



# JOIN's Investment for Urban Development Projects in Indonesia

September 5, 2017

“Indonesia - Japan Urban Development & Housing seminar 2017”

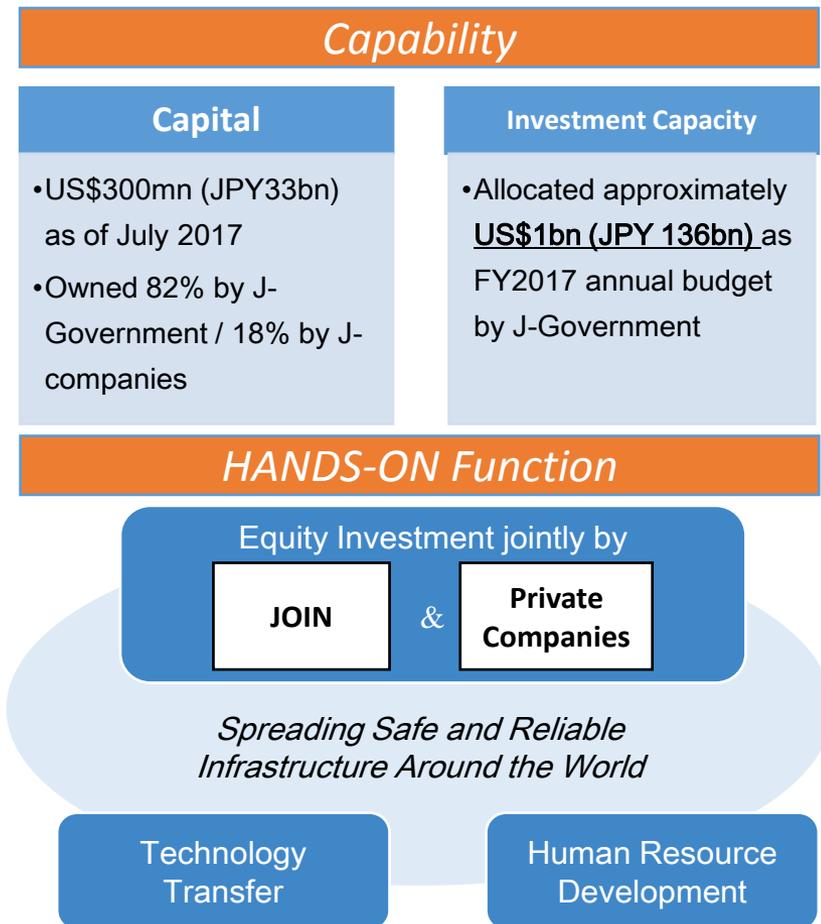
JOIN (Japan Overseas Infrastructure Investment  
Corporation for Transport & Urban  
Development)

# “Outline of JOIN”

# 1. What is JOIN?

JOIN, established in October 2014, is the “*first*” and “*only*” government-private sponsored “*equity provider*” in Japan specialized in overseas infrastructure investments, and;

- ❑ Supports host countries in building safe and reliable infrastructure through its equity participation
- ❑ Works in collaboration with Japanese companies, financial institutions, governmental institutions (JBIC, JICA, NEXI, etc.) and ministries
- ❑ Provides funding and bring Japanese expertise and high-end technology solutions to infrastructure projects (“*HANDS-ON*”)

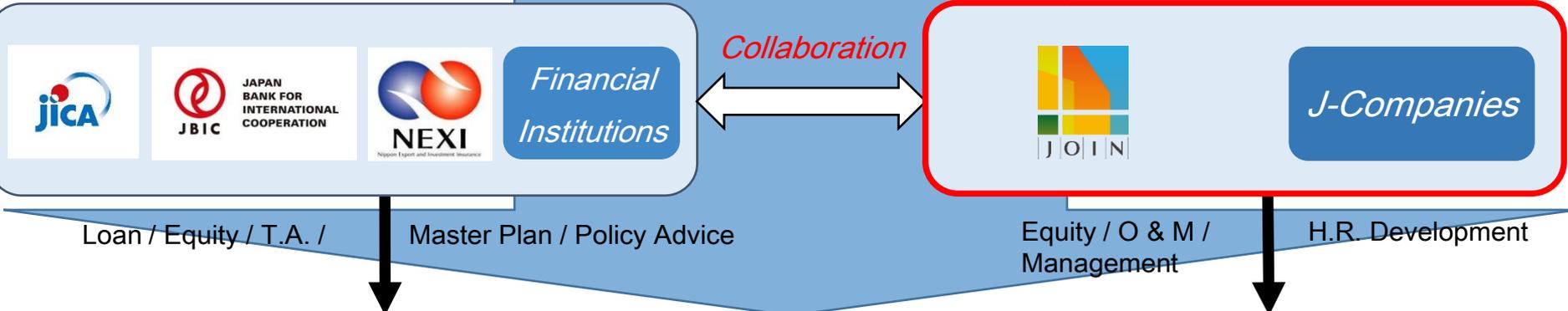


# 2. JOIN's Purpose

## <Japanese Government Priority Policy>

To promote Japan's infrastructure system in the overseas markets

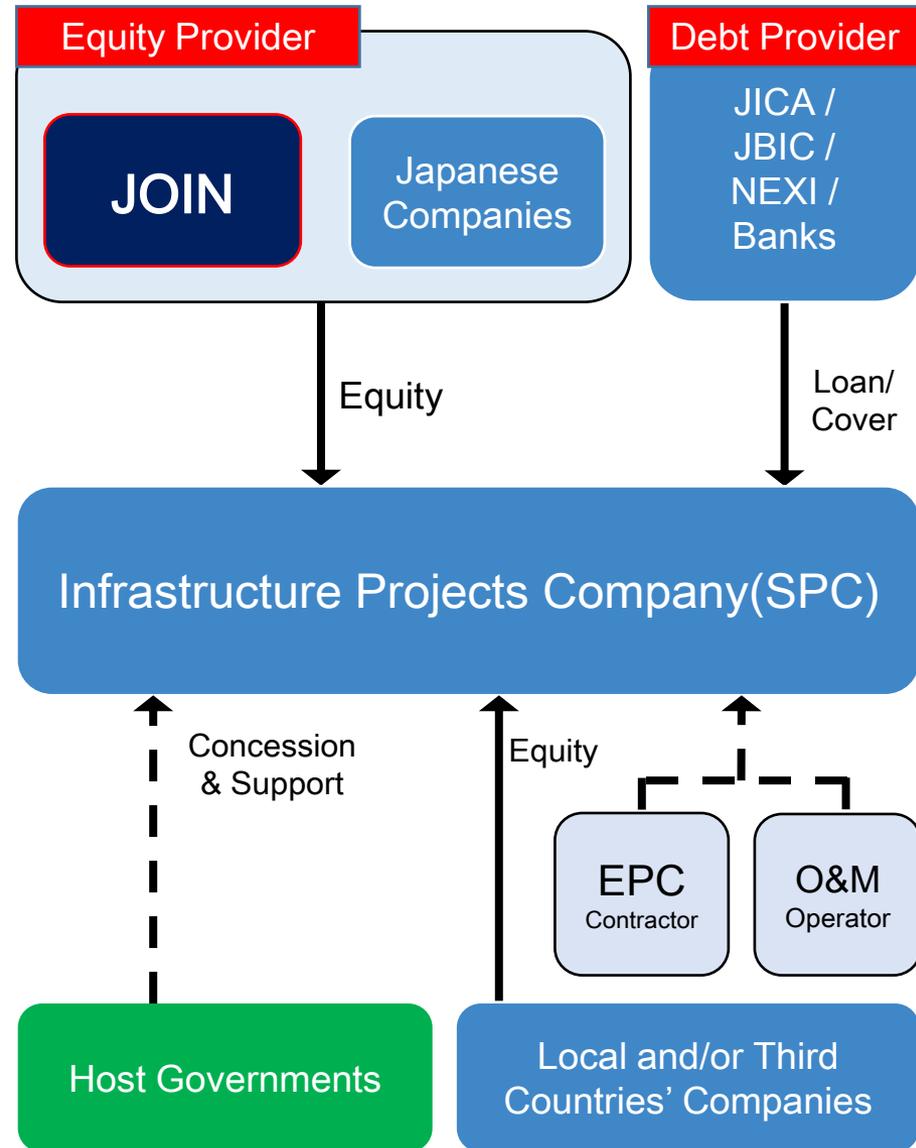
Targeted Amount of Infrastructure-related Orders  
**10 Trillion yen** (2010)  **30 Trillion yen** (2020)  
 (Ministerial Council for Overseas Infrastructure Development)



*Japan's contribution to infrastructure projects in overseas countries will lead to mutual economic growth*

# 3. Role and Function

- JOIN to participate in infrastructure projects as an “*equity provider*”,
- JOIN’s equity participation shall be jointly with a Japanese company,
- JOIN can not become the largest shareholder among Japanese investors,
- Sponsor supports (parental guarantee and/or loan) can be considered together with the other sponsors,



# 4. Focused Sectors

- JOIN enhances transportation and urban development projects overseas and focuses on following projects including “green” and “brown”-field projects

### High-Speed Railways



### Urban Railways / Transport System



### Toll Roads



### Ships / Offshore units



### Port Terminals



### Airport Terminals



### Urban Development



### Logistics



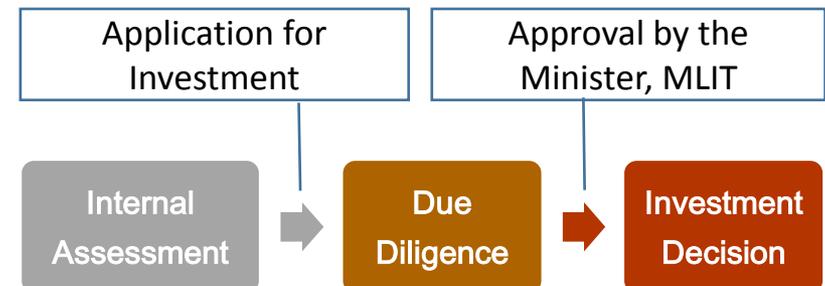
# 5. Policy and Decision Making

## Investment Policy

- ❑ Utilizing Japan's technologies and providing meaningful expertise to host countries,
- ❑ Cooperating and sharing risks & responsibilities with partners,
- ❑ Not to become the largest shareholder among Japanese investors,
- ❑ Promoting HR development in host countries,
- ❑ Nurturing a functional infrastructure "system" so that the projects will be "sustainable" in the long-run,
- ❑ Providing commitment and attaining commitments from partners to complete and execute project(s),
- ❑ Acting as a catalyst between public and private sectors,
- ❑ Facilitating communication with the stakeholders,
- ❑ Securing legal & environmental accountability,
- ❑ Assuring reasonable profit with proper risk management.

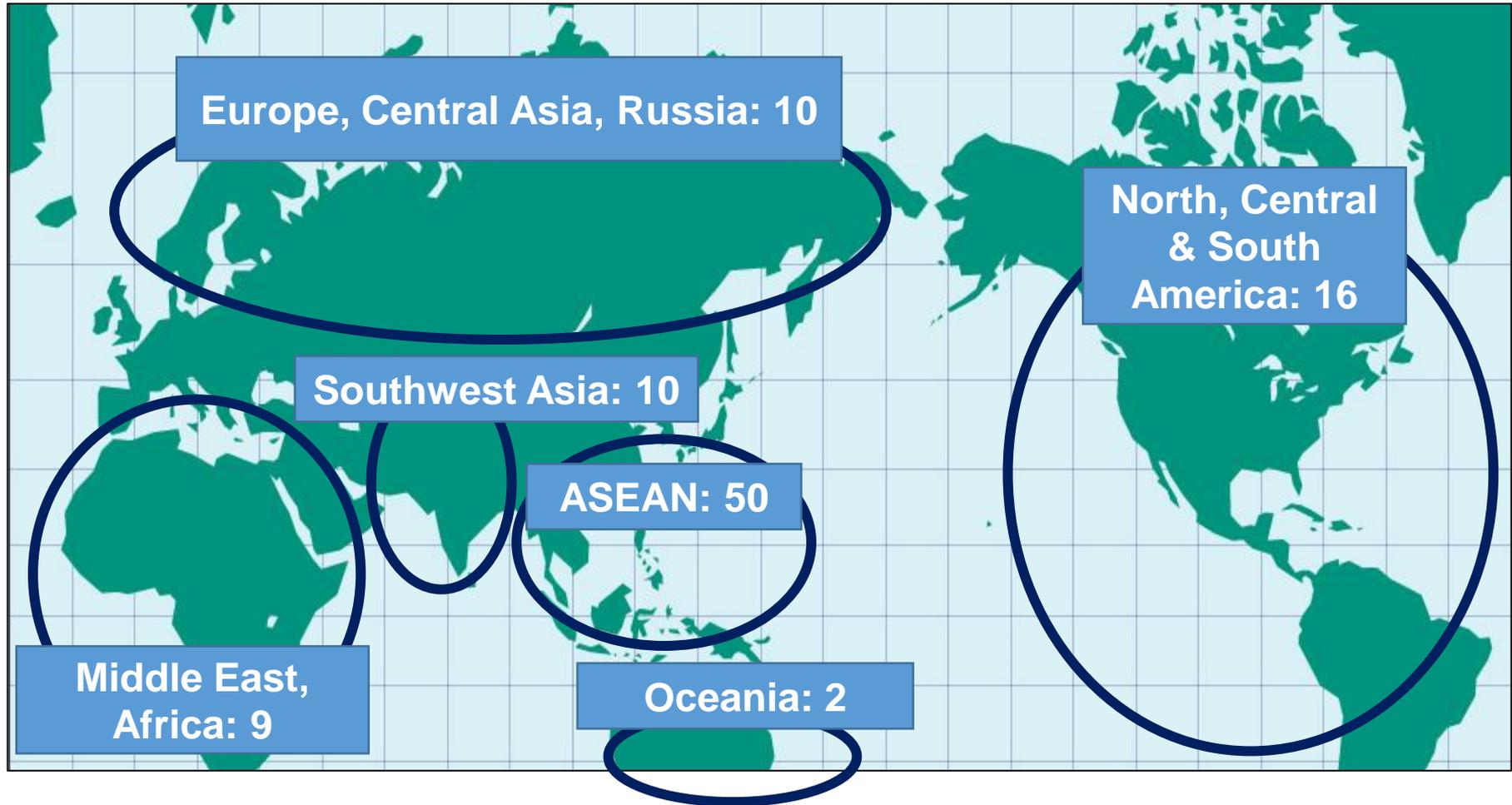
## Decision Making Process

*JOIN prioritizes discussions with the host country's governments and local partners as well as field research in the process of decision making.*



# 6. Projects in the Pipeline – 97 projects

- A total of 97 projects are currently in the pipeline (as of May 2017)
- Railroads: 27, Urban Development:20, Airports:15, Ports:11, Ships/Marine Development:8, Roads/Bridges:7, Logistics: 7, Sewage System: 2



# “Credentials”

# 7. Credentials - 1

Indonesia



*Mixed-use Urban  
Development Project in the  
Suburb of Jakarta*

JPY3.4 bn equity

Acted as Sponsor

Oct 2016



Indonesia



*Jakarta Garden City  
Urban Development Project*

JPY5.0 bn equity

Acted as Sponsor

May 2017



Indonesia



Daiwa House

*Jakarta Southeast Capital  
Urban Development Project*

JPY3.0 bn equity

Acted as Sponsor

Jul 2017



# 7. Credentials - 2

Indonesia



*Cold Storage  
Warehouse Project*

JPY0.9 bn equity

Acted as Sponsor

Jan 2017



Vietnam



*Thi Vai International Port's  
Terminal Project*

JPY1.2 bn equity  
JPY0.85 bn guarantee

Acted as Sponsor and Guarantor

Oct 2015



USA



*Texas High-Speed  
Railway Project*

JPY4.9 bn equity

Acted as Sponsor

Nov 2015



# 7. Credentials - 3

Brazil



*Urban Passenger  
Railway Project*

JPY5.6 bn equity

Acted as Sponsor

Dec 2015



Myanmar



Mitsubishi Corporation



**MITSUBISHI ESTATE**

*Landmark Project in  
Central Yangon*

JPY4.5 bn equity

Acted as Sponsor

Jul 2016



Myanmar

**FUJITA**



**東京建物**

*Redevelopment of  
the Defence Services  
Museum Project*

JPY5.6 bn equity  
JPY4.7 bn guarantee

Acted as Sponsor and Guarantor

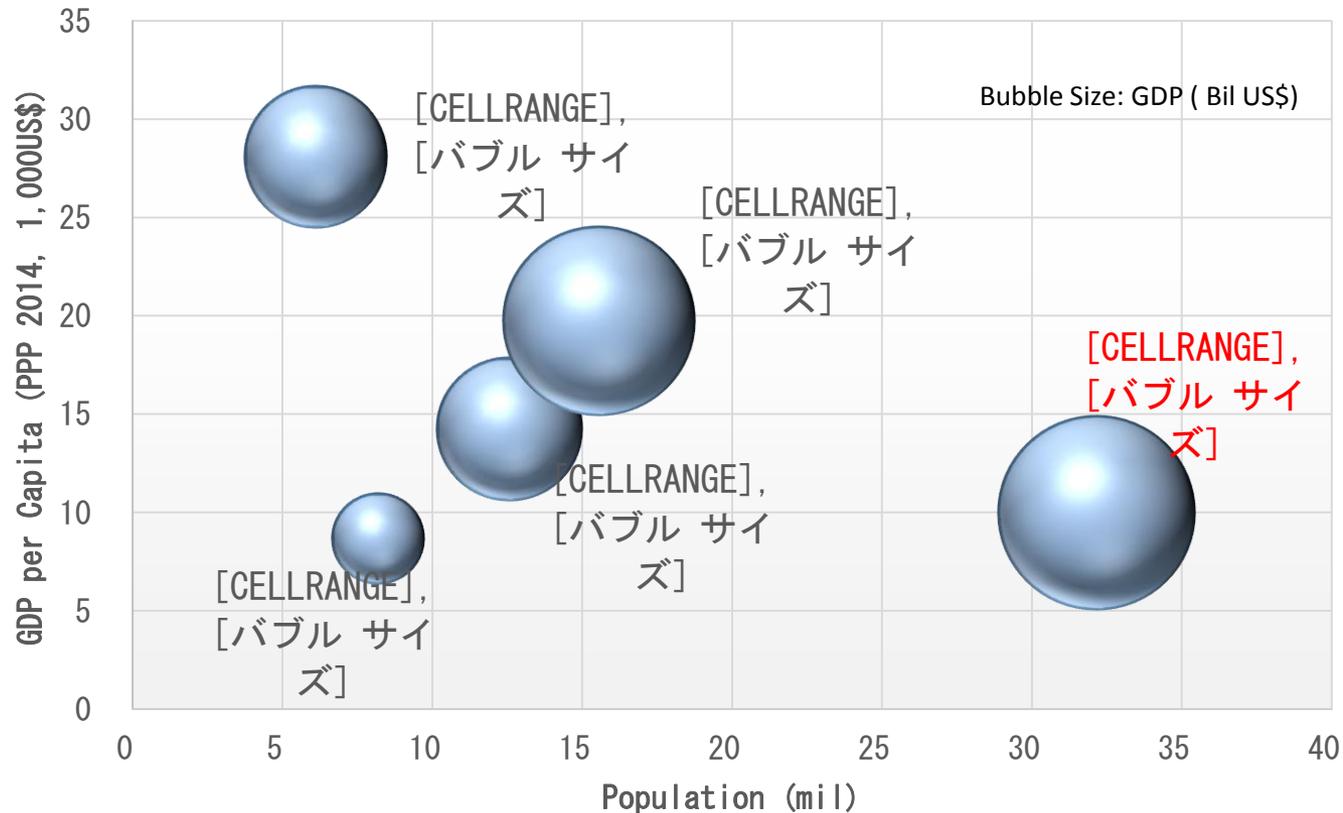
Jul 2017



# *Case Study (Indonesia)*

# Major metropolitan areas in ASEAN

## Population & GDP per Capita (2014)



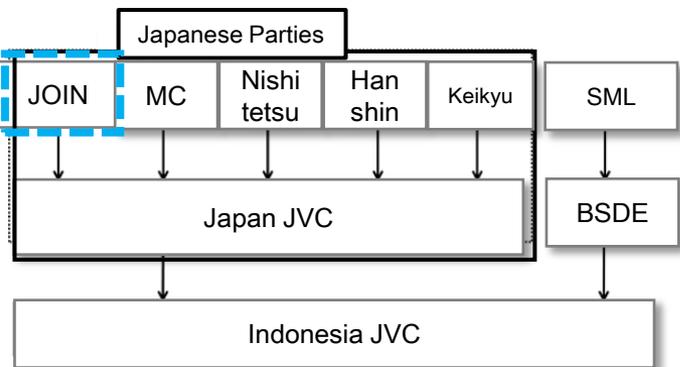
(Data) "Global Metro Monitor", Jan. 2015, BROOKINGS

# 1. BSD City Mixed-use Urban Development Project

## Project Overview

- Construction and operation of a mixed-use urban development in Bumi Serpong Damai City (“BSD City”), the suburb of Jakarta,
- JOIN invested with Mitsubishi Corporation (“MC”), Nishi-Nippon Railroad, Hanshin Electric Railway Co., Ltd., Keikyu Corporation, and PT Bumi Serpong Damai TBK. (“BSDE”).
- JOIN’s investment: 3.4 billion JPY max.

## Investment Scheme



## Project Site Location



- Facility / scale: approx. 1,000 units of landed house and commercial facilities
- Land size: approx. 19ha
- Japanese Parties’ investment: 10 billion JPY max. (Including JOIN’s investment: approx. 3.4 billion JPY max.)
- Schedule: Construction estimated to start during 2017 in order

## Highlights

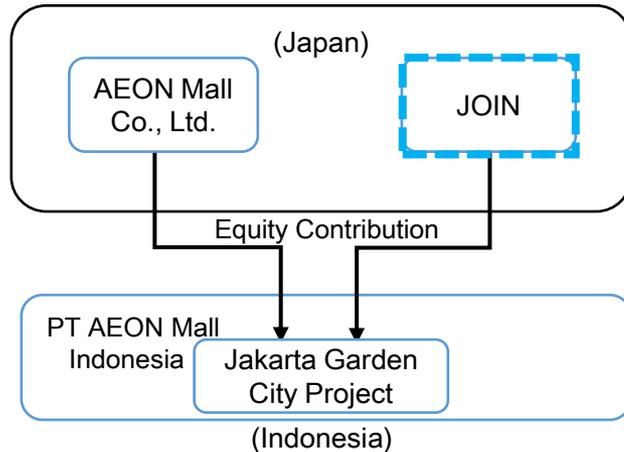
- The first urban development project in Indonesia participated by Japanese railway companies
- Know-how, technology and product-planning skills provided by Japanese companies
- Providing Japanese railway companies’ expertise and know-how on bus operation to contribute to BSD City’s TOD

# 2. Jakarta Garden City Urban Development Project

## Project Overview

- Construction and operation of a shopping mall, bus rotary, and greenery in Jakarta Garden City, eastern suburb of Jakarta
- JOIN invests jointly with AEON Mall Co., Ltd.
- JOIN's investment : 5.0 billion JPY

## Investment Scheme



## Highlights

- Support the implementation of TOD in Jakarta, where the traffic congestion is severe, by establishing access to public transportations like buses.
- Encourage other facilities for housing, education, and medical care to join the project.
- Provide evacuation area in the event of natural disasters, and spread the idea of Japanese disaster prevention.

## Project Site Location

Map of Indonesia



Conceptional drawing



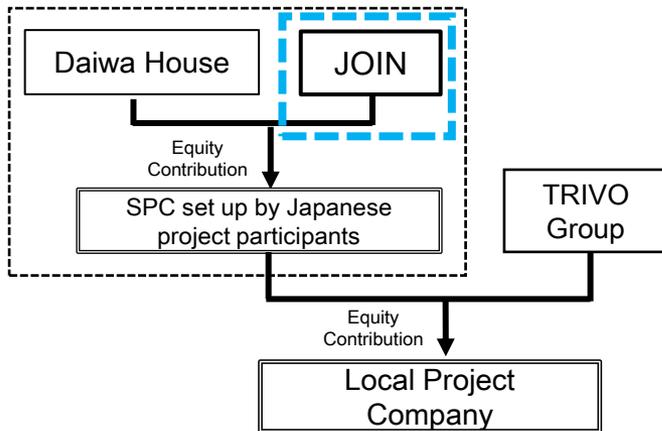
- Facility: Shopping mall with approx. 200 specialty stores, bus rotary and greenery
- Land size: approx. 85,000 sqm.
- Schedule: Construction is slated for completion in 2017 (plan)

# 3. Jakarta Southeast Capital Urban Development Project

## Project Overview

- Investment to participate in the construction and operation of the mixed-use urban development on about a 12 hectare area in the South East region of Jakarta jointly with Daiwa House Industry Co., Ltd. and Trivo Group.
- JOIN's investment : 3.0 billion JPY

## Investment Scheme



## Project Site Location



- Usage : Mixed Housing Complex ( 12 bldgs, approx. 5,000 units ) , Commercial Facilities
- Site Area : approx. 120,000 sqm.
- Total Floor Area : approx. 640,000 sqm.
- Completion Period : Within 2024 (plan)

## Highlights

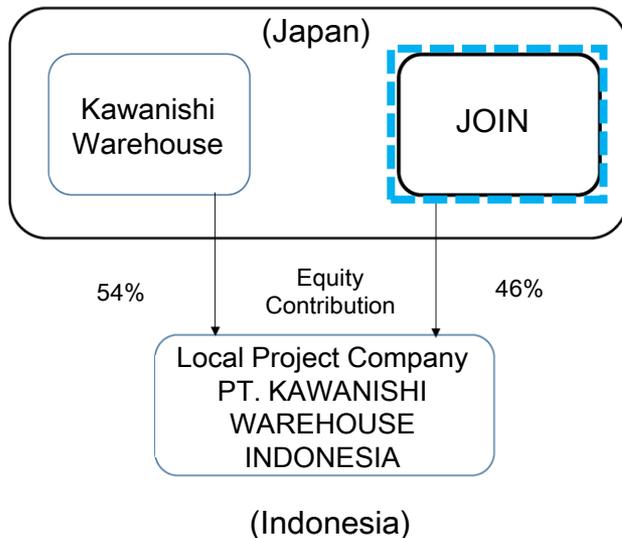
- The project adds a high value to the area through the formation of an abundant green environment and waterfront, the installation of expressway ICs, reformation of surrounding roads and the connectivity to the LRT which is currently under construction.
- Encourage the participation of Japanese companies for the first time in Indonesia and promotes Japanese housing products and housing management service in Jakarta.

# 4. Cold Storage Warehouse Project

## Project Overview

- Construction and operation of a cold storage warehouse in Daiwa Manunggal Industrial Town, eastern suburb of Jakarta
- JOIN to invest jointly with Kawanishi Warehouse Co., Ltd
- JOIN's investment : approx. 0.9 billion JPY

## Investment Scheme



## Project Site Location



- Facility / scale
  - Freezer (-20C, 1 room)
  - Refrigerator (0-5C, 2 rooms)
  - Fixed Temperature (15-20C, 3 rooms)
  - Loading/ Unloading Bay (15 sets)
- Total warehouse floor area: approx. 5,600 sqm.
- Total investment approx. 2,000 million JPY
- Schedule: Construction is to be completed during the 2<sup>nd</sup> half of 2017

## Highlights

- The first cold storage warehouse project in Indonesia participated by a Japanese warehouse company
- Contribution to frozen and chilled foods market in Jakarta by introducing the Japanese efficient cold storage management with high sanitary standards and optimum temperature control