## **ABSTRACT**

This paper attempts to examine how energy sector projects that are funded from foreign debt are managed, particularly in the process of monitoring and evaluation. The need for energy infrastructure is one of the main priorities in national development efforts. The dependence of modern society on decent infrastructure requires ongoing development efforts. It considers that if the infrastructure is inadequate or poorly managed, then people can suffer from high costs, pollution, congestion, economic stagnation, and environmental damage. One of the common problems faced in the effort to accelerate development is the fulfillment of funding sources. One alternative solution taken by the government is by taking a loan. The loan/debt of Indonesian government growing at the rate 4,4% per year since 2012 to 2016 and from the reaseacher analysist it will grow steady in the further year. The need for substantial funding in development allocations emphasizes for the Indonesian government to be able to manage its debt strategically. One of the processes that can support how the government improves the way they achieve their goals by monitoring and evaluating the projects, programs, and policies implemented. Monitoring and performance evaluation of projects funded by foreign loans play a role in helping decisionmakers to improve how they achieve results and track how far they have done.

**Keyword :** Monitoring, Evaluation, Energy Infrastructure Project, Managing Foreign Loan, Project from Loans