC”) with a 19.99% ownership.

## Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- PT Indonesia Infrastructure Finance (Financial Intermediary)
- PT Indonesia Infrastructure Finance (Financial Intermediary) **is owned by** Indonesia Infrastructure Finance (Parent Company)

## Private Actor Relationship

There is often limited information publicly available about what development banks are funding through financial intermediaries. In 2021, the Early Warning System partnered with Oxfam International to incorporate information on high-risk projects being funded by financial intermediaries receiving funding from the International Finance Corporation (IFC) and the Dutch Development Bank (FMO).

The information listed below describes the relationship between the different private actors linked to high-risk sectors and subprojects of IFC and FMO's financial intermediary investments and/or the financial intermediary's parent companies made from 2017 through 2020, including any associated ring fences.

The database, however, does not explicitly or implicitly imply that IFC or FMO have material exposure to or are contractually or legally accountable to the sub-projects financed by their financial intermediaries or the financial intermediary's parent companies. It only shows a seemingly financial relationship among the different private actors, the financial intermediaries, and IFC or FMO.

## Private Actors Description

The Company was established in January 2010 as a key element of strategic development by the government of Indonesia and a group of multilateral agencies to address the constraints on the flow of private investment in infrastructure.

Shareholders of the Company are PT Sarana Multi Infrastruktur (Persero) (“SMI”) with 30.00%, Asian Development Bank (“ADB”) with 19.99%, Deutsche Investitions-Und Entwicklungsgesellschaft mbH (“DEG”) with 15.12%, Sumitomo Mitsui Banking Corporation (“SMBC”) with 14.90%, and International Finance Corporation (“IFC”) with a 19.99% ownership.

| Private Actor 1 | Private Actor 1 Role | Private Actor 1 Sector | Relation | Private Actor 2 | Private Actor 2 Role | Private Actor 2 Sector |
|---|---|---|---|---|---|---|
| Indonesia Infrastructure Finance | Investor | Finance | invests in | Cikampek-Palimannan Toll Road (116KM) PPP Refinancing | Client | Transport |
| Indonesia Infrastructure Finance | Investor | Finance | invests in | Indonesia Republic | Parent Company | Industry and Trade |
| Indonesia Infrastructure Finance | Investor | Finance | invests in | Lintas Marga Sedaya PT | Client | Transport |
| Indonesia Infrastructure Finance | Investor | Finance | invests in | Malaysia | Parent Company | Transport |
| Indonesia Infrastructure Finance | Investor | Finance | invests in | Plus Expressways | Parent Company | Transport |
| Indonesia Infrastructure Finance | Investor | Finance | invests in | PT Bajradaya Sentranusa | Parent Company | Energy |
| Indonesia Infrastructure Finance | Investor | Finance | invests in | PT Baskhara Utama Sedaya | Parent Company | Transport |
| Indonesia Infrastructure Finance | Investor | Finance | invests in | Pt Jasamarga Jalanlayang | Parent Company | Transport |
| Indonesia Infrastructure Finance | Investor | Finance | invests in | PT Metha Adhya Tirta Umbulan | Parent Company | Water and Sanitation |
| Indonesia Infrastructure Finance | Investor | Finance | invests in | Pt Prima Terminal Petikemas | Client | Industry and Trade |
| Indonesia Infrastructure Finance | Investor | Finance | invests in | PT UPC Sidrap Bayu Energi | Client | Energy |
| Indonesia Infrastructure Finance | Investor | Finance | invests in | Star Energy Geothermal | Parent Company | Energy |
| Indonesia Infrastructure Finance | Investor | Finance | invests in | UPC Energy Group | Parent Company | Energy |
| Indonesia Republic | Parent Company | Industry and Trade | owns | Pt Prima Terminal Petikemas | Client | Industry and Trade |
| Malaysia | Parent Company | Transport | owns | Lintas Marga Sedaya PT | Client | Transport |
| Plus Expressways | Parent Company | Transport | owns | Cikampek-Palimannan Toll Road (116KM) PPP Refinancing | Client | Transport |
| PT Baskhara Utama Sedaya | Parent Company | Transport | owns | Cikampek-Palimannan Toll Road (116KM) PPP Refinancing | Client | Transport |
| UPC Energy Group | Parent Company | Energy | owns | PT UPC Sidrap Bayu Energi | Client | Energy |

## Contact Information

Project Contact: Andi Faizal
PT Indonesia Infrastructure Finance
Telephone No.: 62-21-29915060
Office Address: The Energy Building 30th, SCBD, Lot. 11A, Jl. Jend. Sudirman Kav.52-53 Jakarta 12190 Indonesia
Website: www.iif.co.id

### ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/