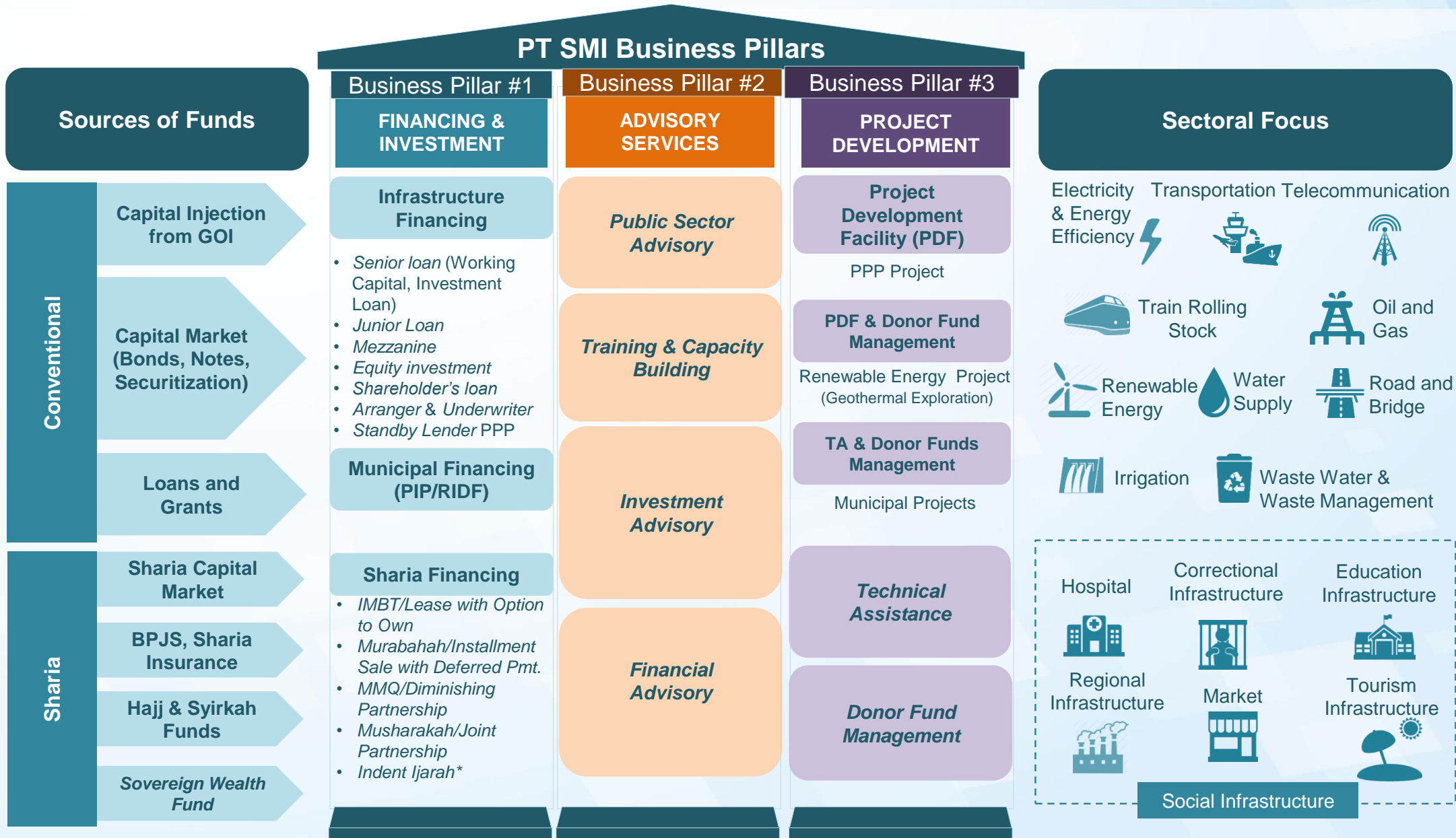


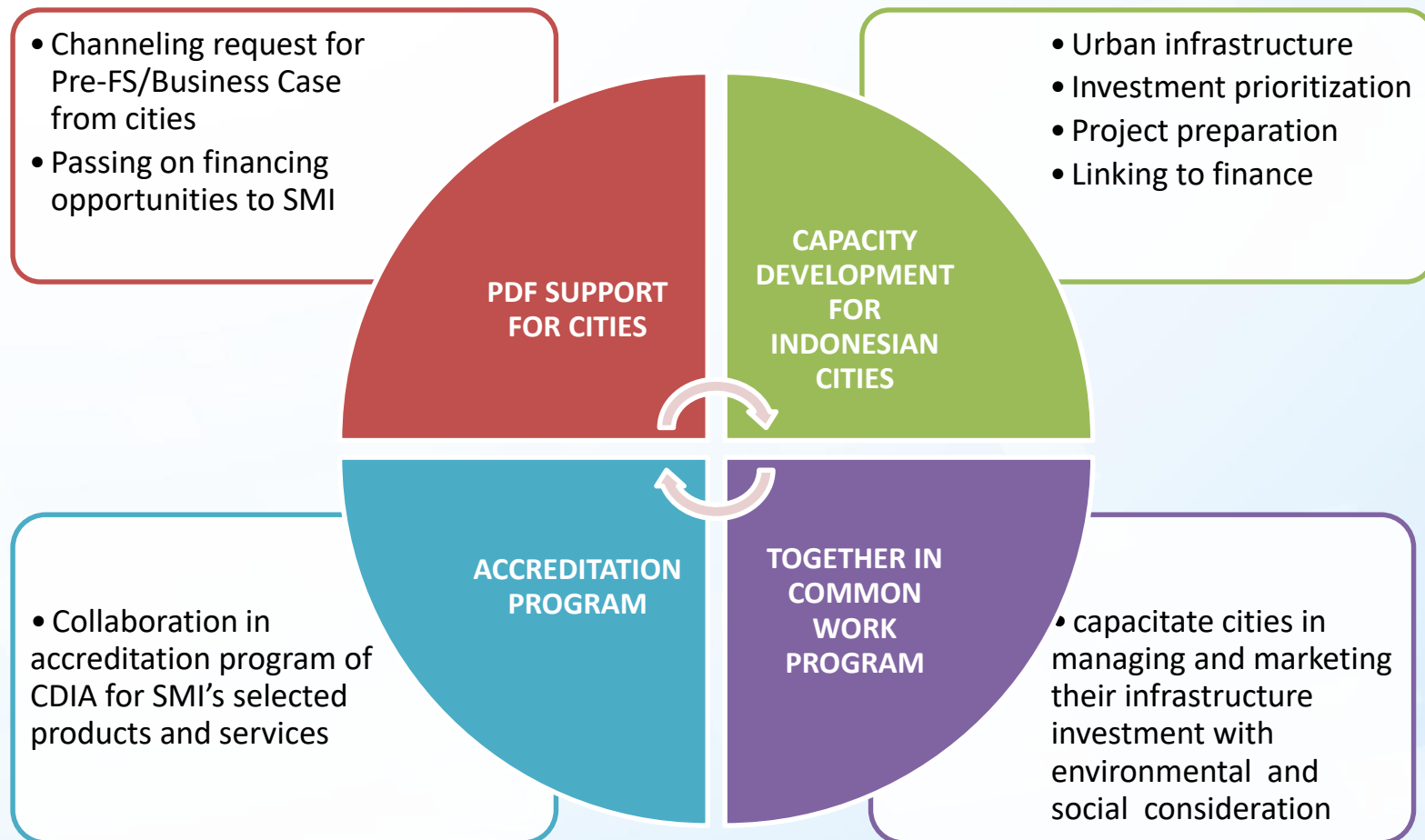


# **PT SMI – CDIA Partnership in Developing Cities' Infrastructure in Indonesia**

## **Project Development Support for Balikpapan City Government**









# Project Development Support for Balikpapan City Government



## Balikpapan City Government

<b>Population</b>	706,414
<b>Area</b>	503.3 km2
<b>Local Economy</b>	<ul style="list-style-type: none"> <li>• Oil</li> <li>• Coal</li> <li>• Natural Gas</li> </ul>
<b>Type of Intervention</b>	Pre-FS Update and Review
<b>Duration of Assistance</b>	4 months

## Waste Water Treatment Plant (WWTP) Project

<b>Project Components</b>	<ul style="list-style-type: none"> <li>• Upgrading Current WWTP</li> <li>• Installing new WWTPs</li> </ul>
<b>Plants Capacity</b>	5.500 m <sup>3</sup> /day
<b>Plants Technology</b>	Upflow Anaerobic Sludge Blanket
<b>Household connections</b>	11.200
<b>Project Cost</b>	USD45 Million
<b>Financing Structure</b>	<ul style="list-style-type: none"> <li>• Municipal Loan</li> <li>• Grants from National Governments</li> <li>• Equity of the local utility company</li> <li>• City's own sources</li> </ul>





## Municipal Lending Benefits

1. **Acceleration** on public service delivery;
2. **Acceleration** on target achievement of Local Development Plan;
3. **Boosting** local economic growth;
4. **Financing Alternative** for local government.

## Regulation

Law No. 33/2004

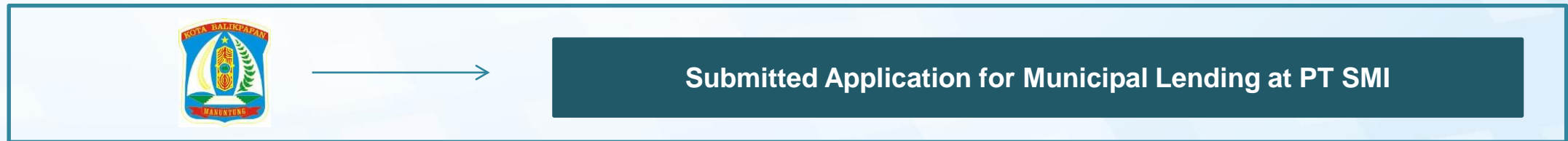
Fiscal Balance between National and Sub National Governments

Govt Regulation No. 30/2011

Municipal Lending

Medium Term

Long Term



## Status

1. **Project Readiness** as land is all cleared;;
2. **Documentation** standard, such as Feasibility Study is of good standard and eligible for municipal loan proposal

## Challenges

1. **Capacity of local government** to take on project size;
2. **Social acceptance** in terms of social impact of project to surrounding area;
3. **Budget cycle** in order to make loan repayments

# Continuation of Program: Proyek Pembangunan SPAM Sepaku

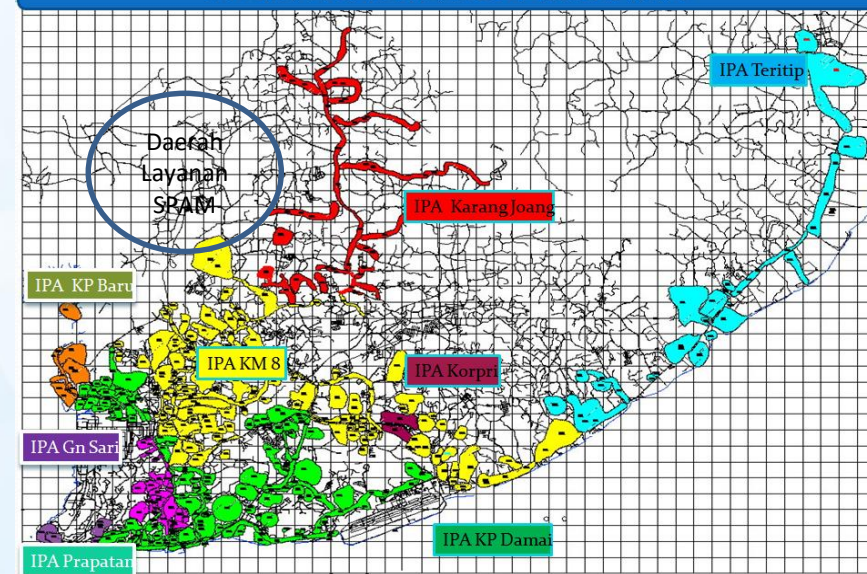
## Proyek Pembangunan SPAM Sepaku Balikpapan

<b>Counterpart</b>	PDAM Tirta Manggar Kota Balikpapan
<b>Project</b>	Development of Water Supply System
<b>Description</b>	<ul style="list-style-type: none"> <li>Project Component: <i>water intake</i>, transmission, IPA, and distribution</li> <li>Capacity: 500 liter/second</li> <li>Targeted household networks: 40.000</li> </ul>
<b>Indicative Modality</b>	<ul style="list-style-type: none"> <li>PPP</li> <li>Municipal Loan (through City Government or PDAM)</li> <li>State budget and local government budget</li> </ul>
<b>Indicative CAPEX</b>	Rp. 500 Miliar / USD 3.7 million*
<b>Project Location</b>	Water Intake located at Penajam Paser Utara, IPA and distribution network located in Balikpapan, East Kalimantan
<b>Current Status</b>	<ul style="list-style-type: none"> <li>Existing site visit report on the water intake location of North Penajam Paser</li> <li>MoU between City of Balikpapan Mayor and North Penajam Paser Regent on provision of clean water</li> <li>PDAM has verbally agreed to conduct a Pre-Feasibility Study</li> </ul>
<b>PT SMI Involvement</b>	<ul style="list-style-type: none"> <li>Assistance in project preparation (pre-feasibility study) through technical assistance from CDIA.</li> <li>Municipal loan to PDAM/local government.</li> <li>Project preparation and PPP transaction advisory.</li> </ul>

## Ilustrasi



## PETA WILAYAH PELAYANAN





# THANK YOU

## Disclaimer

All information presented were taken from multiple sources and considered as true by the time they were written to the knowledge of PT Sarana Multi Infrastruktur (Persero). PT Sarana Multi Infrastruktur (Persero) can not be held responsible from any inaccuracy contained in the material. PT SMI follows all internal and external guidelines and regulations that govern the evaluation process on determining the financing feasibility of an infrastructure project. Every decision to finance or not to finance a project is therefore based on a responsible and thorough due diligence process.

Any complaint in the process of financing irregularities can be submitted to:

Corporate Secretary PT SMI  
Tel : +62 21 8082 5288  
Fax : +62 21 8082 5258  
Email : [corporatesecretary@ptsmi.co.id](mailto:corporatesecretary@ptsmi.co.id)

Public complaints on PT SMI service will be kept strictly confidential and handled by a special committee to ensure that complaints are addressed appropriately.