



**MINISTRY OF FINANCE OF THE REPUBLIC OF INDONESIA  
DIRECTORATE GENERAL OF BUDGET FINANCING AND RISK MANAGEMENT**

FRANS SEDA BUILDING 2<sup>ND</sup> FLOOR, JALAN DR. WAHIDIN RAYA NO.1 JAKARTA 10710  
PHONE (021) 3449230; FAKSIMILE (021) 3846635; SITE [www.djpr.kemenkeu.go.id](http://www.djpr.kemenkeu.go.id)

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**PRESS RELEASE**

**The Republic of Indonesia Issues Inaugural EUR500 Million Sustainable Development Goals (SDG) Through SEC-Registered Shelf Take-Down**

Thursday, September 23, 2021 (Jakarta)

The Republic of Indonesia (the “Republic”) successfully priced a debut Long 12-year “Sustainable Development Goals” (“SDG”) EUR 500 million SEC-registered offering (the “Notes” or “Offering”), an important step forward in the Republic’s commitment to the achievement of the SDGs, and a major advance for sustainable finance.

The Republic arranged a series of non-deal investor update calls on 7-8 September, 2021, to introduce global investors to the newly published SDGs Government Security Framework (on which CICERO and IISD provided a second opinion) (the “SDG Framework”) and to discuss the Republic’s United Nations Sustainable Development Goals roadmap. The virtual roadshow garnered positive responses and was well-received by the global investor base with over 70 participating accounts across both traditional and ESG-focused portfolios.

The Republic’s debut Long 12-year EUR-denominated SDG Offering was priced at a spread of 118 bps over mid-swap rate and a coupon of 1.30%. Final pricing implied that the Republic was able to achieve a price compression of 27 bps, well inside the initial price thoughts level of MS+140-145bps. On the back of strong demand from ESG-focused accounts, the Republic was also able to price flat to its outstanding curve with zero new issue concession, and inside a potential conventional issuance. The Offering marks the tightest pricing (on a spread-basis) achieved by the Republic in the 12-year tenor for a EUR-denominated issuance.

The final orderbook for the Republic’s Offering saw demand of more than EUR 1.2 billion, representing an oversubscription rate of 2.4x the allocated amount. The Notes were allocated 84% to EMEA, 13% to APAC, and 3% to US. By investor type, 71% was allocated to asset managers/fund managers, 16% to banks/brokers, 7% to insurance/pension funds, and 6% to central banks/SSAs.

The Republic’s inaugural SDG Offering further highlights its leadership in sustainable finance as one of the first Asian Sovereign SDG conventional bond issuance, and the first SDG Bond Framework verified by CICERO and IISD globally.

The Republic intends to invest an amount equal to the net proceeds in projects that may qualify as Eligible SDGs Expenditures under the Republic’s SDGs Government Securities Framework.

The Republic’s successful debut SDG Offering demonstrates its commitment towards financing environmental and social projects in contribution to the 2030 National Development Agenda and to be aligned with the SDGs. The Republic is strongly committed to combatting climate change, and implementing the United Nations’ SDGs, a shared blueprint for global prosperity and wellbeing by 2030, by achieving the 2030 Development Agenda. The Republic has also set out various policy directions and regulations to uphold its sustainability commitments in the past decade, and with a clear strategic plan, Indonesia remains on track to achieve its SDGs Targets by 2030.



All Green and SDG Securities issued under the Republic's SDG Framework is aligned with international standards including the ICMA principles. The Republic continues to be committed to adhering to the highest international standards of external reviews for the SDG securities, in line with best practices and to obtain assurance on post-issuance annual reporting.

BofA Securities, Citigroup, Crédit Agricole CIB, HSBC and UBS were Joint Bookrunners, and PT BRI Danareksa Sekuritas and PT Trimegah Sekuritas Indonesia Tbk were Co-Managers. Crédit Agricole CIB and HSBC acted as Joint SDG Structuring Advisors.

\*\*\* *Republic of Indonesia – SDGs Government Securities Framework & Second Party Opinion:* <https://www.djppr.kemenkeu.go.id/page/load/3229> \*\*\*

*\* A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.*

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#### **Further Information:**

Directorate of Government Debt Securities  
Directorate General of Budget Financing and Risk Management  
Ministry of Finance Indonesia  
Email: [surat.utang.negara@kemenkeu.go.id](mailto:surat.utang.negara@kemenkeu.go.id)  
Phone: (+6221) 3810175  
Fax. (+6221) 3846516