

Chapter 3 Project Effect and Recommendations

3-1 Project Effect

The effect that can be expected of implementation of this project is as follows:

Present situation and problems	Measures in the project (work included in the grant aid)	Project effect and extent of improvement
<p>The National Development Plan calls for “making it possible for all Indonesians to enjoy radio broadcasting” on the basis of awareness that equal access of all Indonesians to information is one way to close the interregional gap and to reduce poverty. RRI is moving forward in provision and expansion of MW radio broadcasting facilities for the sake of accomplishing its mission as a public broadcasting institution “to provide radio broadcasting services to the entire nation,” but owing primarily to budget limitations the RRI broadcasting stations at Toli-Toli Regency in Central Sulawesi Province and Tarakan Regency in East Kalimantan Province, both of which are in remote, poverty-stricken regions, have not yet been provided with MW radio broadcasting equipment.</p>	<p>Provision of the RRI Toli-Toli Broadcasting Station in Central Sulawesi Province and the RRI Tarakan Broadcasting Station in East Kalimantan Province with a 10kW MW radio broadcasting system.</p>	<ul style="list-style-type: none"> • Commencement of MW broadcasting service in the Toli-Toli Regency area of Central Sulawesi Province and in the Tarakan Regency area of East Kalimantan Province. As a result, all 58 RRI broadcasting stations will have been provided with MW broadcasting facilities and all of them will be providing MW broadcasting service. • The residents of the Toli-Toli and Tarakan areas (680,000 people), who presently are able to receive only broadcasts from neighboring Malaysia and the Philippines, will be able to receive Indonesian broadcasts, thereby increasing their opportunity to obtain their own country’s information. • Stability of broadcasting will be achieved through elimination of trouble such as interruption of broadcasting due to equipment failure and power outages. • RRI will be able to fulfill its mission as a public radio broadcaster.

3-1-1 Direct Effect

(1) Scope of Benefit

Central Sulawesi Province and East Kalimantan Province.

(2) Benefited Population

Residents of Central Sulawesi Province: 250,000 Total: 670,000 people

Residents of East Kalimantan Province: 420,000

(3) Beneficial Effects

1) Expansion of MW Radio Broadcasting Service

MW radio broadcasting service will be started in the Toli-Toli Regency area of Central Sulawesi Province and in the Tarakan Regency area of East Kalimantan Province. With that, all 58 RRI broadcasting stations will be equipped with MW radio broadcasting facilities, and all of them will be providing MW radio broadcasting service.

2) Increase in Broadcasting Programs

Thanks to combination of the MW transmitting equipment that will be provided in this Project and the FM transmitting equipment that will be provided on the basis of aid provided by the German state-owned development bank (KfW), the residents of Toli-Toli and Tarakan the areas will have more diversified obtaining of information as a result of increase of broadcasted programs (18 hours/day) to following two systems.

- 10kW MW transmitter: broadcast of local programs and nationwide news programs from Jakarta (Toli-Toli and Tarakan)
- FM transmitter : broadcast of programs from Palu broadcasting station (Toli-Toli) broadcast of programs from Samarinda broadcasting station (Tarakan)

3-1-2 Indirect Effect

- 1) With MW radio broadcasting service, the residents of the Toli-Toli and Tarakan areas will have more opportunity to obtain Indonesian information, and that will reduce the information gap in Indonesia between different regions. In addition, the living environment will be improved through easier access to various useful information such as health, sanitation, education, agriculture, social and public welfare as well as cultural and international information. Accordingly, it can be expected to favor industrial and other economic activity and to help reduce poverty.
- 2) With provision of systemized MW transmitting equipment, it will increase the stability of broadcasting. Immediate conveyance of emergency information on natural disasters, accidents and incidents, riots, etc. can be expected to reduce casualties.

3-2 Recommendations

(1) Working for Broadcasting that Is in Line With the Needs of the People

In Indonesia more than a thousand private MW and FM broadcasting stations are now in operation as a result of liberalization. Although private broadcasting stations are defined by the broadcasting law as regional broadcasting, many of them broadcast with transmitter power and broadcast wave bandwidth exceeding the restrictions because they want to have as extensive a broadcasting service area as possible. It is clear that if new broadcasting stations continue to be set up and strive for more and more extensive broadcasting areas without coming under the control of the broadcasting authorities, radio interference will occur throughout the country, detracting from the quality of broadcasting service. That being the case, it is desirable that broadcasting controls centering on the Ministry of Communications and Information Technology, whose purview that lies under, be exercised in a thorough manner.

At the same time RRI is exploring possibilities regarding kinds of programs that will be more interesting to listeners because of the threat that competition from private broadcasting stations has come to pose for it in recent years. But it should be emphasized that RRI's mission of "serving the general public as a broad source of information" as befitting of a public broadcasting institution does not necessarily mean catering to young people with a constant flow of stereo music but rather producing and broadcasting informative programs meeting the needs and wishes of people in general. It is therefore necessary to attach the greatest importance to striving to produce high-quality programs that many people will want to listen to on the basis of reawareness of the mission of a public broadcasting institution of furnishing people with information, particularly the mostly poor residents of remote areas for which radio broadcasts are the only means of obtaining the information that they need and want.

(2) Securing of Funds and Sustainable Development

From the fact that RRI has made good use of its broadcasting facilities and that its broadcasting network has steadily expanded from when it started operation in 1945 to the present day, it is clear that it has accomplished operation and maintenance very appropriately, and because of that it can be expected that if the equipment earmarked in this Project is procured, it will have a beneficial effect for a long time just as the equipment that has been procured up to now has had.

At the same time, however, it would be difficult for the Government of Japan to continue providing equipment and facilities indefinitely on the basis of its grant aid assistance. On the basis of awareness of that RRI should, from the viewpoint of autonomous development, do its utmost to be able to design the facilities and procure the equipment that it will need in the future

on the basis of its own budget in cooperation with the Ministry of Communications and Information Technology, local governments and other organizations concerned.

Furthermore, as a result of having depended on foreign aid of different countries for expansion of the broadcasting network, renewal of broadcasting facilities and equipment, etc., throughout the country there are now more than 500 transmitters and pieces of studio equipment of all sorts, which has made the broadcasting system more complex than it would otherwise have been as well as resulting in maintenance problems, including high maintenance costs, along with deterioration of the equipment with age. Because of that the equipment of RRI's central station in Jakarta, the main body of its organization, and that of its Cimanggis transmitting station has become extremely run down from age, making it impossible to properly fulfill its role of furnishing the general public with a wide source of information as a public broadcasting institution should. Besides that, most of the equipment at the RETC, the training facility for RRI's personnel, is very deteriorated analog equipment, which makes it very difficult to provide its technical personnel the kind of training that they need in order to become familiar with digital and other latest technology. Innovation of technology, expansion and provision of the necessary equipment should be accomplished within an allocated budget, and a business strategy is needed in order to make such funds available, but, in any case, it is recommended, with an eye on the future, that there be formulation of a basic unified system for the whole country, with preparation as well of unified technical specifications. Moreover, since no new personnel have been recruited since 1995, many of RRI's experienced technical personnel have retired or are approaching retirement age, gradually thinning the ranks of such personnel. Although the equipment is undergoing digitalization as technological innovation progresses, the basic techniques of transmission and program production remain unchanged, and therefore it is desirable that RRI start hiring again and surely and promptly accomplish technology transfer from its experienced technical personnel to new younger technical personnel.

(3) Technical Cooperation

For the 10kW MW broadcast transmitters to be procured in this Project the solid-state type using semiconductors will be adopted instead of the vacuum tube type. Regarding the operating and maintenance methods for the 10kW MW broadcast transmitters, there is no need to accomplish a soft component and technical assistance, and it is considered that it will suffice to provide 15 days of initial operating and maintenance guidance by a specialist by the contractor after completion of the installation work in consideration of following reasons: it is best to use in operation guidance the equipment that will actually be operated, because of absence of

high-voltage circuits MW broadcast transmitters of the solid-state type are equipment that has very stable operating conditions and hence very little malfunctioning, they are designed for much easier operating and maintenance methods than the vacuum tube type and the solid-state type of MW broadcast transmitters have already been introduced at RRI broadcasting stations and that there is already adequate experience there in operating them.

On the other hand, in addition to such initial operation guidance RRI wants to have training at the manufacturer and training concerning operation and maintenance of broadcasting equipment in general as well as training for acquisition of new technology. As mentioned above, considering the high technical level of RRI's technical staff, the operating and maintenance methods for the equipment to be introduced in this Project can be adequately acquired in initial operation guidance. Furthermore, in comparison with training at the manufacturer under the restricted conditions of limited availability of the equipment, time and space, training at the place of installation of the equipment, where it is possible to freely arrange use of the equipment, time and space, can be expected to have greater effect, including cost effectiveness. That being the case, it is considered that training at the manufacturer is unnecessary. As for training in operation and maintenance of broadcasting equipment in general and training concerning new technology brought by digitalization, there are training courses (group training and country focused training) for foreigners which JICA entrusts to the NHK training center, and up to now several tens of RRI personnel have participated in such training. That being the case, those two kinds of training should be implemented separately from this Project on the basis of, for example, a technical cooperation scheme in which trainees are accepted after application is made for the specific type of training desired. If those kinds of training are desired, it is necessary to submit a separate request to the Government of Japan for them.

(4) Expansion of Service Area

This Project is an equipment provision type that specifically targets MW radio broadcasting service, the aim being chiefly promotion, through stable MW broadcasting by RRI's 58 broadcasting stations, of equality of opportunity of all Indonesians to obtain information. RRI also plans to set up six new broadcasting stations in remote areas for the sake of working for narrowing of the interregional gap in opportunity to obtain information. Since because of international regulation, including frequency allocation, from now on it will be very difficult to further expand service areas on the basis of MW broadcasting, it will have to be accomplished mainly through FM broadcasting. Continuation by RRI of expansion of broadcasting service areas with the cooperation of local governments on the basis of awareness of the fact that it is the

only entity implementing the nationwide radio broadcasting service that is needed for adequately providing the residents of remote areas with information will make it possible for this Project to still more effectively contribute to the Indonesian national goals of closing the interregional gap, wiping out poverty and improving the living environment of the entire population.

Appendices

1. Member of the Study Team

(1) Basic Design Study

Name	Assignment	Present Post
Mr. Shinji TOTSUKA	Team Leader	Deputy Resident Representative, JICA Indonesia Office
Ms. Mariko KOMAZAKI	Project Coordinator	ICT and Governance Team, Grant Aid Management Department, JICA
Mr. Akira NAGASE	Chief Consultant / Operation and Maintenance Planning	NHK Integrated Technology Inc.
Mr. Takashi HANAI	Equipment Planning / Equipment Installation Planning	NHK Integrated Technology Inc.
Mr. Hiroshi SONODA	Procurement Planning / Procurement Cost Estimate	NHK Integrated Technology Inc.

(2) Explanation of Draft Basic Design Report

Name	Assignment	Present Post
Mr. Shinji TOTSUKA	Team Leader	Deputy Resident Representative, JICA Indonesia Office
Mr. Akira NAGASE	Chief Consultant / Operation and Maintenance Planning	NHK Integrated Technology Inc.
Mr. Takashi HANAI	Equipment Planning / Equipment Installation Planning	NHK Integrated Technology Inc.

2. Study Schedule

(1) Basic Design Study (November ~ December 2005)

JL: Japan Airlines

RI: Mandala AirLine

JT: Lion Air

IW: Wings Air

		Official Members	Chief Consultant / Operation and Maintenance Planning Akira NAGASE	Equipment Planning / Equipment Installation Planning Takashi HANAI	Procurement Planning / Procurement Cost Estimate Hiroshi SONODA
1	11/27 Sun.	Lv. Narita → Ar. Jakarta (11:15 → 17:05 JL725)			
2	28 Mon.	<ul style="list-style-type: none"> • Courtesy call and meeting with JICA Indonesia Office 			
3	29 Tue.	<ul style="list-style-type: none"> • Courtesy call to EOJ • Courtesy call and meeting with KOMINFO, RRI 	Lv. Jakarta → Ar. Palu (12:05 → 16:40 IW8552)		
		Lv. Jakarta → Ar. Makassar (05:00 → 08:10 MZ762) Lv. Makassar → Ar. Palu (09:20 → 10:20 MZ718)	<ul style="list-style-type: none"> • Visiting at RRI Palu Station 		
4	30 Wed.	<ul style="list-style-type: none"> • Courtesy call and discussion with Toli-Toli local government 		<ul style="list-style-type: none"> • Meeting with RRI Toli-Toli Station 	
5	12/01 Thu.	Lv. Toli-Toli → Ar. Palu (09:15 → 10:30 MZ9499)		<ul style="list-style-type: none"> • Detailed Survey for Toli-Toli Area 	
6	02 Fri.	<ul style="list-style-type: none"> • Visiting at RRI Palu Station 		Detailed survey for Toli-Toli Area	
7	03 Sat.	Lv. Palu → Ar. Jakarta (07:15 → 10:10 JT781)		<ul style="list-style-type: none"> • Discussion with Toli-Toli local government • Survey on proposed site condition • Survey on existing FM station • Measuring of potential field strength 	
8	04 Sun.	<ul style="list-style-type: none"> • Filing of collected data • Preparation of Minutes of Discussions 		<ul style="list-style-type: none"> • Natural condition survey • Confirmation of ICAO regulation • Survey on procurement and transportation method 	
9	05 Mon.	<ul style="list-style-type: none"> • Confirmation on the works to be carried by Indonesia side and their progress (Land Preparation, Construction of Transmitting Station Building including necessary infrastructures) 		<ul style="list-style-type: none"> • Survey on existing FM station • Measuring of potential field strength 	
10	06 Tue.	<ul style="list-style-type: none"> • Discussion on Minutes of Discussions • Selecting for Indonesian company to be carried out the topographic and the sub-soil survey 		Lv. Toli-Toli → Ar. Palu (11:00 → 12:00 MZ9907)	
				Lv. Palu → Ar. Makassar Lv. Makassar → Jakarta	
11	07 Wed.	<ul style="list-style-type: none"> • Meeting of Minutes of Discussion • Signing of Minutes of Discussions (M/D) 			
12	08 Thu.	<ul style="list-style-type: none"> • Report to EOJ 			
		Lv. Jakarta → (19:20 JL726)	<ul style="list-style-type: none"> • Discussion for frequency allocation with RRI • Selecting and contract for Indonesian company to be carried out the topographic and the sub-soil survey 		
13	09 Fri.	→ Ar. Narita (07:25)	Lv. Jakarta → Ar. Tarakan (07:10 → 12:40 RI-386)		
14	10 Sat.	<ul style="list-style-type: none"> • Meeting with RRI Tarakan Station 			
15	11 Sun.	Detailed survey for Tarakan Area			
16	12 Mon.	<ul style="list-style-type: none"> • Discussion with Tarakan local government • Survey on proposed site condition • Inspection of existing FM station • Measuring of potential field strength 		<ul style="list-style-type: none"> • Natural condition survey • Confirmation of ICAO regulation • Survey on procurement and transportation method 	
17	13 Tue.				
18	14 Wed.	Lv. Tarakan → Ar. Jakarta (13:10 → 16:40 RI387)			
19	15 Thu.	Detailed survey on RRI		Detailed survey on RRI	
20	16 Fri.	<ul style="list-style-type: none"> • Organization, staff, budget • Broadcast management • Technical level 		<ul style="list-style-type: none"> • Operation and maintenance of broadcast equipment • Planning of equipment installation method • Survey for operation and maintenance • Survey of labor work, labor law 	
21	17 Sat.	<ul style="list-style-type: none"> • Development plan • Broadcast programs • Technical assistance 			
22	18 Sun.	Detailed survey on donor organization		Detailed survey on RRI	
23	19 Mon.	<ul style="list-style-type: none"> • Past records and trend/intension for assistance 		<ul style="list-style-type: none"> • Survey of procurement situation, data on the project cost estimation • Customs clearance • Survey for transportation • Survey for distributors, agent, procurement method, third countries procurement and procurement price • Survey for spare parts, after sales service • supplement of data of cost estimation 	
24	20 Tue.	<ul style="list-style-type: none"> • Discussion and confirmation of the scope and contents of works to be done by Indonesia and Japanese side 			
25	21 Wed.	<ul style="list-style-type: none"> • Planning of broadcast management 		<ul style="list-style-type: none"> • Planning of equipment to be procured • Planning of procurement method 	
26	22 Thu.	<ul style="list-style-type: none"> • Signing of Minutes of Discussions (M/D) of between RRI and consultant 			
27	23 Fri.	<ul style="list-style-type: none"> • Report to EOJ and JICA 			
28	24 Sat.	Lv. Jakarta → (22:30 JL726)			
		→ Ar. Narita (07:25)			

(2) Explanation of Draft Basic Design (March 2006)

			Official Members	Chief Consultant / Operation and Maintenance Planning Akira NAGASE	Equipment Planning / Equipment Installation Planning Takashi HANAI
1	3/12	Sun.		<i>Lv. Narita → Ar. Jakarta (11:15 → 17:05 JL725)</i>	
2	13	Mon.	<ul style="list-style-type: none"> • Meeting of DFR JICA Indonesia Office • Courtesy call to KOMINFO • Explanation for Draft Final Report (DFR) to RRI 		
3	14	Tue.	<ul style="list-style-type: none"> • Meeting with RRI for Draft Final Report (DFR) 		
4	15	Wed.	<ul style="list-style-type: none"> • Meeting with RRI for Draft Final Report (DFR) • Meeting for Minutes of Discussions (M/D) 		
5	16	Thu.	<ul style="list-style-type: none"> • Meeting with RRI for Draft Final Report (DFR) • Signing of Minutes of Discussions (M/D) 		
6	17	Fri.	<ul style="list-style-type: none"> • Meeting with JICA Indonesia Office • Reporting to Embassy of Japan 		
			<i>Lv. Jakarta → (19:20 JL726)</i>		
7	18	Sat.	<i>→ Ar. Narita (07:05)</i>		

3. List of Parties Concerned in Indonesia

Ministry of Information and Communication Technology (KOMINFO)

Mr. Gde Widiadnyana Merati	Director General of Communication Facilities and Information Dissemination
Drs. Wijana	Secretary of Directorate General of Communication Media and Information Dissemination
Mr. Wijono	Sub-Division Foreign Cooperation
Ms. Agnes Widiyanti	Director for Broadcasting
Mr. Ngurah	Head of Broadcasting Liaison
Mr. Kemas A Tolib	Deputy Director of Broadcasting Network
Mr. Denny Setiawan MT	Sub-Director of Frequency Allocation
Mr. Nobuyuki KONDO	JICA Expert Broadcasting Policy Advisor

Radio Republic of Indonesia (RRI)

Mr. Renaldi Zein, Msi	Commissioner, Management Committee
Mr. Sunarya Rusian	Source and Technology Director
Ms. Awanda Erna	Station Manager, Overseas Service
Mr. Muliardi	Head of Technical Transmission Division
Mr. Rahadian Gingging Mk	Head of Sub Division of Transmission Engineering Supervisor
Mr. R.H.Gun Sukmagunabi, SE	Finance and Administration Director
Mr. Safimo	Head of Sub Division of Finance
Mr. Djoko Partono, Ir	Head of Technical Studio Division
Mr. Yohanes	Head of Technical Studio Planning and Supervisor
Mr. Suyanto	Head of Infrastructure Division
Mr. Rasman	Head of Infrastructure Evaluation and Planning Sub Division
Mr. Djaenudin	Head of Infrastructure Guidance and Supervisor
Mr. Fendoro	Head of Sub Division of Program
Mr. Baldwin M. Silitonga	Director of Radio Education and Training Centre (RETC)
Mr. Nurdin	Manager of Technic (RETC)
Ms. Rosaini	Manager of Planning (RETC)

Toli-Toli Local Government

Drs. Moh Ma'Ruf Buantilan	Bupati Toli Toli Sulteng
Drs. Sutirto	Kabag Humas

RRI Toli - Toli Station

Mr. Balebu Aprelius	Administration and Finance Manager
Mr. Arif Idrus Mustafa	Technical Manager
Ms. Suryati	Programmer of Broadcasting

RRI Palu Station

Mr. Badarus Tjamsi	Station Manager
Mr. Herry	Technical Manager

Tarakan Local Government

Dr. H.Jusuf S.K	Mayor of Tarakan
Drs. Badrun, MSi	Assistant Pemerintahan
Dr. Djoko Santoso Abi Suroso	Kepala, Badan Perencanaan Pembangunan Daerah (BAPPEDA)
Mr. Abdul Chair	Staff of Plannning Town, Badan Perencanaan Pembangunan Daerah (BAPPEDA)
Mr. H.Subono, MT	Kepala, Department of Enviroment and Natural Resource, DINAS Lingkungan Hidup Dan Sumberdaya Alam
Mr. Sofian	Chief of Public Works, Department of Tarakan

RRI Tarakan Local Station

Drs. Aidi Normansyah	Station Manager of RRI Tarakan Station
Mr. Syafrudin Liputo	Technical Manager
Mr. Jurimin Edy S.	Assistant Manager
Mr. Budi Suwarno	Assistant Manager
Mr. Syiful Ananr	Assistant Technical Studio
Mr. Denny Eco N.	Staff of Studio

Dorsch Consultant

Mr. Tiur LH Simanjuntak	Co-Team Leader
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Embassy of Japan

Koichi FUJINAMI	First Secretary
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JICA Indonesia Office

Tomoyuki NAITO	Assistant Resident Representative
Kozo NAGAMI	Assistant Resident Representative

4. Minutes of Discussions

**Minutes of Discussions
on the Basic Design Study on the Project for
Expansion of Radio Broadcasting Coverage in the Remote Area
in the Republic of Indonesia**

In response to a request from the Government of the Republic of Indonesia (hereinafter referred to as "Indonesia"), the Government of Japan decided to conduct a Basic Design Study on the Project for Expansion of Radio Broadcasting Coverage in the Remote Area (hereinafter referred to as "the Project") and entrusted the study to the Japan International Cooperation Agency (hereinafter referred to as "JICA").

JICA sent to Indonesia the Basic Design Study Team (hereinafter referred to as "the Team"), which is headed by Mr. Shinji TOTSUKA, Deputy Resident Representative, Indonesia Office, Japan International Cooperation Agency, and is scheduled to stay in the country from 27th of November to 23rd of December, 2005.

The Team held discussions with the officials concerned of the Government of Indonesia and conducted a field survey at the study area.

As a result of discussions and field survey, both parties confirmed the main items described in the attached sheets. The Team will proceed to further works and prepare the Basic Design Study Report.


Jakarta, December 7, 2005



Shinji Totsuka
Leader
Basic Design Study Team
Japan International Cooperation Agency



Sunarya Ruslan
Source and Technology Director
Radio Republic Indonesia



Wijana
Secretary
Directorate General of Communication Media
and Information Dissemination
Ministry of Communication and Information
Technology

ATTACHMENT

1. Objective of the Project

The objective of the Project is to expand medium wave broadcasting coverage of Radio Republic Indonesia (hereinafter referred to as "RRI") to send appropriate, enough and timely information to people in East Kalimantan and Central Sulawesi by providing necessary equipments.

2. Project sites

The Project sites are Tarakan in Kalimantan and Tolitoli in Sulawesi, as shown in Annex-1.

3. Responsible Organization and Implementing Agency

3-1. The responsible organization is the Ministry of Communication and Information Technology. The organization chart of the Ministry is shown in Annex-2-a.

3-2. The implementing agency is the RRI. The organization chart of RRI is shown in Annex-2-b.

4. Items requested by the Government of Indonesia

After discussions with the Team, the items described in Annex-3 were finally requested by the Indonesia side. JICA will assess the appropriateness of the request and will recommend to the Government of Japan for approval.

5. Japan's Grant Aid Scheme

5-1. Indonesian side understands the Japan's Grant Aid Scheme explained by the Team, as described in Annex-4.

5-2. Indonesian side will take the necessary measures, as described in Annex-5, for smooth implementation of the Project, as a condition for the Japanese Grant Aid to be implemented.

6. Schedule of the Study

6-1. The Team will proceed to further study in Indonesia by December 23, 2005.

6-2. JICA will prepare the draft report in English and dispatch a mission to Indonesia in order to explain its contents in March, 2006.

6-3. In case that the content of the report is accepted in principle by the Government of Indonesia, JICA will complete the final report and send it to Indonesia by April, 2006.

7. Other relevant issues

7-1. Frequency allocation

- 7-1-1. It was agreed in the Preliminary Study that the Indonesian side shall allocate the frequency for the Project (Tarakan Station: 1,350 kHz, Tolitoli Station: 1,287 kHz). However, the survey conducted by the Team concluded that the 1,287 kHz frequency for Tolitoli Station has a strong interference with the radio broadcast from Philippines. Therefore both sides freshly agree to allocate 1,377 kHz for Tolitoli Station.
- 7-1-2. The Team confirmed that the Indonesian side had notified the International Telecommunication Union (hereinafter referred to as "ITU") for the allocation for both stations in September, 2005. This notification included two frequencies for Tolitoli Station (1,287 kHz and 1,377 kHz).
- 7-1-3. The notification to the ITU mentioned above is scheduled to be published in the BR IFIC (International Frequency Information Circulation) in January, 2006 and be recorded to the Master International Frequency Register after 16 weeks of circulation if no objection from the neighboring countries arises during the circulation period.
- 7-1-4. The Indonesian side will negotiate with the neighboring countries, such as Malaysia and Philippines, over the agreement for the frequency allocation of the two stations, and obtain the agreement in written documents if possible, in advance to the procedures of ITU. RRI will inform the progress and result of the negotiation to JICA Indonesia office at the end of every month from January, 2006.
- 7-1-5. The Team explained that to secure the allocation of the frequency is a condition for the official commitment of the realization of the Project, and the Indonesian side understands the explanation.
- 7-1-6. After the allocation is registered to the Master International Frequency Register, the Indonesian side shall promptly issue the license to the Tarakan and Tolitoli Stations so that the broadcasting will be able to start as soon as the Project is completed.

7-2. Land preparation

- 7-2-1. Both sides agreed in the Preliminary Study that the land preparation for the site shall be guaranteed and implemented by the local government authorities, which is to clear / level the land and to construct access road to the site. The Team confirmed this by the document attached as Annex-6-a for Tarakan Station. For Tolitoli Station, the Team actually visited the site and saw that it is already under construction.
- 7-2-2. Also, the Indonesian side guaranteed that the Project will have no impact to the environment. A negative impact of the Project to the surrounding environment was especially concerned for the Tolitoli Station, for the project site was rather near the ocean. The Indonesian side assures and guarantees its safety by the document attached as Annex-6-b.
- 7-2-3. The Indonesian side agrees to finish the land preparation for both sites by the end of January, 2006 at the latest.

7-3. Facilities for the Project

- 7-3-1. The Indonesian side will be responsible for constructing the transmitting building, power building, STL tower and the parking lot by the end of December, 2006 in accordance with the layout plan which the details will be discussed with the Team during the ongoing study in Indonesia.
- 7-3-2. The Indonesian side understands that the facilities which will be constructed by the Indonesian side shall be located so as not to interfere with the requested Medium Wave Transmitter Antenna System. The facilities include the housing for the staffs of RRI which is planned to be built also inside the site.
- 7-3-3. For the construction of the facilities mentioned above, the Indonesian side will obtain the acceptance of DIPA, which includes the budget, and will distribute to both stations. Once the budget is distributed, Tarakan and Tolitoli Station will start the construction promptly. RRI will inform the progress of the process to JICA Indonesia office at the end of every month from January, 2006.
- 7-3-4. For the transmitting building to function as a whole, both sides agree to carry out the responsibilities described in Annex-7.
- 7-3-5. The Indonesian side shall construct gates and fences around the site to ensure the security, as agreed with the Preliminary Study Team. The Indonesian side agrees to construct the gates and fences before the installations of the equipments are completed.

7-4. Implementation of the Project

The Indonesian side shall ensure prompt tax exemption and customs clearance of the products at the terminal of disembarkation. Therefore, the Indonesian side shall obtain the acceptance of DIPA before the arrival of the equipments which is due to start around May, 2007.

7-5. Operation and maintenance

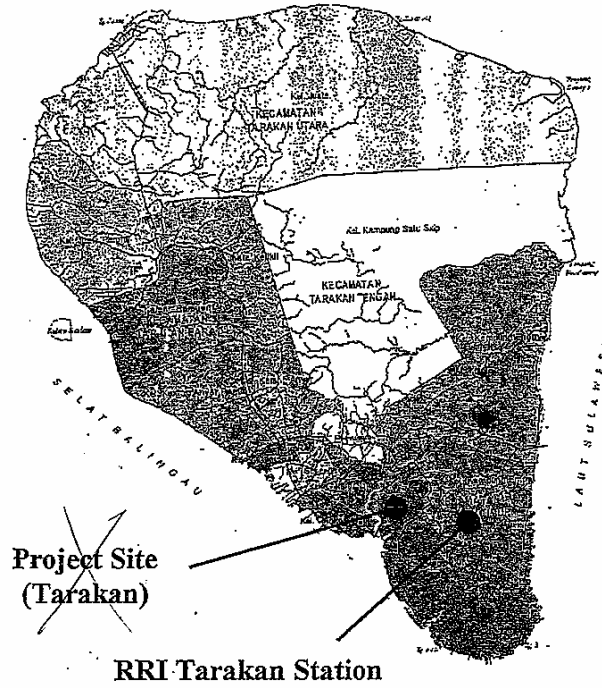
- 7-5-1. The Indonesian side shall allocate enough budget and qualified staff to properly and effectively operate/maintain the equipments supplied by the Project.
- 7-5-2. The Indonesian side requested factory training in Japan on the operation and maintenance of the equipments. JICA will assess the necessity of the training, and offer any kind of information concerning JICA's scheme and applying procedures.

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He B

Location of the Project Site

Tarakan MW Transmitting Station Site



Tolitoli MW Transmitting Station Site

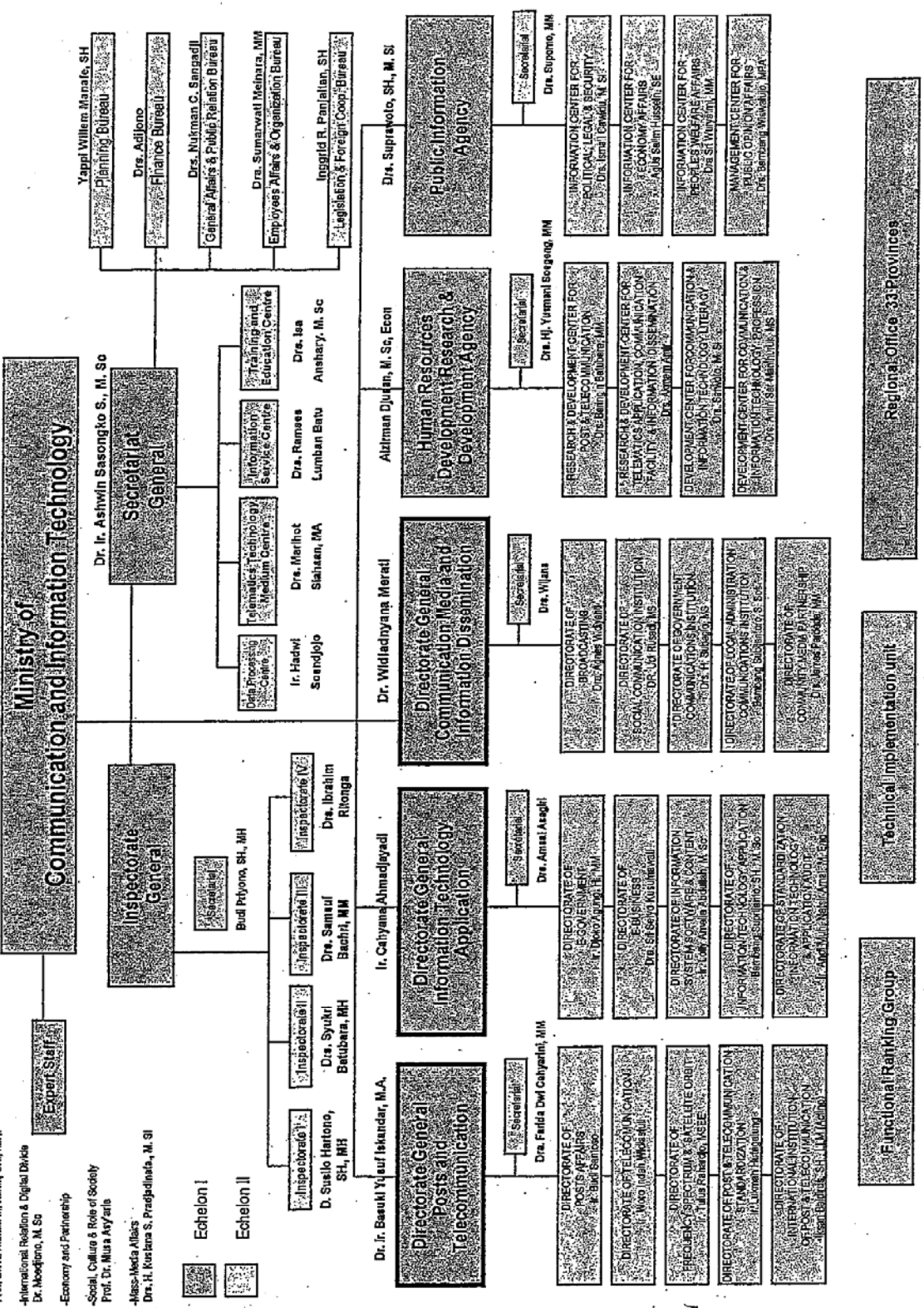


Project Site
(Tolitoli)

RRI Tolitoli Station

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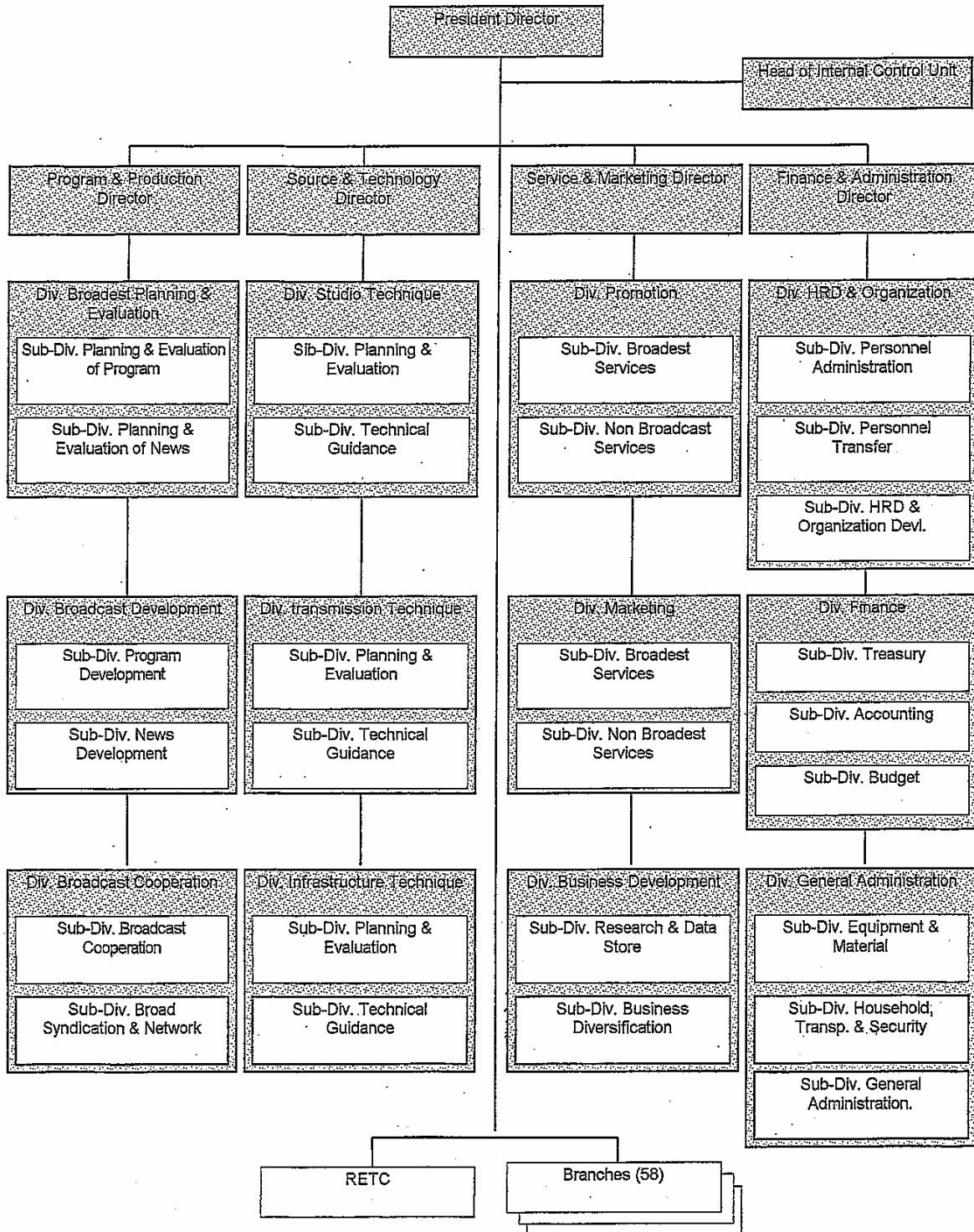
Dr. Sofyan A. Djali, SH., MA., MALD



- Legislation
- Prof. Dr. H. Ahmad M. Ramli, SH., M.H.
- International Relation & Digital Divide
- Dr. Moejiyono, M.Sc.
- Economy and Partnership
- Social, Culture & Role of Society
- Prof. Dr. Mita Ariyanti
- Mass Media Affairs
- Dra. H. Kusiana S. Praedjadinata, M. SI

Expert Staff

Organization Chart of RRI



6

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Requested Equipment

The list below showing the scope of the equipment and materials to be planned under the Project has been mutually agreed between the Indonesian side and the Team.

	Items	Quantity	Priority*
1.	10kw Medium Wave Broadcast Transmitter	2 sets	A
2.	10kw Dummy Load	2 sets	
3.	10kw Lightning Protector	2 sets	
4.	10kw Coaxial Switch	2 sets	
5.	50kVA Isolation and Lightning Protection Transformer	2 sets	
6.	Automatic Voltage Regulator	2 sets	
7.	Program Input Equipment	2 sets	
8.	Medium Wave Transmitter Antenna System	2 sets	
9.	Studio Transmitter Link	2 sets	
10.	Essential Spare Parts	2 sets	
11.	Consumable Spare Parts	2 sets	
12.	Installation Materials	2 sets	
13.	Instruction Manual and Documentation (prepared in English)	2 sets	
14.	Measuring Equipment	2 sets	
15.	Standard Accessories	2 sets	
16.	Digital Audio Mixer for the Radio Studio	2 sets	B
17.	VHF Communication Set (154.5 MHz)	2 sets	

*Priority A = First priority to include in the Project.

Priority B = Second priority to include in the Project.

Japan's Grant Aid

The Grant Aid Scheme provides a recipient country with non-reimbursable funds to procure the facilities, equipment and services (engineering services and transportation of products, etc.) for economic and social development of the country under principles in accordance with the relevant laws and regulations of Japan. The Grant Aid is not supplied through the donation of materials as such.

(1) Grant Aid Procedures

- 1) Japan's Grant Aid Scheme is executed through the following procedures:
 - Application (Request made by a recipient country)
 - Study (Basic Design Study conducted by JICA)
 - Appraisal & Approval (Appraisal by the Government of Japan and Approval by the Cabinet of Japan)
 - Determination of Implementation (The Notes exchanged between the Governments of Japan and the recipient country)
 - Implementation (Implementation of the Project)
- 2) Firstly, the application or a request for a Grant Aid project submitted by a recipient country is examined by the Government of Japan (the Ministry of Foreign Affairs) to determine whether or not it is eligible for Japan's Grant Aid. If the request is deemed appropriate, the Government of Japan assigns JICA (Japan International Cooperation Agency) to conduct a study on the request.

Secondly, JICA conducts the study (Basic Design Study), using (a) Japanese consulting firm(s).

Thirdly, the Government of Japan appraises the project to see whether or not it is suitable for Japan's Grant Aid Scheme, based on the Basic Design Study report prepared by JICA, and the results are then submitted to the Cabinet for approval.

Fourthly, the project, once approved by the Cabinet, becomes official with the Exchange of Notes signed by the Governments of Japan and the recipient country.

Finally, for the implementation of the project, JICA assists the recipient country in such matters as preparing tenders, contracts and so on.

(2) Basic Design Study

1) Contents of the Study

The aim of the Basic Design Study conducted by JICA on a requested project (hereinafter referred to as "the Project") is to provide a basic document necessary for the appraisal of the Project by the

Japanese Government. The contents of the Basic Design Study are as follows:

- i) Confirmation of the background, objectives, and benefits of the requested Project and also institutional capacity of agencies concerned of the recipient country necessary for the Project's implementation,
- ii) Evaluation of the appropriateness of the Project to be implemented under the Grant Aid Scheme from a technical, social and economical point of view,
- iii) Confirmation of items agreed on by both parties concerning the basic concept of the Project,
- iv) Preparation of a basic design of the Project,
- v) Estimation of costs of the Project.

The contents of the original request are not necessarily approved in their initial form as the contents of the Grant Aid Project. The Basic Design of the Project is confirmed considering the guidelines of Japan's Grant Aid Scheme.

The Government of Japan requests the Government of the recipient country to take whatever measures are necessary to ensure its self-reliance in the implementation of the Project. Such measures must be guaranteed even though they may fall outside of the jurisdiction of the organization in the recipient country actually implementing the Project. Therefore, the implementation of the Project is confirmed by all relevant organizations of the recipient country through the Minutes of Discussions.

2) Selection of Consultants

For smooth implementation of the Study, JICA uses (a) registered consultant firm(s). JICA selects (a) firm(s) based on proposals submitted by interested firms. The firm(s) selected carry(ies) out a Basic Design Study and write(s) a report, based upon terms of reference set by JICA.

The consulting firm(s) used for the Basic Design Study is (are) recommended by JICA to the recipient country to also work in the Project's implementation after the Exchange of Notes, in order to maintain technical consistency.

(3) Japan's Grant Aid Scheme

1) Exchange of Notes (E/N)

Japan's Grant Aid is extended in accordance with the Notes exchanged by two Governments concerned, in which the objectives of the Project, period of execution, conditions and amount of the Grant Aid, etc., are confirmed.

- ### 2) "The period of the Grant Aid"
- means the one Japanese fiscal year which the Cabinet approves the Project for. Within the fiscal year, all procedures such as exchanging of the Notes, concluding contracts with (a) consultant firm(s) and (a) contractor(s) and final payment to them must be completed. However in case of delays in delivery, installation or construction due to unforeseen

factors such as natural disaster, the period of the Grant Aid can be further extended for a maximum of one fiscal year at most by mutual agreement between the two Governments.

- 3) Under the Grant Aid, in principle, Japanese products and services including transport or those of the recipient country are to be purchased.

When the two Governments deem it necessary, the Grant Aid may be used for the purchase of the products or services of a third country.

However the prime contractors, namely, consulting, constructing, and procurement firms, are limited to "Japanese nationals". (The term "Japanese nationals" means persons of Japanese nationality or Japanese corporations controlled by persons of Japanese nationality.)

- 4) Necessity of the "Verification"

The Government of the recipient country or its designated authority will conclude contracts denominated in Japanese yen with Japanese nationals. Those contracts shall be verified by the Government of Japan. This "Verification" is deemed necessary to secure accountability to Japanese taxpayers.

- 5) Undertakings required of the Government of the Recipient Country

In the implementation of the Grant Aid project, the recipient country is required to undertake such necessary measures as the followings:

- i) To secure land necessary for the sites of the Project and to clear, level and reclaim the land prior to commencement of the Project.
- ii) To provide facilities for the distribution of electricity, water supply and drainage and other incidental facilities in and around the sites.
- iii) To secure buildings prior to the procurement in case the installation of the equipment.
- iv) To ensure all the expenses and prompt execution for unloading, customs clearance at the port of disembarkation and internal transportation of the products purchased under the Grant Aid.
- v) To exempt Japanese nationals from customs duties, internal taxes and other fiscal levies which will be imposed in the recipient country with respect to the supply of the products and services under the Verified Contracts.
- vi) To accord Japanese nationals whose services may be required in connection with the supply of the products and services under the Verified Contracts, such facilities as may be necessary for their entry into the recipient country and stay therein for the performance of their work.

6) "Proper Use"

The recipient country is required to maintain and use the facilities constructed and equipment purchased under the Grant Aid properly and effectively and to assign staff necessary for this operation and maintenance as well as to bear all the expenses other than those covered by the Grant Aid.

7) Re-export"

The products purchased under the Grant Aid should not be re-exported from the recipient country.

8) Banking Arrangement (B/A)

i) The Government of the recipient country or its designated authority should open an account in the name of the Government of the recipient country in a bank in Japan (hereinafter referred to as "the Bank"). The Government of Japan will execute the Grant Aid by making payments in Japanese yen to cover the obligations incurred by the Government of the recipient country or its designated authority under the Verified Contracts.

ii) The payments will be made when payment requests are presented by the Bank to the Government of Japan under an authorization to pay (A/P) issued by the Government of the recipient country or its designated authority.

9) Authorization to Pay (A/P)

The Government of the recipient country should bear an advising commission of an Authorization to Pay and payment commissions to the Bank.

(End)



Major Undertakings to be taken by Each Government

No.	Items	To be covered by Grant Aid	To be covered by the Recipient Side
	To bear the following commissions to the Japanese bank for banking services based upon the B/A.		
1	1) Advising commission of A/P		●
	2) Payment commission		●
	To ensure prompt unloading and customs clearance at the port of disembarkation in recipient country.		
2	1) Marine and land transportation of the products from Japan to the recipient country.	●	
	2) Tax exemption and custom clearance of the products at the port of disembarkation.		●
	3) Internal transportation from the port of disembarkation to the project site.	●	
3	To accord Japanese nationals whose services may be required in connection with the supply of the products and the services under the verified contract, such facilities as may be necessary for their entry into the recipient country and stay therein for the performance of their work.		●
4	To exempt Japanese nationals from customs duties, internal taxes and other fiscal levies, which may be imposed in the recipient country with respect to the supply of the products and services under the verified contracts.		●
5	To maintain and use properly and effectively the facilities constructed and equipment provided under the Grant Aid.		●
6	To bear all the expenses, other than those to be borne by the Grant Aid, necessary for the transportation and installation of the equipment.		●

(B/A: Banking Arrangement, A/P: Authorization to pay)

6

Au P



**PERUSAHAAN JAWATAN
RADIO REPUBLIK INDONESIA
CABANG PRATAMA TARAKAN**

Jln. Sungai Mahakam No. 10 Kampung IV Tarakan
Telp. (0551) 34898, Fax. (0551) 34898

Tarakan, 1 September 2005

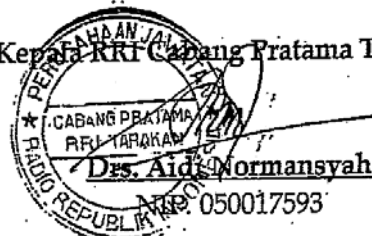
Nomor : 233 / CAMA - TRK / IX / 2005
Lampiran : -
Perihal : Laporan Kesiapan Lahan Area
Lokasi Pemancar MW 10 KW

Kepada Yth,
Bapak Direktur Teknik Perjan RRI
di-
Jakarta Pusat

Menindak lanjuti surat Bapak Direktur Teknik No: 1177/SEK/DIR.TEK/VIII/2005, tanggal 15 Agustus 2005, perihal Lokasi area pemancar MW 10 KW, dapat kami laporkan bahwa :

1. Lahan Area yang ada di Gunung Amal, Kelurahan Kampung Enam, Kecamatan Tarakan Timur yang telah ditetapkan TIM SURVEY RRI Pusat bersama Tim JICA EXPERT Jepang dan Kominfo, sebagai Lokasi area Pemancar MW 10 KW, hal ini sudah disampaikan kepada Bapak Walikota Tarakan bersama - sama TIM SURVEY JICA EXPERT Jepang pada hari Sabtu, 27 Agustus 2005.
 2. Dari hasil konfirmasi, Bapak Walikota Tarakan sangat mendukung dan merespon keberadaan Pemancar MW 10 KW dimaksud, serta menyanggupi lahan seluas 4 ha, berikut biaya pematangan tanah (*Cut & Fill dan Pembersihan Lokasi*) diperkirakan paling lambat Januari 2006, pekerjaan pematangan tanah tersebut selesai dikerjakan.
 3. Hal - hal lain yang bertalian dengan persiapan lahan area akan kami laporkan kepada Bapak Direktur.
- Demikian penyampaian kami terima kasih.

Kepada RRI Cabang Pratama Tarakan



No. 9723 / SET. PERJAN RRI

No : 233/CAMA-TRK/IX/2005

Tarakan, September 1st, 2005

Attachment: -

Re : Land Preparation Report
for 10 kW MW Transmitter Location Area

Attn to:

The President Director of RRI

Dear Sir,

In reply to the letter of the Energy Source and Technology Director No. 1177/SEK/DIR.TEK/VIII/2005 of August 15th, 2005 regarding 10 kW MW transmitter location area, please find the following report as below:

1. We, RRI Tarakan Station and JICA Expert Survey Team have already inform to the Mayor of Tarakan on Saturday, August 27th, 2005 regarding the location area for the above subject at Gunung Amal area of Kampung Enam District at East Tarakan of which had already been decided by RRI Survey Team, the Ministry of Communication and Information Technology and JICA EXPERT.
2. Based on the confirmation received, the Mayor of Tarakan supports and responds the above mentioned subject and has agreed to allocate 4 hectares land with cut and fill and land clearing cost included of which will be finished on January 2006 at the latest.
3. Other related matter regarding the land preparation will be reported to the President Director accordingly.

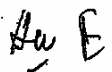
Your kindly consideration will be highly appreciated.

RRI Tarakan Station Head

(signed)

Drs. Aidi Normansyah

Official Registry Number: 050017593





BUPATI TOLITOLI

RECOMMENDATION

Number : 050/226/Bag.Pemb

In connection with the construction Transmitter Station MW 10 KW RRI Tolitoli At Dinopi, District of Natu, Baolan Subdistrict, so according to the survey report Tolitoli Regency Government doesn't objection and give the construction proper Recommendation, with the construction doesn't influence to environment who living at Tolitoli Regency Region, specially the construction location.

This Recommendation giving us utilization necessity.



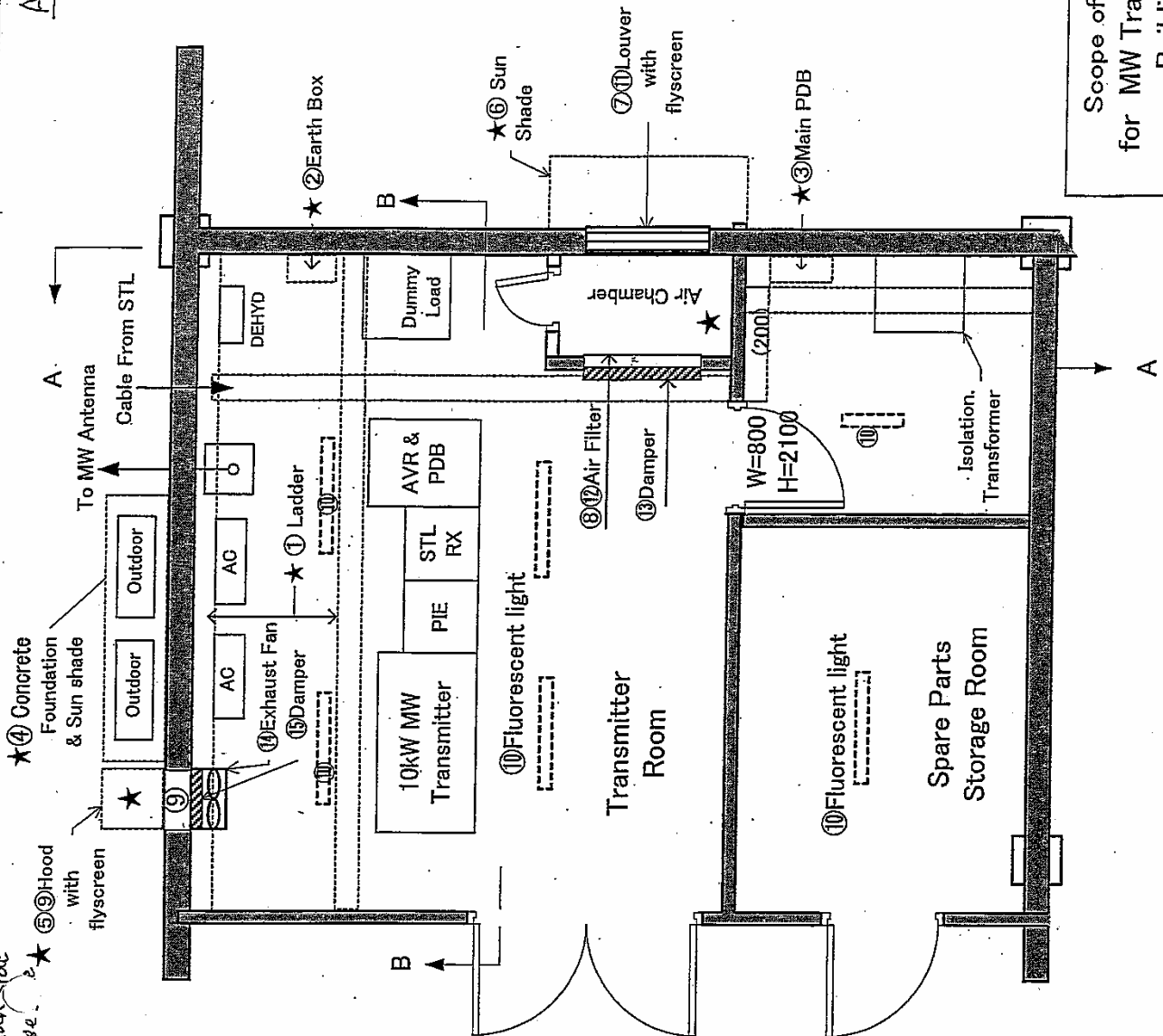
Tolitoli, 3 December 2005

BUPATI TOLITOLI, REGENT,

DR. H. MOH. MA'RUF BANTILAN, MM

Handwritten signature

Scope of Work
for MW Transmitter
Building



Items	SOW	
	Ind.	Jan.
① Ladder (W:200mm)	○	○
② Earth Box	○	○
③ Main PDB	○	○
④ Concrete Foundation (2200x500)	○	○
⑤ Hood with Flyscreen	○	○
⑥ Sun Shade (1600x600)	○	○
⑦ Opening Hole for Louver (100x100)	○	○
⑧ Opening Hole for Air Filter (100x100)	○	○
⑨ Opening Hole for Exhaust Fan (450x450)	○	○
⑩ Fluorescent Light	○	○
⑪ Louver with Flyscreen	○	○
⑫ Air Filter (100x100)	○	○
⑬ Damper (100x100)	○	○
⑭ Exhaust Fan	○	○
⑮ Damper	○	○

Indonesian Side
Japanese

★: Provided by RRI

Handwritten signature

Minutes of Discussions
on the Basic Design Study on the Project for
Expansion of Radio Broadcasting Coverage in the Remote Area
(Explanation of Draft Final Report)

In December 2005, the Japan International Cooperation Agency (hereinafter referred to as "JICA") dispatched the Basic Design Study Team on the Project for Expansion of Radio Broadcasting Coverage in the Remote Area (hereinafter referred to as "the Project") to the Republic of Indonesia (hereinafter referred to as "Indonesia"), and through discussions, field survey, and technical examination of the results in Japan, JICA prepared a draft final report of the study.

In order to explain and to consult with concerned officials of the Government of Indonesia on the components of the draft final report, JICA sent to Indonesia the Draft Report Explanation Team (hereinafter referred to as "the Team"), which is headed by Mr. Shinji TOTSUKA, Deputy Resident Representative, Indonesia Office, JICA from March 12 to March 17, 2006.

As a result of discussions, both sides confirmed the main items described on the attached sheet.


Jakarta, March 16, 2006



Shinji Totsuka
Leader
Basic Design Study Team
Japan International Cooperation Agency



Sunarya Ruslan
Source and Technology Director
Radio Republic Indonesia



Wijana
Secretary
Directorate General of Communication Media
and Information Dissemination
Ministry of Communication and
Information Technology

ATTACHMENT

1. Components of the Draft Final Report

The Indonesian side has agreed and accepted in principle the components of the draft final report explained by the Team.

2. Japan's Grant Aid Scheme

The Indonesian side understands the Japan's Grant Aid scheme and the necessary undertakings to be taken by the Government of Indonesia as explained by the Team and described in Annex-4 and Annex-5 of the Minutes of Discussions signed by both sides on December 7, 2005.

3. Schedule of the Study

JICA will complete the final report in accordance with the confirmed items and send it to the Government of Indonesia by the end of April, 2006.

4. Other Relevant Issues

- 4-1 The Indonesian side understands the schedule of the Project after the Exchange of Notes (E/N).
- 4-2 The Indonesian side understands that the allocation of the frequency will be the condition for the realization of the Project.
- 4-3 The Indonesian side agrees to undertake the procedures described below in accordance with the schedule of the Project;
- Allocation of the frequency (register to the Master International Frequency Register, International Telecommunication Union): by the end of June, 2006.
 - Clearing/leveling the land and construction of access road:
 - Toli-toli: finished in February 2006.
 - Tarakan: by the end of June 2006.
 - Construction of transmitting building, power building, STL tower and parking lot:
by the end of December, 2006.
 - Preparation of infrastructure (electricity line and water supply):
before the start of the installation work of the equipments.
 - Prompt tax exemption and customs clearance which includes the acceptance of DIPA for the Project: before the arrival of the equipments.
 - Construction of gates and fences: by the end of December, 2007.