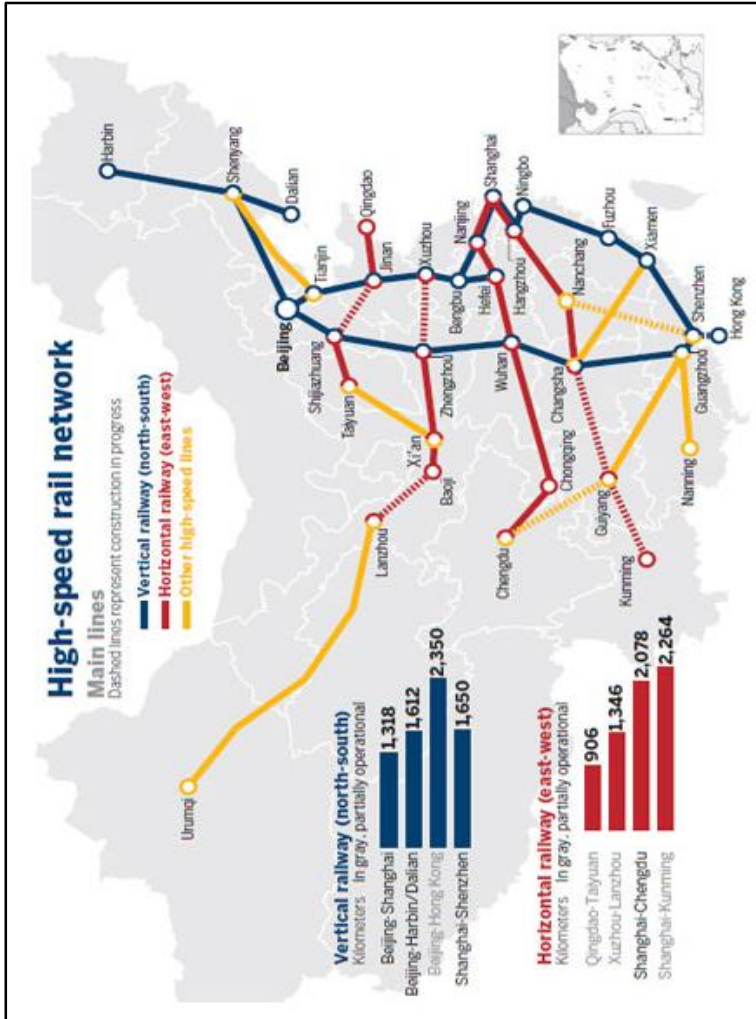
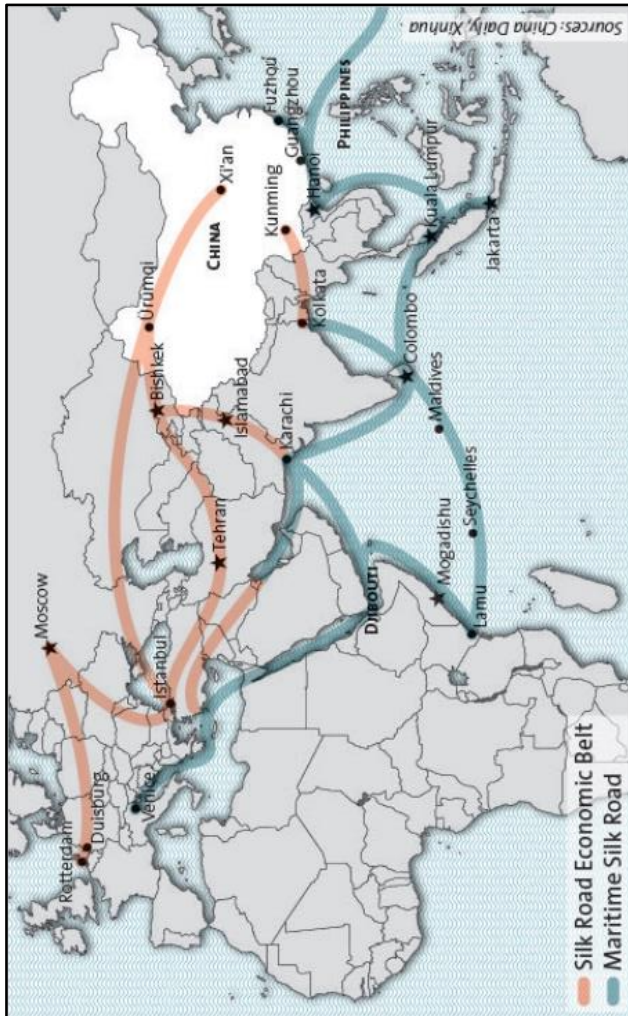


## APPENDIX

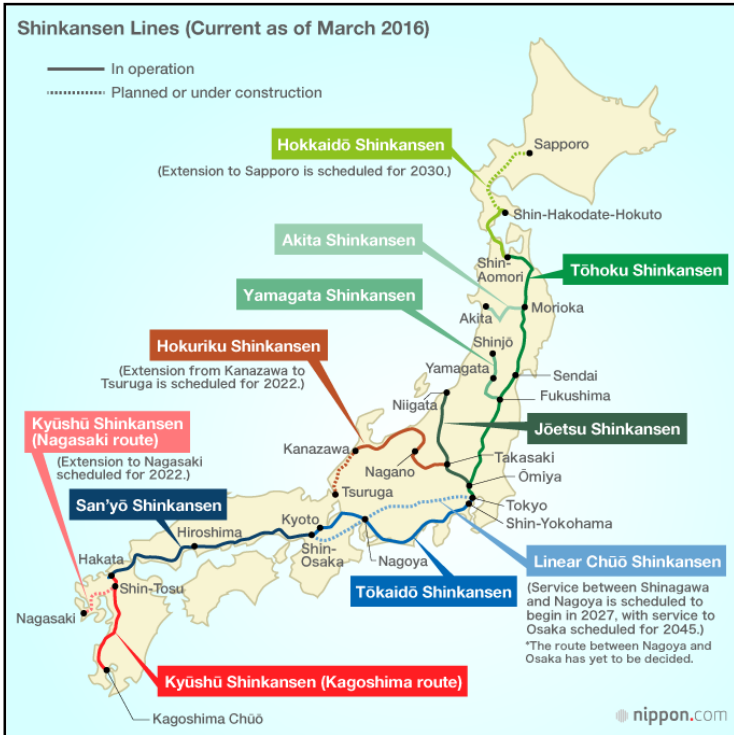
**Appendix 1** China HSR Network (China Daily Information Co, 2015)



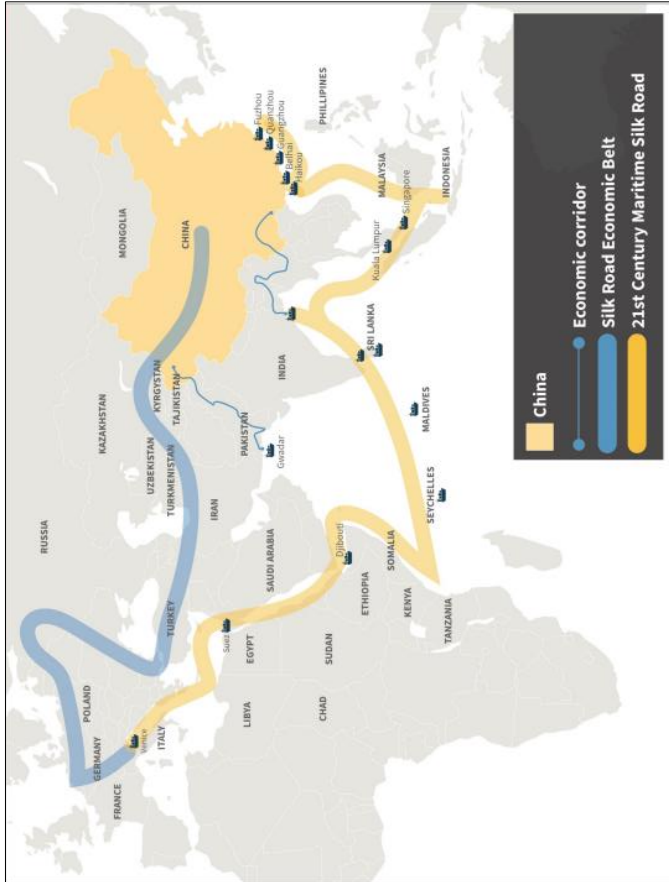
## Appendix 2 China One Belt One Road Map (Aris, 2016)



### Appendix 3 Japan Shinkansen Network (Nippon Communications Foundation, 2016)



## Appendix 4 China's Silk Road Economic Belt and 21<sup>st</sup> Century Maritime Silk Road



**Appendix 5** Memorandum of Understanding of Jakarta-Bandung HSR Project

FRAMEWORK COOPERATION ARRANGEMENT  
BETWEEN  
THE MINISTRY OF STATE-OWNED ENTERPRISES OF  
THE REPUBLIC OF INDONESIA  
AND  
THE NATIONAL DEVELOPMENT AND REFORM  
COMMISSION OF  
THE PEOPLE'S REPUBLIC OF CHINA  
ON JAKARTA-BANDUNG HIGH-SPEED RAIL PROJECT

The Ministry of State-owned Enterprises of the Republic of Indonesia hereinafter referred to as the "MSOE") and the National Development and Reform Commission of the People's Republic of China (hereinafter referred to as the "NDRC", and collectively referred to as the "Parties"),

Referring to the Memorandum of Understanding between the National Development and Reform Commission of the People's Republic of China and the Ministry of State-owned Enterprises of the Republic of Indonesia on Cooperation on the Jakarta-Bandung High-Speed Rail Project signed on March 26, 2015 in Beijing (hereinafter referred to as the "MoU"),

Pursuant to the prevailing laws and regulations of both Countries,

Through friendly consultations, have agreed as follows:

ARTICLE I  
PURPOSE OF COOPERATION

The Parties agree to take effective measures to implement the MoU by supporting and encouraging the state-owned enterprises of the two countries to jointly build the Jakarta-Bandung High-Speed Rail Project (hereinafter referred to as "the Project"), so as to achieve mutual benefit and bring welfare to Peoples of both Countries.

ARTICLE II  
CONTENTS OF COOPERATION

1. Parties will jointly provide guidance and support to the state-owned enterprises of the two countries to finish the feasibility study, including technical matters, financial matters, time frame, legal and financing, etc.
2. The Parties agree to, based on the outcomes of the feasibility study and abide by the respective laws and regulations of the two countries, jointly decide the model of cooperation, including but not limited to the following two models:
  - a. The Chinese Qualified Enterprise (hereinafter referred to as the "CQE") consortium led by the China Railway, acting as the EPC contractor, is responsible for the design, procurement, construction and supervision of the Project. The Project shall be co-operated by the EPC contractor and the owner of the Project (An Indonesian State Owned Enterprise (hereinafter referred to as the "SOE") consortium to be led by PT Wijaya Karya Tbk) after the completion of the Project.
  - b. The SOE consortium to be led by PT Wijaya Karya Tbk together with a CQE consortium led by China Railway shall form a joint venture company acting as the owner of the Project. Among which, the CQE consortium led by the China Railway acting as the EPC contractor, is responsible for the design, procurement, construction and supervision of the Project. The joint venture company shall be responsible for the operation of the Project after the completion of the Project.
  - c. The Project shall be designed based on the Chinese technological standard and use Chinese equipment. The designed speed of the high-speed rail will be 350 km/h.

- d. The Parties are committed to provide necessary support for the state-owned enterprises of the two countries to jointly build the Project.

### ARTICLE III

#### TRANSFER OF TECHNOLOGY AND LOCAL CONTENT

1. The Parties agree, for the purpose to implement the MoU, promotes cooperation between the state-owned enterprises of the two countries in human resource development and technology transfer, and actively promote the detailed negotiation between the state-owned enterprises of the two countries on the personnel training and technological exchange program including but not limited to involving Indonesian SOE personnel in the production process as well as internship program for the operation and maintenance phase.
2. The Parties agree, for the purpose to implement the MoU, promotes cooperation between the state-owned enterprises of the two countries in view of using local Indonesian content. The Project shall endeavor to use as much local Indonesian content as possible for the construction of the railway, subject to the necessary quality and supply being available in the Indonesia domestic market. The Parties are entitled to rely on the results of the feasibility study which shall detail which content is able to be sourced locally in Indonesia, and which must be imported, for the purposes of this Article III.

### ARTICLE IV

#### FINANCIAL ARRANGEMENTS

The Parties support China Development Bank Corporation (CDB), as the lead arranger of the syndication loan of the Project, to provide financial support with favorable and competitive conditions. With regard to the terms and conditions of the financing, it shall depend on the confirmation of the cooperation model, the owner of the Project as well as the completion of the applicable feasibility study of the Project, and

will be determined through amicable negotiation between CDB and the borrower of the Project.

#### ARTICLE V TIME FRAME

The NDRC will take into full consideration of the concern of the MSOE on the time frame of the Project, and will actively promote the SOE consortium and the CQE consortium to determine the detailed implementing arrangement of the Project based on the outcome of the feasibility study. The Parties encourage the state-owned enterprises of the two countries to finish relevant activities of the Project under this time frame as follows:

1. To complete the feasibility study by the end of August 2015;
2. To undertake ground breaking of the Project on 17 August 2015 (Indonesian Independence Day);
3. To realize financial close in December 2015;
4. To finish the work on the Project by the end of calendar year 2018.

#### ARTICLE VI WORKING MECHANISM

1. The Parties agree to establish a joint working group in accordance with the MOU, to coordinate relevant cooperation under this Framework Cooperation Arrangement. On the governmental level, the Chinese side will be led by the NDRC and the Indonesian side will be led by the MSOE. For the enterprise, the China Railway will take the lead in forming the CQE consortium, and the PT Wijaya Karya Tbk will take the lead in forming the SOE consortium.
2. The MSOE is responsible for coordinating relevant Indonesian agencies to finish environmental assessment, land acquisition, examination and approval of the Project. The NDRC is responsible for coordinating relevant Chinese agencies to finish the survey and design of the



Project. The enterprises of the two countries will undertake and finish feasibility study to meet the agreed deadlines. The details of the cooperation will be defined in separate agreement(s) or arrangement(s) among the enterprises.

## ARTICLE VII OTHERS

1. All differences and disputes arising from or concerning with interpretation or the application of this Framework Cooperation Arrangement shall be resolved by the Parties through friendly consultation and amicable solution.
2. Each Party shall undertake to observe the confidentiality and secrecy of documents, information and other data received or supplied to the other Party during the period of the implementation of this Framework Cooperation Arrangement or any other agreement(s) or arrangement(s) made pursuant to the implementation of this Framework Cooperation Arrangement.
3. This Framework Cooperation Arrangement shall enter into force on the date of its signing. This Framework Cooperation Arrangement shall remain in force for a period of 5 (five) years;
4. This Framework Cooperation Arrangement may be extended by mutual consent of the Parties or terminated at any time by either Parties by giving written notification at least 3 (three) months prior to the date of the intended termination.
5. This Framework Cooperation Arrangement may be amended at any time in writing by the mutual consent of the Parties. Such amendment shall form an integral part of this Framework Cooperation Arrangement.

The Framework Cooperation Arrangement is signed in Jakarta on April 22<sup>nd</sup>, 2015 in the Indonesian, Chinese and English languages, all texts are equally authentic. In case of discrepancies, the English text shall prevail.

FOR THE MINISTRY OF  
STATE-OWNED  
ENTERPRISES OF THE  
REPUBLIC OF  
INDONESIA

RINI M. SOEMARNO  
MINISTER

FOR THE NATIONAL  
DEVELOPMENT AND  
REFORM COMMISSION  
OF THE PEOPLE'S  
REPUBLIC OF CHINA

XU SHAOSHI  
CHAIRMAN