

RGC 2015

REGIONAL GOVERNMENTS
CONFERENCE ON SUSTAINABLE AND
INCLUSIVE INFRASTRUCTURE DEVELOPMENT



An Indonesia Infrastructure Week Event

Joining forces and expanding networks to advance Indonesia's economic and social future.

**4-5
NOV
2015**

JAKARTA
CONVENTION
CENTER, INA

**MAKING INDONESIA'S INFRASTRUCTURE
PIPELINE FLOW - THE VIEW ONE YEAR ON**

CONFERENCE AGENDA

Held in conjunction with

IIICE 2015
INDONESIA INTERNATIONAL
INFRASTRUCTURE
CONFERENCE AND EXHIBITION

Hosted by



BKPM
Indonesia Investment
Coordinating Board



Coordinating Ministry
for Economic Affairs
Republic of Indonesia



KADIN Indonesia
Indonesian Chamber of
Commerce and Industry



APPSI
Association for Provincial
Government of Indonesia



Coordinating Ministry
for Maritime Affairs
Republic of Indonesia



Bappenas
Ministry of National
Development Planning

IIW'15 Official Airline Partner

Batik air

IIW'15 Official ICT Partner

**Telkom
Indonesia**
the world in your hand

Academic Advisor



Center for Sustainable Infrastructure Development
Pusat Kajian Pembangunan Infrastruktur Berkelanjutan

Indonesia Infrastructure Week 2015

IIW – Indonesia Infrastructure Week - is the only collective forum that brings together Indonesia's integrated infrastructure events and stakeholders under one roof to gather, plan and deliver on the national agenda.

With over USD 450 Billion earmarked by the government for development over the next 5 years, the wide range of forums at IIW will and once again deliver the national platform to support the implementation of the Government's infrastructure agenda.

With a focus on the progress made under the nine priority agenda called "Nawa Cita" as outlined by HE The President of the Republic of Indonesia, the IIW forums will review progress made in the first year of the "Kabinet Kerja" work program, while looking ahead with both the public and private sector for infrastructure growth opportunities.

Joint IIW'15 Official Opening Ceremony

10.00 – 10.10	Suryo B. Sulisto , Chairman of Indonesian Chamber of Commerce & Industry
10.10 – 10.20	Basuki Hadimuljono , Minister of Public Works and Public Housing
10.20 – 10.35	Darwin Nasution , Coordinating Minister for Economic Affairs*
10.35 – 10.55	HE H. Ir. Joko Widodo , President of the Republic of Indonesia*
10.55 – 11.30	VIP Exhibition Walkthrough

Critical issues to be addressed at RGC'15:

The Regional Governments Conference 2015 is a national conference for Indonesian central and regional governments to present Indonesia's priority infrastructure projects, with a focus on regional as well as national projects including: Ports; Railways; Power generation and distribution.

- Update on government policies and regulations affecting infrastructure development
- Hear Indonesia's master plan for development of up to 24 new ports
- Learn more about the National Single Window for Investment (NSWI)
- Evaluate the risk and reward within Indonesian infrastructure projects
- Strategic partnership opportunities and collaboration with state owned enterprises
- Models of investment and financial structuring of projects: What are the options available?
- Results from new land acquisition law – avoiding the pitfalls
- Hear about the very latest infrastructure projects ready to go to market

Programme at a Glance:

Day 1 - Wednesday, 4 November 2015

- 10:00 Official Opening Ceremony of IIW15 - Indonesia Infrastructure Week 2015
- 10:55 VIP Exhibition Walkthrough
- 12:00 Networking Luncheon
- 13:00 Keynote - Session 1: ***Making the infrastructure pipeline flow: The view one year on...***
- 14:00 Plenary - Session 2: ***Enhancing the strategic partnerships that underpin Indonesia's national infrastructure agenda***
- 15:00 Coffee Break
- 15:30 Plenary - Session 3: ***The role of the government, financial institutions and technology developers in collaboration with State Owned Enterprises (BUMNs)***
- 16:30 Plenary - Session 4: ***The Land Acquisition Programme: Success stories and avoiding pitfalls for upcoming projects***
- 17:30 End of Day 1
- 18:00 IIW Evening Networking Reception

Day 2 - Thursday, 5 November 2015

- 09:00 Plenary - Session 5: ***Mitigating the risks and maximizing rewards: Setting the stage for accelerated project development***
- 09:45 Plenary - Session 6: ***Engaging local content: integrating local requirements to gain access to projects***
- 10:30 Coffee Break
- 11:00 Plenary - Session 7: ***Project investment and financial structuring 1: Upcoming ports projects***
- 12:00 Plenary - Session 8: ***Project investment and financial structuring 2: Upcoming railways projects***
- 13:00 Lunch Break
- 14:00 Plenary - Session 9: ***Delivering 35 000 MW to the market***
- 14:45 Plenary - Session 10: ***Energy Focus: Upcoming power projects***
- 15:30 Coffee Break
- 16:00 Plenary - Session 11: ***Regional Focus: Opportunities across the archipelago***
- 17:15 Closing Remarks and End of Conference

Speakers at RGC 2015:

- **Darmin Nasution**, Coordinating Minister for Economic Affairs*
- **Franky Sibarani**, Chairman of Indonesia Investment Coordinating Board*
- **Basuki Tjahja Purnama**, Governor of DKI Jakarta*
- **Suryo B. Sulisto**, Chairman, Indonesian Chamber of Commerce and Industry
- **Akihiko Tanaka**, President of Japan International Corporation Agency (JICA), Japan*
- **Jin Liqun**, Secretary General of Asian Infrastructure Investment Bank*
- **Emma Sri Martini**, President Director of PT Sarana Multi Infrastruktur (persero)
- **Rini Soemarno**, Minister of State Owned Enterprises*
- **Sinthya Roeasly**, President Director, PT Penjaminan Infrastruktur Indonesia (IIGF)*
- **Budi G. Sadikin**, President Director, PT Bank Mandiri*
- **Bambang Susantono**, Vice-President for Knowledge Management and Sustainable Development, Asian Development Bank*
- **Ferry Mursyidan Baldan**, Chairman, National Land Agency*
- **Iwan Wiryono**, Director of Infrastructure & Projects Group, PT KPMG Infrastructure*
- **Amin Subekti**, Director, PT PLN*
- **Dr Robert Pakpahan**, Director General of Finance & Risk Management, Ministry of Finance*
- **James Harris**, Asia Pacific Director, International Project Finance Association (IPFA)*
- **Syahrul Yasin Limpo**, Chairman of Association of Provincial Governments of Indonesia*
- **Rizal Ramli**, Coordinating Minister for Maritime Affairs*
- **Imam Hambali**, Head of Center for Studies of Partnership and Transportation Services, Ministry of Transportation*
- **Capt. Bobby R. Mamahit**, Director General of Sea Transportation, Ministry of Transportation
- **David Wignall**, Senior Vice President, PT Pelindo II*
- **Kiswodarwan**, President Director, PT Adhi Karya (persero)
- **Sutanto Soehodho**, Deputy Governor for Trade, Industry and Transportation, DKI Jakarta
- **Nur Marzuki**, Director of Procurement, National Land Agency
- **Hermanto Dwiatmoko**, Director General of Railways, Ministry of Transportation
- **Ir. Jarman**, Director General of Electricity, Ministry of Energy and Mineral Resources
- **Sofyan Basir**, President Director, PT PLN*
- **Hendi Prio Santoso**, President Director, PT PGN*
- **Said Assagaff**, Governor of Maluku Province*
- **Rida Mulyana**, Director General of Renewable Energy, Ministry of Energy & Mineral Resources*
- **Nasri Sebayang**, Director, PT PLN *
- **Dr. Ir. H. Irianto Lambrie**, Governor of North Kalimantan*

Conference Programme

Wednesday 4th November 2015

13.00 Opening Keynote - Conference Plenary Session 1:

Making the infrastructure project pipeline flow

The view one year on...

Indonesia as ASEAN's largest economy, has enormous potential for infrastructure development. Indonesia's Government has committed to build a conducive investment climate for international investors by officially implementing the National Single Window for Investment (NSWI). The commitment can also be seen through the announcement that the government has allocated over \$450 billion to infrastructure projects over the next 5 years, making Indonesia a global hot spot for investors.

As Indonesia embarks on the implementation of her ambitious targets, 1 year on from the election of a new government, the opening keynote session will review the success stories and obstacles that need to be overcome to facilitate increased participation by the private sector in regional and national projects.

- Investment climate and market overview
- Creating a market environment conducive to investment partnerships
- Opportunities for investment and the policy framework underpinning it
- Is there an appetite for Indonesian projects amongst investors?
- Making the projects attractive: are we doing enough to mobilize the international investor community

Panel discussion with Q&A

14.00 Conference Plenary Session 2:

Enhancing the strategic partnerships that underpin Indonesia's national infrastructure agenda.

- Examining current prospects for successful roll out of infrastructure projects
- Building partnerships that drive economic growth
- Achieving the national vision for infrastructure
- Active steps to encourage greater private sector investment
- Simplifying licensing procedures for project investment through the one-stop-shop (NSWI)
- Identifying opportunities for international collaboration on projects
- The role of the Investment co-ordinating board (BKPM) in the financing of projects

Panel discussion with Q&A

15.00 - 15.30 Coffee Break

15.30 Conference Plenary Session 3:

The role of the government, financial institutions and technology developers in collaboration with State Owned Enterprises (BUMNs)

- What role does the Government intend to play?
- Building the capacity of domestic banks to finance projects
- Evaluation the potential role and impact of an Indonesian Infrastructure Bank
- The impact of the multilateral lending institutions
- Forming sustainable partnerships that can deliver to the market

Panel discussion with Q&A

16.30 Conference Plenary Session 4:

The Land Acquisition Programme: Success stories and avoiding pitfalls for upcoming projects

- Understanding the implications of the land acquisition law – what is its impact on projects?
- Reviewing the legal framework
- Overcoming bureaucratic delays in land acquisition
- Ensuring the land acquisition process wins investor confidence

Panel discussion with Q&A

17.30 End of Day 1

18.00 Indonesia Infrastructure Week Networking Reception

“We recognize how vital electricity, port and airport development is because it affects all of us. Everyone relies on roads and power to live. All of the economic elements are progressing due to the movements of Infrastructure development.”

Jusuf Kalla, Vice President of Indonesia
- Opening of Indonesia Infrastructure Week 2014 -

“Infrastructure development and improvement of investment conditions are very important to be realized by the new government to boost Indonesia’s economic growth and increasing prosperity of the people.”

Sofyan Djalil, Coordinating Minister for Economic Affairs
- Opening of Indonesia Infrastructure Week 2014 -

Thursday, 5 November 2015**9:00 Conference Plenary Session 5:****Mitigating the risks and maximizing rewards: Setting the stage for accelerated project development**

- Understanding the financial picture: what's in it for investors?
- Comparing the Indonesian project market against other jurisdictions: do the returns look good?
- Regional government as an initiator of projects: How does the investment model differ?
- Evaluating the level of project and financial risk? What guarantees are there?
 - Political risk
 - Currency risk
 - Inflation
- Do risk and reward vary between sectors?
- Incentives and tax treatment of investments:
 - Tax Holidays for investment in 'pioneer industries'
 - Import duties
 - Corporate income tax facilities
 - Bonded Zones
- Providing investors with legal and business certainty, throughout the investment activity

Panel Discussion with Q&A

09:45 Conference Plenary Session 6:**Engaging local content: Integrating local requirements to gain access to projects**

- Understanding requirements to source locally
- Supporting the growth of the domestic manufacturing industry.
- Working with local component manufacturers and providers of services
- Widening the scope of opportunities available to producers of supporting infrastructure and equipment
- Opening the door to foreign companies seeking to enter the market via joint ventures
- What are the prospects for adaptations to Indonesia's minimum local content policy?
- Linking feed in tariff incentives for energy projects with adherence to local content policies
- Gaining access to upcoming projects through joint ventures and technology transfers with local partners

Panel Discussion with Q&A

10.30 - 11.00 Coffee Break

**11.00 Conference Plenary Session 7:
Project investment and financial structuring: 1
Upcoming Ports Projects**

- Market overview of the ports sector
- What are the current models for partnership opportunities and investment in the port sector?
- Evaluation of port project investment strategies within an Indonesian context
- What are the key hurdles for deciding a successful port project finance strategy?
- Ensuring maximum returns from investment

Panel Discussion with Q&A

**12.00 Conference Plenary Session 8:
Project investment and financial structuring: 2
Upcoming Railways Projects**

- Market overview of the railways sector
- PPP in a local context
- Infrastructure bonds
- Expanding the role of the capital markets in financing rail projects

Panel Discussion with Q&A

13.00- 14.00 Lunch

**14.00 Conference Plenary Session 9:
Delivering 35 000 MW to the market**

- Energy Sector Overview
- Removing impediments to growth: energy as the catalyst for economic development
- Responding to increasing demand for energy: creating additional capacity
- Financing power generation projects
- Independent Power Producer Scheme
- Electricity pricing and tariffs

Panel discussion with Q&A

14.45 Conference Plenary Session 10: Energy Focus: Upcoming Power Projects

- Addressing the impact of nationally legislated energy goals
- Geothermal energy as a central feature of Indonesia's renewable energy plan
- What are the incentives to invest in renewable energy in Indonesia?
- Developing strategies to exploit the investment potential of renewable energy projects
- EEP – the Energy Environment Partnership
- Enhancing technology transfer, through co-operation with the international community
- Recognising the opportunities presented by renewable energy projects and removing the bottlenecks for project finance

Panel discussion with Q&A

15.30 - 16.00 Coffee Break

16.00 Conference Plenary Session 11: Regional Focus: Opportunities across the archipelago

- Ensuring regional governments have access to international capital
- What are the optimal investment opportunities?
- Co-ordinating regional and national government priorities

17.00 End of Conference

"I was pleased to attend the RGC'14 and IIICE'14 on behalf of Ernst and Young. The market sounding events for the South Sumatera rail were great, but looking forward to more next year as the new administration's infrastructure pipeline begins to flow."

John Cheong-Holdaway, Associate Director – Infrastructure Advisory, Ernst and Young

"The event was very beneficial for us every year. SMI always participate in IIICE, we never miss the event. Because this event is the perfect place for stakeholders to meet market players related to infrastructure development."

Emma Sri Martini, President Director, Sarana Multi Infrastruktur (SMI)