



Indonesia- ADB Dialogue



HIGHLIGHTS

Group Leaders

- Hosts - Edgar Cua, ADB
Imron Bulkin, Indonesia
- Group - 20 participants; active discussions
- Facilitator - Chris Morris, ADB
- Rapporteur - Urooj Malik, ADB

Barriers

Urban Water

- Tariffs—inadequate for cost recovery, tariff setting non-transparent, PDAM high outstanding debts
- Utility governance and performance, e.g. PDAMs not independent, have limited financing opportunities
- Source of water diminishing in volume & quality
- Poor sanitation services; need for prioritizing for government financing

Barriers

Rural Water

- Low level of irrigation management
- Community participation- inadequate ownership of community systems
- Limited funding and capacity to address public service obligations
- Land use under pressure/ spatial planning inadequate

Barriers

Basin Water

- Inadequate environmental protection & forest conservation
- Inadequate disaster management planning
- Inadequate community awareness, participation, & empowerment
- Inadequate bodies for coordination, i.e. water councils
- Inadequate information systems

Strategies

- Urban
- apply new tariff regulation
 - restructure debts of over 250 PDAMs
 - provide storage & protect water catchments
 - improve & expand systems, e.g. new technology, NRW reduction

Strategies

- Rural
- introduce new tech SRI and improve systems
 - empower local communities
 - increase public sector funding & commitments

Strategies

- Basin
- implement national partnership for safeguarding water
 - improve watershed management
 - increase community awareness and participation
 - set up coordination bodies/systems

Investment Opportunities

- | | |
|-------|--|
| Urban | <ul style="list-style-type: none">- Support PDAM debt restructuring- Possible MFF for raw water supply provision- Support for big cities sanitation program |
| Rural | <ul style="list-style-type: none">- Improving O & M- Irrigation system expansion off Java |
| Basin | <ul style="list-style-type: none">- TA support for conservation and innovative financial programs- MFF for flood management- Encourage and support private sector participation in raw water provision- Additional MFF for river basins |