

EXECUTIVE SUMMARY

The increasing number of populations in Jakarta resulted in the increasing amount of waste generated by Jakarta populations. Until now Jakarta still relies heavily on the only Final Disposal Landfill in Bantar Gebang which has an area of 110 hectares, but nowadays the area is no longer able to accommodate the amount of garbage in Jakarta, causing Jakarta complicated hygiene problems. Capturing this condition as an opportunity, PT Hijau Berdikari comes with a solution named Bank Sampah Hijau Berdikari which is a waste management system that adds economic values through savings and loans using waste as a means to increase the nominal savings or means to pay the loan. In carrying out all business activities, PT Hijau Berdikari refers to the Overall Cost Leadership generic strategy that serves a broad target market.

Broad target market is depicted by three types of customers served by PT Hijau Berdikari. Those three customers are household customers, corporate customers, and industries. Household customers and corporate customers are divided into two types, A and B. Type A is a group of customers who are more concerned with the environmental / social values while type B customers are more concerned with economic values. The diversification of customers enables the cross-subsidy that guarantee the stability of cash flow, so that PT Hijau Berdikari will be able to offer interest-bearing savings with no-interest loans. PT Hijau Berdikari will also have advantages in terms of networking with top players in waste industry, such as PT ISS Indonesia, Ikatan Pemulung Indonesia, PT Majestic Buana Cipta Cemerlang, UD. Budi Purnama and PT Cipta Visi Sinar Kencana.

In its operations, PT Hijau Berdikari will have two business units, Bank Sampah and Pusat Pengolahan Sampah (PPS). Bank Sampah will act as a business

unit that ensures the supply of raw materials, while PPS will play a role in waste management and production of recycled products.

To finance its operations, PT Hijau Berdikari divides its investment in two stages, namely the introduction phase (years 1-5) and the growth stage (years 6-10). In the introduction stage, the initial investment required funds amounting to IDR 3,138,661,493 (CAPEX amounted to IDR 2,638,245,000 and 3 months working capital of IDR 500,416,493). Then, in the next 2 years, the company still needs an additional investment of IDR 671,845,464 and IDR 435,987,417 to fund its operating expenses and expansion plans. Proficiency level of capital requirements, 20% will be funded by the founders, while 80% will be funded by angel investor. For this stage of growth, which will be built more bank sampah and PPS, it will need additional funds amounting to IDR 9,217,547,448 to be funded entirely by a new angel investor. Based on the due diligence performed, it is concluded that PT Hijau Berdikari is feasible to run. The time required to achieve the payback is 9.19 years, its expected NPV is IDR 2,600,279,960 and its expected MIRR is 19.9% (above the cost of equity - 16.2%). Furthermore, in terms of social and environmental impacts, PT Hijau Berdikari able to produce Social Return on Investment by 1.72, which means that every IDR 1,000,000 invested will yield a positive impact on social and environment equivalent to IDR 1.72 million.