



RODRIGO A. CHAVES
Country Director, Indonesia

Letter No. CD-199/Omnibus/IX/2016

September 27, 2016

Mr. Robert Pakpahan
Director General of Budget Financing and Risk Management
Ministry of Finance
Frans Seda Building, 6th Floor
Jl. Wahidin Raya No. 1
Jakarta Pusat, Indonesia

Dear Mr. Pakpahan: *PAK ROBERT,*

Re: Amendment to Loan Agreements

We refer to the loan agreements entered into between the Republic of Indonesia (the "Borrower") and the International Bank for Reconstruction and Development (the "Bank") in respect of the Loans listed in Annex 1 to this letter. In connection with the Borrower's election for the implementation of the Single Borrower Limit (the "SBL"), the Loans set forth in Annex 1 hereto shall be amended by adding a new provision to Section 2 of the respective Loan Agreements as set forth in Annex 2 hereto.

Please confirm your agreement with the foregoing by signing, dating and returning to us the enclosed copy of this letter. This amendment shall become effective upon receipt of the countersigned copy of this letter by us.

Sincerely,

Rodrigo A. Chaves
Country Director, Indonesia

AGREED:
REPUBLIC OF INDONESIA

By :
Title : Director General of Budget Financing and Risk Management, Ministry of Finance
Date : OCT 10, 2016

ANNEX I

List of Loans by Project Name and Number

Loan Number	Loan Name
80100	Scholarships Program for Strengthening Reforming Institutions
80380	Statistical Capacity Building – Change and Reform for the Development of Statistics
80270	Water Resources and Irrigation Sector Management Program II
80430	Western Indonesia National Roads Improvement Project
81880	Sustainable Management of Agricultural Research and Technology Dissemination
82130	National Community Empowerment Program in Urban Areas for 2012-2015
82170	National Program for Community Empowerment in Rural Area
82450	Research and Innovation in Science and Technology Project
82590	Third Water Supply and Sanitation for Low Income Communities Project
83360	Coral Reef Rehabilitation and Management Program – Coral Triangle Init
84380	Local Government and Decentralization Project
80820	Geothermal Clean Energy Investment Project
73540	Second Development Policy Loan
77590	Third Urban Poverty Project
4043S ✓	Higher Education Support Project – Development of Undergraduate Education
4095S	Sumatra Junior Secondary Education Project
4105S	Second Sulawesi Urban Development Project
77620	Western Java Environmental Management Project
77630	Second Kecamatan Development Project
77710	Provincial Health II
77720	Eastern Indonesia Region Transport Project
77520	Second Urban Poverty Project (UPP 2)
77530	Global Development Learning Network Project
77640	Private Provision of Infrastructure Technical Assistance Loan
77540	Land Management and Policy Development Project
47400	Coral Reef Rehabilitation and Management
77500	Third Kecamatan Development Project
77650	Second Eastern Indonesia Region Transport Project
77660	First Development Policy Loan
47620	Government Financial Management and Revenue Administration Project
77570	Water Resources and Irrigation Sector Management Project
77670	Kecamatan Development Project 3B
47890	Higher Education for Relevance and Efficiency
47900	Initiatives for Local Governance Reform Project
74270	Farmer Empowerment through Agricultural Technology and Information
77860	Strategic Roads Infrastructure Project

Loan Number	Loan Name
74760	BERMUTU – Better Education through Reformed Management and Universal Teacher Upgrading
74950	Fourth Development Policy Loan
74940	First Infrastructure Development Policy Loan
75040	National Program for Community Empowerment in Urban Areas (PNPM UPP)
75050	National Program for Community Empowerment in Rural Areas
75910	BOS Knowledge Improvement for Transparency and Accountability
76070	Second Infrastructure Development Policy Loan
76100	Fifth Development Policy Loan
76310	Project for Indonesian Tax Administration Reform (PINTAR)
76580	Public Expenditure Support Facility (DPL-DDO)
76690	Dam Operational Improvement and Safety
76640	National Program for Community Empowerment in Urban Areas (PNPM UPP)
76660	National Program for Community Empowerment in Rural Areas
77370	Health Professional Education Quality Project
77840	Sixth Development Policy Loan
77850	Third Infrastructure Development Policy Loan
78660	Third National Program for Community Empowerment in Urban Areas III
78670	Third National Program for Community Empowerment in Rural Areas
79150	Climate Change Development Policy Loan
79060	BOS Knowledge Improvement for Transparency and Accountability
79140	Local Government and Decentralization Project
79740	Fourth Development Policy Loan
79750	Seventh Development Policy Loan
80790	Fourth National Program for Community Empowerment in Rural Areas (PNPM IV)
81050	Eighth Development Policy Loan
81640	Program for Economic Resilience, Investment and Social Assistance in Indonesia
82080	Institutional, Tax Administration, Social and Investment (INSTANSI) Development Policy Loan
82060	Financial Sector and Investment Climate Reform and Modernization Development Policy Loan
82090	First Connectivity Development Policy Loan
83040	Institutional, Tax Administration, Social and Investment (INSTANSI) Development Policy Loan 2
83050	Second Connectivity Development Policy Loan
83960	Financial Sector Reform and Modernization Development Policy Loan
77700	Second Village Infrastructure Project
77760	Support for Poor and Disadvantaged Areas Project
74180	Third Development Policy Loan

ANNEX IIAmendments to applicable Loan Agreements

- 2.05. (a) If on any given day, the Total Exposure exceeds the Standard Exposure Limit (as said terms are defined in sub-paragraphs (b)(ii) and (b)(iii) of this Section), the Borrower shall pay to the Bank a surcharge at the rate of one half of one percent (0.5%) per annum of the Allocated Excess Exposure Amount (as defined in sub-paragraph (b)(i) of this Section) for each said day (“Exposure Surcharge”). The Exposure Surcharge (if any) shall be payable semi-annually in arrears on each Payment Date.
- (b) For purposes of this Section the follow terms have the meanings set forth below:
- (i) “Allocated Excess Exposure Amount” means for each day during which the Total Exposure exceeds the Standard Exposure Limit, the product of (A) the total amount of said excess; and (B) the ratio of all (or, if the Bank so determines, a portion) of the Loan to the aggregate amount of all (or the equivalent portions) of the loans made by the Bank to the Borrower, the Guarantor and to other borrowers guaranteed by the Guarantor that are also subject to an exposure surcharge, as said excess and ratio are reasonably determined from time to time by the Bank.
 - (ii) “Standard Exposure Limit” means the standard limit on the Bank’s financial exposure to the Guarantor which, if exceeded, would subject the Loan to the Exposure Surcharge, as determined from time to time by the Bank.
 - (iii) “Total Exposure” means for any given day, the Bank’s total financial exposure to the Guarantor, as reasonably determined by the Bank.