



U.S. TRADE AND DEVELOPMENT AGENCY

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USTDA AWARDS GRANTS TO INDONESIA ENCOURAGING CLEAN ENERGY AND IMPROVED WATER SUPPLY

*Continuing USTDA's Efforts to Advance
President Obama's Vision of a Cleaner Environment*

JAKARTA, INDONESIA – Today, USTDA awarded separate grants to PT Medco Downstream Indonesia (Medco) and Persatuan Perusahaan Air Minum Seluruh Indonesia (PERPAMSI) that underscore the Obama Administration's support for the comprehensive partnership between the United States and Indonesia. In addition, these grants further advance the President's vision of supporting clean energy development and environmental programs that provide for a healthier future for people around the world. The grants encourage energy diversification and improved water supply services in Indonesia, while opening commercial opportunities for U.S. firms associated with the implementation of each project.

USTDA Acting Director Leocadia I. Zak signed the grants at separate ceremonies held in Jakarta. Mr. Djatnika S. Puradinata, President Director, signed on behalf of Medco, while Mr. H. Azhar Latif, Secretary General signed on behalf of PERPAMSI. Deputy Chief of Mission Ted Osius, from the U.S. Embassy in Jakarta, signed as a witness to the Medco grant agreement.

The \$320,924 grant to Medco will fund a feasibility study for a sweet sorghum-based ethanol production facility in Papua Province, Indonesia. The proposed facility will provide an important energy source to meet growing transportation fuel demand in Indonesia and improve infrastructure related to the industry such as roads, irrigation systems, power generation and public facilities. Medco and NEAtech will contribute additional resources toward the completion of the project.

“Because studies have shown that sorghum is environmentally sustainable, USTDA is supporting the development of an ethanol production facility that uses sorghum as its feedstock,” said Acting Director Zak. “USTDA support for this project will encourage expansion and progress in the development of the biofuels industry, which will in turn stimulate the usage of clean energy and stimulate job growth.”

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Through a separate \$266,824 grant to PERPAMSI, USTDA will support a pilot project at a regional water company to demonstrate technology solutions to minimize water losses as Indonesia seeks to expand potable water supply to underserved communities. Nobel Systems, Inc., the contractor chosen by PERPAMSI, will contribute additional resources toward the completion of the study.

“Indonesia has made clean, efficient water supply a priority,” said Acting Director Zak. “This grant will help Indonesia reach its goal of increasing clean water delivery coverage and service quality to millions of new customers as the government seeks to reach an additional 78 million people within the next seven years. With the help of this USTDA-funded study, water companies will be able to minimize future water losses due to such causes as leaks, metering, lack of billing and collection, and illegal connections, thereby providing clean water to more customers.”

The U.S. Trade and Development Agency advances economic development and U.S. commercial interests in developing and middle-income countries. The agency funds various forms of technical assistance, feasibility studies, training, orientation visits and business workshops that support the development of a modern infrastructure and a fair and open trading environment. USTDA’s strategic use of foreign assistance funds to support sound investment policy and decision-making in host countries creates an enabling environment for trade, investment and sustainable economic development. In carrying out its mission, USTDA gives emphasis to economic sectors that may benefit from U.S. exports of goods and services.