



**PERPAMSI**

INDONESIAN WATER SUPPLY ASSOCIATION



# Challenges & Opportunities Water Supply Sector in Indonesia

**By : Subekti**

Executive Director of Indonesian Water Supply Association

Saman dance



Orang Utan



Wakatobi



Raja Ampat



Mentawai



Borobudur



Bali



Komodo island



## Contents :

1. Drinking water Regulatory Frameworks
2. Drinking Water decentralization
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# 1. Drinking water Regulatory Frameworks in Indonesia

LAW NO. 7, 2004

- Water Resources, Article 40

Government  
Regulation (GR) No.  
16, 2005

- Development of drinking water system

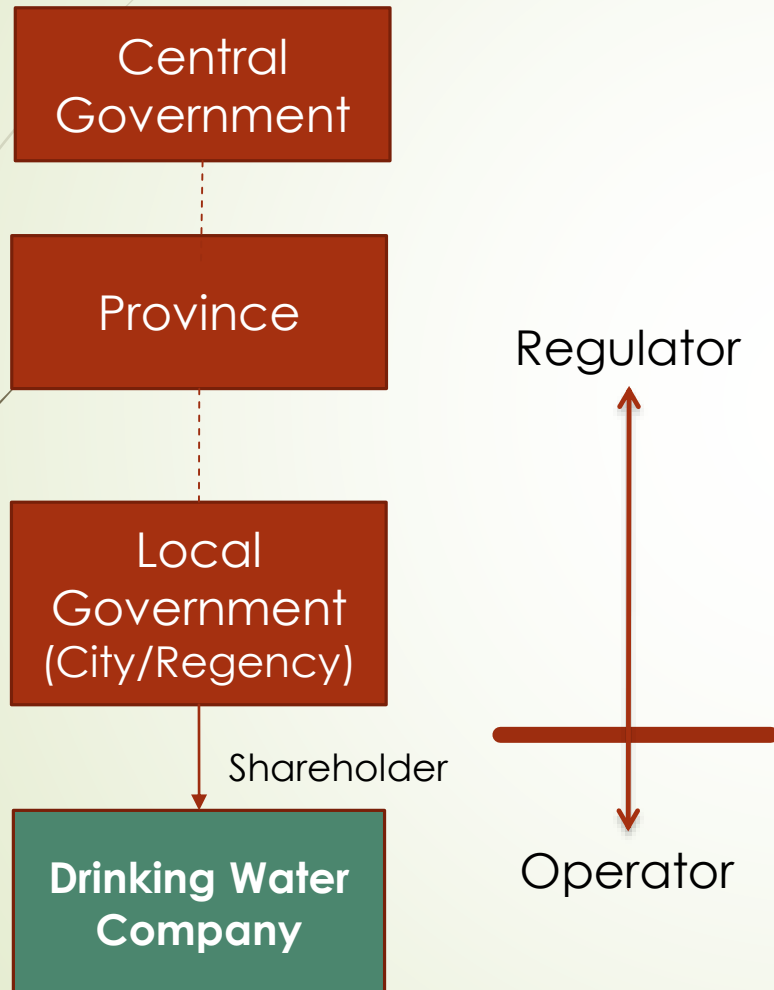
President Regulation  
(PR) No. 67, 2005

- Cooperation between Government and business entities in the provision of infrastructure
- **PR No. 13, 2010, PR No. 56, 2011, PR No. 66, 2013** → amendment of PR no 67/2005

Regulation of the  
Minister of Public  
Works No. 12, 2010

- Guidelines for Development Cooperation for Water Supply System

## 2. Drinking Water decentralization (1)



- Law No. 32/2004, Decentralization
- Law No. 7/2004, Water resources,
- Gov't Regulation No. 16/2005, Development of Drinking Water System

**Number** of Indonesian water utilities as of Dec 2013

422

391

Local govt. owned company

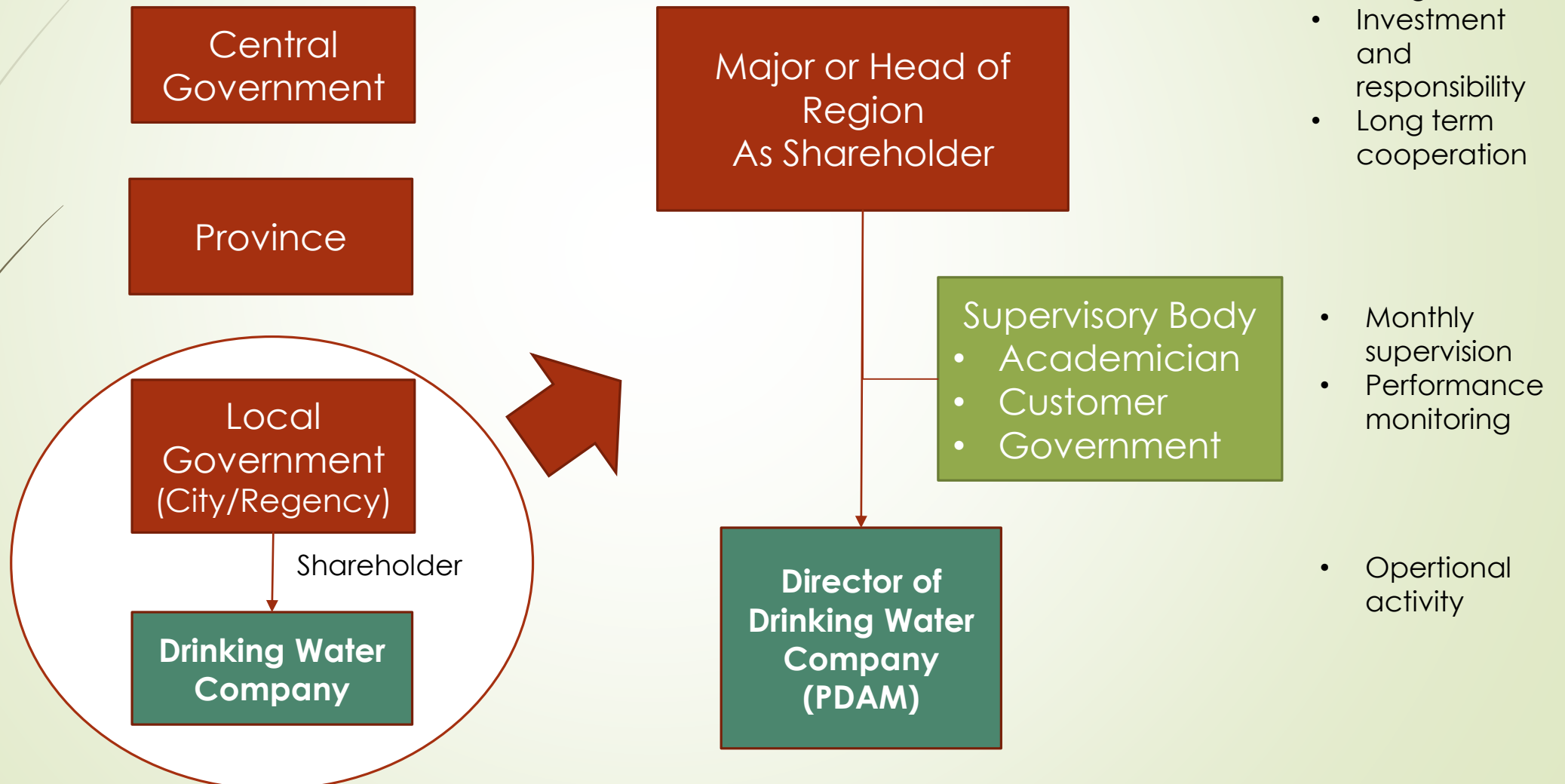
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Operates under Public Work's responsibility

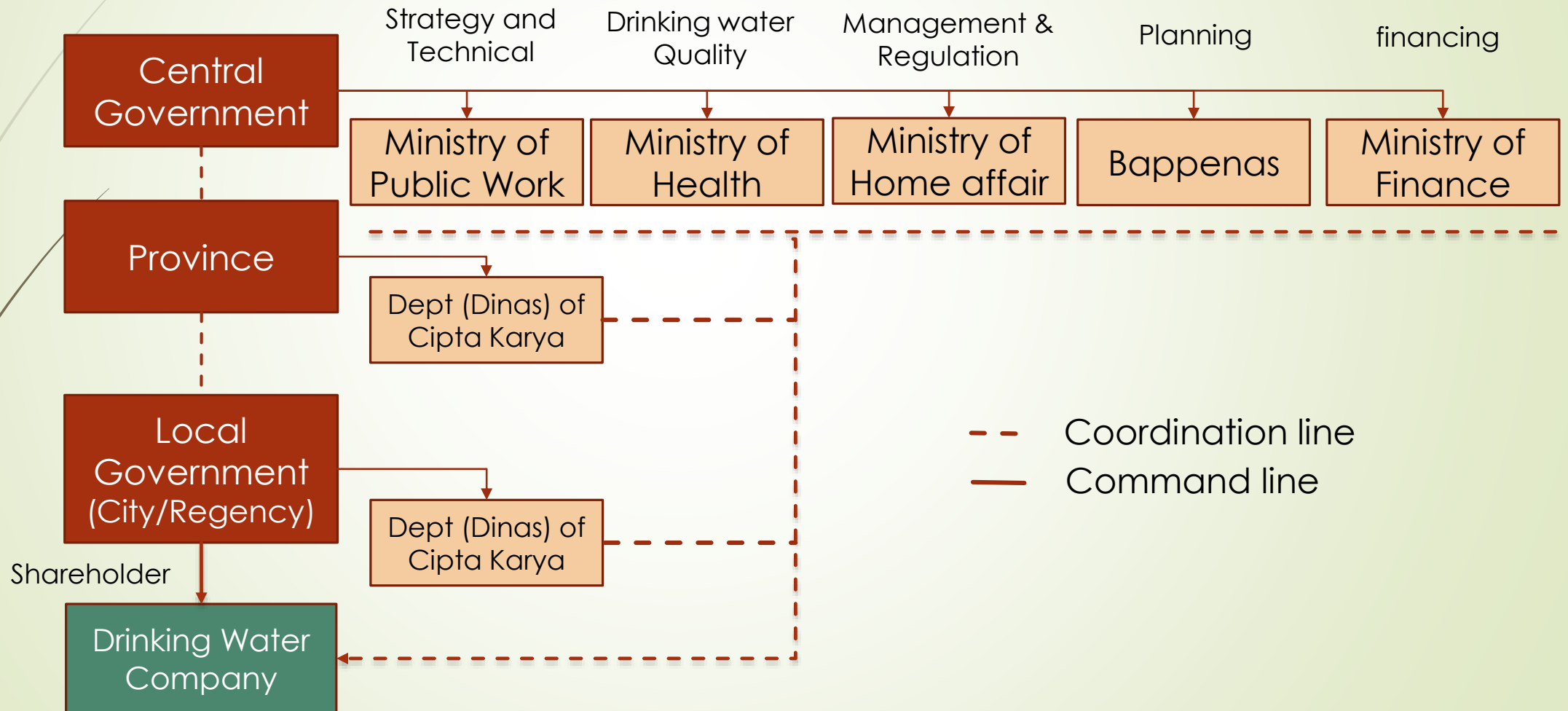
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Private company

## 2. Drinking Water decentralization (2)



## 2. Drinking Water decentralization (3)





### 3. Coverage Service Target

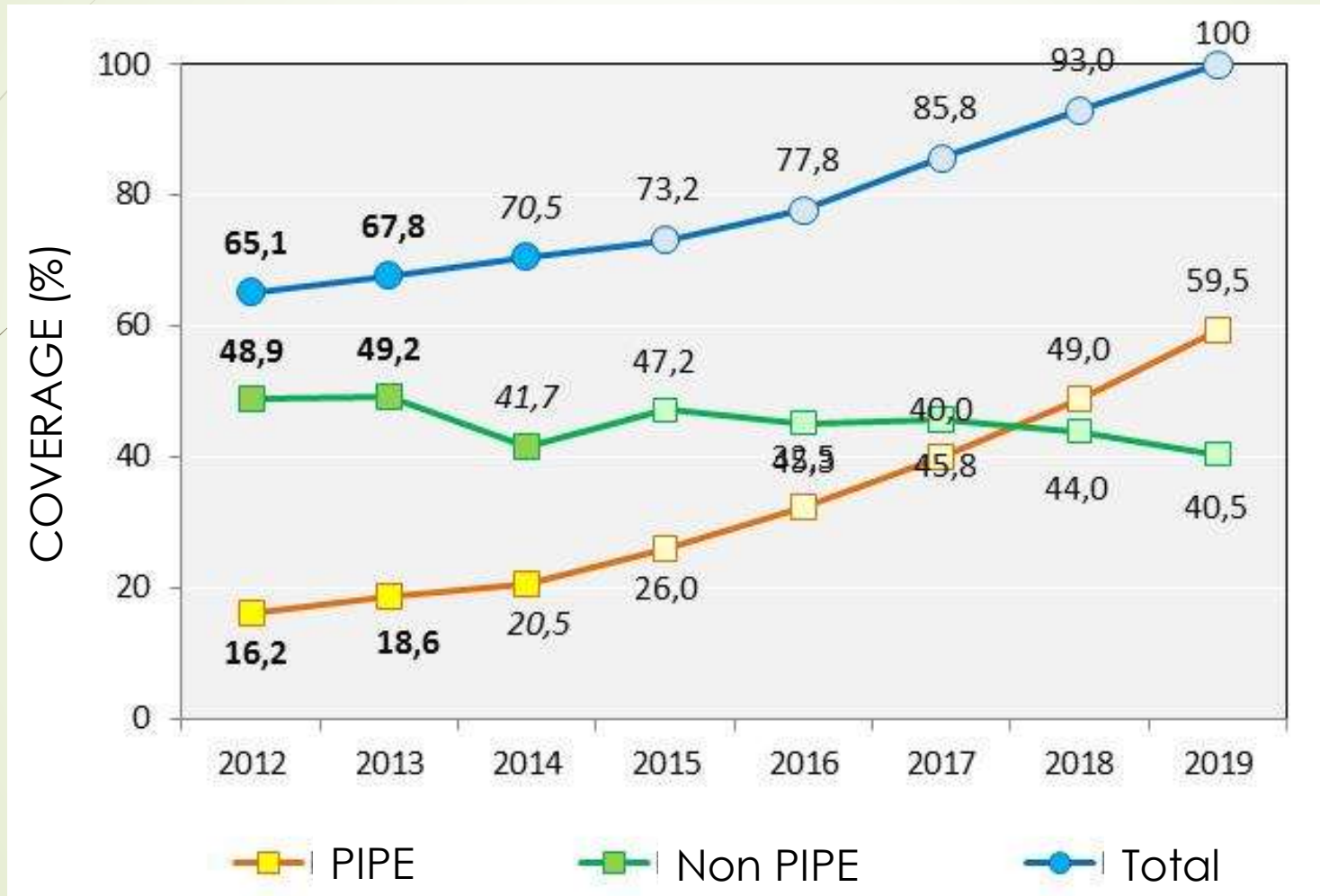
Indicator	Baseline 2014	Target 2019
<b>1. Economic Growth</b>	5,5 %*	6-8 %
- PDB per capita	USD 3.499,9 **	USD 7000
- Poverty	9,0% – 10,5%	6-8%
- Open Poverty level	5,6-5,9	5-5,5
<b>2. Food Security</b>		
- Rice Production	69,9 million ton	82,0 million ton
<b>3. Energy Security</b>		
- Proportion of renewable energy	5-7%	6-9%
- Electrification capacity	49,4 GW	92,9 GW
<b>4. Basic need infrastructure</b>		
- electrification	81,5%	100%
- Safe drinking water	68,5%	100%
- Sanitation	60,5%	100%

\*Perkiraan

\*\*2013



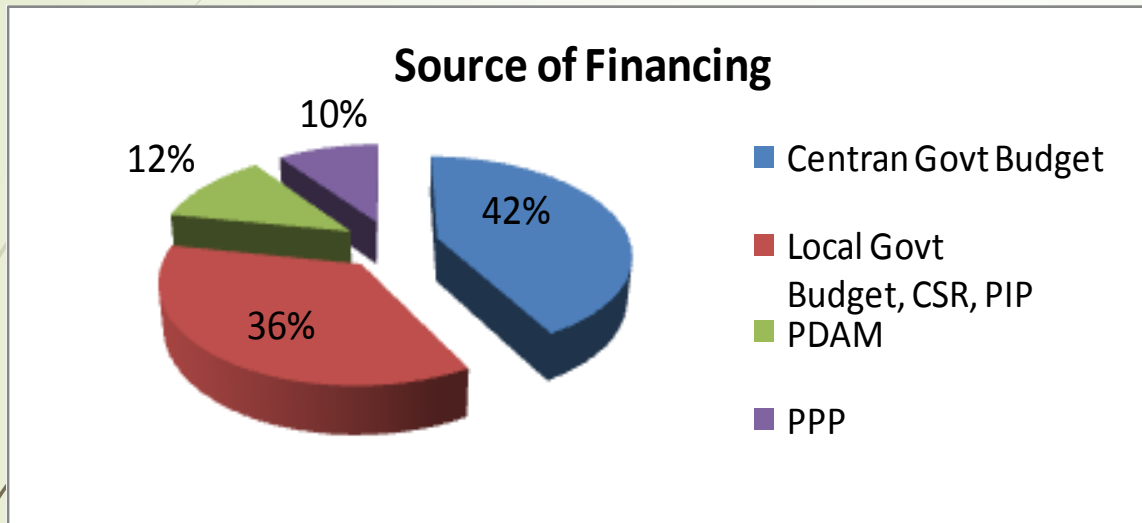
### 3. Coverage Service Target



Source : Ministry of Public Work

### 3. Coverage Service Target

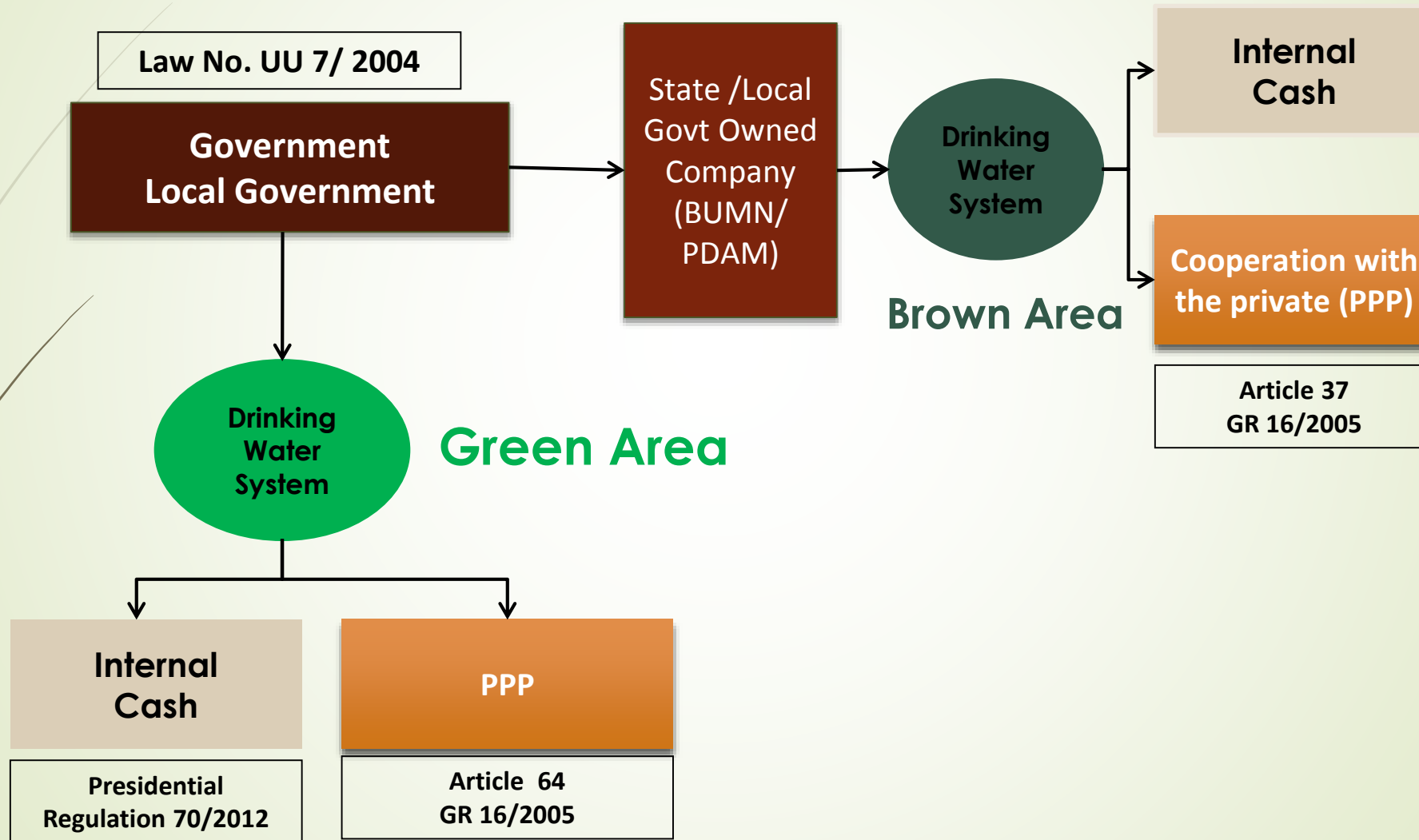
#### Financing needed for drinking water 2015-2019



Source of fund	Billion USD	%
• Central Govt budget	9.62	42%
• Local Govt budget /CSR/PIP	8.24	36%
• PDAM (Local Govt water supply company)	2.75	12%
• PPP	2.29	10%
<b>Total</b>	<b>22.90</b>	<b>100%</b>

Source : Ministry of Public Work

## 4. PPP Scheme of Drinking water Brown Area vs Green Area



## 4. PPP Scheme of Drinking water Water PPP Projects in Indonesia

No	Number of location	Capacity (l/s)	Number of population	Investment (Million USD )	Locations
1	finished				
	1	900	360.000	41.9	Kab. Tangerang
2	Procurement process				
	2	4.500	1.810.000	248.9	Umbulan (4000 l/s) Bandar Lampung (500 l/s)
3	ready to offer				
	4	1.550	620.000	99.98	Semarang Barat (1000 l/s), Lamongan (200 l/s) Bekasi (Pondok Gede) (300 l/s) Bali Selatan (1000/s)
4	Potensial				
	2	13.500	6.400.000	*	Jatigede (3500 l/s) Karian-Serpong (10.000 l/s)
<b>TOTAL</b>					
	9	20.450	9.190.000	390.80	

Source : BPPSPAM, Ministry of public work



## 6. The challenges of Drinking water in Indonesia

1. Improving the coverage service :
  - Raw Water
  - Financing
2. Non Revenew Water
3. Idle Capasity
4. Asset Management
5. Human Resources
6. Regulation framework



**Thank You**  
**Arigato Gozaimasu**