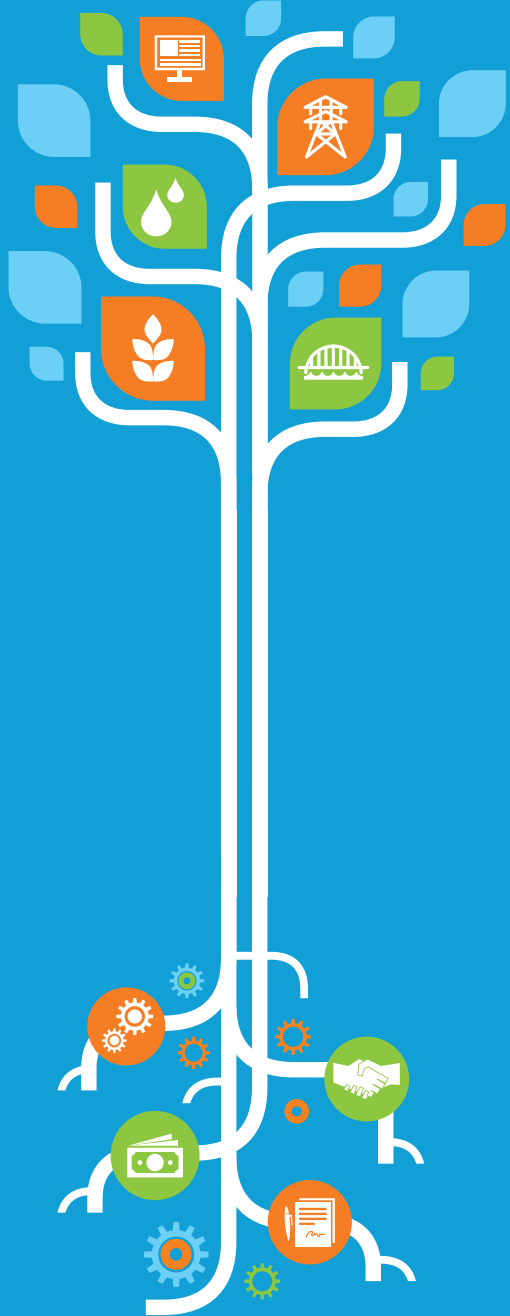


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# ADB's Urban Development Support in Indonesia

27 July 2022

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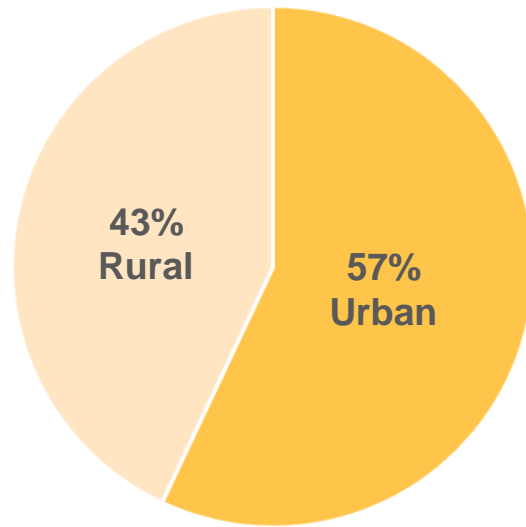
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# ADB's Strategy 2030 and The Livable Cities Operational Priority

- ADB's Strategy 2030 identifies **"Making Cities More Livable"** as an operational priority
- ADB's country partnership strategy for Indonesia seeks to advance the livable cities agenda



# Indonesia's urbanization challenges



**150 million**

Indonesians live in  
cities

- 10 million city residents are poor
- 30 million city residents don't have access to basic services
- 6 million city residents openly defecate
- Around 110 million people live in or around 60 cities that are predominantly located in the coastal areas, exposing them to common hazards such as tsunamis, flooding and communicable diseases
- Land subsidence is increasing the risk of flooding in major metro and urban areas along rivers or coastlines such as Bandung, Jakarta, Medan, and Semarang

# Ongoing ADB projects

## **Emergency Assistance for Rehabilitation and Reconstruction (\$297.75M)**

Supports rehabilitation and reconstruction of water resources, water supply, education, port and airport infrastructure in Central Sulawesi using build back better principles.

## **Metropolitan Sanitation Management Investment Project (\$120M)**

Improves urban wastewater services in the cities of Makassar, Pekanbaru, and Jambi by constructing new separate sewerage systems and wastewater treatment plants, setting up local wastewater infrastructure management institutions and strengthening the relevant departments of respective regional governments.

## **Accelerating Infrastructure Delivery Through Better Engineering Services Project (\$143M)**

Prepares feasibility studies and detailed engineering designs for water supply, sewerage, raw water supply, flood management, irrigation and road projects.

## **Disaster Resilience Improvement Program (\$500M)**

Provides rapid liquidity in the form of budget support once a disaster or health-related disbursement trigger is met. Also promotes medium-term reforms in a range of areas including strengthening of flood risk management planning, disaster response management system, building codes, PDNA tool for urban areas and capacity of subnational governments to administer public assets and manage fiscal transfers for post-disaster response.

# Proposed ADB Projects

## City-Wide Inclusive Sanitation Project

Est. Approval: 2023

Implementation: 2024 - 2027

Financing: \$310 million

Approach/Design:

- Investments in city-wide sanitation with main focus on centralized wastewater treatment systems.
- Cities covered Pontianak and Semarang
- Sub-projects prepared through Loan 3455-INO: Accelerating Infrastructure Delivery through Better Engineering Services Project

## Flood Management and Coastal Protection in North Java Project

Est. Approval: 2023

Implementation: 2023 - 2028

Financing: \$250 million

Approach/ Design:

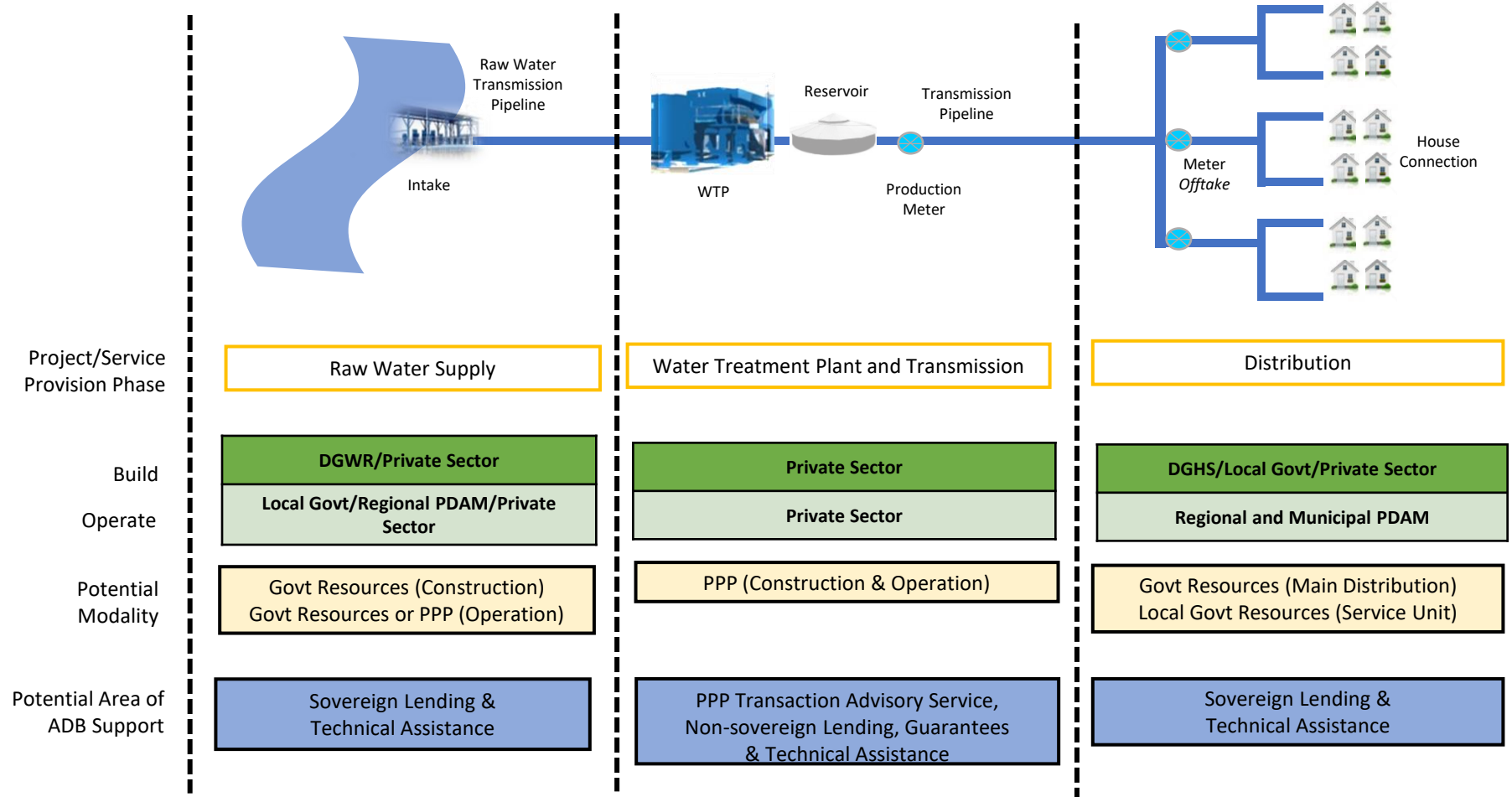
- Integrated water resources management approach to improve flood resilience and raw water supply (RWS) in the in the Pemali-Juana and Cimanuk-Cisanggarung river basins in North Java
- Flood forecasting and early warning system and river and RWS asset management, and institutional strengthening
- Detailed engineering designs financed through Loan 3455-INO: Accelerating Infrastructure Delivery through Better Engineering Services Project

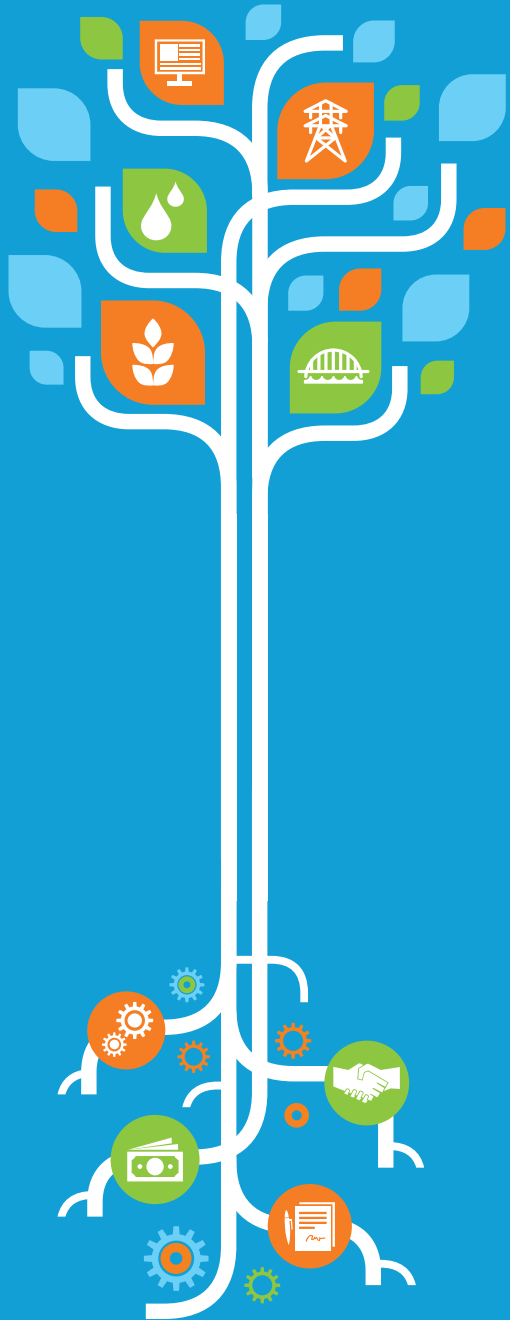
# Planned interventions under Sustainable Infrastructure Assistance Program

<b>Approved Technical Assistance Amount</b>	\$31.375 million	
<b>Financing Sources</b>	<ul style="list-style-type: none"> <li>• Government of Australia = \$30 million equivalent</li> <li>• ADB's Technical Assistance Special Fund = \$1 million</li> <li>• ADB's Financial Sector Development Partnership Special Fund = \$0.375 million</li> </ul>	
<b>Outcome</b>	Effective identification, preparation, implementation, and financing of infrastructure projects	
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Preparation of sovereign and non-sovereign infrastructure projects leveraging ADB infrastructure related project financing estimated at approximately \$11 billion</li> <li>• Enhanced project implementation support</li> <li>• Knowledge support for infrastructure planning and financing and effective program management</li> </ul>	
<b>Priority Sectors</b>	<ul style="list-style-type: none"> <li>• Energy</li> <li>• Transport</li> </ul>	<ul style="list-style-type: none"> <li>• Urban services</li> <li>• Water resources</li> </ul>
<b>Priority Themes</b>	<ul style="list-style-type: none"> <li>• Innovation and new technologies</li> <li>• Private sector development</li> <li>• Innovative infrastructure financing</li> </ul>	<ul style="list-style-type: none"> <li>• Climate resilience</li> <li>• Gender equity</li> <li>• Partnerships</li> <li>• Sound public sector management</li> </ul>

- Support the new capital with respect to planning and design of a carbon neutral, inclusive, and smart city and limiting negative environmental impacts resulting from development
- Support the government in conceptualizing a smart city capacity development program that can equip cities to successfully deploy information and communication technology to effectively and efficiently deliver public services (building on work supported by ASEAN-Australia Smart Cities Trust Fund)
- Support preparation of a project that will expand the availability of longer tenor mortgages to those in the irregular income segment of the housing market

# Increasing private sector engagement in water supply through source-to-tap approach





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# THANK YOU!

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