



REPUBLIC OF INDONESIA
MINISTRY OF NATIONAL DEVELOPMENT PLANNING/
NATIONAL DEVELOPMENT PLANNING AGENCY

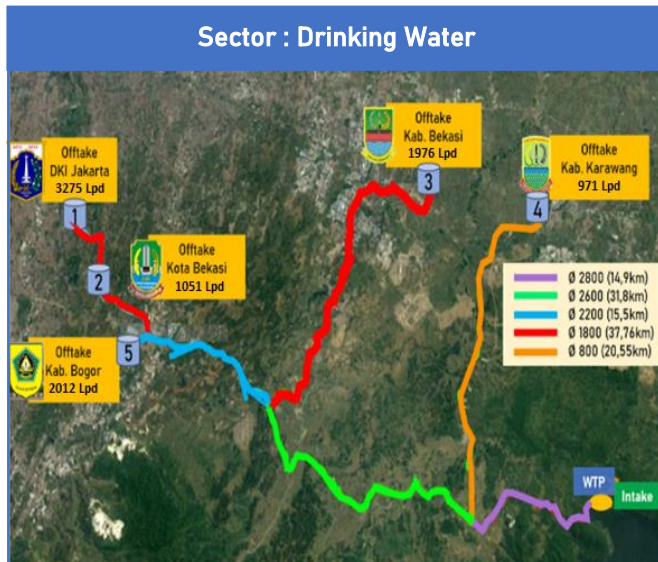
PUBLIC PRIVATE PARTNERSHIP

INFRASTRUCTURE PROJECTS PLAN IN INDONESIA

2022

Ir. H. Djuanda Water Supply (Jatiluhur II)

Location : DKI Jakarta and West Java Province



Sector : Drinking Water

Sub-Sector : Water Supply System

Description:
Ir H Djuanda (Jatiluhur II) project aims to improve water access and service to the public through applying the end-to-end method (construction from upstream to customer connections).

Ir. H. Djuanda Water Supply has a production capacity of 6,790 lps, with a raw water capacity around 7,000 lps. The project will serve 4 areas, that consist of: DKI Jakarta (2,054 lps), Bekasi City (1,051 lps), Bekasi Regency (1.371 lps), and Bogor Regency (2.012 lps).

Estimated Project Cost: USD 1,180 Million

Financial Feasibility:

Upstream Phase

IRR: 10,7%

NPV: USD 33.87 Million

Downstream Phase – DKI Jakarta

IRR: 11,9%

NPV: USD 23.14 Million

Downstream Phase – Bekasi City

IRR: 11,8%

NPV: USD 12.89 Million

Downstream Phase – Bekasi Regency

IRR: 12,1%

NPV: USD 28.71 Million

Downstream Phase – Bogor Regency

IRR: 11,7%

NPV: USD 27.66 Million

Estimated Concession Period: 30 years including 2 years of construction (2 phases)

Government Contracting Agency:

Upstream phase: Minister of Public Works and Housing

Downstream phase: Head of Province/Regency/City

Type of PPP:

Unsolicited

Return of Investment:

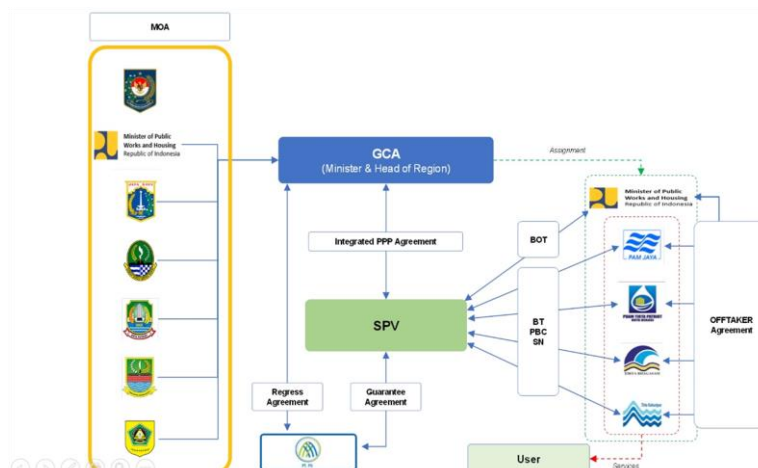
User Charge

Indicative Project Schedule



Project Status : Feasibility Study Evaluation

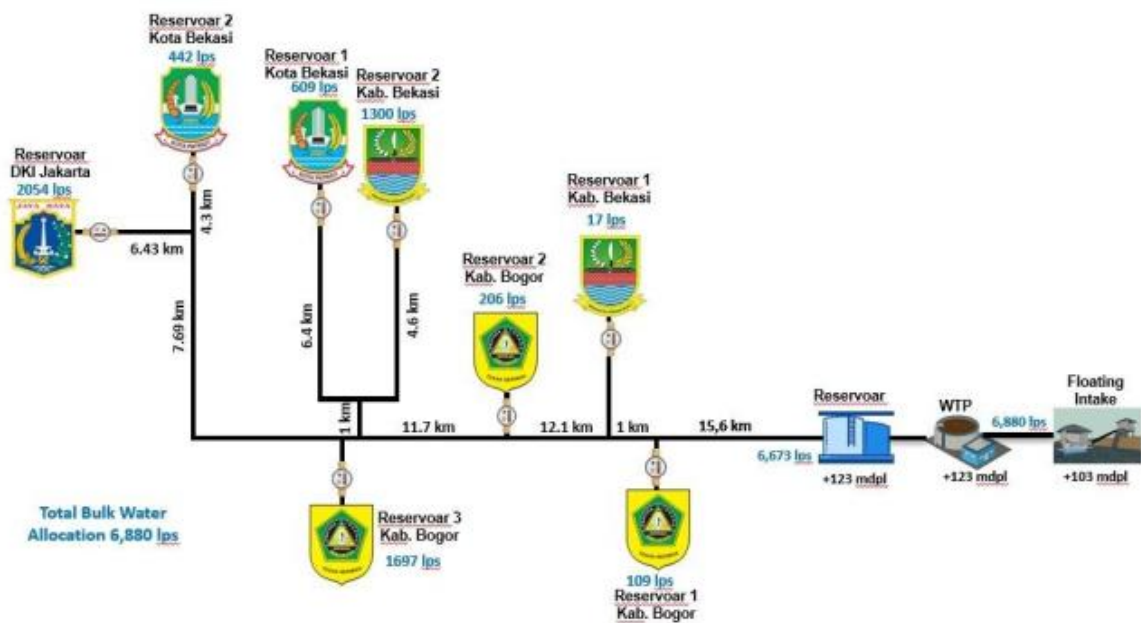
Indicative Project Structure



Project Digest

Project Title	Ir. H. Djuanda Water Supply (Jatiluhur II)
Government Contracting Agency	Upstream phase: Minister of Public Works and Housing Downstream phase: Head of Province/Region/City
Implementing Agency	Directorate General of Infrastructure Financing
Preparation Agency	Maynilad, Metropac, Varsha, PT PP Persero Tbk, and Ranhill (MMVP) Consortium
Project Cost	USD 1,180 Million
Estimated Concession Period	30 years including 2 years of construction
Location	DKI Jakarta and West Java Province

1. Project Picture (Map and/or Illustration of Project)



Picture 1 – Layout of Ir. H. Djuanda Water Supply

2. The Opportunity

2.1. Project Background

SPAM Ir. H. Djuanda/Jatiluhur II will use 7,000 lps of raw water from the Jatiluhur Reservoir in Purwakarta Regency, West Java Province. This system will produce 6,673 lps of clean water. Bulk water will be distributed in the areas of DKI Jakarta, Bekasi City, Bekasi Regency, Bogor Regency.

This project is an integration of two different project scopes. The upstream scope is the construction of intake units, treatment plant and water distribution units. The upstream project GCA is the Minister of Public Works and Housing and using a BTO contract. The downstream scope includes the construction of downstream piping networks, new house connections and piping maintenance. The downstream GCA is the regional head of offtaker. The partnership will use Performance-Based Contract and Trade Credit Contract (Build Transfer).

The Project's goal is to expand the water service by 5% for DKI Jakarta, 10% for Bekasi City, 11% for Bekasi Regency, and 9% for Bogor Regency. The payment mechanism is "take and pay".

2.2. Project Description

Ir H Djuanda (Jatiluhur II) project aims to improve water access and service to the public through applying the end-to-end method (construction from upstream to customer connections).

Ir. H. Djuanda Water Supply has a production capacity of 6,673 lps, with a raw water capacity around 7,000 lps. The project will serve 4 areas, that consist of: DKI Jakarta (2,054 lps), Bekasi City (1,051 lps), Bekasi Regency (1,371 lps), and Bogor Regency (2,012 lps).

2.3. Project Objectives

The objectives of Ir. H. Djuanda Water Supply are as follows:

- Expanding the water service area by 5% for DKI Jakarta, 10% for Bekasi City, 11% for Bekasi Regency, and 9% for Bogor Regency;
- Increasing the economic activity;
- Improving public health by providing drinking water;
- This project also doesn't burden the Government budget because this is an unsolicited project.

3. Business Entity's Scope of Work

- Upstream scope: design, build, finance, operate, maintain, and at the end of the cooperation period hand over all the facilities that have been built to the upstream phase GCA. The Upstream Scope is carried out through a DBFOMT Contract.
- Downstream scope: design, build, finance, improve distribution networks, provide new connections, maintain, and at the end of the cooperation period, the SPV will hand over all the facilities that have been built to the downstream phase GCA. The downstream scope is carried out through Performance-Based Contracts and Trade Credit Contracts.

4. Technical Specification

- Upstream scope: Intake, Water Treatment Plant (WTP), WTP Reservoir, Distribution Pipe for Raw Water, and Distribution Pipe for Bulk Drinking Water.
- Downstream scope: Distribution Reservoir, Main Distribution Network Pipeline, and Distribution Pipe.

5. Environmental Impact Assessment (EIA/AMDAL) Findings

According to the AMDAL study on the feasibility study document, here are main points that must be considered in the development of Ir. H. Djuanda Water Supply in upstream area:

- The project scope regarding raw water raw water abstraction and water production is categorized as AMDAL Mandatory Type B activity because raw water abstraction from the dam is more than 250 lps (7,000 lps).

As for the downstream scope, here are main points must that be considered in the development of Ir. H. Djuanda Water Supply according to the AMDAL study on the feasibility study document:

- The project scope regarding the construction of the distribution network is categorized as AMDAL Mandatory Type B activity because the total length of the planned distribution pipeline is 63 km long.
- The project scope regarding the construction of the transmission network is categorized as Amdal Mandatory Type C activity because the total length of the planned transmission pipeline is more than 120 km long.

6. Land Acquisition and Resettlement Action Plan

Following the discussions between stakeholders, the location of land for intake development belongs to the Ministry of Public Works and Housing. In addition, the land for some downstream areas such as in DKI Jakarta, Bekasi Regency, and Bogor Regency, are already owned by The Regency/City Government, hence, no land acquisition is required. However, the Bekasi City Government may need to acquire the required land for their downstream area.

7. Project Cost Structure

Estimated Project Cost		USD 1,180 Million			
Indicative Debt to Equity Ratio					
- Debt Level		70%			
- Equity Level		30%			
	Hulu	Downstream			
		DKI Jakarta	Bekasi City	Bekasi Regency	Bogor Regency
IRR	10.7%	11.9%	11.8%	12.1%	11.7%
NPV (USD Million)	33.87	23.14	12.89	28.71	27.66

8. Government Support and Guarantee

The project needs a government guarantee through PT PII, mainly to mitigate these risks:

- Delay or failure to obtain licenses, permits and approvals;
- Changes in statutory regulations;
- Violation of project agreements;
- Risks from competing facilities / infrastructure;
- Tariff risk;
- Expropriation risk;
- Sub-sovereign risk;
- Force Majeure risk.

Note: The detailed risk coverage of the Djuanda Water Supply Project will be reviewed and consulted with PT PII.

9. Contact Information

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