

Press Release

MINISTER BAMBANG: PPP AND PINA AS THE SOLUTION TO FILL THE GAP IN FINANCING OF INFRASTRUCTURE IN INDONESIA

Dubai, 9-10 April 2018 – Representing the Government of Indonesia, Minister of National Development Planning/ Head of the National Development Planning Agency, Bambang P.S. Brodjonegoro is attending **the Annual Investment Meeting (AIM)**, an international investment forum that is implemented at the initiative of the Minister of Economy of the United Arab Emirates, at the Dubai World Trade Center, on 9-1- April 2018. The 8th AIM is implemented under the theme of **“Linking Developed and Emerging Markets through FDI: Partnerships for Inclusive Growth & Sustainable Development”**, and has the objective of promoting a strategy for attracting foreign investment.

In the event, Minister Bambang is the speaker in the 8th session, with the topic of: *“Public Private Partnership for Public Infrastructure Development”*. He expounded the investment opportunities in Indonesia. “Indonesia is a potential market in Asia. Data from the Central Agency of Statistics (BPS) shows that Indonesia ranks the 15th among the world economies. Data from the PWC shows that Indonesia ranks 4th with regard to infrastructure development. Indonesia also ranks among the big three of investment destination economies in Asia. Indonesia’s economic growth is quite high and stable of 5,4% in 2018. Up to now, the investment of the United Arab Emirate in Indonesia ranks the 27th, covering the sectors of agriculture, hotels, transportation, industrial zones, and telecommunications,” said Minister Bambang.

Minister Bambang also described the Public Private Partnership and the Non-Budget Investment Financing (PINA) as an alternative financing in the development of public infrastructure in Indonesia. There are currently 19 sectors that can be initiated in partnership with the Government of Indonesia, encompassing the sectors of: connectivity, urban development, and social development. The Ministry of National Development Planning/Bappenas has initiated the formation of the PPP Joint Office as a one-stop service and as a coordinating forum among the PPP stakeholders at the central government level, comprising seven Ministries/Government Agencies.

The PINA Scheme has three main functions. First, to facilitate projects for reaching the financial close phase and provide suggestions for project structuring and financing. Second, to promote an infrastructure investment climate through the assessment of regulations and to accelerate the implementation creative financing instruments. Third, to pipeline for preparing the list of projects that are ready to be offered to investors and potential investors. The PINA Centre that is currently in the Ministry of National Development Planning/Bappenas has the role of providing information on the progress of projects to investors in the context of realizing an investment climate that can promote investment activities in Indonesia. “I hope this PPP and PINA alternative financing scheme will be able to fill the financing gap in the infrastructure development of Indonesia,” Minister Bambang said.

The AIM Forum is attended by representatives of governments and investors from Asia, Europe, Africa, and America. In addition to Minister Bambang, also attending as speakers are: Cheremin Srgey (Minister, Head of Department for Foreign Economic Activity and International Relations, Moscow City Government, Russia), Manuel Cary (Partner, The Transport Infrastructure Investment Company, Portugal), and Pedro Neves (Leader, UN Taskforce for PPPs, Portugal). Acting as moderator in session 8 is Kai Hammerich (President, KA Foreign Investment Corporation, Sweden).

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