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BKPM-HSBC Infrastructure Forum engages investors and private sectors to take role in contributing to the National Infrastructure Development

Bali, 11 October 2018 – In order to support the development of infrastructure projects in Indonesia to realize the vision of the Indonesian Government to be the 4th largest economy in the world by 2045, the Indonesia Investment Coordinating Board (BKPM) in collaboration with PT Bank HSBC Indonesia organizes the Infrastructure Forum as part of the Parallel Events in IMF-WB Annual Meetings (AM) 2018 at Ayana Hotels & Resorts, Jimbaran, Bali. This forum is a platform for investors to communicate with the Government regarding various infrastructure investment opportunities in Indonesia. The event was attended by more than 400 participants comprising of investors, corporate banking clients, private banking consumers and fund management companies.

The first panel in BKPM-HSBC Infrastructure Forum holds the topic of 'Towards Indonesia 2045' which was attended by Bank Indonesia Deputy Governor Sugeng, Chief Executive of the Capital Market Supervisor OJK Hoesen, Economist and Former Minister of Finance Chatib Basri. Followed by the second panel entitled in 'Realising Indonesia's Growth Ambition' which was patronized by Pelindo II President Director Elvyn G. Masassya, Head of Infrastructure Global Transport and Logistic Industry Leader Price Waterhouse Coopers Indonesia Julian Smith, Director of Project Development and Consulting Services at PT Sarana Multi Infrastruktur Darwin Trisna Djajawinata and Chief Financial Official of Power China International Ltd. Tianfu Yang.

In addition to the panel session, there was also a High Tea Event at the Infrastructure Forum, attended by the Head of BKPM and five companies from various countries, such as China, Hong Kong, the Netherlands and Malaysia with an investment rate of USD 31.4 billion for the infrastructure sector which covers the power plant, ports, construction and logistics.

The Head of BKPM as directed by President Jokowi explained that strong consolidation and coordination is needed between the monetary, fiscal and business sectors to realize the ambition of national development. "This Infrastructure Forum is a communication forum between the Government and domestic and foreign investors, both in the infrastructure and financial sectors and banking institutions, regarding infrastructure sector development opportunities in Indonesia and the latest developments in infrastructure funding schemes," explained Head of BKPM Thomas Lembong.

As is known, Indonesia has just been hit by various natural disasters that occurred in NTB and Central Sulawesi. The majority of vital infrastructure in affected areas, including airports, electrical substations, ports and telecommunications towers, were suffered from severe damage. To comment on this, the Head of BKPM conveyed the importance of infrastructure development that emphasized the aspect of 'disaster preparedness'.

"We hope that this forum can be optimized to discuss strategies in achieving better infrastructure development and withstand the impact of disasters. In addition, in terms of financial, there are several implementations of disaster risk management and other financial innovations that can be applied to disaster preparedness," said Lembong. Considering the needs of the private sector to play a greater role in realizing the development of Indonesia's

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infrastructure projects, HSBC Asia Pacific Deputy Chairman and Chief Executive Peter Wong said in his opening remarks regarding the potential of Indonesia and its hopes to bring it to the world.

"Not only large in population, Indonesia also has a lot of potential that is ready to be explored and utilized. However, there is a need for a good physical, economic and financial connectivity. In other words, infrastructure is the key," said Wong.

PT Bank HSBC Indonesia President Director Sumit Dutta shows his commitment in connecting HSBC's global customers to take part in Indonesia's infrastructure development. "In the framework of the realization of Indonesia's infrastructure development plan, the government and the private sector need a good and solutive financing scheme to support the sustainability of infrastructure project development in the future, one of which is through investment in this infrastructure development project," explained Sumit Dutta.

Based on the data by Asian Development Bank, the estimated infrastructure investment needs for Asia during 2016-2030 is at USD 22.6 trillion or around USD 1.5 trillion per year. By taking into account disaster mitigation and adaptation, the increased-required rate in investment costs is leveraged up to USD 26.2 trillion or USD 1.7 trillion per year. For Southeast Asia, during 2016-2030 period, it requires infrastructure investment of USD 2.7 trillion, and by taking into account the disaster mitigation and adaptation of disaster increases to USD 3.1 trillion.

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