

**STUDY ON PRIVATE-INITIATIVE INFRASTRUCTURE PROJECTS
IN DEVELOPING COUNTRIES IN FY2011**

**STUDY ON SOEKARNO HATTA INTERNATIONAL
AIRPORT EXPANSION AND UPGRADING PROJECT IN
JAKARTA IN THE REPUBLIC OF INDONESIA**

SUMMARY

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Prepared for:

The Ministry of Economy, Trade and Industry

Prepared by:

ITOCHU Corporation

SHIMIZU CORPORATION

Japan Airport Terminal Co., Ltd.

Nikken Sekkei Ltd

Nikken Sekkei Research Institute

Japan Economic Research Institute Inc.

Executive Summary

(1) Background and necessity of the project

1) Background of the project

Aviation demand in Indonesia is growing at a remarkable pace and the Soekarno Hatta International Airport (hereafter referred to as Soekarno Hatta Airport) plays a central role in aviation transport for the Jakarta Metropolitan Area (Jabodetabek). In addition to being the major gateway of Jabodetabek, the airport also serves as a domestic air transport hub. Since it commenced operation in 1985, the number of users of Soekarno Hatta Airport has grown steadily and in 2010 the number of passengers reached a record 44 million, surpassing the airport's capacity.

In December 2010 a memorandum of cooperation was signed between the governments of Japan and Indonesia for "the concept of Metropolitan Priority Area for Investment and Industry (MPA) in Jabodetabek Area" for the development of infrastructure in Jabodetabek, and JICA commenced a master plan study for this purpose in May 2011. JICA's master plan focuses on the development of infrastructure essential for promoting further growth in Jabodetabek, which plays a key role in Indonesia's rapidly growing economy, and targets nine priority sectors. One of the priority sectors is airport facilities and the master plan proposes a plan for the expansion of Soekarno Hatta Airport.

The Project for the Master Plan Study on Multi-Airport Development for Greater Jakarta Metropolitan Area in the Republic Indonesia (hereafter, JICA Master Plan), which JICA is currently in the process of preparing, also presents plans for the development of new airport in the future. The plan presented here also aims at accommodating Indonesia's increasing airport demand through the expansion and upgrading of Soekarno Hatta Airport in the interim period before any new airports are

ready to commence operation.

At the same time, Angkasa Pura II (hereafter, AP-II), the state-owned enterprise currently operating Soekarno Hatta Airport, has already prepared its own plan for the expansion of the airport, which it announced in 2011. However, progress in the implementation of this project has fallen behind the schedule of the initial plan.

2) Issues in Soekarno Hatta Airport and the need for expansion and upgrading

In 2010 passenger numbers at Soekarno Hatta Airport increased about four-fold in comparison with passenger numbers recorded in 2000. Reaching 44 million in 2010, passenger numbers far exceed the terminal's capacity of 22 million. As a consequence, the airport must contend with the following issues:

- Congestion in the terminal building
- Congestion on the apron
- Congestion in airport parking lots

During the Study Team's site survey, the following problems also came to light:

- Loss of business opportunities
- Inadequate security measures
- Aging of facilities

In view of the current state of the airport's overextended capacity and congestion both landside and airside, it can be said that the expansion and upgrading of Soekarno Hatta Airport is an issue that needs to be addressed urgently. In addition to responding to the need for tighter airport security

reflecting the 9.11 terrorist attacks, environmental considerations in facilities used, and the introduction of energy-saving equipment, this airport must fulfill its role as the gateway to Indonesia by providing a range of services for airport users and endeavoring to enhance their level of satisfaction.

In the context of various requirements mentioned above, a Japanese private sector group to participate in an expansion and upgrade project for this airport first needs to determine the feasibility of the project by engaging in consultation with AP-II and relevant government organizations. The purpose of this study is to investigate and examine the feasibility of the expansion and upgrading of Soekarno Hatta Airport by drafting a plan from the viewpoint of the airport management and from the viewpoint of private sector companies intending to participate in the project.

(2) Basic policy concerning decisions on project content

1) Basic policy of the study

As mentioned above, the expansion and upgrade of this airport is a pressing issue. However, respective master plans drawn up by AP-II and the Directorate General Civil Aviation (hereafter, DGCA) have not been coordinated; rather, the two master plans stand as independent, parallel documents.

After having assessed the respective master plans for the expansion of Soekarno Hatta Airport, conducted the Study Team's own airport site surveys and interviews with AP-II and other related organizations and consulted with JICA Master Plan Team, the Study Team will examine in this study a project menu of options for the airport expansion, methods of financing, and a project schedule. Then, the Study Team will present proposals to AP-II to further explore the feasibility of the project

through dialogues.

2) Forecast for demand and airport capacity

We established 60 million passengers in 2017 (domestic passengers: 47 million, international passengers: 13 million) as a forecast figure for demand of air travel to and from Jakarta area, and this figure was agreed on in consultation with the DGCA, AP-II and the JICA Master Plan Team.

Plans for a new airport are being considered for 2017 onwards when the demand for air travel can be expected to exceed 60 million passengers annually but at this stage the plans are still in a state of flux. Therefore, this study will remain within the parameters of annual passenger numbers to a maximum of 60 million with the use of two runways (excluding preliminary investigations described in Chapter 4).

The current capacity of the terminals including Terminals 1 through 3 is 22 million, which falls far short of the actual number of passengers at 44 million. On the other hand, the annual takeoff and landing capacity for the current two runways is 370,000, and therefore it is estimated that there is available capacity until about 2015. It is believed that the airport can accommodate 60 million passengers annually with current capacity for take offs and landings.

3) Analysis of revenue structure and identification of management issues

A look at the revenue structure of Soekarno Hatta Airport shows that a little less than 80 % of the airport's revenues are related to aviation business while a little over 20% are derived from non-aviation business and just under 2% of revenues are related to cargo business. The ratio of revenues related to non-aviation business is low compared to international standards (2010 Airport

Council International Study: 46.5 %) as well as standards for major Asian airports (a little over 40 % for Narita, Hong Kong, Thailand and Malaysia, and about 50% for Singapore). Therefore, it is believed that there is significant room for improvement. In specific terms, there is a need for increase in space available for leasing following the expansion of the terminal buildings, improvement in the quality of shops and inclusion, as customers, of those visitors to the airport who at present are unable to enter the terminal buildings when they send off or meet passengers. To increase unit sales per customer, the establishment of attractive commercial facilities is also necessary. The airport will have to continue its management efforts by replacing and upgrading shops on the premises to meet the ever-changing preferences of customers, as well as promoting the development of shops to meet the various needs of departing customers, customers in transit, and customers sending off passengers.

4) Goal setting and basic policy for the expansion project

a) Goal setting for the expansion project

Taking into account the current status of the airport facilities and management issues regarding revenue, the Study Team set the following goals for the Soekarno Hatta Airport expansion project.

- (i) To resolve the problem of insufficient capacity by appropriately providing facilities on the airside (taxiways and aprons) and on the landside (terminals etc.), so that Soekarno Hatta Airport can contribute to the further development of Indonesia's economy
- (ii) To promote improvement in customer satisfaction level and airport security by adjusting the airport to the present world-wide needs through expansion and modification for solution of existing issues, so that Soekarno Hatta Airport can be transformed into a world-class airport
- (iii) To promote infrastructure development with a view to making Soekarno Hatta Airport an urban hub in the long term

b) Basic policy for the expansion project

Based on the targets we set for the expansion project, we established the following basic policy for the development of facilities.

- (i) To promptly resolve the lack of capacity on both the airside and the landside; to consecutively make a series of expansion, replacement and modification of facilities so as to ensure the development with the airport in operation
- (ii) To enhance satisfaction of customers and focus investment in higher profitable project areas, by specifying customer-based grades, such as international, domestic or LCC passengers
- (iii) To improve security by upgrading the system to the present needs, so as to secure safety of passengers and concerned persons and inaugurate unserved air routes, such as ones for North America.
- (iv) To deepen the attractiveness of the current airport terminal by positively taking advantage of the local cultural climate, so as to provide an airport terminal appropriate to the gateway to Indonesia.
- (v) To provide a new moving system so as to improve the inconvenient movement between terminals

c) Basic policy for commercialization of the project

The project will not be a new development project but a project whose objective is to expand the existing facilities of Soekarno Hatta Airport, currently owned and operated by AP-II. Therefore, giving careful consideration to the coordination of the roles of the Study Team and AP-II is essential. The project is currently being examined on the basis of the following approaches but these may change in the future upon consultation with AP-II.

- (i) Implement a joint project with AP-II, taking into consideration the attendant characteristics and risk
- (ii) Implement a project with AP-II as the main organization in key areas of the management of operations at Soekarno Hatta Airport, and Japanese companies having intention to provide know-how and some administration
- (iii) Allow the private sector (mainly Japanese companies) as risk takers to participate in numerous project areas where there are many uncertain elements, such as the concession and cargo business, etc.

(3) Project overview

1) Overview of the project

After undertaking a review based on the AP-II's Grand Design, the JICA Master Plan, interviews and site surveys, the Study Team drew up an overview of the project and determined its scale as shown in the table below. Although future airport expansion policies for the surrounding area of Jakarta can be expected to affect the position of Soekarno Hatta Airport and fluctuations in user numbers, the Study Team based its estimate of the scale of the facility on figures forecast for demand adopted for this study, that is, annual passenger numbers of 60 million in 2017 (47 million for domestic and 13 million for international passengers).

The Grand Design, which is AP-II's airport expansion plan, assumes the construction of Runway 3 and Terminal 4 at the northern perimeter outside the current airport area to accommodate demand exceeding 60 million passengers. As mentioned earlier, however, this study narrowed the scope of the project to two runways and 60 million passengers per annum.

This study also did not include a railway station due to uncertainty regarding the commencement of

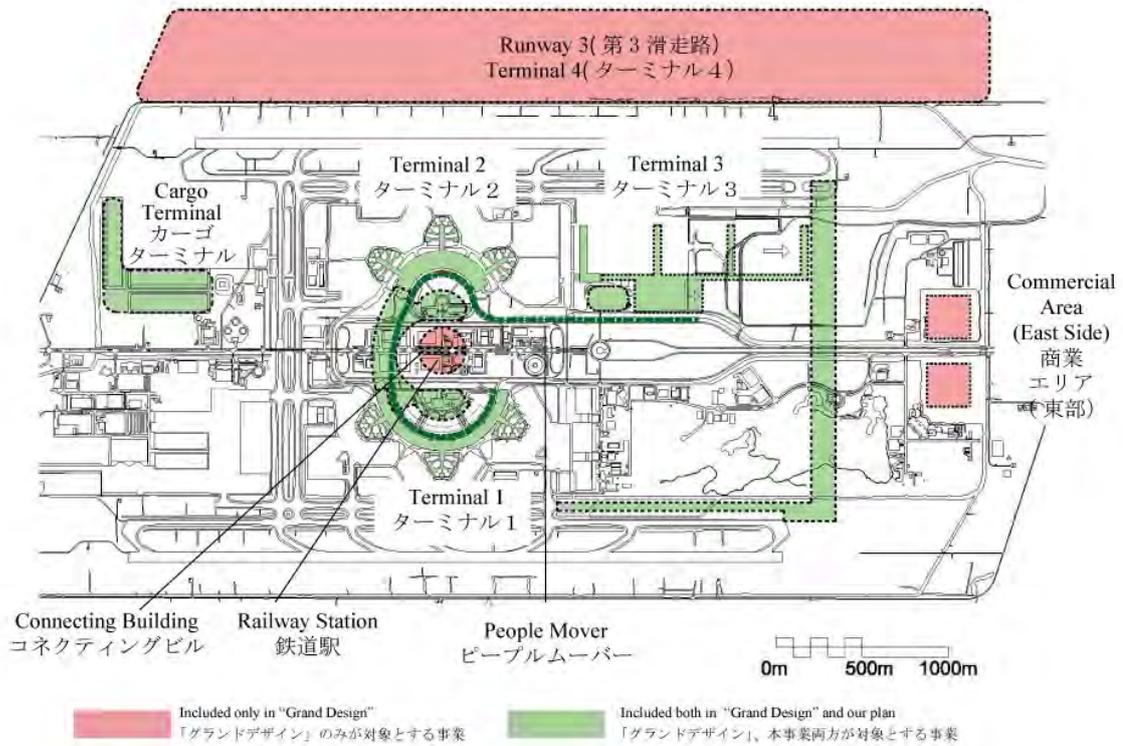
the operation of the railway itself and because of the long-term concept for the eastern commercial area within the airport grounds.

Table S-1: Project Elements in the Grand Design and Scope of the Project Anticipated for This Project

Project elements in the AP-II Grand Design		Assumed Scope of Facility Development in the Project	Assumed Scale of Facilities in the Project
Airside	Apron	New development + Partial upgrade of existing aprons	
	Taxiway	New construction of runway on the eastern side Partial upgrade of existing runway	Development area 360,000 m ²
Terminal	Terminal 1	Addition to existing facilities + upgrade of existing facilities	30,000 m ² (extended area) + upgrade of existing area
	Terminal 2	Addition to existing facilities + upgrade of existing facilities	30,000 m ² (extended area) + upgrade of existing area
	Terminal 3	Addition to existing facilities	200,000 m ² (extended area)
	Cargo	New construction	150,000 m ²
Commercial Area	Integrated buildings Connecting buildings Interchange terminals Parking building	New construction	185,000 m ²
Terminal ancillary construction	People mover	New construction of connecting terminals (or development of dedicated bus roads)	Total length: 3.5km (4 stations)
	Utilities, etc.	Upgrade of utilities and roads	
Railway Station	Railway station	Not included	—
Future Expansion	Runway 3	Not included	—
	Terminal 4	Not included	—
	Commercial area, East side	Not included	—

Source: Prepared by the Study Team

Figure S-1: Difference between project elements in AP-II's Grand Design and those in our plan



Source: Prepared by the Study Team based on JICA, “Master Plan Study on Multiple-Airport Development for Greater Jakarta Metropolitan Area in the Republic of Indonesia: Progress Report” (March 2011)

From the viewpoint of the main implementing organizations and assumed sources of funding for the scope of the project plans, we divided the project into five package options as shown below. While there are differences in views between AP-II and the Study Team regarding the main project areas and funding sources, as shown in the table below, financial and economic analyses from hereon will be implemented on the basis of our plan, which established a joint venture project with a wider scope and we will conduct analyses of two scenarios, one based on package (3) with the inclusion of package (2) and another without the inclusion of package (2).

Project costs for packages (1), (2) and (3) were calculated as shown in Table S-3..

Table S- 2: Five Package Options

Project item	Capital sources AP-II is assumed to utilize	Capital sources the Study Team is assumed to utilize
Package (1) Airside (new construction of taxiway, and upgrade of taxiway and apron)	Implemented as public works utilizing government funds → After implementation, assets are transferred to AP-II as equity or grants?	Implemented as public works utilizing yen loans
Package (2) Terminal ancillary work (people mover, utilities, etc.)	AP-II internal reserve or funds procured from the domestic market with AP-II as the main borrower.	Implemented as public works as in Package (1), utilizing yen loans. However, if not treated as public works, develop on the basis of a JV as in Package (3)
Package (3) Upgrade and expansion of terminal buildings		Separate Soekarno Hatta Airport operating company from AP-II, and undertake development of the terminal building after receiving third party participation, and operate the business for a certain period of time
Package (4) New construction of cargo village	Joint venture including third party participation	Construction based on the concession system with third party participation
Package (5) Commercial area (commercial, hotel, office, parking facilities)		

Source: Prepared by the Study Team

Table S-3 : Calculation of Project Costs

Unit: Million

			Yen Equivalent	USD Equivalent	IDR Equivalent		
					Total	Local Portion	Foreign Portion
Construction Costs	(1)	Basic Facility Development	6,000	78	705,900	564,720	141,180
	(2)	Terminal Ancillary Work	19,000	246	2,235,350	1,788,280	447,070
	(3)	Extension for Terminal 3	50,000	647	5,882,500	4,411,875	1,470,625
		Upgrade for Terminal 2	10,000	129	1,176,500	882,375	294,125
		Upgrade for Terminal 1	10,000	129	1,176,500	882,375	294,125
	Subtotal of Construction Costs		95,000	1,229	11,176,750	8,529,625	2,647,125
Design Expenses (5% of Construction Costs)			4,750	61	558,838	426,481	132,356
Reserved Fund (5% of Construction Costs)			4,750	61	558,838	426,481	132,356
Total Project Costs			104,500	1,352	12,294,425	9,382,588	2,911,838

Source: Prepared by the Study Team

2) Summary of results of preliminary financial and economic analyses

In AP-II's financial results for fiscal 2010, Soekarno Hatta Airport earned 134% of AP-II's overall operating profit, and is therefore a profitable airport that supplements the AP-II's head office expenses and offsets the deficits of other local airports that AP-II owns. According to the demand forecast adopted for this study, the total number of both domestic and international passengers using this airport will continue to grow and can be expected to reach 60 million by 2017, which is the upper capacity limit for the airport upon completion of this project. According to the outlook for income and expenditure resulting from this project scheme calculated on the basis of total passenger numbers of 60 million and other assumptions (see Chapter 5 of this report), by 2020, or the fifth year after commencement of the new airport services, the increase in revenue will overtake the increase in costs from the expansion of the terminal, and operating profit exceeding that of 2010 by 52% can be expected. On the premise that Indonesia continues effective economic growth of around 6% in the

future, an increase in the number of passengers using Soekarno Hatta Airport and an increase in the airport's revenue can be expected to continuously grow in the future. Based on passenger growth forecasted by AP-II and increase in consumption per passenger assumed by the study team, financial internal rate of return, FIRR, for Package (3) was 19% and economic internal rate of return, EIRR, was 17%.

3) Environmental and social impacts

The consideration of environmental and social aspects of the schemes or plans proposed by this study is basically cited from the study results of the JICA Master Plan, an antecedent study related to this study.

The improvement of the terminal functions and connection functions between terminals examined in this study will improve the usability of facilities for both passenger and cargo flights, and provide high-quality space for the use of both passengers and the general public. The introduction of service facilities including commercial areas will also create employment opportunities and will enable the revitalization of retail and distribution businesses. In addition, underutilized land, such as the golf course that at present is partially located between the two runways, will be converted to land for airport purposes, making possible the integrated and orderly use of land.

A preliminary investigation of environmental and social impacts following the development of Runway 3 and Terminal 4 in the future was conducted in the JICA Master Plan. As a result, involuntary relocations on a scale of 2,000 households will be unavoidable due to the expansion of Soekarno Hatta Airport, and formulation of a relocation plan is necessary. Furthermore, the conversion of agricultural land into land for airport use will require the rerouting of irrigation

channels and the shifting of roads used by residents in their everyday activities. The conversion of agricultural land to land for other purposes will also necessitate a review of industrial policies in regional planning.

Due to the scale and content of the airport, an environmental impact assessment (EIA) including a Strategic Environmental Assessment (SEA) must be undertaken prior to the expansion of the airport. The JICA Master Plan study project is proceeding with preparations for a joint study in cooperation with the DGCA, the agency in charge of the plan, and the University of Indonesia to enable the required environmental assessments to proceed.

The expansion of the terminal facilities will increase the floor areas of buildings and, therefore, unavoidably increase the impact on the environment. However, This problem can be mitigated to some extent by adopting building designs that conform to building standards in the guidelines of the the Ministry of Environment Decree No.8/2010 that provides the standards for environmentally friendly buildings.

(4) Implementation schedule

The schedule for the implementation of this project that can be assumed at this stage is shown below.

It has already been confirmed that the assignment of the respective terminal functions in the project have not yet been finalized even within AP-II. If Terminal 3 is to be developed as a terminal for the dedicated use of domestic flights, the plan for upgrading Terminals 1 and 2 will differ significantly from the plan this study has anticipated. Therefore, it must be noted that this factor will have a significant impact on the implementation schedule of the project.

Table S-4 : Implementation Schedule

	Year Quarter	2011				2012				2013				2014				2015				2016				2017			
		I	II	III	IV																								
Overall plan	Pre F/S																												
	Selection of consultant																												
	Basic plan																												
	Bid for project rights																												
Terminal 3	Detailed design																												
	Bid for construction works																												
	Construction works																												
	Project management																												
Terminal 2	Detailed design																												
	Bid for construction works																												
	Construction works																												
	Project management																												
Terminal 1	Detailed design																												
	Bid for construction works																												
	Construction works																												
	Project management																												
Taxiways, etc.	Detailed design																												
	Bid for construction works																												
	Construction works																												
	Project management																												
Cargo terminal	Detailed design																												
	Bid for construction works																												
	Construction works																												
	Project management																												
Connected Building	Detailed design																												
	Bid for construction works																												
	Construction works																												
	Project management																												

Source: Prepared by the Study Team

(5) Feasibility of implementation

1) Status of the implementation organization of the partner country

AP-II, the implementing organization on the Indonesian side, is a state-owned enterprise wholly owned by the Indonesian government and has an established track record in managing a total of 12 airports including Soekarno Hatta Airport, the subject of this study, as well as other airports in western Indonesia. The scope of AP-II's operations encompasses all airport facilities including basic airport facilities as well as terminal facilities. AP-II also engages in air traffic control operations in

western Indonesia.

In 2011 AP-II formulated the Grand Design, a comprehensive plan for Soekarno Hatta Airport, and received the approval of the government to proceed with this plan in July.

As the implementing organization of this project, AP-II possesses sufficient capabilities in terms of management, organizational structure, financial base, experience and know-how.

2) Results of financial analyses of the project

The feasibility of the project was confirmed through cash flow analysis on the soundness of the balance of investment and earnings if the upgrade and expansion project proceed following the acquisition of business rights to operate Soekarno Hatta Airport for 20 years at the cost of 600 billion rupiah (about 5.1 billion yen¹) per annum. This assumption differs from AP-II's policy to "singlehandedly undertake the development and management of the terminals." This review was undertaken solely as one option for the implementation of the project.

As a result of the Team's analysis assuming that the project be financed by 40% equity and 60% debt with 12% interest and 23-year tenor, we were able to confirm that the return on equity, ROE, at over 15% was satisfactory if the project did not assume investment costs for ancillary facilities such as taxiways or people mover, etc. and that the feasibility of the project remained high even after taking into account Indonesia's recent economic conditions and interest rate level.

However, the two points noted below will have significant impact on financial analyses and

¹ As of November 30th, 1 rupiah was worth 0.0085 yen (Bloomberg.com)

therefore further investigation is necessary for implementing the project.

a) Application of yen loans or other low interest financing provided by Japanese Government

A financial analysis of the scenario where the project assumed investment costs for ancillary facilities yielded ROE of 11%, a result that make investment decision difficult under the current Indonesia's recent economic conditions and interest rate levels.

b) Continuous contact with AP-II

One factor that will significantly affect the return on investment is the payment of concession costs to AP-II. Whether or not the project becomes an attractive proposition for the Japanese companies involved depends on negotiations with AP-II.

Three Japanese companies wish to participate in this project as joint partners and all of these have proven track records in promoting a wide range of projects to date. Undertaking additional detailed analyses of a passenger terminal project in particular and presenting proposals to AP-II from the viewpoint of business operators will be effective in proceeding with this project.

(6) Superior Technology of Japanese companies

1) Consideration of technology

Japanese companies are known to excel in technology in the following areas.

a) Environmental technology

At every stage including development, construction, and operation, an airport has significant impacts on the environment. At airports in Japan, consideration of the surrounding environment and the

fastidious introduction of environmentally friendly technologies for buildings during development are already quite advanced. Utilizing the know-how in design and construction of Japanese companies, this project too will be able to realize the construction of a highly environmentally friendly model that incorporates a wide range of environmental technologies.

b) Construction technology

Japanese construction companies are also considered to have superior technical know-how in construction technology for reducing environmental impacts. When it comes to countermeasures for the surrounding environment during construction, these companies have a reputation for implementing various mitigation measures as well as ongoing monitoring.

c) Disaster response measures and business continuity plan (BCP)

Earthquake resistance performance of Japanese buildings is unsurpassed at the top international level, and the design of buildings utilizing Japanese earthquake resistance technology can be considered very effective in protecting human life and establishing emergency bases during disasters in a country like Indonesia, which in recent years has experienced a number of large-scale earthquakes. From the perspective of other types of casualties as well, Japanese companies also have a competitive edge in their ability to draft plans for facilities that incorporate technical know-how and BCP response capabilities developed in Japan over many years.

d) Operation management systems

Japanese security systems, baggage handling systems, and energy control systems in buildings, among others, are known for their high reliability.

2) Economic considerations

The yen has been trending at historically high values, raising some concern regarding the cost competitiveness of Japanese companies. However, Japanese companies can be considered to be in an advantageous position compared to other countries due to the provision of capital through ODA and export credit agencies.

(7) Concrete schedule for realizing the project and risks inhibiting its realization

1) Concrete schedule for realizing the project

ITOCHU Corporation, Japan Airport Terminal, and SHIMIZU Corporation are the three Japanese companies that wish to participate in this project. In this study, the three companies based their participation in the passenger terminal project on a joint venture with AP-II, the operator of the present Soekarno Hatta Airport. The three companies also make the assumption that they will pursue other profitable, independent projects such as hotels in cooperation with business groups led by these three Japanese firms.

On the other hand, AP-II has already announced at a press conference its intentions at present to undertake the terminal project as a single entity but will approve investment of foreign capital in concession businesses such as hotels. Therefore, AP-II's intentions differ somewhat from the project the three Japanese companies envision.

Therefore, promoting consultation with AP-II at an early stage for the implementation of the project will continue to be important. As part of this process, the Japan Airport Terminal in tandem with this

study has been putting forward proposals for business cooperation in airport management business with AP-II. Japan Airport Terminal has managed the terminal building at Haneda Airport for about 50 years. Soekarno Hatta Airport shares many similarities with Haneda Airport in terms of its location in a metropolitan area and the characteristics of passengers who use the airport. Therefore, it is believed that cooperation in this project will be extremely effective in the future management of Soekarno Hatta Airport.

2) Risks inhibiting the realization of the project

The following risks exist as legal restrictions in the realization of this project.

a) Restrictions on foreign capital participation

The only restriction on foreign capital participation in this project is as a “provider of air traffic control operations;” therefore, there are no business restrictions applicable to the project.

On the other hand, an upper limit of 49% has been set for foreign capital investment in business areas indicated in the table below. Therefore, careful attention must be paid to the fact that investment by Japanese companies in the project will be restricted to no more than 49%.

Table S-5: Restrictions on Foreign Investment in Indonesia (relevant to Airports)

Business Field	Condition
10. Transportation Sector (Airport-Related)	
Terminal supporting business	Max 49% foreign investment
Airport service	Max 49% foreign investment
Air transportation supporting service (reservation system via computer, ground handling for passenger and cargo, and aircraft leasing)	Max 49% foreign investment
Air transportation non-commercial	Max 49% foreign investment
Services related to airport	Max 49% foreign investment
Freight forwarder service	Max 49% foreign investment
Airplane cargo service	Max 49% foreign investment
General Selling Agent (GSA) of foreign air transport company	Max 49% foreign investment

Source: Presidential Decree No. 36, 2010, Attachments I and II (May 25th, 2010)

b) Risks relating to various procedures

This study proposes a method of establishing a joint venture company. To establish a joint venture company in Indonesia and to commence construction and business operations, however, are required the registration of investment plans, registration of the establishment of the new company, acquisition of ownership rights and licenses (including construction rights, etc.), and the acquisition of business and construction permits, and there is a likelihood that finalizing these will have an impact on the project schedule.

In recent years, however, procedures have been simplified, and integrated “one-stop services” where most applications can be lodged at the Investment Coordinating Board are now provided. In the future it will be necessary to take advantage of these services.

c) Funding risk

The recent European financial crisis does not allow for optimism at present and if its impact extends to ASEAN countries including Indonesia, it can be assumed that it will have a significant impact on funding of this project. In that case, however, the Study Team, which expects Indonesia to utilize low-interest, long-term public loans from the Japanese government, may be able to demonstrate its strengths to even greater advantage.

(8) Maps indicating the project implementation site

Figure S-2: Map of Indonesia



Source: Prepared by the Study Team from Google Earth photos

Figure S-3: Location of Soekarno Hatta Airport



Source: Prepared by the Study Team from Google Earth photos