



INDONESIA

updates : Performance and Outlook



Bangkok, 9 April 2013

Deputy Chairman For Investment Climate Development

invest in remarkable indonesia

invest in remarkable indonesia



Outline

I. Economic and Investment Performance

II. Investment Policies

III. Investment Opportunities

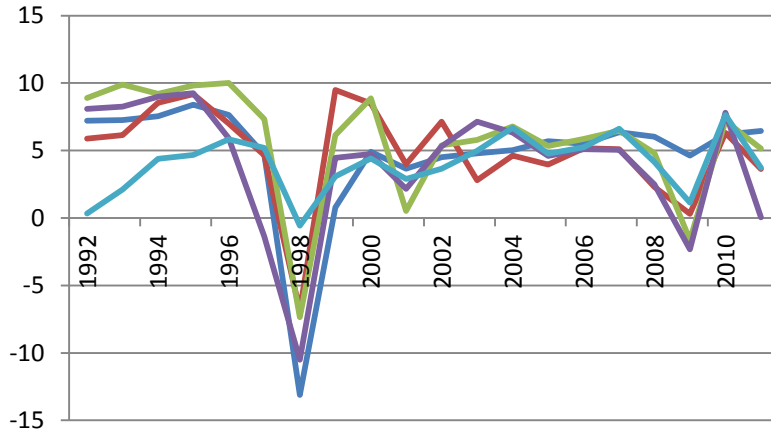


I. Economic and Investment Performance

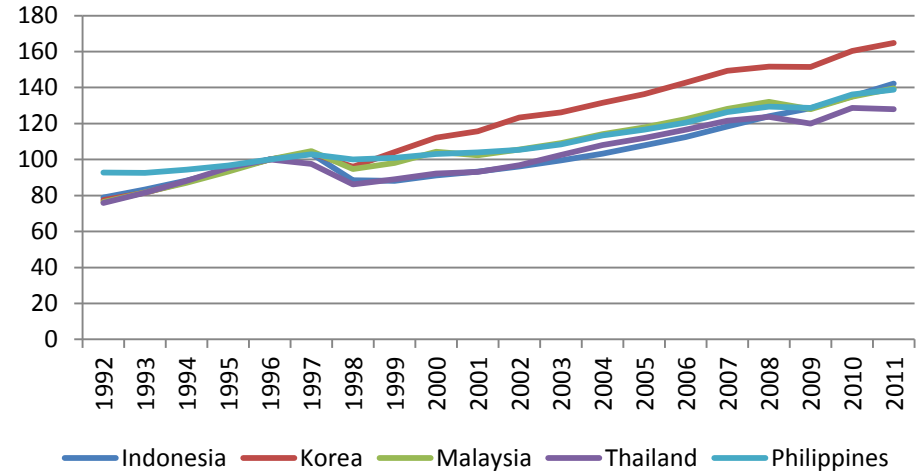
Sound Economy: Maintaining the pace of growth.



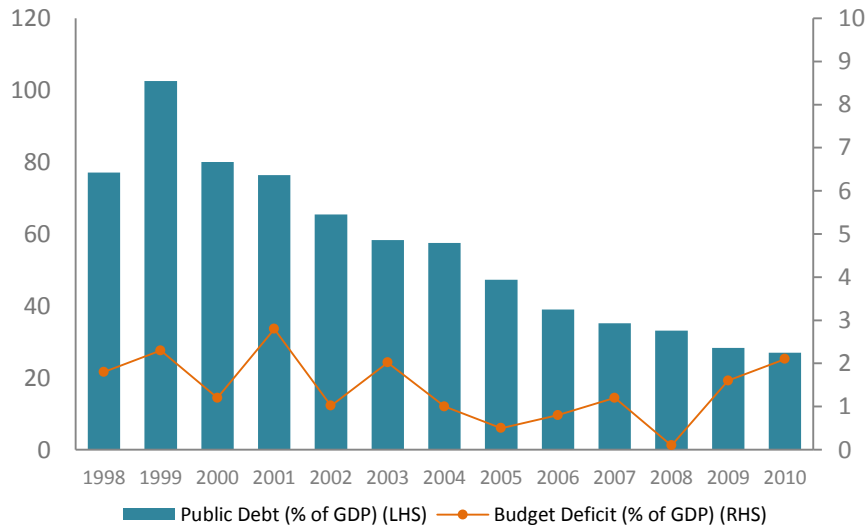
GDP growth rates (%)



Real GDP per capita (1996=100)



Public Debt and Budget Deficit (% of GDP)



Indonesian economy grew by 6.5% in 2011, and 6.3% in last year 2012. It is currently the second fastest growing economy among G20 members.

Indonesia is fiscally and monetarily more sound compared to some European countries.

Source: CEIC



Indonesia Population



IN 2012
INDONESIA'S
POPULATION

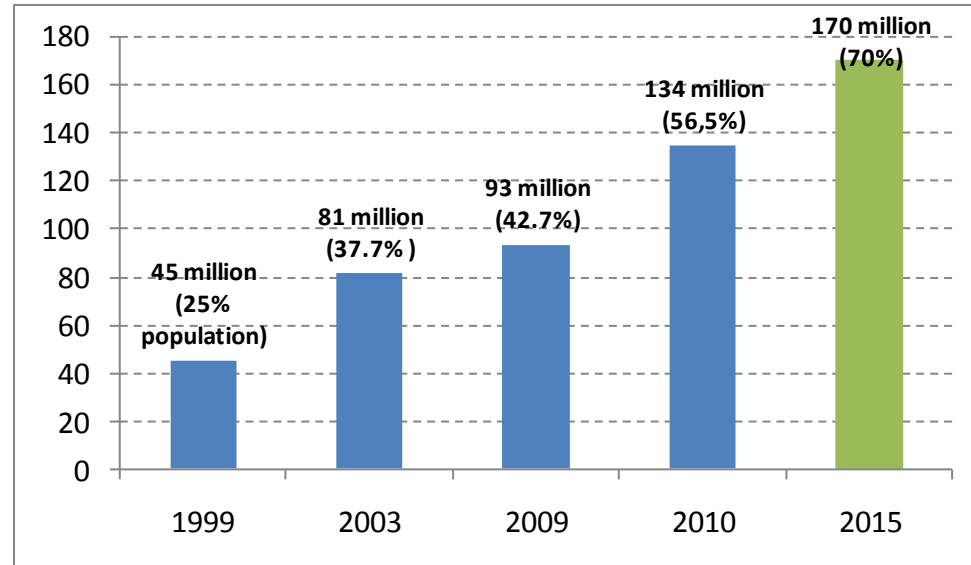
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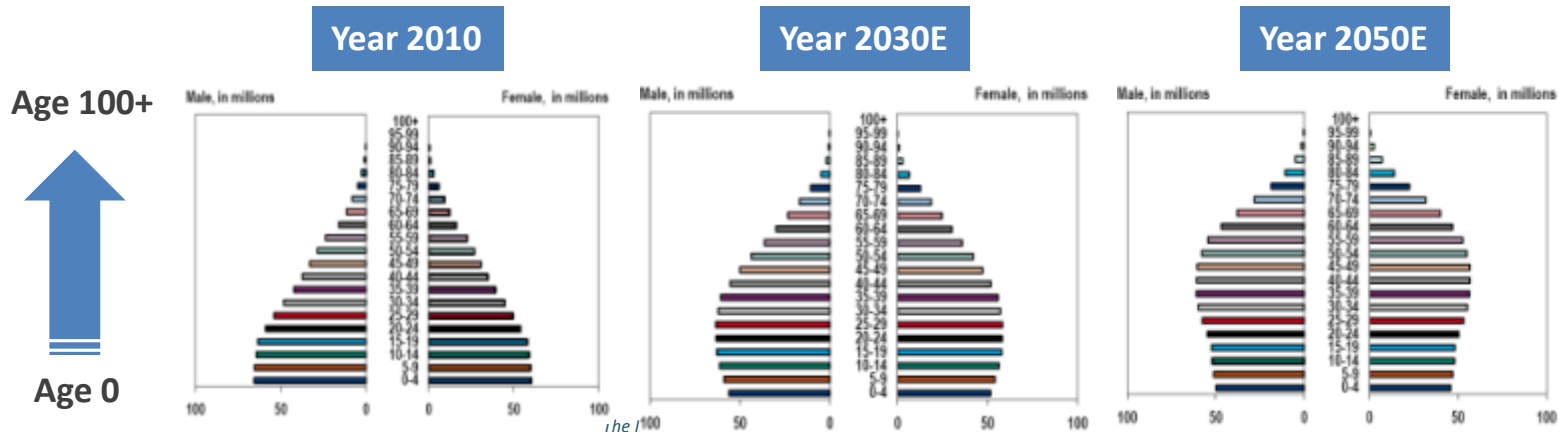
MILLION

4th most populous
nation in the world

High Expectation Of Growth IN MIDDLE TO HIGH CLASS INCOME (EXPENDITURE PER CAPITA US\$2-US\$20/DAY)



Of the 238 million people in Indonesia, over 60% of the population is under 39 years old, providing a dynamic workforce.





International Credit Ratings: Indonesia Snares Investment Grade

**STANDARD
& POOR'S**

Apr 2011

**BB+ /
POSITIVE**

*1 Notch closer to
Investment Grades*

“The rating upgrade reflects continuing improvements in the government's balance sheet and external liquidity, against a backdrop of a resilient economic performance and cautious fiscal management.”



Japan Credit Rating Agency, Ltd.

Aug 2011

BBB / STABLE

Investment Grades

“this ratings affirmation reflects the country's sustainable economic growth outlook underpinned by solid domestic demand, alleviated public debt burden brought by prudent fiscal management, and reinforced resilience to external shocks stemming from accumulated foreign exchange reserves and an improved external debt management capacity.”

FitchRatings

Dec 2011

BBB- / STABLE

Investment Grades

“The rationale behind the upgrade is Improved economic performance, strengthened external liquidity, low and declining public debt ratios, and a prudent overall macro policy framework. Rapid progress in tackling structural weaknesses combined with sustained economic growth in line with or better than Fitch's projections without a build-up of external imbalances or a severe inflation shock would enhance Indonesia's economic and sovereign credit fundamentals and exert upward pressure on the rating.”

**MOODY'S
INVESTORS SERVICE**

Jan 2012

Baa3/ STABLE

Investment Grades

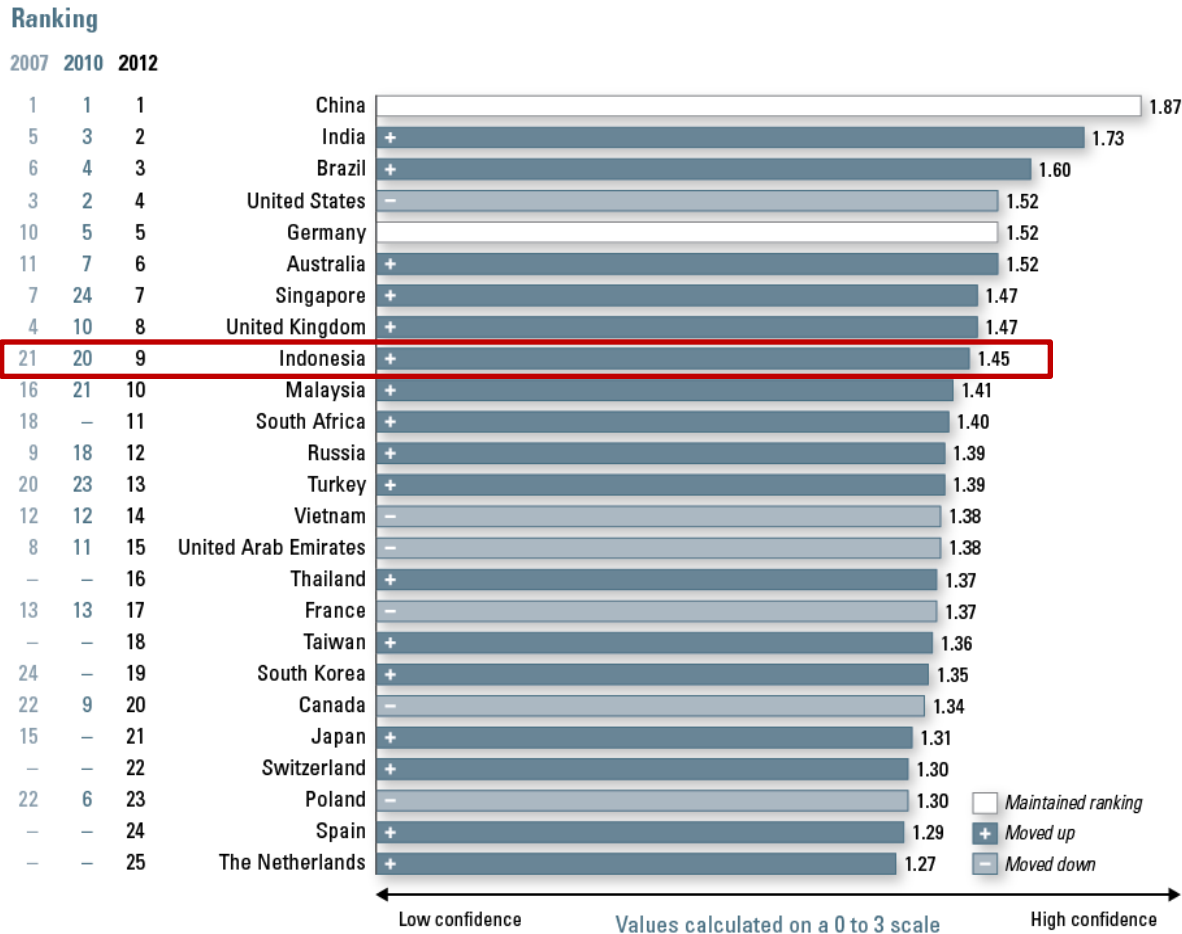
“Indonesia's cyclical resilience to large external shocks points to sustainably high trend growth over the medium term. A more favorable assessment of Indonesia's economic strength is underpinned by gains in investment spending, improved prospects for infrastructure development following key policy reforms, and a well-managed financial system.”



Investment Climate: *the world embrace Indonesia's economic performance*

Figure 1

The A. T. Kearney Foreign Direct Investment Confidence Index, 2012



- The Foreign Direct Investment Confidence Index is a global survey held by **A. T. Kearney**. This index gives unique picture of prospects for international investment flows. Following are the major findings of the 2012 FDI Confidence Index, which is based on a survey of more than 200 executives from 27 countries and 17 industry sectors.
- Indonesia made significant gains as a destination for foreign direct investment (FDI), moving from 20th place in 2010 to 9th place in its recent survey.

Source: A.T. Kearney Foreign Direct Investment Confidence Index®, 2012

Investment Climate: *the world embrace Indonesia's economic performance*



World Investment Prospects Survey 2012 - 2014
 “the most attractive economies for the location of FDI”

No	Countries	Ratings (Period of Year)	
		2010-2012	2012-2014
1	China	1	1
2	USA	4	2
3	India	2	3
4	Indonesia	9	4
5	Brazil	3	5
6	Australia	13	6
7	United Kingdoms	7	6
8	German	10	8
9	Rusia	5	8
10	Thailand	10	8
s/d			
193			

“Indonesia was ranked 4th as major destination for FDI. “

This result was based on UNCTAD survey whose respondents are executives of Transnational Corporations (TNC) from developed and/or developing countries.

UNCTAD consists of 193 member economies or countries.

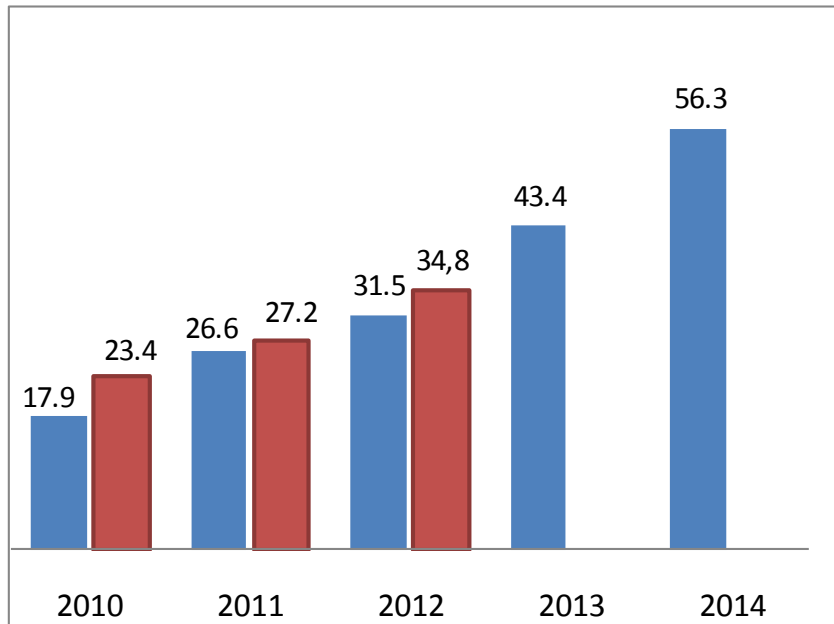
Source: World Investment Prospects Survey 2012 – 2014 UNCTAD



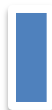
Investment Target

INVESTMENT REALIZATION & TARGET

US\$ Billion



Investment realization



Investment target

Description:

- In 2010, the realization of investment reached **130.2%** of 2010 target
- In 2011, the realization of investment reached **104.7%** of 2011 target
- In 2012, the realization of Investment reached **124.6%** of 2012 target

- Expected leading sectors in 2013:
 - Textile Industry
 - Food Crops and Plantation
 - Food Industry
 - Infrastructure*
 - Petroleum Refineries*
 - Manufacture of basic metals*
 - Machineries*
 - Industry of renewable resources*
 - Manufacture of communication equipment*
- Priority sectors in General Plan of Investment :
 - Food
 - Infrastructure
 - Energy
 - Processing of agro product
 - Processing of mining product

* = affected by policies prioritization, such as MP3EI, PPP, and tax incentives

Investment Realization Target (Strategic Planning BKPM 2010 – 2014)



	2010	2011	2012	2013	Δ
REALIZATION					
FDI	147,9 T	175,3 T	221,0 T	272,6 T	23,3 %
DDI	60,6 T	76,0 T	92,2 T	117,7 T	27,6 %
TOTAL	208,5 T	251,3 T	313,2 T	390,3 T	24,6 %

Notes:

2010-2012: Investment realization

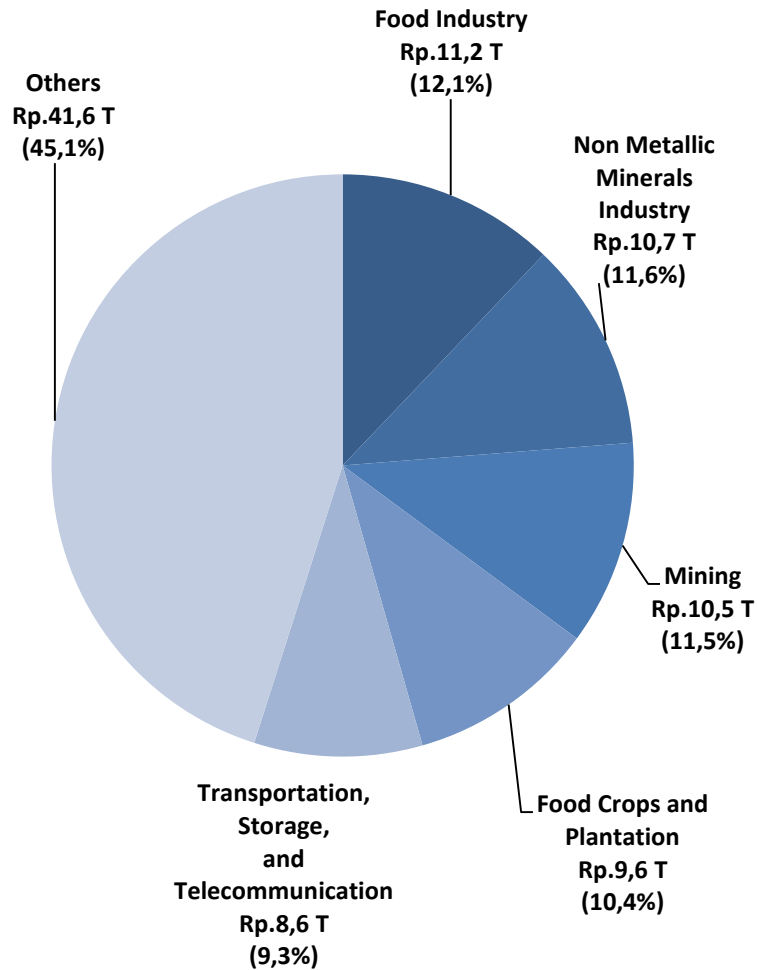
2013: Investment target as Strategic Planning BKPM 2010-2014

Δ : Investment realization target of 2013 to investment realization performance of 2012

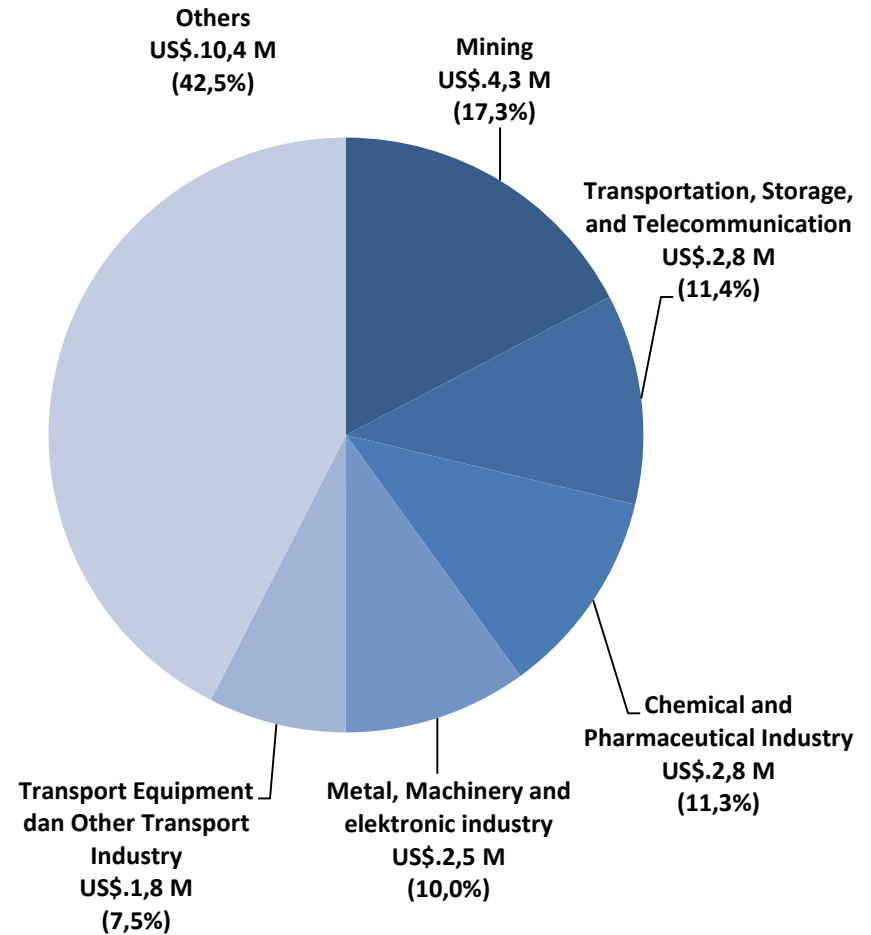
Investment Realization of January – December 2012 : Based on Sectors



Domestic Direct Investment



Foreign Direct Investment





Investment Realization of January – December 2012 :

Domestic Direct Investment			
NO	BUSINESS FIELDS	INVESTMENT (Rp. Miliar)	PROJECTS
1	Food industry	11.166,69	222
2	Non metallic minerals industry	10.730,66	37
3	Mining	10.480,90	39
4	Food Crop and plantation	9.631,48	180
5	Transportation, Storages, and Telecommunications	8.612,04	33
6	Pulp, paper, and printing industry	7.561,04	64
7	Metal, machinery, and electronics industry	7.225,67	81
8	Chemical and phramaceutical industry	5.069,45	94
9	Constructions	4.586,62	17
10	Textile industry	4.450,91	51
11	Electricity, gas, and water	3.796,78	42
12	Rubber and plastic industry	2.855,01	110
13	Other services	2.825,05	63
14	Trade and reparation	1.030,44	35
15	Hotel and Restaurant	1.015,03	34
16	Transport equipment and other transport	664,42	21
17	Forestry	144,54	9
18	Breeding	97,44	31
19	Leather and footwear industry	76,68	9
20	Housing, industrial areas, and offices	58,00	6
21	Wood industry	56,97	15
22	Other industry	31,45	10
23	Fishery	14,73	7
TOTAL		92.182,01	1.210

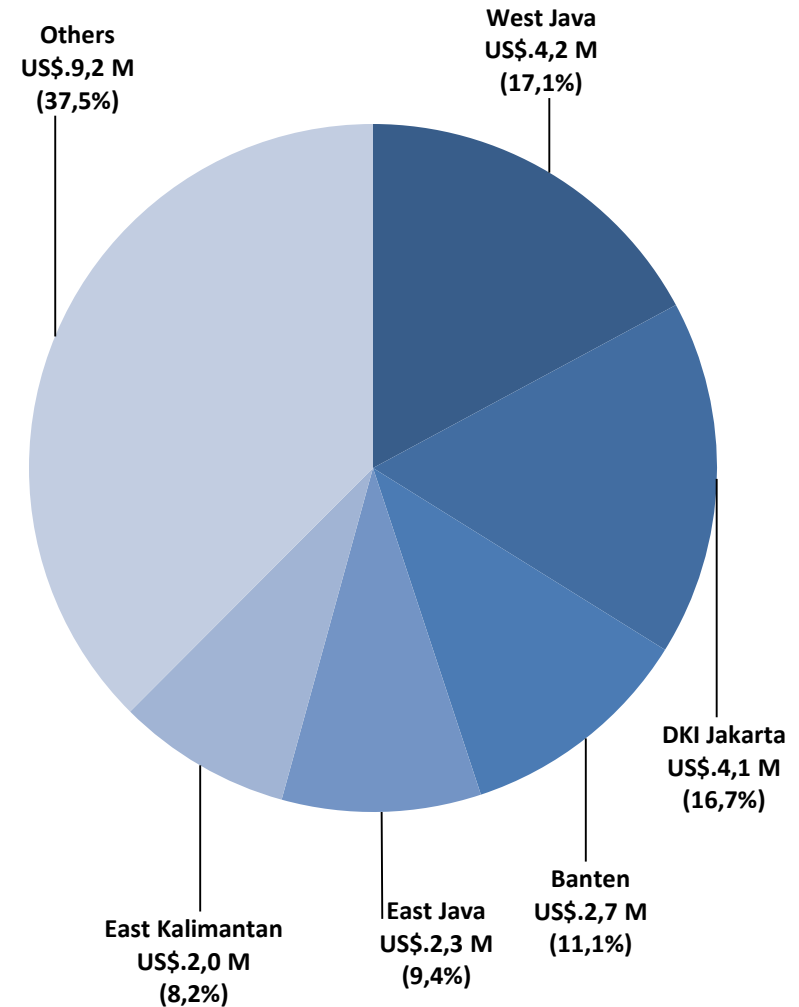
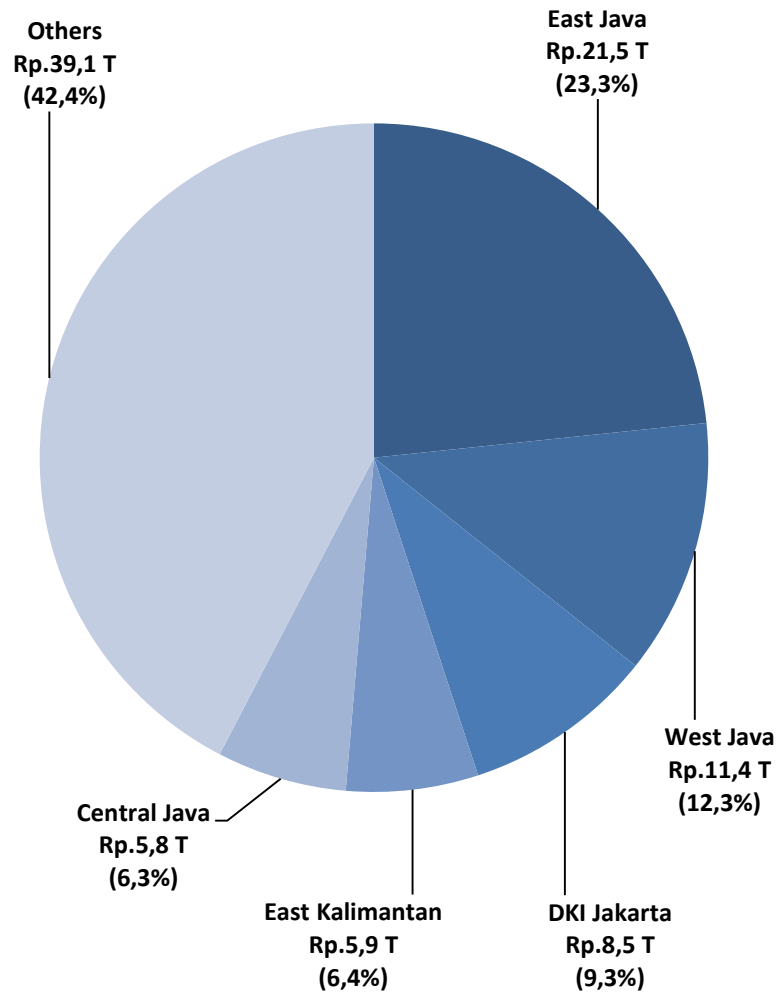
Foreign Direct Investment			
NO	BUSINESS FIELDS	INVESTMENT (US\$ Million)	PROJECTS
1	Mining	4.255,45	412
2	Transportation, Storages, and Telecommunications	2.808,23	93
3	Chemical and phramaceutical industry	2.769,79	230
4	Metal, machinery, and electronics industry	2.452,62	364
5	Transport equipment and other transport	1.840,05	163
6	Food industry	1.782,95	347
7	Food Crop and plantation	1.601,87	261
8	Electricity, gas, and water	1.514,57	65
9	Pulp, paper, and printing industry	1.306,61	57
10	Hotel and Restaurant	768,16	223
11	Rubber and plastic industry	660,30	147
12	Other services	645,77	559
13	Trade and reparation	483,58	983
14	Textile industry	473,12	149
15	Housing, industrial areas, and offices	401,78	131
16	Construction	239,57	77
17	Leather and footwear industry	158,88	73
18	Non metallic minerals industry	145,76	48
19	Other industry	100,19	94
20	Wood industry	76,29	38
21	Fishery	28,99	31
22	Forestry	26,94	16
23	Breeding	19,82	14
24	Medical instrument, precision, optics, and watch industry	3,40	4
TOTAL		24.564,67	4.579

Investment Realization of January – December 2012 : Based On Locations

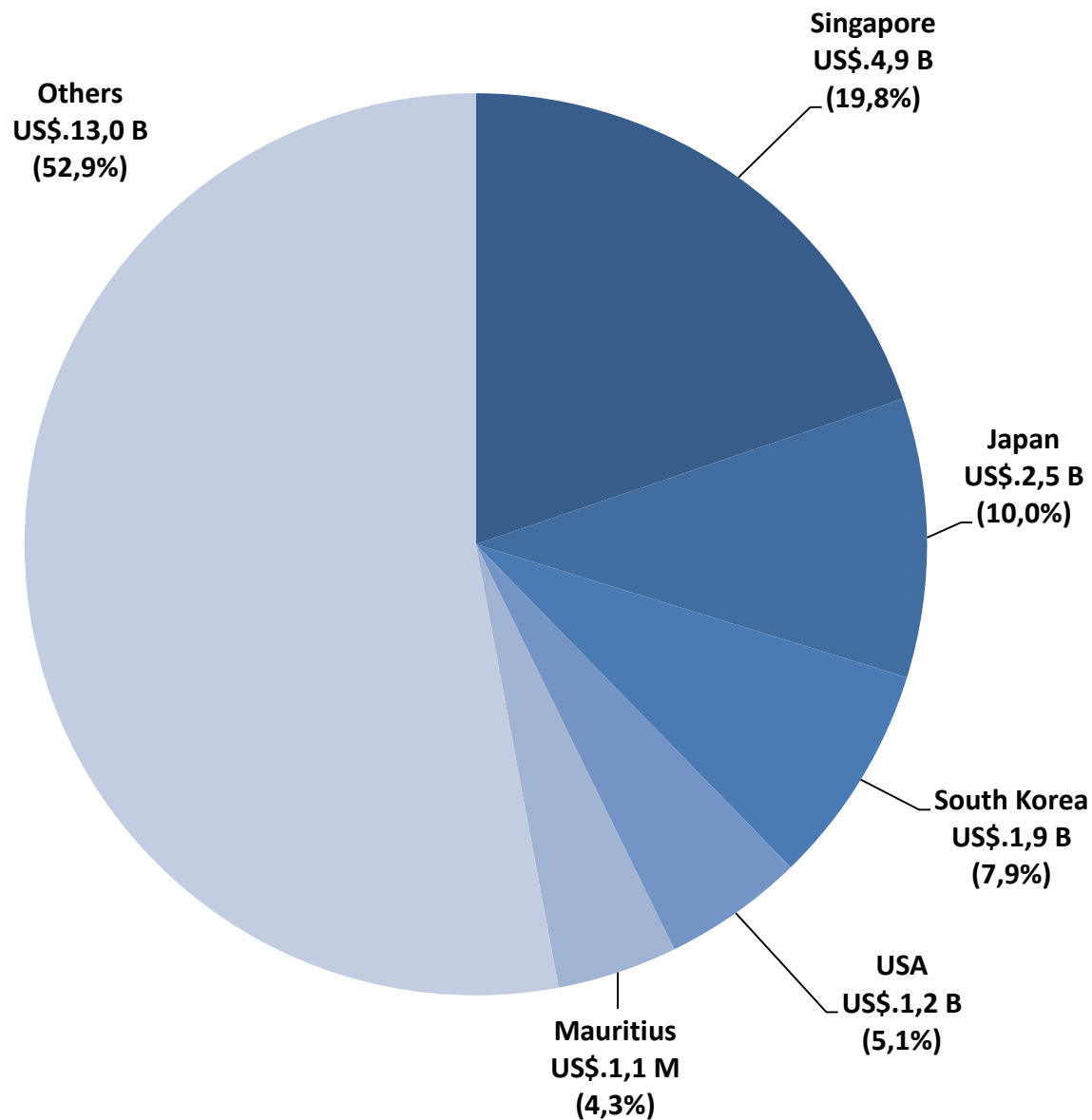


Domestic Direct Investment

Foreign Direct Investment



Investment Realization of January – December 2012 : Based on Country of Origin





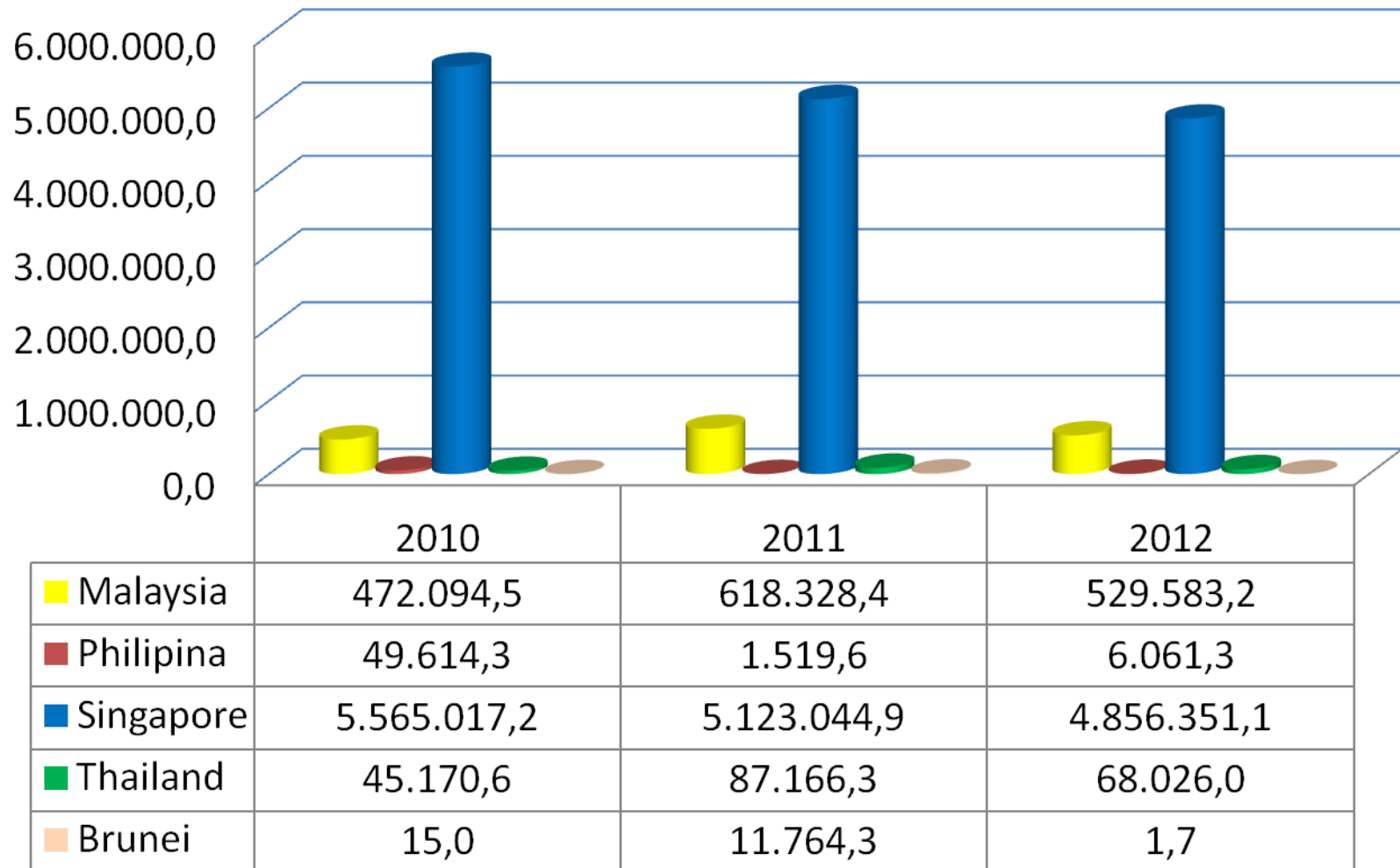
Realization January – December 2012 : Based on Country of Origin

NO	Country of Origin	INVESTASI (US\$. Million)	Project	NO	Country of Origin	INVESTASI (US\$. Million)	Project
1	Singapore	4.856,35	805	37	Iran	1,45	3
2	Japan	2.456,94	405	38	Nepal	1,15	3
3	South Korea	1.949,70	421	39	Egypt	0,70	3
4	United States	1.238,27	97	40	Afghanistan	0,57	1
5	Mauritius	1.058,79	23	41	Guatemala	0,52	1
6	Netherlands	966,54	131	42	Siprus	0,44	1
7	United Kingdom	934,38	100	43	Irak	0,40	1
8	British Virgin Islands	855,90	168	44	Russia	0,35	3
9	Australia	743,59	137	45	Marshall Island	0,33	1
10	Taiwan	646,95	85	46	Pakistan	0,17	4
11	Malaysia	529,58	237	47	Yemen Arab Republic	0,11	1
12	Hong Kong	309,61	105	48	Denmark	0,10	3
13	Switzerland	255,14	37	49	Slovakia	0,01	2
14	France	158,70	52	50	Lebanon	0,01	1
15	People's Republic Of China	140,97	190	51	Liberia	0,01	1
16	Seychelles	136,21	11	52	Maroco	0,00	2
17	Luxembourg	97,97	17	53	Brunei Darussalam	0,00	3
18	India	78,14	58	54	Ukraine	0,00	1
19	Germany	75,78	71	55	Slovenia	0,00	2
20	Thailand	68,03	17	56	Sri Lanka	0,00	1
21	United Arab Emirates	32,35	12	57	Saudi Arabia	0,00	2
22	Cayman Islands	29,31	57	58	Qatar	0,00	1
23	Belgium	23,95	16	59	Mauritania	0,00	1
24	Italy	22,94	25	60	Nigeria	0,00	1
25	Yordania	19,87	1	61	New Zealand	0,00	3
26	Kanada	8,54	14	62	Mexico	0,00	1
27	Norway	7,77	5	63	Panama	0,00	2
28	Bulgary	7,44	2	64	Brasil	0,00	1
29	Turkey	7,26	13	65	Bahama	0,00	2
30	Austria	6,76	13	66	Isle of Man	0,00	1
31	Philipina	6,06	7	67	Kroasia	0,00	1
32	Swedia	5,21	11	68	Hungary	0,00	2
33	Puerto Rico	4,57	1	69	Finland	0,00	1
34	Spain	3,15	10	70	Joint Countries	6.811,77	1.164
35	Belize	2,38	1		TOTAL	24.564,67	4.579
36	Western Samoa	1,50	3				



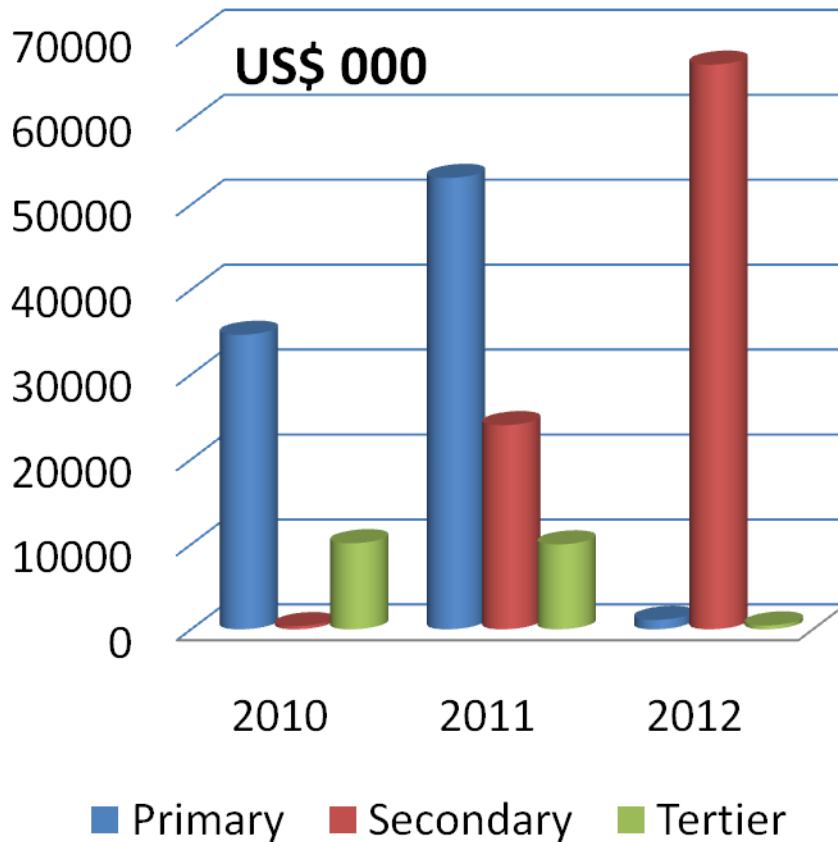
Investment Realization : ASEAN COUNTRIES (2010 – 2012)

(US\$ 000)





Thailand Investment Realization : Based on Sector



- 2010: Investment realization dominated by **Food Crop and Plantation** (US \$ 22.6 B)
- 2011: Investment realization dominated by **Food Crop and Plantation** (US\$ 53.1 B) and **Rubber and Plastic Industry** (US \$ 15.4 B).
- 2012: Investment realization dominated by **Rubber and Plastic Industry** (US \$ 37.8 B) and **Non Metallic Mineral Industry** (US \$ 24.1 B).



II. Investment Policies



Policies Supporting Investment Competitiveness

POLICIES SUPPORTING INVESTMENT COMPETITIVENESS

INVESTMENT GUIDELINES

INVESTMENT LAW

NEGATIVE INVESTMENT LIST (NIL)

FISCAL INCENTIVES

1. Tax Allowance (Income tax reduction for investment in certain business and fields and/or certain region)
2. Import Duties Facilities : tax exemption for import machinery, goods and material for business activities with some condition
3. Tax Holiday : government provide tax exemption
4. Incentives by Regional Government



LAW OF THE REPUBLIC OF INDONESIA NUMBER 25 OF 2007 CONCERNING INVESTMENTS

Investment Law No. 25 of 2007

EQUAL TREATMENT

- Accord equitable treatment to domestic investors and foreign investors with due regard to the national interest

FREE TO REPATRIATE INVESTMENT & PROFIT

- Investors shall be granted the following rights to transfer and repatriate in foreign currencies

BUSINESS SECTOR

- All business sectors or business types shall be open to investment activities, except for business sectors or business types that are declared to be closed and open with requirements.

INVESTMENT FACILITIES

- The Government shall grant facilities to investors who make investments
- Fiscal Facilities and Non Fiscal Facilities

INVESTMENT SERVICES

- In order to coordinate the implementation of policies and investment services, the Investment Coordinating Board has the duty and function, among others, coordinate and implement the integrated one-stop service



NEGATIVE INVESTMENT LIST

**NEGATIVE
INVESTMENT
LIST**
(Presidential Regulation
No.36 Year 2010)

The latest NIL enacted based on the Presidential Regulation Number 36 Year 2010 Regarding the List of Business Fields Closed to Investment and Business Fields Open, With Conditions, to Investment.

There are about **40 business sectors** that are **open for investors** and 10 business sectors that are more restrictive..

No.	Sectors	More Open	More Restrictive
1.	Agriculture	-	2
2.	Forestry	1	-
3.	Maritime and Fishery	1	-
4.	Energy and Mineral Resources	1	-
5.	Industry	2	3
6.	Public Works	1	-
7.	Trade	1	-
8.	Culture and Tourism	17*	1
9.	Transportation	4*	1
10.	Communication and Information	2	2
11.	Manpower and Transmigration	2	-
12.	Health	8*	-
13.	Security	-	1
Total		40	10

*) Including business field open with condition for ASEAN Investors



Negative List of Investment– Presidential Regulation Number 36 Year 2010

List of Limited Business Fields

- Absolutely Closed Business Fields
- reserved for Micro, Small and Medium Enterprises and Cooperatives
 - Partnership (Joint Venture)
 - Foreign Ownership
 - Certain Location
 - Special Permit
 - 100% Domestic Ownership
 - Foreign Ownership as well as Location
 - Special Permit and Foreign Ownership
- Special Permit and 100% Domestic Ownership
- Foreign Ownership Requirements and/or location for ASEAN Investors



General Facilities and Incentives

Taxes

Tax Allowance:

Based on Government Regulation No. 1 Year 2007 jo. No. 62 Year 2008 jo.No. 52 Year 2011:

- ✓ Reduction of net income for 30% from total amount of investment, charged in 6 year with each 5% per year.
- ✓ Depreciation and amortization accelerated to fixed intangible assets (building and non-building)
- ✓ Income Tax on dividends paid to foreign tax subject to 10% or a lower rate according to double taxation avoidance agreement
- ✓ Compensation for losses of more than 5 years but not more than 10 years.

Tariff reduction on Income Tax:

Based on Government Regulation No. 81 Year 2007:

- ✓ Reduction in income tax rates 5% of the highest level (from 25% → 20%) if at least 40% of the total paid-up shares are traded on Indonesia's stock exchanges or paid-up shares publicly owned for at least 300 party.



Taxes

Tax Holiday:

Based on Ministry of Finance Regulation Number 130/PMK.011/2011, 2011:

- ✓ Tax exemption for a period 5 to 10 years after a company or project begins commercial production (100% realization and have the permanent licence/IUT). Following this period, could offer an additional 50% corporate income tax reduction for 2 years after the tax holiday period (12.5 % of income tax for 2 years).
- ✓ Five priority business sectors: **basic metals, petroleum refineries and/or basic organic chemicals derived from petroleum and natural gas, machinery industry, renewable resources industry, and telecommunications equipment industry.**
- ✓ The requirements are: minimum investment Rp. 1 trillion; having been legalized at least 12 months before the Regulation on Tax Holiday been issued; and must deposit at least 10% of the proposed investment in an Indonesian Bank.



Import Duty

Based on Ministry of Finance Regulation No. 176/PMK.011/2009 Jo
Ministry of Finance Regulation No. 76/PMK.011/2012

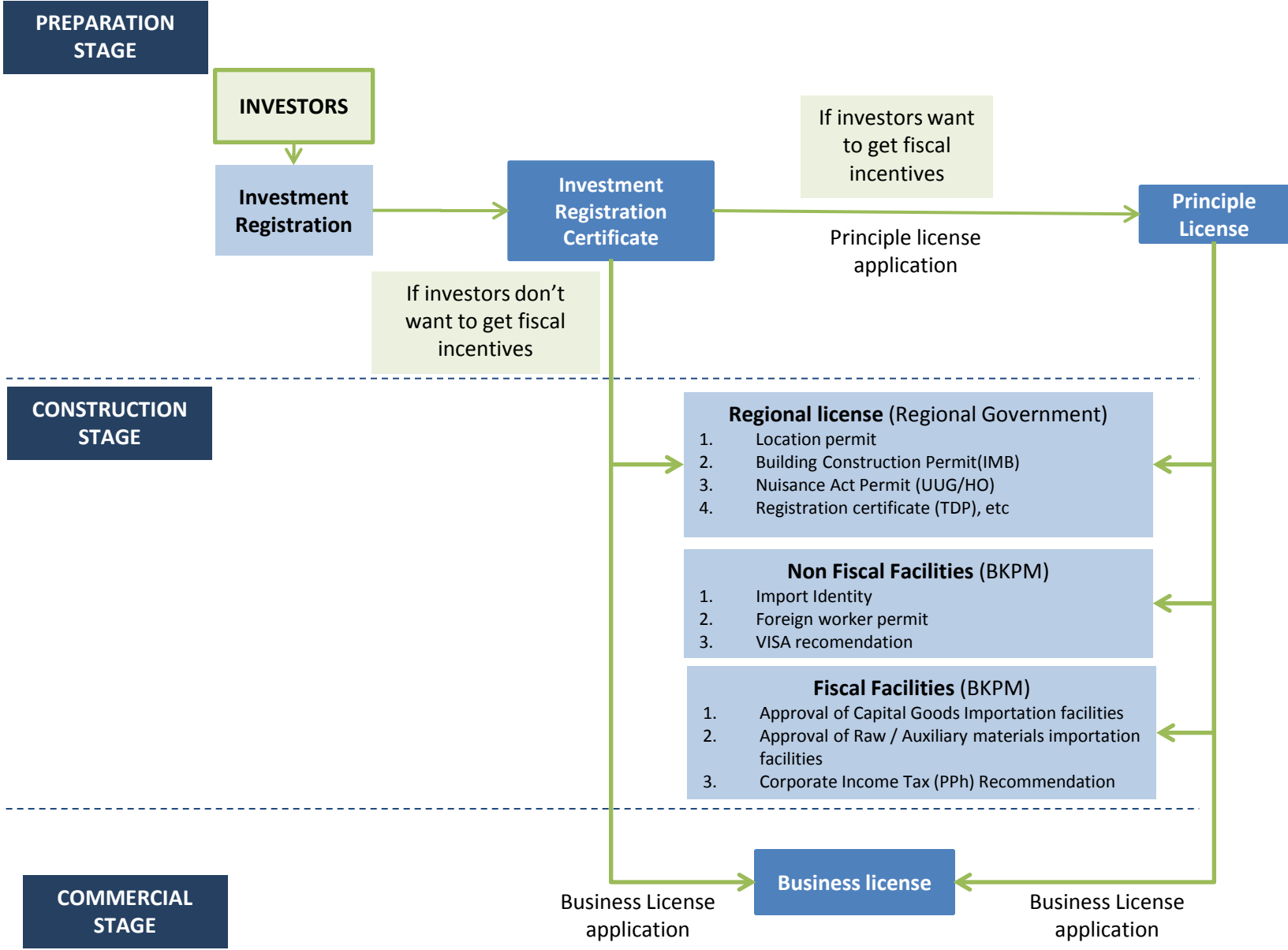
- Exemption of import machinery, goods and materials for business activities in the field of industry that produces goods and / or industries that produce services for new project as well as expansion projects. Term of import 2 years and it can be extended.
- Exemption of import machinery, goods and materials given as long as:
 - ✓ Not yet produced domestically
 - ✓ Produced in the country but do not meet the required specifications, or
 - ✓ Have been produced within the country but not yet sufficient for industry needs

Other Incentives

Various investment incentives or facilities will be provided by local governments, based on Government Regulation Number 45 Year 2008 On Guidelines for Granting Incentives and Grants Ease Investment in the Region.



Investments Guidelines: Investment License Procedures





Standard Operating Procedure (SOP) for Investment License

License Procedures	SOP (Days)								
	1	2	3	4	5	6	7	15	
Registration of Investment	1								
Investment Principle License	1	2	3						
Permit of Investment Expansion	1	2	3						
Investment Principle amendment	1	2	3	4	5				
Foreign Company Representative Office Permit (KPPA)	1	2	3	4	5	6			
Business License	1	2	3	4	5	6	7		
Business License for Expansion	1	2	3	4	5	6	7		
Business License for Company Merger	1	2	3	4	5	6	7		
Business License amendment	1	2	3	4	5	6			
Producer Importer Identification Number (API-P)	1	2	3	4	5				
Approval for Facilities Exemption of Import Duty	1	2	3	4	5	6	7		
Corporate Income Tax (PPH) Recommendation	1	2	3	4	5	6			
Tax Holiday Recommendation	1	2	3	4	5	6	7	15	



III. Investment Opportunities

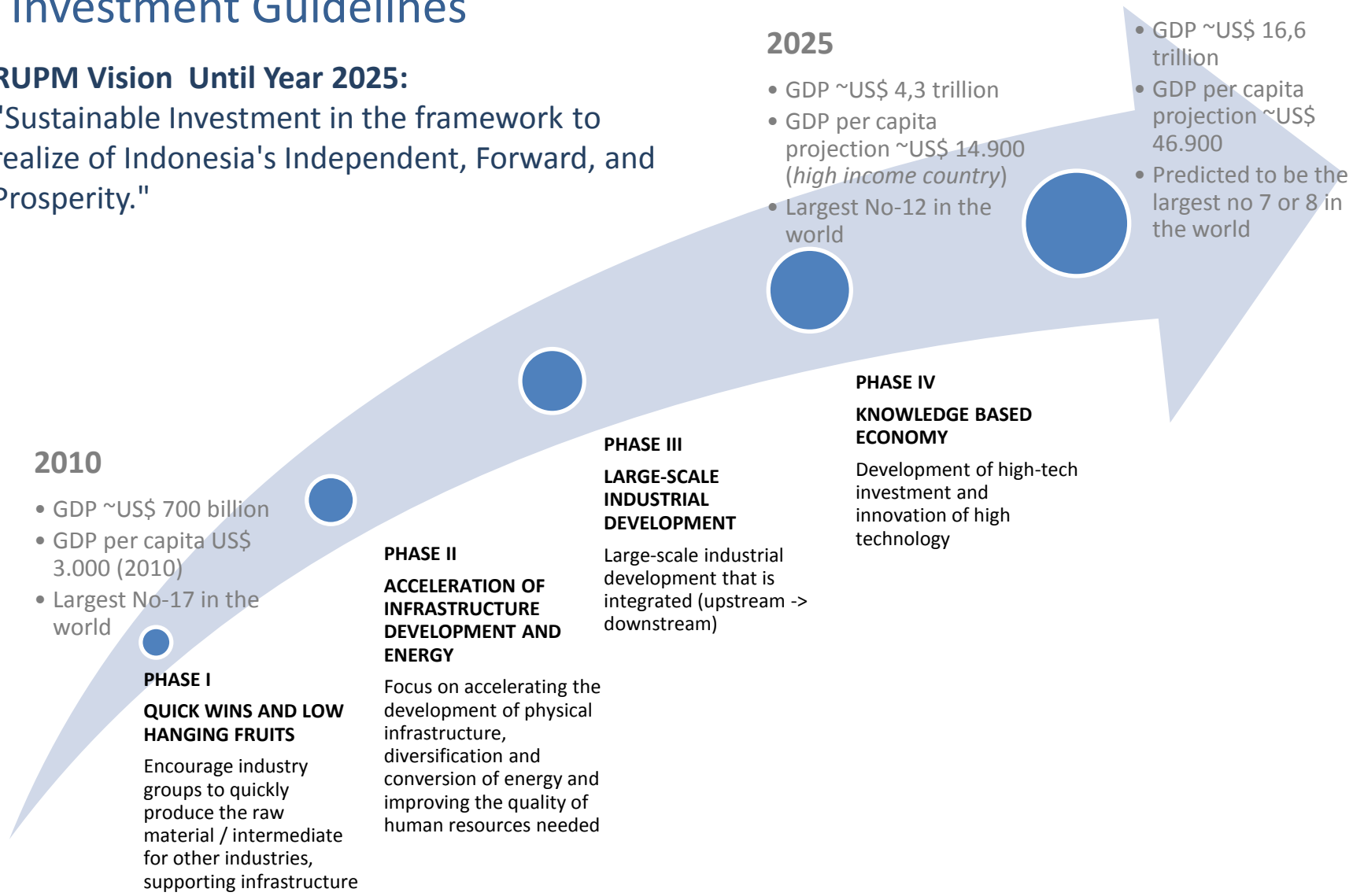


Investment Policy: Implementation Roadmap of Indonesia

Investment Guidelines

RUPM Vision Until Year 2025:

"Sustainable Investment in the framework to realize of Indonesia's Independent, Forward, and Prosperity."





Indonesia Economic Corridors: Main Potentials

Source: BKPM, 2011



“Supporting the National Service and Industry”

“Central of Production and Manufacture of National Natural and Energy Resources”

“Central of Production and Manufacture of National Mining and Energy Resources”

“Central of Production and Manufacture of National Agriculture, Plantation, Fishery, and Nickel Mining”

“Gate of Tourism and Supporting Provider of National Food and Agriculture”

“Central of Development of National Food, Fishery, Energy, and Mining”



Indonesia Economic Corridors: 22 Main Economic Activities

Main Economic Activity	Sumatera	Java	Kalimantan	Sulawesi	Bali – Nusa Tenggara	Papua – Maluku Islands
Steel	√		√			
Food and Beverages		√				
Textile		√				
Transportation Equipment		√				
Shipping	√	√				
Nickel				√		√
Cooper						√
Bauxite			√			
Palm Oil	√		√			
Rubber	√					
Food Agriculture				√		√
Tourism					√	
ICT		√				
Coal	√		√			
Oil And Gas			√	√		√
Jabodetabek Area		√				
Sunda Straits National Strategic Area	√					
Defence Equipment		√				
Animal Husbandry					√	
Timber			√			
Cocoa				√		
Fishery				√	√	√



Investment Opportunities in Import Substitution

12 MAIN IMPORTED INDUSTRY PRODUCT (USD MILLION)

NO	URAIAN	2009	2010	2011	2012	GROWTH 2012	SHARE 2012
1	Iron and Steel, Machinery, and Automotive	31,684	43,219	52,472	62,605	19.3%	45%
2	Electronics	10,497	14,176	16,117	16,701	3.6%	12%
3	Base Chemical	8,095	11,432	15,413	16,076	4.3%	12%
4	Textile	3,397	5,031	6,735	6,805	1.0%	5%
5	Food and Beverages	2,811	4,514	6,852	6,159	-10.1%	4%
6	Electricity tools	2,106	3,143	3,769	4,190	11.2%	3%
7	Pulp and paper	1,883	2,732	3,263	3,020	-7.4%	2%
8	Other chemical products	1,662	2,199	2,592	2,757	6.3%	2%
9	Feed stock	1,679	1,872	2,221	2,800	26.1%	2%
10	Copper processing, Tins, dll.	1,027	1,822	2,195	2,377	8.3%	2%
11	Fertilizer	929	1,509	2,707	2,918	7.8%	2%
12	Aluminum processing		1,398	1,937	1,973	1.9%	1%
Total of 12 Main Industry		66,804	93,047	116,272	128,381	10.4%	92%
Other Industry		5,734	8,069	9,828	11,333	15.3%	8%
Total of Manufacture Industry		72,398	101,115	126,100	139,714	10.8%	100%

Iron and steel industry, Automotive Components Industry, Chemical Industry (Petrochemicals) and Industrial Electronics and Machinery

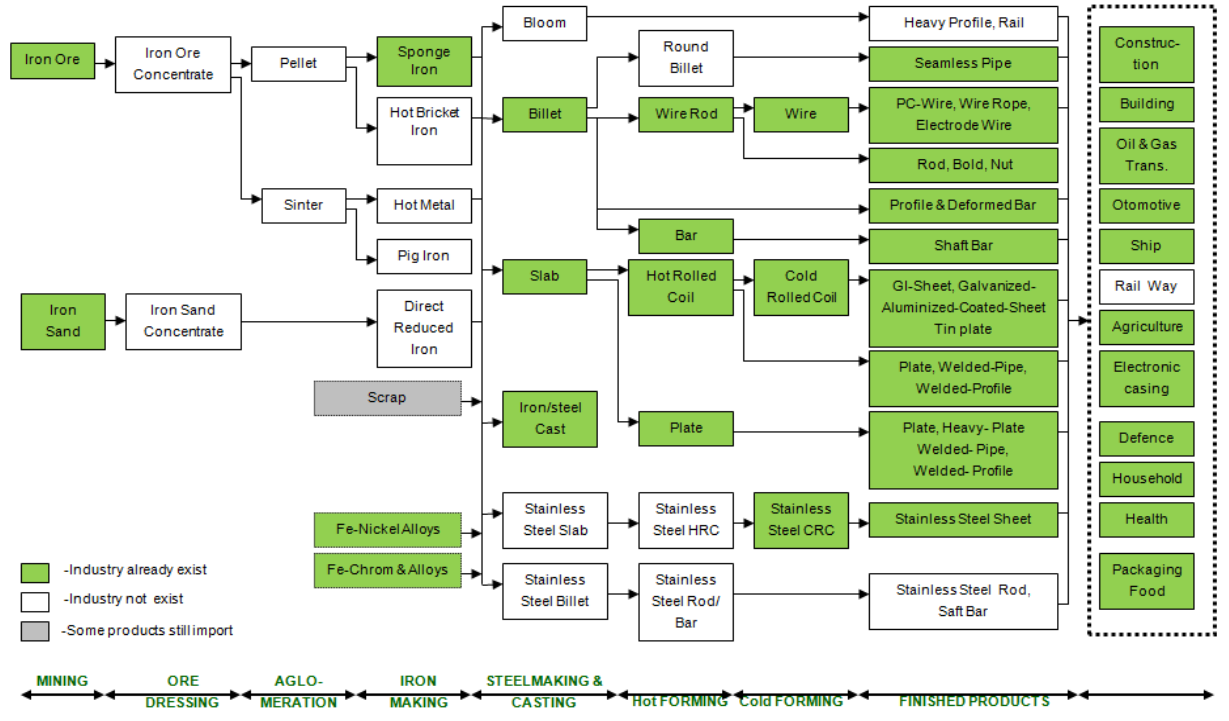


Investment Opportunities: Steel Industry

STEEL CONSUMPTION

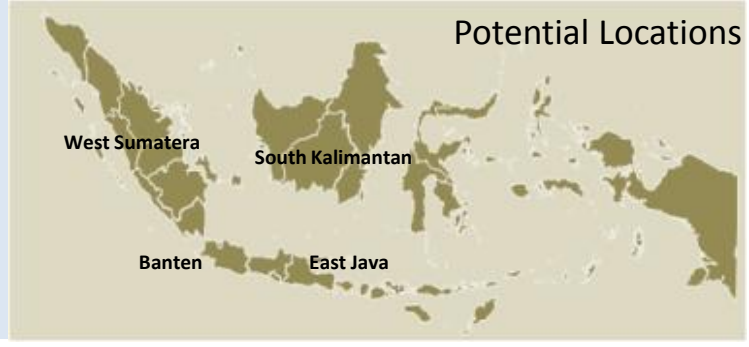
Country	Kg/Capita/Year
INDONESIA	37.3
Malaysia	315.8
Thailand	211
Vietnam	139.8
Singapore	570.1
Japan	500.9
Korea	1,077.2
China	427.4
India	54.9
United States	267.3
Asia	255.8
European Union	299.1

INVESTMENT OPPORTUNITIES: INDONESIA STEEL INDUSTRY STRUCTURE



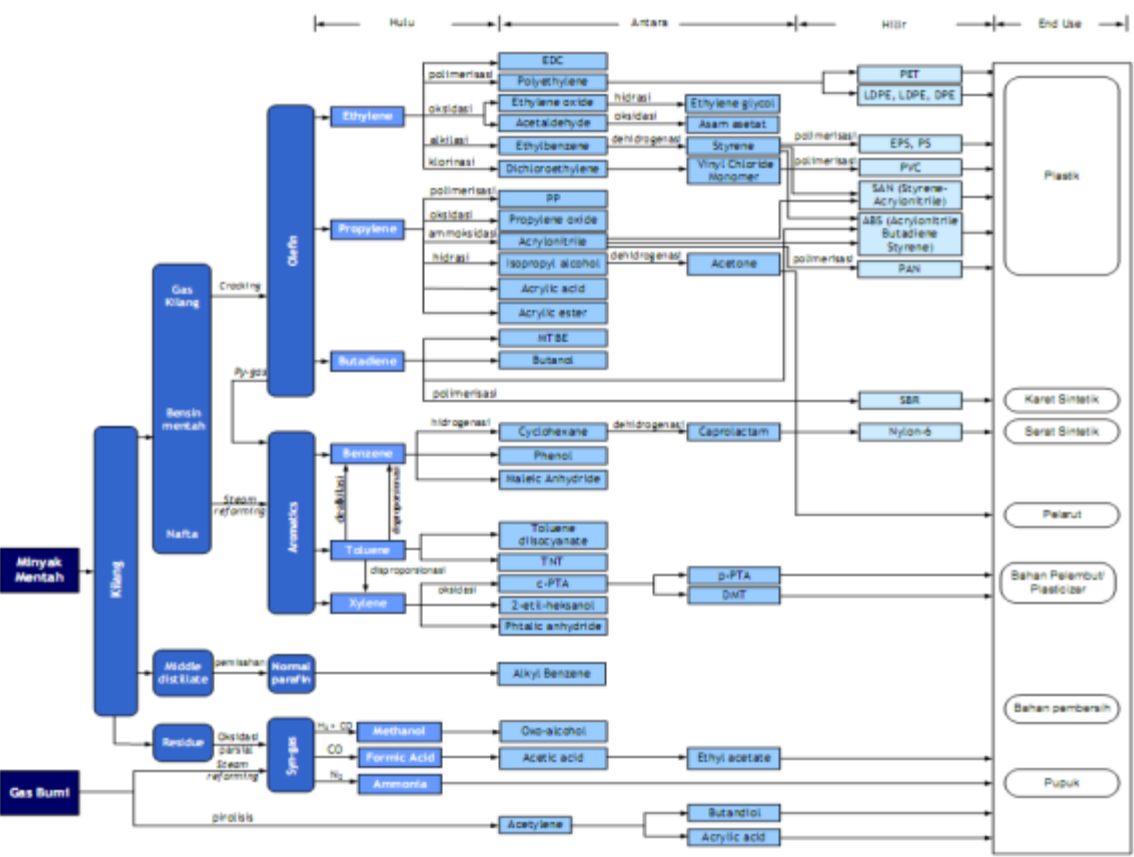
MARKET OUTLOOK: STABLE

- Until now, the domestic steel market is still in deficit. There is over demand both in the upstream, intermediate and downstream.
- National steel demand to reach 10 million tons per year. While the national steel products reached 5.5 million tons. The rest, amounting to 4.5 million tonnes, supported by imports.
- Electricity and gas supply constraints are an obstacle for the production of the national steel industry.





Investment Opportunities: Petrochemical Industry

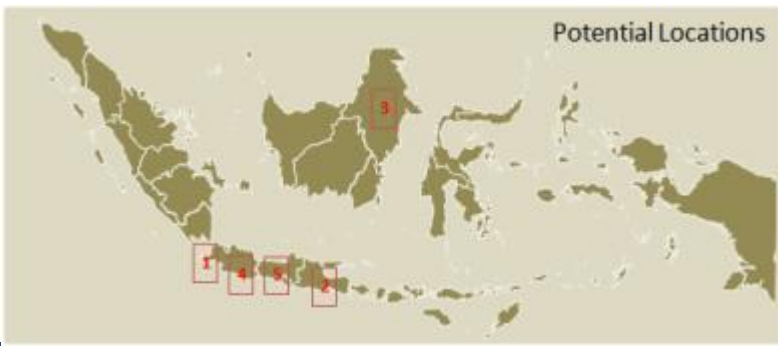


INDONESIA PETROCHEMICAL INDUSTRY (EXISTING CONDITION)

Basis	Product	Producers	Capacity (Tonne)
Olefin	Ethylene	PT. Chandra Asri	600.000
	Propylene	PT. Chandra Asri PT. Pertamina	460.000 405.000
Methane	Methanol	PT. Kaltim Methanol Industri	660.000
	Ammonia	PT. Pupuk Kaltim	1.848.000
		PT. Kaltim Pasifik Amoniak	660.000
		PT. Kaltim Parna Industri	495.000
		PT. PKG	445.400
Aromatik	Benzene	PT. Pupuk Kujang	713.000
		PT. PIM	762.000
		PT. Pusri	1.499.000
Aromatik	Benzene	PT. Pertamina	120.000
		PT. TPPI	320.000
	Toluene	PT. TPPI	100.000
	Paraxylene	PT. Pertamina PT. TPPI	296.000 500.000
Orthoxylene	PT. TPPI	120.000	

MARKET OUTLOOK: PROSPECTIVE

INVESTMENT OPPORTUNITIES: Indonesia still suffering an insufficient supply of petrochemical products (net importers)



PETROCHEMICAL CLUSTER

1. Anjer, Merak, Cilegon, Serang And Bojanegara – Banten Province (*Olefin Center*)
2. Gresik, Lamongan, Tuban Dan Cepu – East Java (*Aromatic Center*)
3. Bontang Dan Balikpapan, East Kalimantan (*Methane Center*)
4. Balongan – West Java

5. Cilacap – Central Java public of Indo.

SUPPLY VS DEMAND (YEAR 2011)

PRODUCT	DEMAND	SUPPLY	BALANCE
Ethylene	1.109.000	600.000	(509.000)
Propylene	950.000	813.000	(137.000)
Polyethylene (PE)	816.000	770.000	(46.000)
Monoethylene Glycol (MEG)	425.000	220.000	(205.000)
Polypropylene (PP)	1.055.000	955.000	(100.000)
Butadiene (BD)	66.000	0	(66.000)



List of Investment Projects and Infrastructure Needs in Sumatra Economic Corridor



PALM OIL IN SEI MANGKEI, NORTH SUMATERA investment projects: 3 Projects, Rp. 2.770 Billion Infrastructure Needs: 6 Projects, Rp 827 Billion

- Highway: 3 Projects, Rp. 521 Billion
- Power Plant: 2 Projects, Rp. 156 Billion
- Railroad: 1 Projects, Rp. 150 Billion

PALM OIL IN DUMAI, RIAU investment projects: 6 Projects, Rp. 5.138 Billion Infrastructure Needs: 6 Projects Rp 10.534 Billion

- Toll Road: 1 Projects, Rp. 8,446 Billion
- Highway: 2 Projects, Rp. 230 Billion
- Port: 2 Projects, Rp. 1,365 Billion
- Power Plant: 1 Projects, Rp. 493 Billion

COAL IN TANJUNG API-API – TANJUNG CARAT, SOUTH SUMATERA investment projects: 2 Projects, Rp. 14.400 Billion Infrastructure Needs: 4 Projects, Rp 911 Billion

- Railroad: 1 Projects, Rp. 25 Billion
- Highway: 2 Projects, Rp. 370 Billion
- Port: 1 Projects, Rp. 516 Billion

PALM OIL - COAL IN MUARA ENIM – PENDOPO, SOUTH SUMATERA investment projects: 4 Projects, Rp. 31.490 Billion Infrastructure Needs: 10 Projects, Rp 112.957 Billion

- Railroad: 3 Projects, Rp. 36,300 Billion
- Power Plant: 7 Projects, Rp. 76657 Billion

STEEL IN CILEGON, BANTEN investment projects: 2 Projects, Rp. 57.900 Billion Infrastructure Needs: 1 Projects, Rp 920 Billion

- Toll Road: 1 Projects, Rp. 920 Billion

JSS IN KSN SELAT SUNDA investment projects: 1 Projects, Rp. 150.000 Billion Infrastructure Needs: 2 Projects, Rp 20.770 Billion

- Toll Road: 2 Projects, Rp. 20, 70 Billion



List of Investment Projects and Infrastructure Needs in Java Economic Corridor



FOOD AND BEVERAGES AND TRANSPORTATION EQUIPMENT IN BANTEN

investment projects: 9 Projects, Rp. 7.574 Billion
 Infrastructure Needs: 7 Projects, Rp 48.049 Billion

- Power Plant: 7 Projects, Rp.48.049 Billion

JABODETABEK AREA

investment projects: 28 Projects, Rp. 351.885 Billion

TRANSPORTATION EQUIPMENT IN BOGOR

investment projects: 2 Projects, Rp. 1.270 Billion

FOOD AND BEVERAGES AND TRANSPORTATION EQUIPMENT IN BEKASI

investment projects: 13 Projects, Rp. 22.569 Billion

ALUTSISTA – TEXTILE IN BANDUNG

investment projects: 9 Projects, Rp. 1.998 Billion
 Infrastructure Needs: 5 Projects, Rp 9.663 Billion

- Toll Road: 2 Projects, Rp. 9.230 Billion
- Highway: 1 Projects, Rp. 45 Billion
- Power Plant: 1 Projects, Rp. 304 Billion
- Airport: 1 Projects, Rp. 84 Billion

FOOD AND BEVERAGES AND TEXTILE IN SOUTH AREA OF CENTRAL JAVA

investment projects: 6 Projects, Rp. 4.368 Billion
 Infrastructure Needs: 2 Projects, Rp 43 Billion

- Water Supply: 1 Projects, Rp. 40 Billion
- Power Plant: 1 Projects, Rp. 3 Billion

FOOD AND BEVERAGES AND SHIPPING IN METROPOLITAN GERBANGKERTOSUSILA

investment projects: 9 Projects, Rp. 13.347 Billion
 Infrastructure Needs: 30 Projects, Rp 116.203 Billion

- Toll Road: 3 Projects, Rp. 22.720 Billion
- Power Plant: 21 Projects, Rp. 91.367 Billion
- railroad: 3 Projects, Rp. 1.523 Billion
- Port: 3 Projects, Rp. 593 Billion

FOOD AND BEVERAGES IN PASURUAN – MALANG

investment projects: 3 Projects, Rp. 1.865 Billion
 Infrastructure Needs: 3 Projects, Rp 11.692 Billion

- Toll Road: 3 Projects, Rp. 11.692 Billion

TRANS JAVA

investment projects: 1 Projects, Rp. 51.643 Billion



List of Investment Projects and Infrastructure Needs in Kalimantan Economic Corridor



BAUXITE, PALM OIL, AND COAL IN BONTANG, EAST KUTAI

investment projects: 4 Projects, Rp. 64.740 Billion
 Infrastructure Needs: 5 Projects, Rp 18.401 Billion

- railroad: 1 Projects, Rp 4.500 Billion
- Port: 2 Projects, Rp 6.150 Billion
- Highway: 1 Projects, Rp. 481 Billion
- Power Plant: 1 Projects, Rp 7.270 Billion

PALM OIL, OIL AND GAS, AND TIMBER IN BALIKPAPAN

investment projects: 4 Projects, Rp. 7.185 Billion
 Infrastructure Needs: 3 Projects, Rp 8.613 Billion

- Toll Road: 1 Projects, Rp. 6.300 Billion
- Airport: 1 Projects, Rp. 1.600 Billion
- Port: 1 Projects, Rp. Rp 713 Billion

OIL AND GAS IN RPAK AND GANAL EAST KALIMANTAN

investment projects: 1 Projects, Rp. 70.000 Billion

STEEL, PALM OIL, COAL, TIMBER IN KOTABARU, TANAH BAMBU

investment projects: 12 Projects, Rp. 6.094 Billion
 Infrastructure Needs: 3 Projects, Rp 5.900 Billion

- Power Plant: 1 Projects, Rp. 1.600 Billion
- Infrastructure in Batu Licin Industry Zone : 1 Projects, Rp. 1.900 Billion
- Overland Conveyor: 1 Projects, Rp. 2.400 Billion

BAUXITE, PALM OIL, COAL, TIMBER IN PONTIANAK AND MEMPAWAH

investment projects: 22 Projects, Rp. 17.050 Billion
 Infrastructure Needs: 8 Projects, Rp 15.571 Billion

- Airport: 1 Projects, Rp. 65 Billion
- Power Plant: 4 Projects: Rp. 14.150,77 Billion
- Highway: 2 Projects, Rp. 780.25 Billion
- Bridge: 1 Projects, Rp. 575 Billion

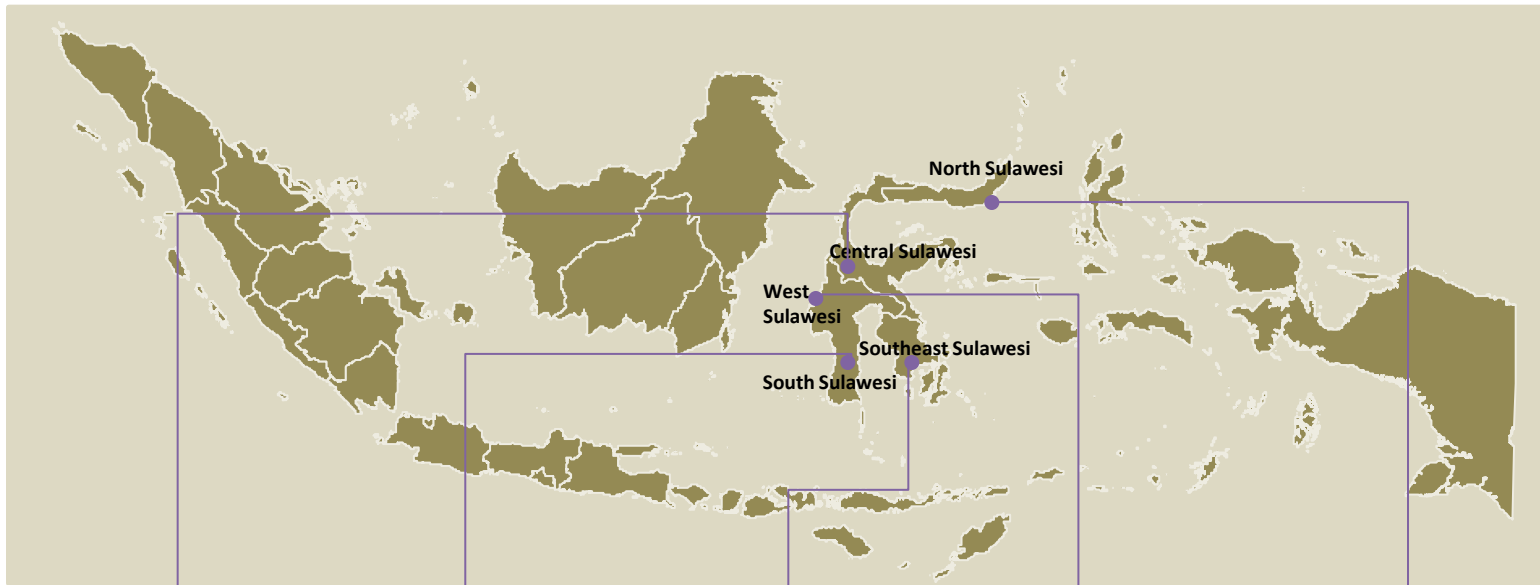
STEEL, PALM OIL, AND TIMBER IN BARITO

investment projects: 3 Projects, Rp. 4.275 Billion
 Infrastructure Needs: 2 Projects, Rp 1.550 Billion

- Power Plant: 2 Projects, Rp. 1.550 Billion



List of Investment Projects and Infrastructure Needs in Sulawesi Economic Corridor



OIL AND GAS AND FISHERY IN BANGGI, LUWUK

investment projects: 5 Projects, Rp. 55.300 Billion

NICKEL, OIL AND GAS, AND FISHERY IN MOROWALI, TOJO, AND UNA-UNA

investment projects: 8 Projects, Rp. 36.200 Billion

FOOD AGRICULTURE IN MAKASSAR, WAJO, AND MAROS

investment projects: 13 Projects, Rp. 17.735 Billion

NICKEL IN LUWU

investment projects: 1 Projects, Rp. 18.900 Billion
Infrastructure Needs: 5 Projects, Rp 18.125 Billion

- Power Plant: 5 Projects, Rp. 18.125 Billion

NICKEL AND FISHERY IN KOLAKA, KONAWE, AND KENDARI

investment projects: 10 Projects, Rp. 51.789 Billion
Infrastructure Needs: 7 Projects, Rp 6.143 Billion

- Port: 3 Projects, Rp. 94,2 Billion
- Highway: 3 Projects, Rp 3.446,94 Billion
- Power Plant: 1 Projects, Rp. 2.602 Billion

OIL AND GAS AND FISHERY IN KOTAMOBAGU, TOMOHON, BITUNG

investment projects: 5 Projects, Rp. 3.325 Billion
Infrastructure Needs: 11 Projects, Rp 6.810 Billion

- Power Plant: 3 Projects, Rp. 5.147,91 Billion
- Port: 7 Projects, Rp. 1.677,91 Billion
- Water Supply: 1 Projects, Rp 15 Billion

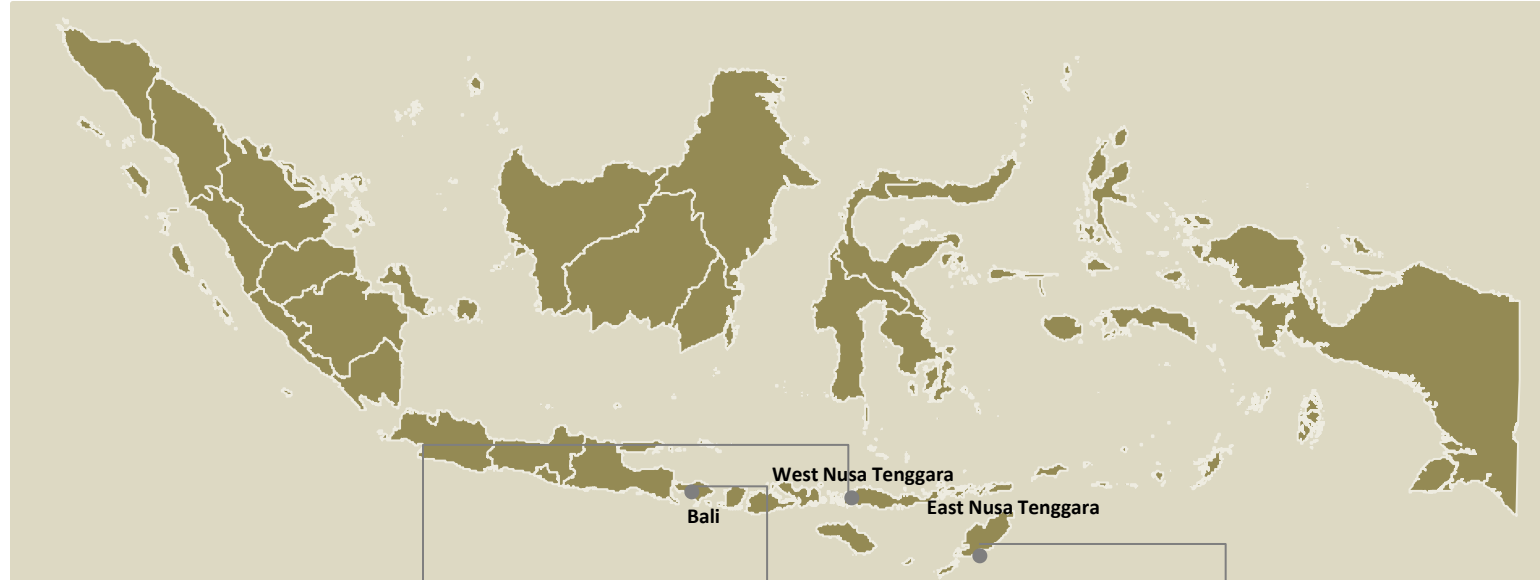
OIL AND GAS AND KAKAO IN MAMUJU

investment projects: 5 Projects, Rp. 1.952 Billion
Infrastructure Needs: 2 Projects, Rp 12.602 Billion

- Projects Gas Alam Cair Donggi-senoro: 1 Projects, Rp. 5.602,20 Billion
- Power Plant: 1 Projects, Rp. 7.000 Billion



List of Investment Projects and Infrastructure Needs in Bali – Nusa Tenggara Economic Corridor



TOURISM IN LOMBOK AND ANIMAL HUSBANDRY DI BIMA

investment projects: 4 Projects, Rp. 30.120 Billion

Infrastructure Needs: 4 Projects, Rp 1.103 Billion

- Airport: 1 Projects, Rp. 829 Billion
- Highway: 2 Projects, Rp. 124 Billion
- Port: 1 Projects, Rp 150 Billion

TOURISM IN JIMBARAN, BANGLI, BULELENG AND FISHERY DI BADUNG

investment projects: 5 Projects, Rp. 10.276 Billion

Infrastructure Needs: 2 Projects, Rp 3.539 Billion

- Airport: 1 Projects, Rp. 2.050 Billion
- Toll Road: 1 Projects, Rp. 1.489 Billion

ANIMAL HUSBANDRY IN NAGEKEO, NGADA, MANGGARAI TIMUR AND FISHERY DI NAGEKEO- ENDE

investment projects: 8 Projects, Rp. 5.787 Billion

Infrastructure Needs: 2 Projects, Rp 151 Billion

- Highway: 2 Projects, Rp. 151 Billion

ANIMAL HUSBANDRY IN TIMOR TENGAH SELATAN, FLORES TIMUR, TIMOR TENGAH UTARA

investment projects: 5 Projects, Rp. 430 Billion

Infrastructure Needs: 2 Projects, Rp 380 Billion

- Port: 1 Projects, Rp. 58 Billion
- Highway: 1 Projects, Rp. 322 Billion

FISHERY IN KUPANG

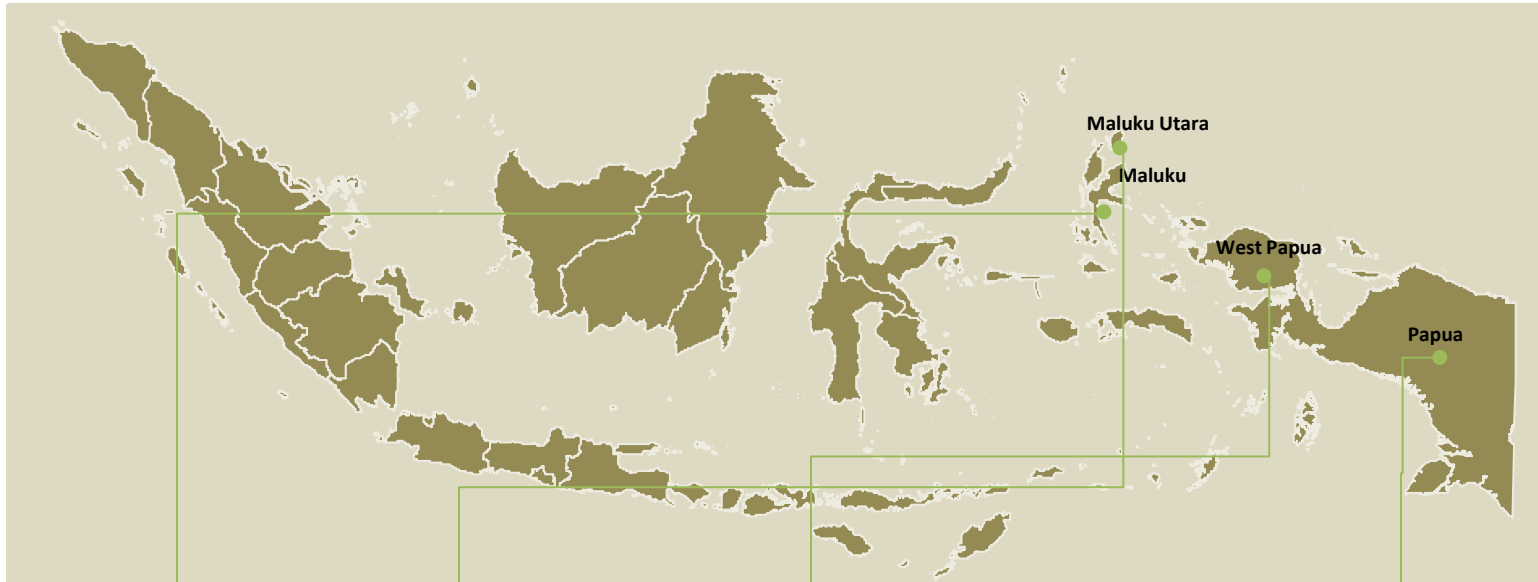
investment projects: 4 Projects, Rp. 306 Billion

Infrastructure Needs: 2 Projects, Rp 151 Billion

- Highway: 2 Projects, Rp. 151 Billion



List of Investment Projects and Infrastructure Needs in Kep Maluku – Papua Economic Corridor



FISHERY IN MOROTAI

Investment Projects: 9 Projects, Rp. 30.361 Billion
Infrastructure Needs: 5 Projects, Rp 2.438 Billion

- Power Plant: 2 Projects, Rp. 1.662 Billion
- Highway: 1 Projects, Rp. 614 Billion
- Airport: 1 Projects, Rp. 150 Billion
- Instalasi Air Bersih: 1 Projects, Rp. 12 Billion

FISHERY IN AMBON

Investment Projects : 4 Projects, Rp. 151 Billion

OIL AND GAS IN SORONG & TELUK BINTUNI

Investment Projects : 1 Projects, Rp. 50.000 Billion
Infrastructure Needs : 3 Projects, Rp 1.044 Billion
Highway: 1 Projects, Rp. 911 Billion
Port: 2 Projects, Rp. 133 Billion

NICKEL IN HALMAHERA

Investment Projects : 3 Projects, Rp. 83.000 Billion

COPPER IN TIMIKA

Investment Projects : 4 Projects, Rp. 197.196 Billion
Infrastructure Needs : 3 Projects, Rp 580 Billion

- Port: 1 Projects, Rp. 500 Billion
- Water Supply: 1 Projects , Rp. 40 Billion
- IPA Reservoir: 1 Projects, Rp. 40 Billion

FOOD AGRICULTURE IN MERAUKE

Investment Projects : 7 Projects, Rp. 57.679 Billion
Infrastructure Needs : 10 Projects, Rp 11.348 Billion

- Port: 4 Projects, Rp. 9.610 Billion
- Highway: 3 Projects, Rp 1.433 Billion
- Power Plant: 1 Projects, Rp. 250 Billion
- Bridge 1 Projects, Rp. 30 Billion
- Airport: 1 Projects, Rp. 25 Billion



THANK YOU

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ATTACHMENT



PPP Book 2012 : Ready for offer, Priority and Potential Project

Ready
for
Offer

Priority
Project

Potential
Project

Sector/ Sub-sector	Quantity	Project Cost (US\$ Million)	Sector/ Sub-sector	Quantity	Project Cost (US\$ Million)	Sector/ Sub-sector	Quantity	Project Cost (US\$ Million)
Air Transportation	-	-	Air Transportation	1	214.00	Air Transportation	3	1,140.00
Land Transportation	-	-	Land Transportation	-	-	Land Transportation	3	136.00
Marine Transportation	1	36.00	Marine Transportation	-	-	Marine Transportation	3	2,839.12
Railways	-	-	Railways	-	-	Railways	3	4,783.00
Toll Road	1	628.00	Toll Road	13	32,519.53	Toll Road	-	-
Water Resources	-	-	Water Resources	-	-	Water Resources	-	-
Water Supply	-	-	Water Supply	5	590.67	Water Supply	13	1,388.15
Solid Waste and Sanitation	1	100.00	Solid Waste and Sanitation	3	150.00	Solid Waste and Sanitation	2	203.00
Power	-	-	Power	4	4,716.50	Power	2	-
Oil and Gas	-	-	Oil and Gas	-	-	Oil and Gas	-	1,762.00
Total	3	764.00	Total	26	38,190.70	Total	29	12,251.27

Total (all PPP projects)

58 Projects

US\$ 51,205.97 million

Ready for Offer : Bidding Document has been completed, PPP procurement team has been established and ready to operate, procurement team has been established, procurement schedule has been defined, government support has been approved (if required)

Priority Project : Included in PPP Potential Project Plan, feasible (from legal, technical and financial aspect), risk identification and allocation has been identified, PPP mode has been defined, Gov't support has been identified.

Potential Project : Conformity with the national/regional mid term development plan and the infrastructure sector's strategic plan, conformity of the project's location, linkage between the infrastructure sectors and the regional areas, cost recovery potential, preliminary study.

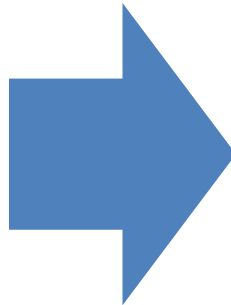
Source : PPP Book, Bappenas (2012)



Project Selection



20 Projects under pipeline of Bappenas, MoF, IIGF



9 Projects Offered to Investor

No.	Projects	Investment (US\$ million)
1.	Medan-Kualanamu-Tebing Tinggi Toll Road	438.0
2.	Tanah Ampo Cruise Terminal	11.6
3.	Bandung Solid Waste Management	100
4.	Batam Solid Waste Management	100
5.	West Semarang Water Supply	82.4
6.	Kertajati International Airport	800
7.	Cileunyi-Sumedang-Dawuan Toll Road	1,015.8
8.	South Sumatera 9 Mine Mouth Coal Fired Steam Power Plant (2x600 MW)	1,560.0
9.	South Sumatera 10 Mine Mouth Coal Fired Steam Power Plant (1x600 MW)	780.8

Criteria:

1. Project Pre Feasibility has been finished
2. Readiness of Government Contracting Agency
3. Has been proposed to IIGF to obtain government guarantee



Location of 9 PPP Projects Offered to Investor



Medan –Kualanamu -
Tebing Tinggi Toll Road

Batam Solid Waste
Management

South Sumatera – 9 Mine
Mouth Coal Fired Steam Power
Plant (2x600MW)

South Sumatera – 10 Mine
Mouth Coal Fired Steam Power
Plant (1x600MW)

Kertajati International
Airport

Cilenyi –Sumerdang –
Dawan – Toll Road

Bandung Solid Waste
Management

West Semarang Water Supply

Tanah Ampo Cruise Terminal



Medan-Kualanamu-Tebing Tinggi Toll Road



PROJECT TITLE

Medan – Kualanamu – Tebing Tinggi Toll Road

PROJECT LOCATION

North Sumatera

CONTRACTING AGENCY

Ministry of Public Works

PROJECT TENTATIVE SCHEDULE

Apr –
Dec'11

- Project Preparation for Section 1 and Section 2 by Ministry Of Public Works

Jul –
Dec'11

- Section 1 Tender Process

Dec'11

- Signing of Section 1 Project Contract (Medan-Kualanamu) as part of Government Support

End
2012

- Section 2 Tender Process (Kualanamu-Tebing Tinggi and OM Medan-Kualanamu-Tebing Tinggi)

2013

- Project Implementation by Winning Bidder

SCOPE OF WORK

Design, Construction, Operation and Maintenance of toll road with technical specifications as follows:

Length	: 60.00 km
Design speed	: 120.00 km/h
Number of Lane	: 2 x 3 lanes (lane width:3.60 m)
Right of Way	: 40.00 m (minimum)

INVESTMENT ESTIMATED COST

US\$ 438.0 million



Tanah Ampo Cruise Terminal



PROJECT TENTATIVE SCHEDULE



PROJECT TITLE

Tanah Ampo Cruise Terminal

PROJECT LOCATION

Karangasem Regency, Bali Province

CONTRACTING AGENCY

Ministry of Transportation

SCOPE OF WORK

- Operation and maintenance of the entire cruise terminal and its associated facilities
- Renovation of existing terminal facilities

INVESTMENT ESTIMATED COST

US\$ 11.6 million



Batam Solid Waste Management



PROJECT TENTATIVE SCHEDULE



PROJECT TITLE

Batam Solid Waste Management

PROJECT LOCATION

Batam, Riau Archipelago

CONTRACTING AGENCY

Batam Municipal Government

SCOPE OF WORK

- Storage, collection, transportation, processing facility with capacity of 550 ton/day (minimum)
- Waste to energy facility min. 10-20 MWh
- 25 years concession period

INVESTMENT ESTIMATED COST

US\$ 65 - 120 million



Bandung Solid Waste Management



PROJECT TENTATIVE SCHEDULE

- 2010-2011 •Project Preparation, PIC: Dinas Cipta Karya Prov Jawa Barat
- Dec 2011 •Land Acquisition has been done.
- 2012 •PQ and Tender
- 2012 •Contract Signing (TBD)
- 2013-2014 •Construction (TBD)
- 2014 •Operation (TBD)

PROJECT TITLE

Bandung Solid Waste Management

PROJECT LOCATION

Bandung, West Java

CONTRACTING AGENCY

Bandung Municipal Government

SCOPE OF WORK

1. Waste disposal loading 2,500 ton/day
2. Sanitary landfill
3. Leachate capture and treatment
4. Insect vector and odour control
5. 18 hour/day operation 7 days/week
6. Incenerator equipment capacity 1,000 ton waste/day
7. Civil work for building and supporting utility
8. Power transmission to PLN 6 MW

INVESTMENT ESTIMATED COST

US\$ 100 million



West Semarang Municipal Water Supply



PROJECT TENTATIVE SCHEDULE



PROJECT TITLE

West Semarang Municipal Water Supply

PROJECT LOCATION

Semarang Municipal, West Java Province

CONTRACTING AGENCY

Mayor of Semarang

SCOPE OF WORK

Intake : 1,050 lps
 Transmission pipe diameter : 900 mm; 2.20 km
 Water supply installation : 1,050 lps

Distribution grid with reservoir
 - Distribution of 4 channel total length : 15.4 km
 - Distribution reservoir for 5 districts

Main distribution pipe ; 150-700mm; 91.70 km

INVESTMENT ESTIMATED COST

US\$ 78 million



Kertajati International Airport



PROJECT TITLE

Kertajati International Airport

PROJECT LOCATION

Majalengka Regency, West Java Province

CONTRACTING AGENCY

Governor of West Java Province

SCOPE OF WORK

- Runway 3,000 m x 60 m
- Air Traffic Control (ATC)
- Apron
- Taxiway
- Terminal
- Support Facilities (parking, business area)

INVESTMENT ESTIMATED COST

US\$ 800.00 Million

PROJECT TENTATIVE SCHEDULE





Cileunyi – Sumedang – Dawuan (Cisundawu) Toll Road



PROJECT TITLE

Cileunyi – Sumedang- Dawuan Toll Road

PROJECT LOCATION

West Java Province

CONTRACTING AGENCY

Ministry of Public Works

SCOPE OF WORK

Length	: 58.59 km
Design Speed	: 100.00 km/h
Number of Lane	: 2 x 3 lanes
Lane of Width	: 3.60 m
Outer Shoulder Width	: 3.00 m
Inner Shoulder Width	: 1.5 m
Median Width	: 5.50 m
Right of Way	: 4.40 m (minimum)

INVESTMENT ESTIMATED COST

US\$ 1,015.80 million

PROJECT TENTATIVE SCHEDULE





South Sumatera 9 Mine Mouth Coal Fired Steam Power Plant



PROJECT TITLE

South 9 Mine Mouth Coal Fired Steam Power Plant (2x600MW)

PROJECT LOCATION

South Sumatera Province

CONTRACTING AGENCY

PT Perusahaan Listrik Negara (PLN)

PROJECT TENTATIVE SCHEDULE



SCOPE OF WORK

Construction of IPP project with capacity of 2x600 MW in mine mouth area

INVESTMENT ESTIMATED COST

US\$ 1,560.00million



South Sumatera 10 Mine Mouth Coal Fired Steam Power Plant



PROJECT TITLE

South 10 Mine Mouth Coal Fired Steam Power Plant (1x600MW)

PROJECT LOCATION

South Sumatera Province

CONTRACTING AGENCY

PT Perusahaan Listrik Negara (PLN)

PROJECT TENTATIVE SCHEDULE



SCOPE OF WORK

Construction of IPP project with capacity of 1x600 MW in mine mouth area

INVESTMENT ESTIMATED COST

US\$ 780.80 million



THANK YOU

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