The Indonesia Investment Coordinating Board (BKPM) in cooperation with the South Tangerang City Regional Government has organized a program named Market Sounding of Public-Private Partnerships (PPP) Project / KPBU: Ciputat Market Development / Revitalization. This project is a market building development and an arrangement of other supporting infrastructures with total investment requirement worth around Rp. 250 billion. The return on investment comes from user tariffs which consist of kiosk rental fee, retributions, as well as parking management, shops, food courts, and other buildings during the 20-year concession period. This project is also planned to get a government guarantee through PT Penjaminan Infrastruktur Indonesia.

In this event, there were approximately 75 participants including investors in market operators, contractors, banks and financial institutions, consultants, and related associations from local and international. Some companies and associations also presented in the event: KOTRA, PT Bumi Serpong Damai, PT PP (Persero), PT Adhi Karya (Persero), Mitsubishi Corporation, PT Trans Retail Indonesia, PT Triemuda Sukses Mandiri, PT Deloitte Konsultan Indonesia, Nikko Sekuritas Indonesia, Hagama Ando Corp, Mitsubishi Corp, PwC, DPP Asparindo, PT HKA (Hutama Karya Subsidiary), Indonesia Infrastructure Finance, PT Bangun Bina Primasara, PT South Tangerang Pembangunan Investasi, and other companies.

In his opening remarks, Deputy Chairman for Investment Planning, Mr. Ikmal Lukman said that the Ciputat Market Development / Revitalization through the PPP scheme is aimed not only for building a traditional market but also for providing decent facilities and quality of services for Ciputat Market traders and visitors during the concession period. Furthermore, Mr. Ikmal said this project is the first project of market development through a PPP scheme which is expected to become a pilot project for similar projects in the future. The selection of PPP schemes is not based on the consideration of budget limitations only, but more importantly, it is for encouraging the use of private parties that possess the knowledge, expertise and experiences to reach a better quality market operation with a more efficient budget.

Besides that, it is also affirmed that the Market Sounding program aims to communicate the existence of this project to the market, and also to get feedback from the market on the form of cooperation being offered. Such feedback does not come from the technical side only, but also from the financial, social, and environmental sides even the offered risk allocation. Furthermore, the feedback will be used as an input in completing the Outline Business Case (OBC).

The Mayor of South Tangerang City, Airin Rachmi Diany, in her speech conveyed that the revitalization being initiated was expected to be a solution to the Ciputat Market, which currently looks slum and not comfortable for the people. The private sector who acts as a manager is expected to cooperate well with the South Tangerang City Regional Government as the regulator and owner of the market area.
Furthermore, Ms. Airin hoped that through the presence of the private sectors, innovation will be created in managing traditional markets that have competitiveness.

In the presentation session, the Head of the Regional Development Planning Agency (Bappeda) of South Tangerang City, Mohammad Taher Rochmadi, explained that the coverage of the Ciputat Market Development/Revitalization under this PPP scheme includes building the market, operating the market, maintaining the market, managing the distribution chain system, managing the online shopping system (if needed), and preparing the SOPs as well as managing the retribution withdrawals. Besides that, Mr. Taher also informed that this project is expected to reach the Prequalification phase around the fourth quarter of 2019.

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