

NUSAKAMBANGAN CORRECTIONAL INSTITUTION

1. General Information



Government Contracting Agency	: Ministry of Law and Human Rights
Implementing Unit	: Directorate General of Correctional Facility
Preparation Agency	: 1. Directorate General of Correctional Facility 2. Ministry of National Development Planning
Estimated Project Cost	: USD 51.50 million
Estimated Concession Period	: 25 years
Location	: Nusakambangan, Cilacap, Central Java

2. The Opportunity

2.1. Project Background

Correctional facilities not only aim as a prison but also to serve and accommodate inmates prior to their release and socialize to the people afterward. Nusakambangan correctional facility located in Tambakreja Village, Regency of Cilacap in Central Java Province with the area for about 216 km². Indonesia government initiates a partnership of this facility by optimizing correctional institution assets through open prison concept. It is a minimum security prison where inmates get training and skills of farming and/or breeding livestock.

2.2. Project Description

The project will combine correctional facility with productive activities such as livestock breeding. The geographic potential of Nusakambangan support this project as 210,000 Ha of the island will be used for this project. Moreover, Regency of Cilacap as the related area from Nusakambangan is still facing a deficit of livestock such as cattle. Thus, the project aims to increase the value of prison by adding economic production which is expected to promote regional economic growth.

2.3. Project Objectives

The project aims are as follows:

- Create an alternative concept of correctional facility
- Increase regional economy related to agriculture and farming
- Improve skills of inmates prior their release

3. Business Entity's Opportunity

The project will use Built Operate Transfer (BOT) scheme. The business entity will build the project from construction to the operation.

Revenue generated from the warden, Management Office, training, livestock and farming sales as well as other potential activity such as biogas.

4. Project Technical Specification

The technical specifications for the project as follows:

- Correctional facility
 - Building : 12,615 m²
 - Others : 5,955 m²
- livestock
 - Building : 47,107 m²
 - Cattle yard : 3,000 m²
 - Paddock : 12,075,000 m²
- Cattle cycle per year : 21,000 of cattle

5. Environmental Impact Assessment (AMDAL) Findings

Currently, the project is in progress for pre – feasibility study. AMDAL activity will be decided afterward and provided in subsequent studies.

6. Land Acquisition and Resettlement Action Plan

More detailed about this matter will be provided in subsequent studies.

7. Project Structure

Estimated project cost	USD 51.50 million
Indicative debt to equity ratio	
- Debt level	70%
- Equity level	30%
FIRR	13.31%

8. Government Support and Government Guarantee

Based on the study, indicated that there is no need for Government financial support.

9. Project Implementation Schedule



10. Contact Information

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