

Starategic Investment Action Plan (Infrastructure)

Subject	Actions		Executing Institution	Target Date	
<p align="center">infrastructure(*)</p>	<p align="center">Enacting a regulatory and policy reform to encourage private investment</p>	<p align="center">Facilitating Public Private Partnership (P3) in Infrastructure</p>	Finalization of Revision process Presidential Decree No.7/98	Coordinating Ministry for Economic Affairs, Bappenas, Ministry of Home Affairs, and related Ministries	3rd Quarter 2005
			Revision process Presidential Decree No. 81/2001 with respect to the ministerial forum that oversees the progress PPP and the acceleration of infrastructure development	CMEA, Bappenas, MoHA, and related Ministries	3rd Quarter 2005
			Establishment of PPP Network	CMEA, Bappenas, related Ministries, State Owned Enterprise and local government	End of 2005
			Development of PPP guideline	CMEA, Bappenas, related Ministries	End of 2005
		<p align="center">Establishing Procedure for Land Acquisition</p>	Implementation PR No. 36/2005 on Land Acquisition for Public Usage	BPN	3rd Quarter 2005
		<p align="center">Setting up Policy on Tariff System</p>	Implementation of tariff policy on toll road project according to GR No.15/2005	Ministry of Public Works	End of 2005
			Implementation of strict assessment on production and operation costs of power sector	Ministry of Energy and Mining Resources	End of 2005
			Reassessment of retail tariff systems on electricity and study of special tariff for industrial/commercial sector	MEMR	End of 2005
			Reassessment on retail tariff policy for water supply project	MPW	End of 2005
			Identification on tariff policies for transportation sector	Ministry of Communication	End of 2005
			To study on ITS (Intelligent Transport System) including ETC	MPW, PT.Jasa Marga	Starting 2006
		<p align="center">Establishing fair competition policy and appropriate regulation for private sector participation</p>	Separation role of regulator and operator including establishment regulatory body on toll road	MPW	By end of 2005
			To complete new electricity law as replacement for Law No. 15/1985	MEMR, Ministry of Finance	Submit to the Parliament by the end of May
		<p align="center">Developing Risk Management</p>	To start development of Institutional framework for Risk Management and Study on Procedure & mechanism on obtaining various kinds of government support	MEMR, CMEA, BAPPENAS, MoF	Starting Q3 2005

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	Reviewing Regulations in Transportation	Revision process for Law No 21/92 on Shipping	MOC	Submitted to parliament, end 2005
		Revision process for GR No. 69/2001 on Port	MOC	End of 2005
		Revision Law for Aviation No. 15/92, Government Regulation No. 70/01 on Airport	MOC	Submitted to parliament, end 2005
		Revision on law no. 13/1992 for Railway, Government Regulation	MOC	Submitted to parliament, end 2005
		Revision on Law 14/93 and GR of 43/98 on Road Traffic & Transportation	MOC	Submitted to parliament, end 2005
	Designing the regulations to compensate for the damages and losses at end-user caused by power interruption and/or voltage and frequency fluctuations by distributor	To study basic framework concerning compensation for defective electricity including dialogue between public and private sectors.	MEMR, MOF, MSOE	Starting Q3 2005
	Assessment of taxes and duties related to power business	To investigate current taxes and duties which hinder power business, including import VAT and duties.	MEMR, MoF	Starting Q3 2005
	Assessment of the governmental and regional regulations and decrees which cause unnecessary disputes and dislocations related to power business	To investigate current regulations and decrees which hinder power business, including Government Regulation No.20/1994 concerning minimum local investment percentage and to consider necessary measures.	MEMR, MOHA and related Ministries	Starting Q3 2005
	Improvement of road management to decrease traffic jam	To review the regulations concerning trucks and trailers prohibition areas, and overloaded vehicles	MOC (DGLC)	Proposal should be made available by end of 2005.
		To propose new scheme for traffic demand management such as electric road pricing policy	DKI, MOC (DGLC)	Proposal should be made available by end of 2005.
Making a concrete national plan	Making a mid-term plan on power generation capacities and reinforcement of transmission lines and substations	To start dialogue between public and private sectors.	MEMR	Starting by July and try to finalize by around October 2005.
	Setting-up Urgent Infrastructure Development Plan in transport sector	To identify priority projects in each sector designated with target dates of progress, responsible institutions, source of funds to be mobilized	Bappenas, and related Ministries	Try to prepare within 2005.

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infrastructure(*)	Having a close communication with investors and other stake holders	Starting Indonesia Infrastructure Forum	MOF	3rd Quarter 2005	
	Improving the key infrastructure to promote investment	Starting Pilot/Model Projects	Development of projects pipeline, including establishment the criteria for the proposed PSP project	CMEA, BAPPENAS, related Ministries	End of 2005
			Support on the establishment of Project Development Facility and Infrastructure Development Fund	CMEA, BAPPENAS, related Ministries	End of 2005
			Preparation of standard bidding documents	Related Ministries	End of 2005
			Transaction implementation	Related Ministries	Mid-End of 2005
			Development monitoring system on project imple	CMEA, BAPPENAS	Q3 2005
		Facilitating the implementation of the existing power plant projects (including yen loan projects)		MEMR (with the assistance by JBIC)	By 2009
		Completing Jakarta Outer Ring Road	To complete remaining sections of JORR at an early stage	MPW, PT.Jasa Marga	Implementation program should be made by October 2005.
			To extend and improve Interchanges and Exit and Entrance ramps.	MPW, PT.Jasa Marga	Implementation program should be made by October 2005.
		Rehabilitating road infrastructure in Eastern Jakarta industrial area	To take necessary measures to improve chronic traffic congestion in Indonesia's largest industrial complex in Eastern Jakarta	MPW, PT.Jasa Marga	Implementation program should be made by October 2005.
		Constructing highway between Jakarta and Bandung	To take necessary measures to expedite the on-going highway construction and to improve the severe traffic congestion.	MPW, PT.Jasa Marga	Works should be completed in 2005.

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		Development of highways between Big Cities and/or significant industrial areas	To improve inter-land transportation & logistic to connect main economic areas	MPW (with the assistance by JICA)	Implementation Program should be made in conjunction with JICA Development Study in following manner: (1) establish PPP (Public Private Partnership) scheme for development or management of Infrastructure by end of 2005 (2) demarkation of Public Projects (including ODA projects) and Private projects to be made in 2006; (3) Detail Implementation program of each projects should be made in 2007.
		Development of multipurpose berth, container terminal and Car Terminal, and rehabilitation / Improvement of equipments or facilities at Major Seaports	To make implementation program of the new projects.	MOC (DGSC), PT. Pelindo-II etc. (with the assistance by JICA)	by end of 2005.
		To Improve and modernize facilities in major International and/or Domestic significant Airports (including Cargo Facility)	To make implementation program of the new projects.	MOC (DGAC), PT. Angkasa Pura II etc.	by end of 2006.
		Rehabilitation of access roads to major international Airport and/or development of alternative routes or methods to the airport	To take necessary measures to eliminate the bottleneck of traffic and distribution and to enhance the economic activities	MPW, PT Jasa Marga, MOC (DGSC), MSOE, PT Angkasa Pura, PT Kereta Api	General policy on projects should be decided in May 2005
		Promoting modal shift in JABOTABEC Area (from automobile mode to railway mode) within the integrated traffic policy.	To identify new program and projects to make the implementation plans.	MOC (DGLC)	by end of 2006.

*) Remarks: There is possibility that some of the listed projects may be supported by the Japanese ODA according to the necessity and eligibility