



Municipality of Banda Aceh, Indonesia

PPPs for Infrastructure in Asia and the Pacific

PPP in Cities: A different perspective Banda Aceh, Indonesia

**Presentation by Mr. Bahagia
Head of Urban Planning and Development Board**

Manila, 16,17 December, 2009

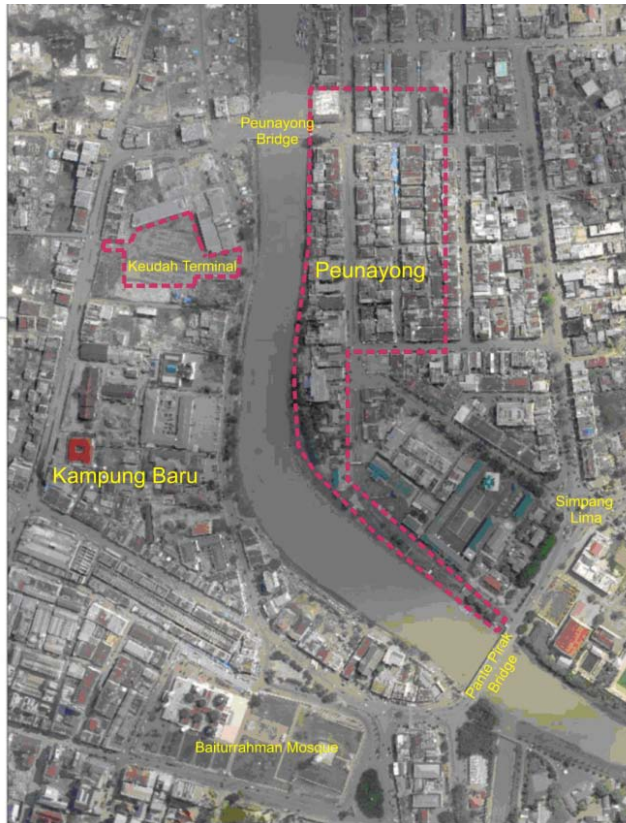


Strategic Supporting Partner



Project Context

Consolidated Urban Investment Program



3 components:

**Rehabilitation
of CBD**

**Redevelopment
Keudah Bus Terminal**

**Drainage/Wastewater
Treatment**



Public Objectives

Keudah Bus Terminal Component

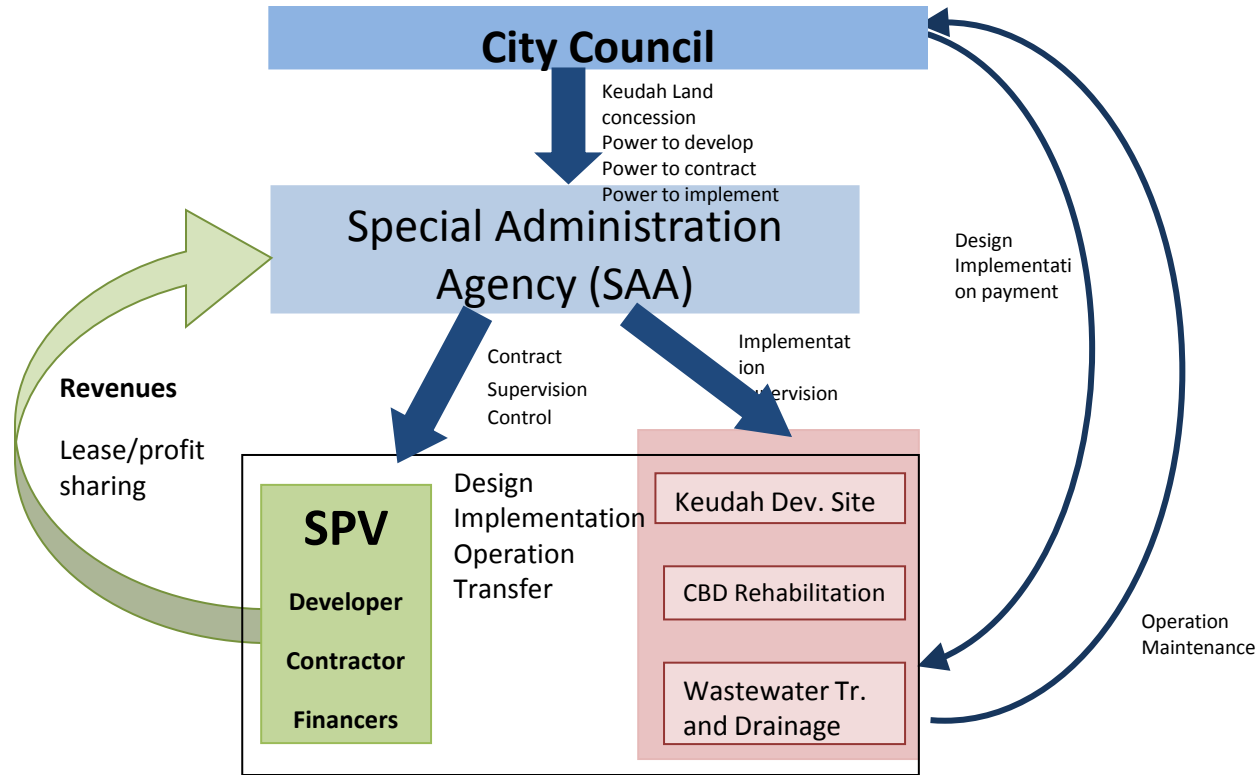
- Redevelopment of facilities for better utilization of public assets
- Enhancement sanitary conditions of the CBD
- Improvement of tourism facilities
- Expand economy and stimulate trade and commerce
- Increase quality of public services to the local population

Why by PPP?

- Revenue generating projects release LGU's net borrowing capacity
- Revenue can be reinvested or utilized for other projects in future
- Capitalize on skills of the private sector for the land development component



PPP Modality





Institutional Challenges

- Participation of Key Stakeholders in the process
- Establishment of SAA for project implementation
- Dealing with national PPP Unit (Bappenas)
- Financial contribution to be provided for part of the project

Key factors of success

- Commitment
- Adaptability to change
- Learning Process