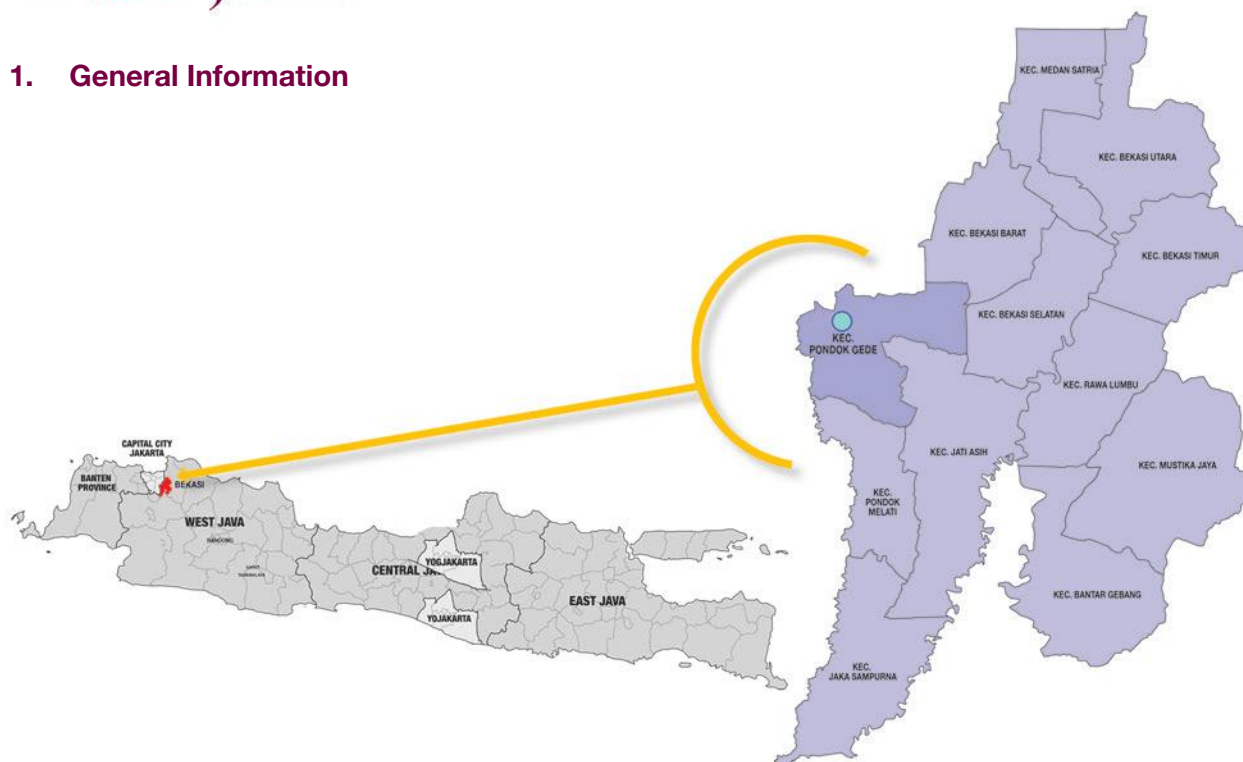


# PONDOK GEDE WATER SUPPLY, BEKASI WEST JAVA

## 1. General Information



<b>Government Contracting Agency</b>	: PDAM Tirta Patriot
<b>Implementing Unit</b>	: PDAM Tirta Patriot
<b>Preparation Agency</b>	: 1. PDAM Tirta Patriot 1. National Public Procurement Agency (LKKP)
<b>Estimated Project Cost</b>	: USD 25.00 million
<b>Estimated Concession Period</b>	: 25 years
<b>Location</b>	: Bekasi, West Java

## 2. The Opportunity

### 2.1. Project Background

The population of Bekasi Municipal as satellite city of DKI Jakarta is growing at 3% every year and is approaching 2 million people. In contrary, the existing condition of water service coverage of PDAM Bekasi Municipal is very low, serving only approximately 25% of the total households. Furthermore, in some districts such as Pondok Gede, the service coverage of PDAM is less than 1 percent. PDAM Bekasi Municipal currently has only one water intake with a capacity of 10 lps to serve this district. Most of the households in the area use ground water to cover their daily needs. The groundwater, on the other hand, has low quality, with high concentrations of Fe and Mn.

The Government of Bekasi Municipal will expand the water supply service, due to the limited existing water supply capacity. The Pondok Gede Water Supply Project is expected to increase the total service coverage for the Pondok Gede District and Jatiasih District. The realization of this project will make a substantial contribution to the city process toward achieving the Millennium Development Goals's (MDG's) target of 68.9% of the population with sustainable access to safe drinking water.

## **2.2. Project Description**

The purpose of developing the water supply scheme in Bekasi Municipal is to meet the growing demand in activities of education, local economy, government and other activities. For this project, PDAM Bekasi Municipal plans to take raw water source from West Tarum Canal that runs across the city. Data from Perum Jasa Tirta II shows that the West Tarum Canal has an average width of 25 m and a length of 80 km, with a peak discharge rate of 55 m<sup>3</sup>/sec. The Government of Bekasi Municipal is currently seeking an allocation of 300 lps of raw water from this source to be utilized by the project. The coverage target for the project is to provide service for 31,700 connections, of which 29,660 would be domestic and 2,040 non-domestic. Approximately 84% of these connections would be in the Pondok Gede District, and the remaining in the Jatiasih District.

## **2.3. Project Objectives**

The purpose of the project is to expand the coverage of water supply services in 5 sub-districts of the Pondok Gede district, namely Jatibening, Jatibening Baru, Jatimakmur, Jatiwaringin, and Jaticempaka; and 4 sub-districts of the Jatiasih District, namely Jatiasih, Jatikramat, Jatimekar and Jatirasa. The general objectives of the project are as follows:

- To expand the service coverage of the water supply system in Bekasi Municipal
- To improve the quality of service of PDAM Bekasi Municipal

## **3. Business Entity's Opportunity**

The proposed project scheme is a full concession. Therefore the private partner shall be responsible to finance, design, construct, operate, and maintain the infrastructure assets, including intake, water treatment plant, water transmission mains, district reservoirs, distribution network and service connections. The private partner will also be responsible for billing and payment collection from customers

## **4. Project Technical Specification**

The technical specifications for Pondok Gede Water Supply are as follows:

- Water intake
  - Water transmission
  - Water treatment plant with capacity of 300 lps
  - Two service reservoirs with capacities of 4,000 m<sup>3</sup> and 1,000 m<sup>3</sup>
  - Distribution pipelines approximately 98 km (including tertiary network)
  - Connections for 31,700 customers
-

## 5. Environmental Impact Assessment (AMDAL) Findings

The project is classified to require an Environmental Impact Assessment (AMDAL), Environmental Management Plan and Public Consultation. Initial environmental examinations have indicated that the project should not face any significant problems from an environmental point of view. Until March 2016, AMDAL and Environmental License are being under process.

## 6. Land Acquisition and Resettlement Action Plan

For the development of water intake, treatment plant and service reservoir, the Government of Bekasi Municipal estimates the project requires approximately 8,000 m<sup>2</sup> of land. The transmission mains are expected be laid on public land.

## 7. Project Structure

Estimated project cost	USD 25.00 million
Indicative debt to equity ratio	
- Debt level	70%
- Equity level	30%

## 8. Government Support and Government Guarantee\*\*

The Government of Bekasi Municipal will support the project in form of land acquisition and UKL/UPL preparation. To mitigate the project's risks from changes in demand risk and shifts in political scenario, government guarantee may be required. In this regard, the level of risk perceived from investors will be determined at market sounding.

## 9. Project Implementation Schedule\*



## 10. Contact Information

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