



NORTH SUMATRA INVESTMENT BOOK

A definitive guide on macroeconomic condition, data & information, key contacts, and potential investment projects in North Sumatra

Quarter 2 - 2019 edition

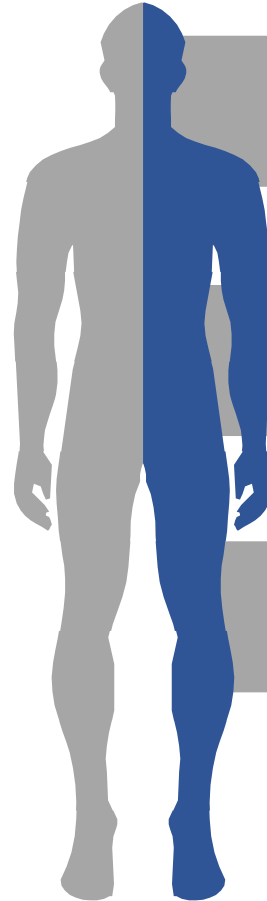
About Us



North Sumatra Invest (NSI) is a dedicated task force comprised of all North Sumatra's policy makers, including the Government of North Sumatra and Bank Indonesia, with full cooperation of Kamar Dagang dan Industri Indonesia (KADIN).

Our mission is to attract Foreign Direct Investment (FDI) in North Sumatra to foster economic growth.

Our Mission



Providing

Providing Investors with the necessary data and information



Promoting

Promoting the right investment opportunities and projects



Connecting

Connecting investors with the right business contacts

CONTENT

Main informations you will find



01

Indonesia's Strong Performance

Indonesia is one of the fastest growing economy in the world. Find how we perform relative to our peers.

02

Why North Sumatra?

North Sumatra isn't only a great market for your products, but also a perfect place for production base.

03

Potential Projects & Tourism Potential

Our handpicked potential projects for you, guaranteed by the government. In addition to that, we specifically collect the potential tourism site in North Sumatra.

04

Licensing in Indonesia

A quick guide on getting business license in Indonesia. It's never been easier to do business here.

05

Key Contacts

Who to contact if you want to invest and grow your business in North Sumatra?

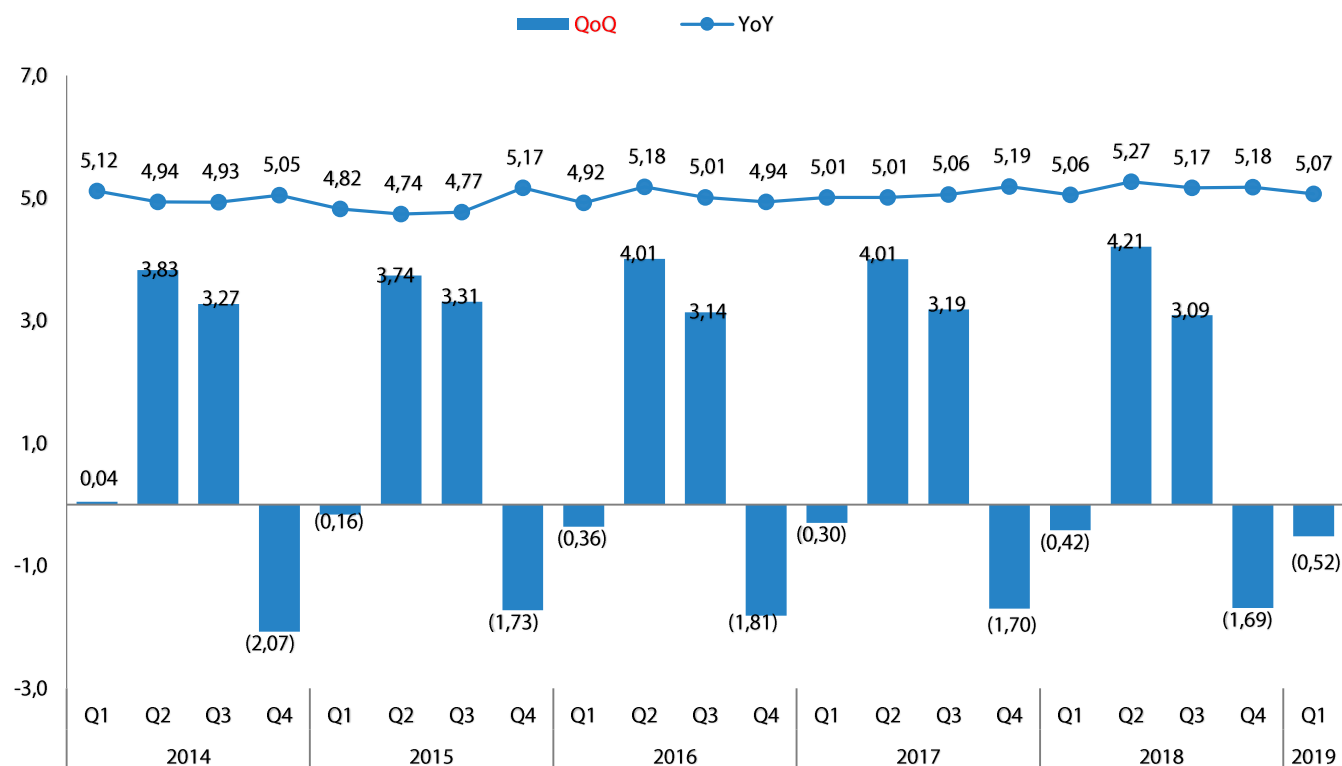


1

**INDONESIA'S STRONG
PERFORMANCE**

Indonesia GDP Growth

| % year-on year & % quarter-to-quarter



Solid national economic growth

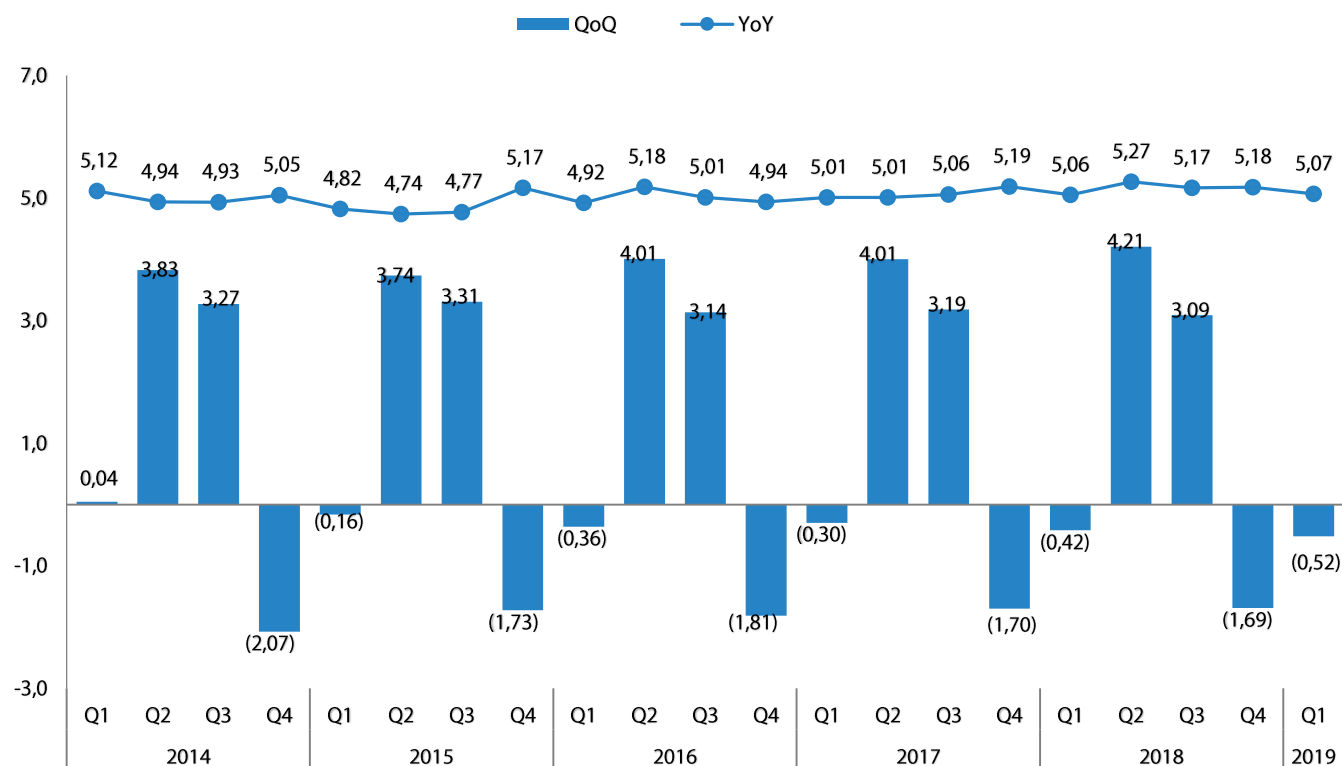
Seasonal factors at the beginning of the year as well as the impact of weaker-than-expected global economic gains contributed to the moderate economic downturn in

Indonesia.

Institutions	2019 Growth (YoY)
2019 Budget	5.3
Bank Indonesia	5.0-5.4
IMF	5.1
World Bank	5.2
ADB	5.2
Consensus Forecast (May 2019)	5.1

Indonesia GDP Growth

| % year-on year & % quarter-to-quarter



Solid National Economic Growth

Although the impact of weaker-than-expected global economic gains contributed to the moderate economic downturn in Indonesia, net exports still maintained a positive position.

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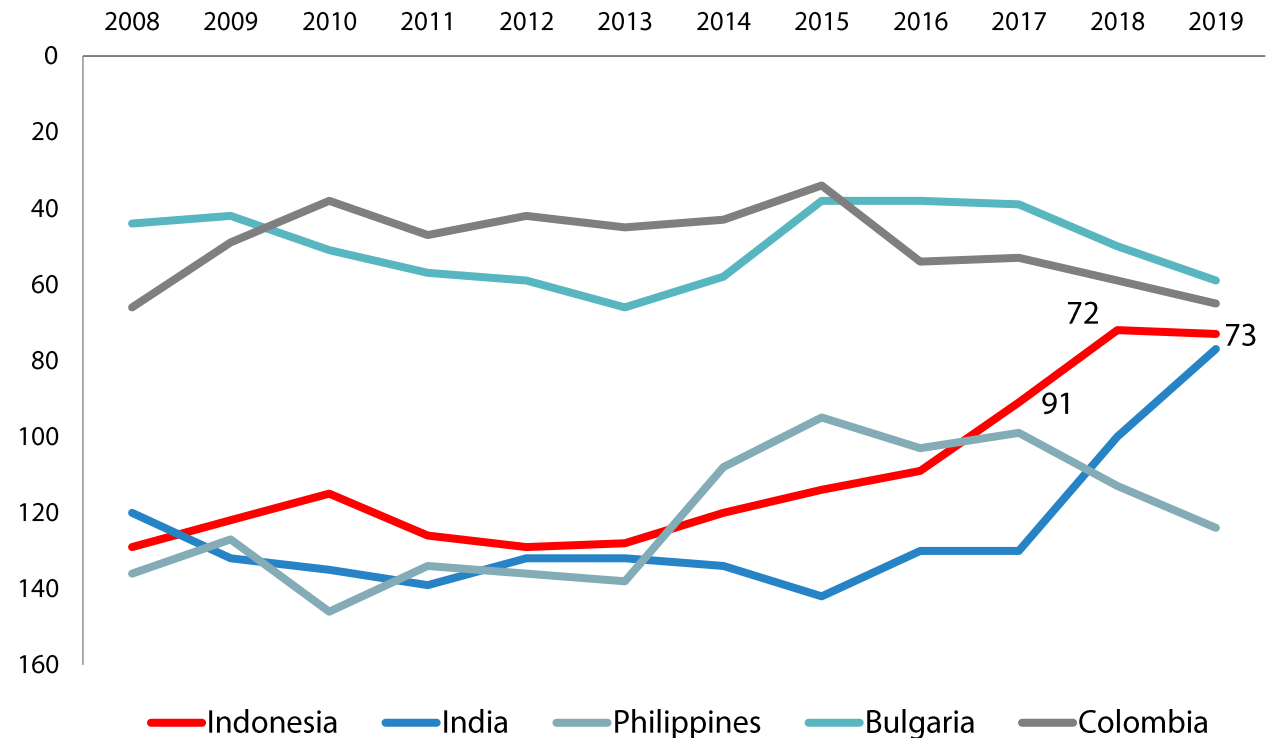
Our concern to Business

Business has never been easier in **Indonesia**. In recent years, our government has put significant effort to boost business climate and we're happy to tell you that our ease of doing business rank has improved significantly.

Our efforts to cut licenses gave an impact to the business player. And we plan to make it even easier. **There is no better time than now to invest in Indonesia.**

Ease of Doing Business

| Index, **The Higher The Better**

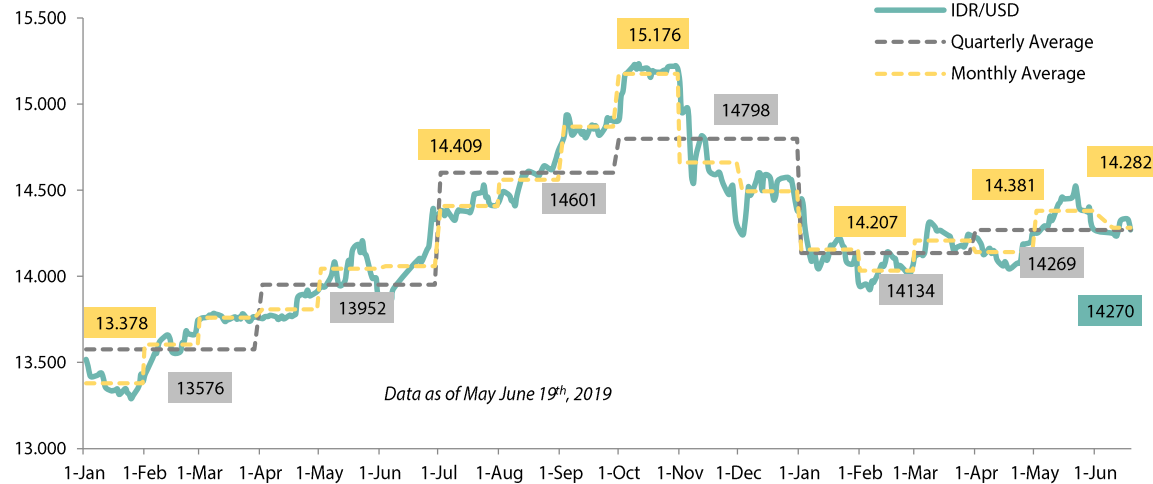


STABILITY

External risk reduced by adequate reserve

Rupiah exchange rate

| USD/IDR



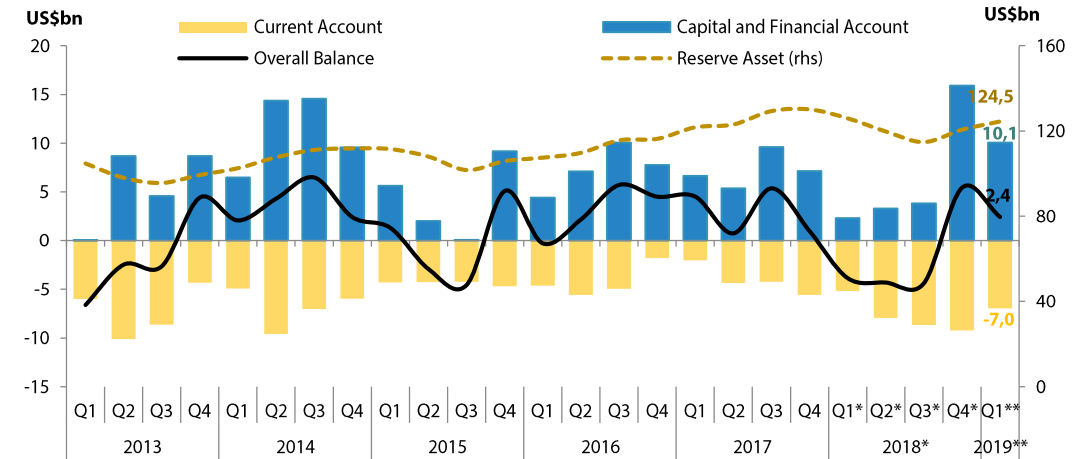
Inflation rate

| % year-on-year



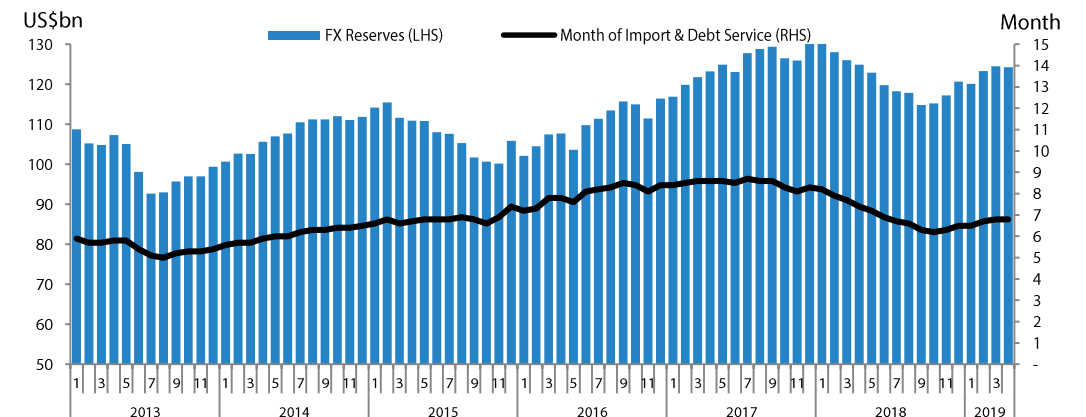
Balance of Payment

| USD bn

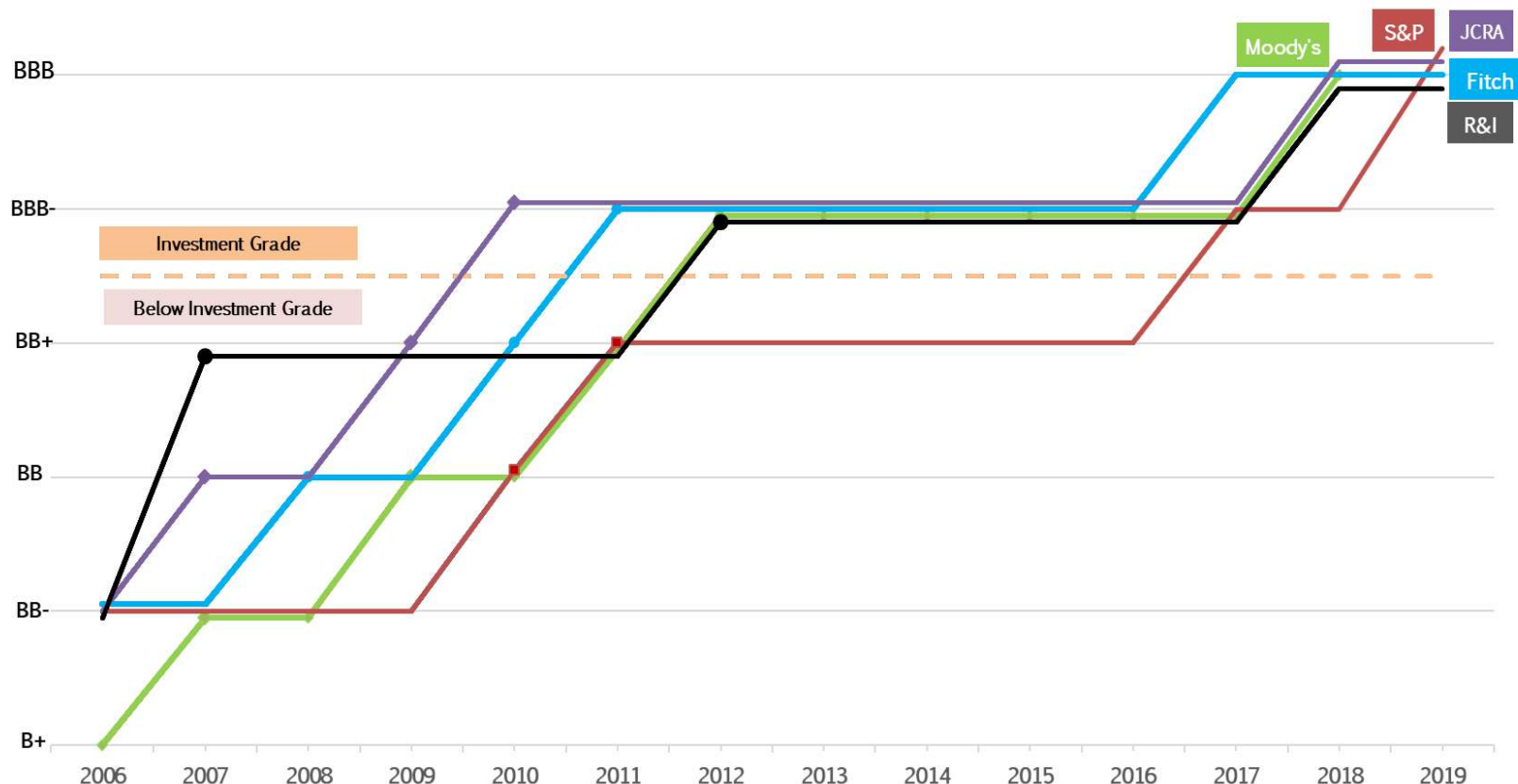


FX Reserves

| US\$ bn (LHS) and month of imports and debt services (RHS)



INV.GRADE | Investment grade approved!



FitchRatings

BBB / Stable

Dec 2017, BBB, Rating Upgraded

"Indonesia's resilience to external shocks has steadily strengthened in the past few years, as macroeconomic policies have consistently been geared towards maintaining stability."

S&P Global Ratings

BBB / Stable

May 2019, Rating Upgraded at BBB/Stable

"We raised the ratings to reflect Indonesia's strong economic growth prospects and supportive policy dynamics, which we expect to remain following the re-election of President Joko Widodo recently."

MOODY'S

Apr 2018, Baa2, Rating Upgraded

Baa2 / Stable

"The upgrade to Baa2 is underpinned by an increasingly credible and effective policy framework conducive to macroeconomic stability. Together with a build-up of financial buffers, prudent fiscal and monetary policy strengthens Moody's confidence that the sovereign's resilience and capacity to respond to shocks has improved."



BBB / Stable

April 2019, Rating Affirmed at BBB/Stable

"Indonesia's economy is growing at a solid pace. The fiscal deficit to GDP ratio narrowed from a year earlier, and the government debt to GDP ratio remains low. While the CAD somewhat widened, foreign reserves are ample relative to short-term external debts. Its economic resilience to external shocks is maintained, supported by the government and central bank's policies emphasizing macroeconomic stability."



BBB / Positive

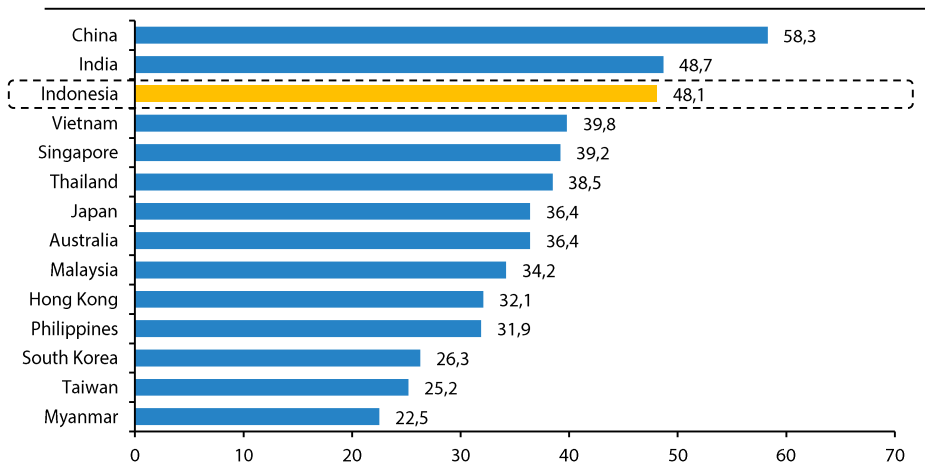
April 2019, Rating Affirmed at BBB, Outlook Revised to Positive

"The ratings mainly reflect Indonesia's solid economic growth underpinned by domestic consumption, restrained level of budget deficit and public debt, and resilience to external shocks stemming from flexible exchange rate policies and accumulation of foreign exchange reserves. The administration led by President Joko Widodo has formulated a large-scale infrastructure development plan and is vigorously promoting it to eliminate the infrastructure shortage. In addition, it has succeeded in expanding infrastructure expenditures and expenditures on human capital, and has been curbing the budget deficit by reducing fuel subsidies."

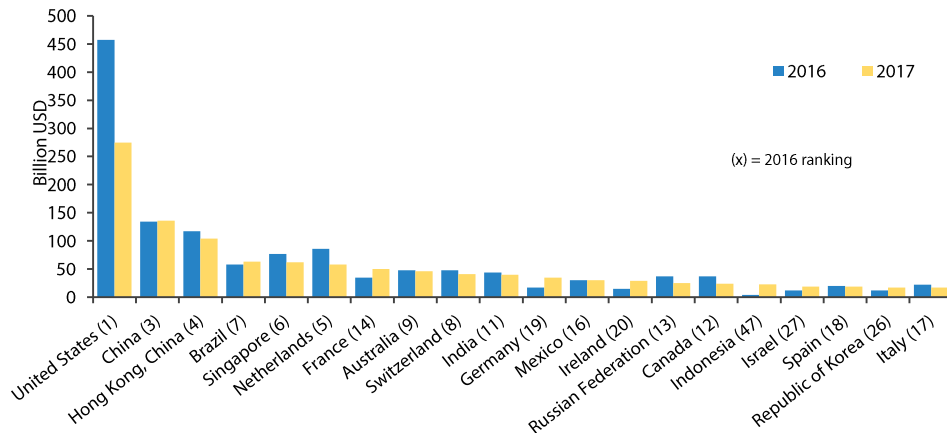
DESTINATION

Investors are flocking to Indonesia

The Economist: Indonesia rounds out the top five of Asian economies that can look forward to increased investment spending. (January 2019)¹

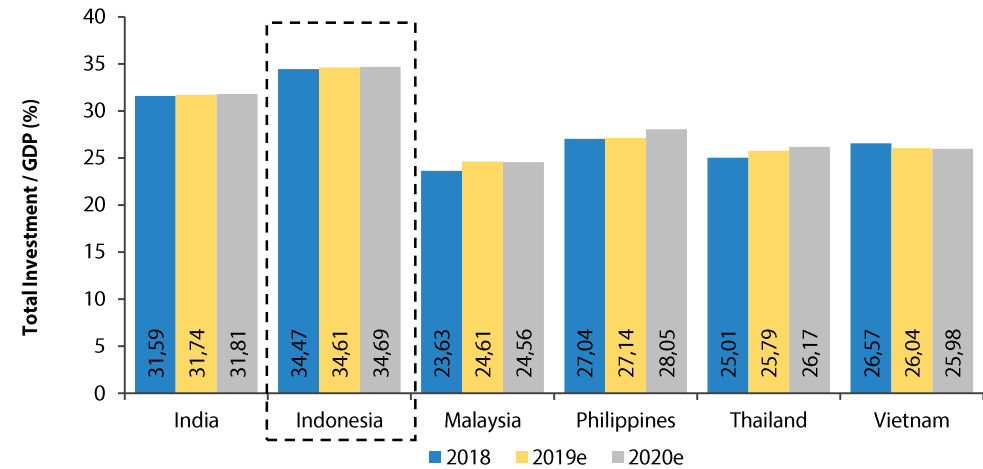


UNCTAD: Indonesia is listed in the top 20 host economies based on FDI inflows, 2016 and 2017 (June 2018)³

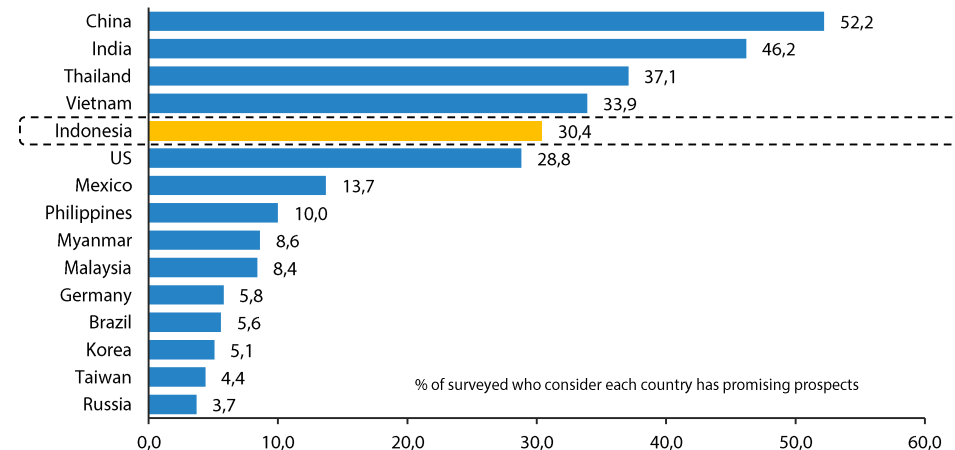


1. Source: The Economist – Asia Business Outlook Survey 2018
2. Source: IMF World Economic Outlook, Database April 2019

Indonesia Enjoys Large Investments Relative to Peers within the Region²



JBIC: Amongst ASEAN countries, Indonesia is the most preferred place for business investment (November 2018)⁴



3. Source: United Nations Conference on Trade and Development (UNCTAD) – World Investment Report 2018
4. Source: JBIC – Outlook for Japanese Foreign Direct Investment (30th Annual Survey)

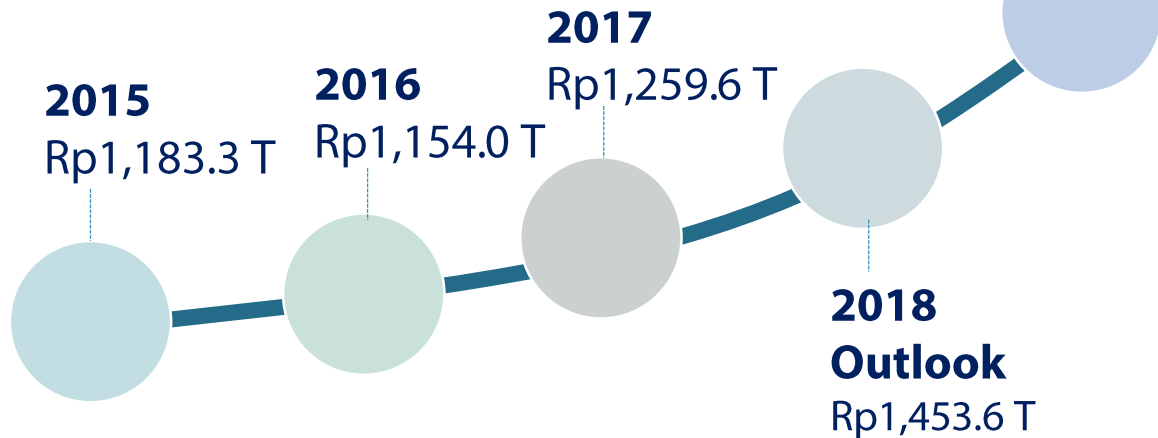
Allocating budget to a more productive spending

Non Line Ministries **Rp.778,9 T** Line Ministries **Rp. 855,4 T**

- Improving the quality of state apparatus by strengthening bureaucratic reform
- Strengthening social assistance
- Capital Expenditure optimization
- Goods Expenditure management

2019
Rp1,634.3 T

Central Government Spending

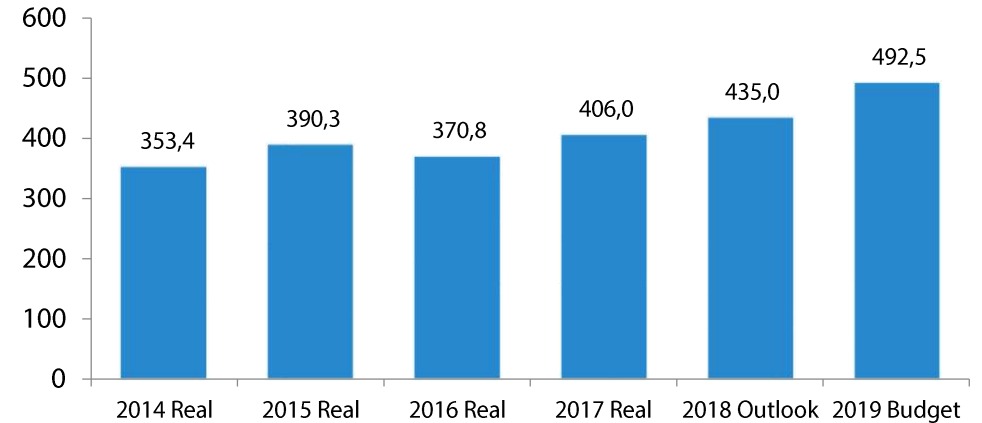


- Supporting competitiveness improvement, exports and investment increase, followed by strengthening value for money.
- Accommodating strategic initiatives (i.e. natural disaster reconstruction rehabilitation, democratic agenda).

Budget for education program

IDR tn

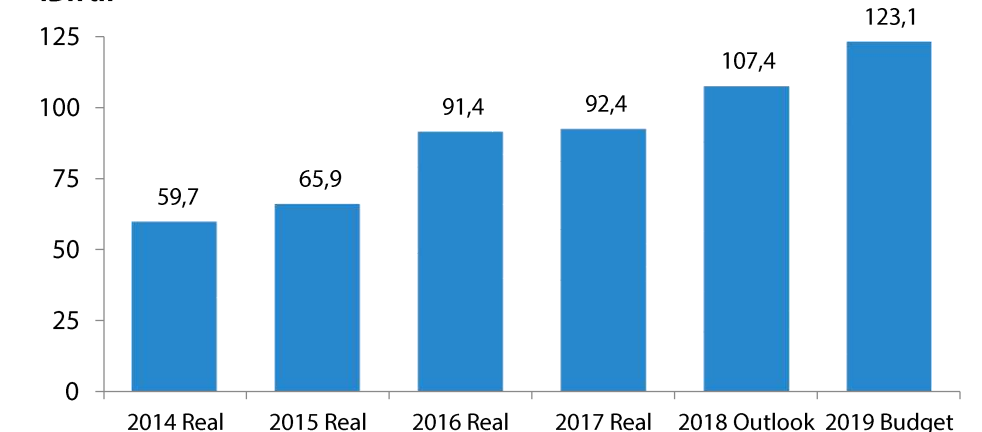
IDR tn



Budget for health program

IDR tn

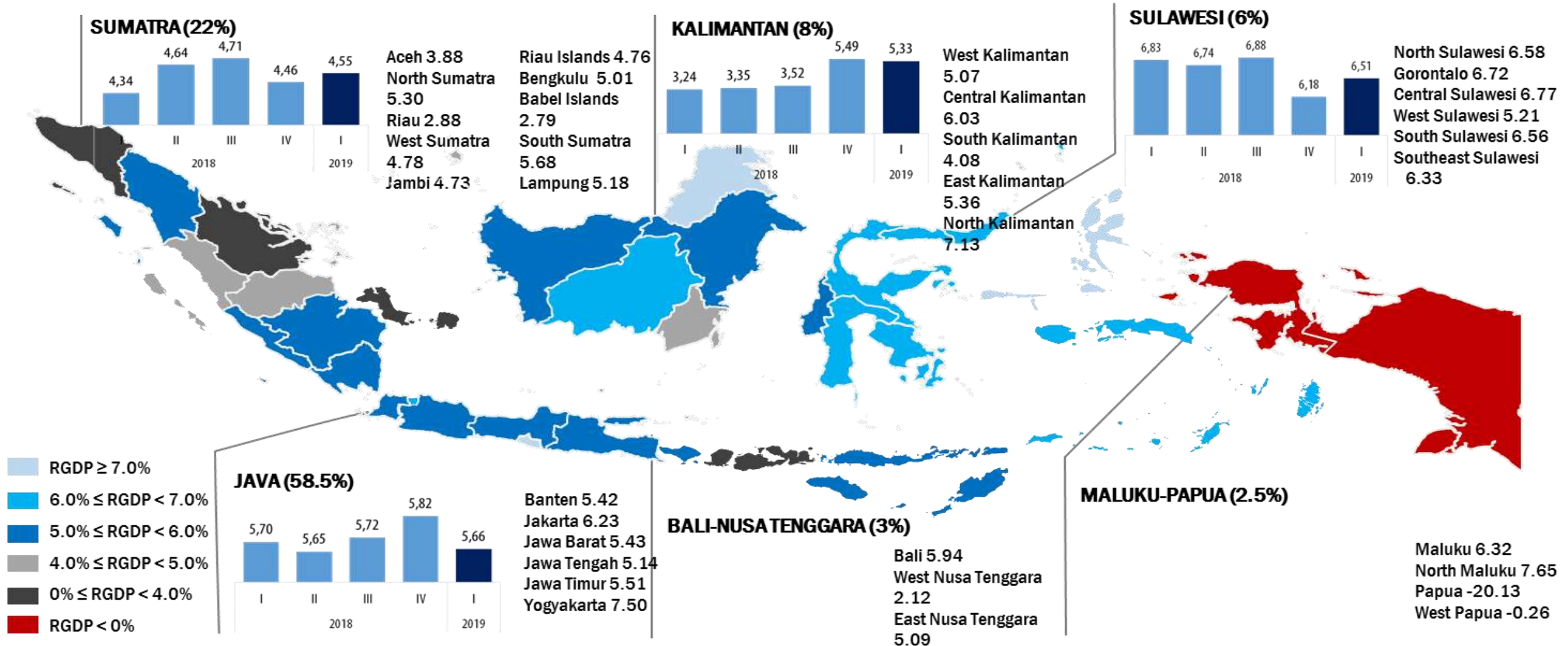
IDR tn



REGIONAL

Simultaneous growth all over the region

REGIONAL ECONOMIC GROWTH Q1 2019 (% , YOY)



A scenic view of a lake with traditional houses on a hillside under a cloudy sky. The houses have red roofs and are surrounded by lush greenery. A small boat is visible on the water in the foreground.

2

WHY
NORTH SUMATRA?

Geographic advantages of North Sumatra

Strategic position along the **Malacca Strait**, a global trade route

Located in the **vast and prosperous area of Sumatra island**, with total area of **73.000 km²**

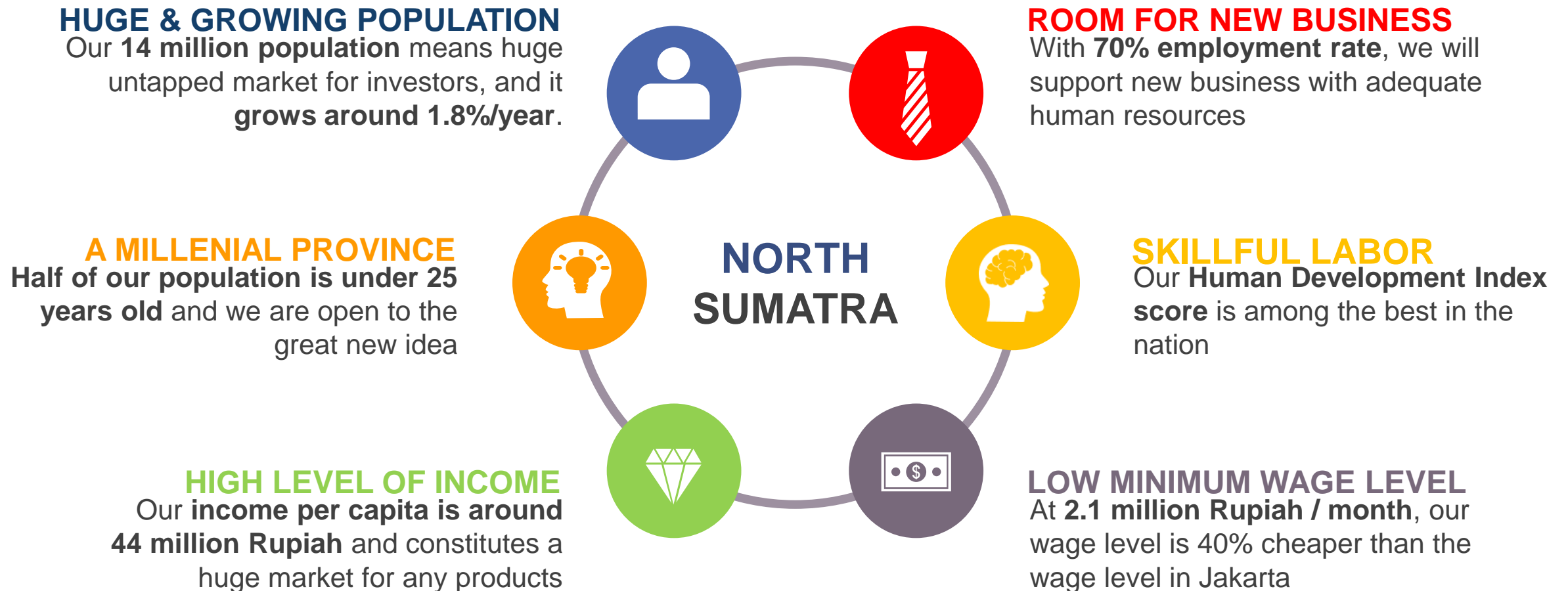
A **major gateway for trade**, both into and out of Sumatra island



7 biggest province by economy comparison

| % share to National, % growth year-on-year

Province	% Share (2018)	2015	2016	2017	2018	2019 Q1
DKI Jakarta	17.3%	5,90%	5,90%	6,20%	6,20%	6,23%
East Java	14.6%	5,40%	5,60%	5,50%	5,60%	5,51%
West Java	13.1%	5,10%	5,70%	5,30%	5,60%	5,43%
Central Java	8.5%	5,50%	5,30%	5,30%	5,30%	5,14%
Riau	5.1%	0,20%	2,20%	2,70%	2,30%	2,88%
North Sumatra	5,00%	5,10%	5,20%	5,10%	5,20%	5,30%
East Kalimantan	4.3%	-1,20%	-0,40%	3,10%	5,10%	5,36%
National	100%	4,80%	5,00%	5,10%	5,20%	5,07%



SECTORAL

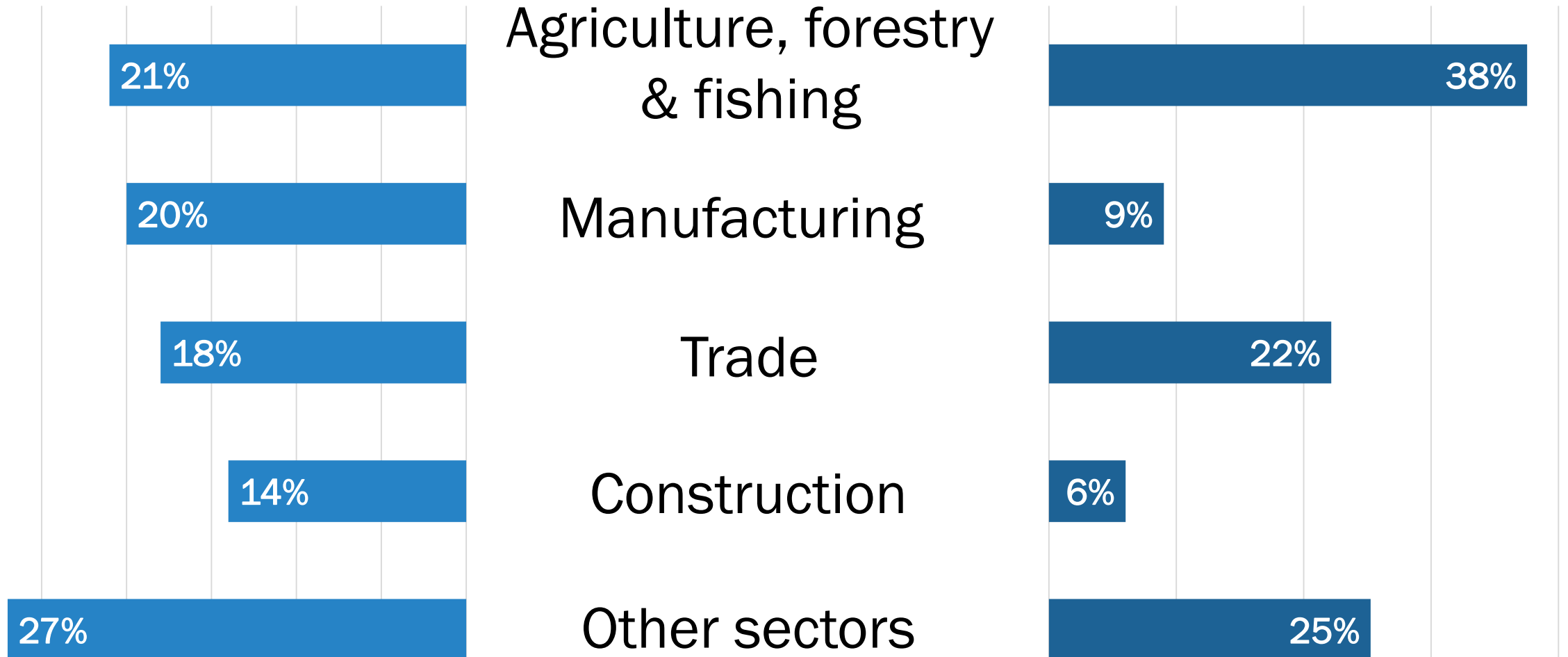
A commodity based economy

Economic share by sector 2018

| % share to total GRDP

Employment by sector 2017

| % share to total work force



Biggest export products | % share to total export in 2018

Palm Oil (34%)

North Sumatra is 2nd biggest palm oil producer in the country. Products ranging from crude oil to finished products like soap and cooking oil.

Natural Rubber (8%)

While price's declining then suppress the production, rubber is still one of the greatest. Most of the export is in the form of rubber sheet,

Arabica Coffee (4%)

Our Arabica coffee (ie. Sidikalang) is among the most highly priced and sought coffee product in the global market.



Biggest market for export | % share to total export in 2018

China (15%)

The single biggest export market for North Sumatra's products, including palm oil products, chemical and rubber

United States (12%)

United States is the biggest importer for food and animals products. Other products include palm oil and rubber glove.

India (9%)

India is one of the biggest importer of palm oil products from North Sumatera, mostly in the form of CPO.

ON CONNECTIVITY



Focus on Improvement

Due to the scale of the road, maintaining the quality of the road has proven as a challenge for the government. But it's going to change as we **swift focus to improve quality.**

Trans Sumatra Highway

A grand scale project to bring fluid connectivity among provinces in Sumatra island. Everything will be more connected, not less.



Intra Province

North Sumatra is among the most connected province in Sumatra. The 'spider web' above shows how connected we are, even to the most rural area.



An aerial photograph of a large industrial port facility, likely a refinery or chemical plant, situated along a coastline. The facility features numerous storage tanks, distillation columns, and processing units. Several large cargo ships are docked at the piers, and others are visible in the surrounding blue water. The sky is clear with a few birds flying. A large, semi-transparent blue box with a white number '3' is overlaid on the right side of the image, containing the text 'POTENTIAL PROJECTS AND TOURISM POTENTIAL'.

3 POTENTIAL PROJECTS AND TOURISM POTENTIAL



Lake Toba

as Priority Tourism Area

World's Largest Volcanic Lake

Stunning Landscape in **Nature**

Formed by 3 Major Volcanic Eruptions (last was 74,000 years ago)

All-year-round Comfort Climate $\pm 18-24^{\circ}\text{C}$

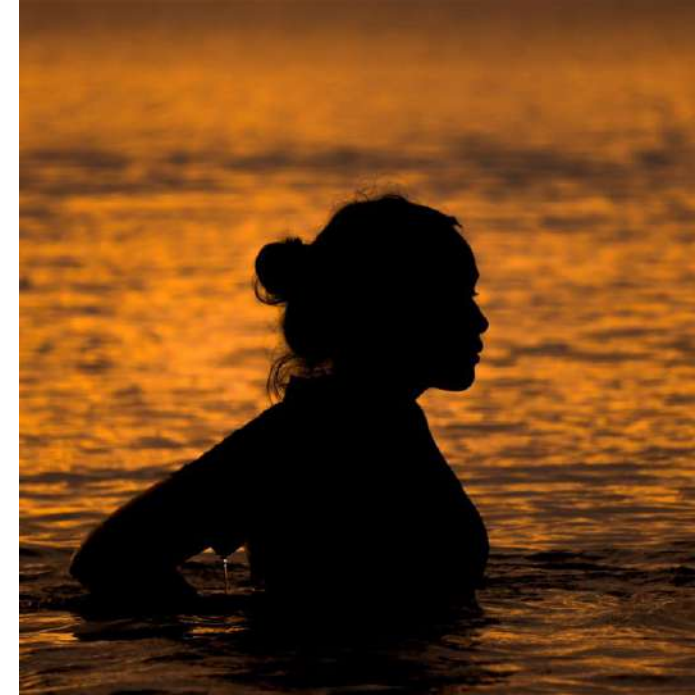
Water Surface Elevation at $\pm 900\text{ m}$ above sea level



Unmatched Scenery

It's a place where nature and culture
met, preserved and nurtured.

Simply beautiful.



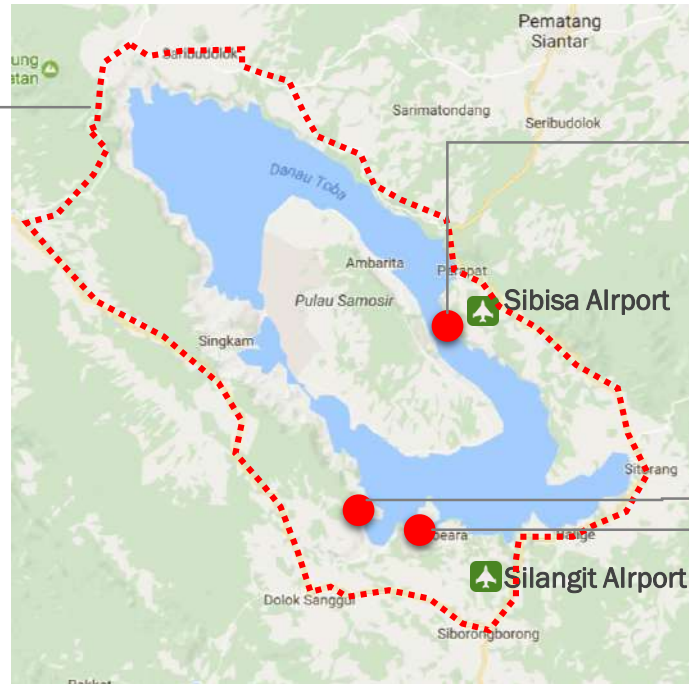
OPPORTUNITIES

Investing in the jewel of North Sumatra

Coordinative Area

Include 8 Regencies

Area: \pm 300,000 Ha



Sibisa Integrated Resort

Loc.: Toba Samosir Regency

Area : + 602 Ha

Integrated Resort "Flower Garden"

Loc.: Humbang Hasundutan & North Tapanuli Regencies

Area : \pm 1,247 Ha

Greater Lake Toba : Coordinative Area

- | | |
|-------------------|---------------------------------|
| 1. Floating Jetty | 6. International Hotel & Resort |
| 2. Lake Cruise | 7. International Hospital |
| 3. Sea Plane | 8. Cultural Performance |
| 4. Aerosport | 9. Tourist Bus Service |
| 5. Cable Car | 10. International Event |

Within Designated Development Area : Authoritative Zone

- | | |
|---------------------------------|---------------------------------|
| 1. International Hotel & Resort | 6. Waste Management |
| 2. Premium Golf Course | 7. Outdoor Elevator / Cable Car |
| 3. Sustainable Energy Plant | 8. Flower Garden |
| 4. Water Treatment Plant | 9. Farm / Agri-tourism |
| 5. Waste Water Treatment Plant | 10. Eco Theme Park |

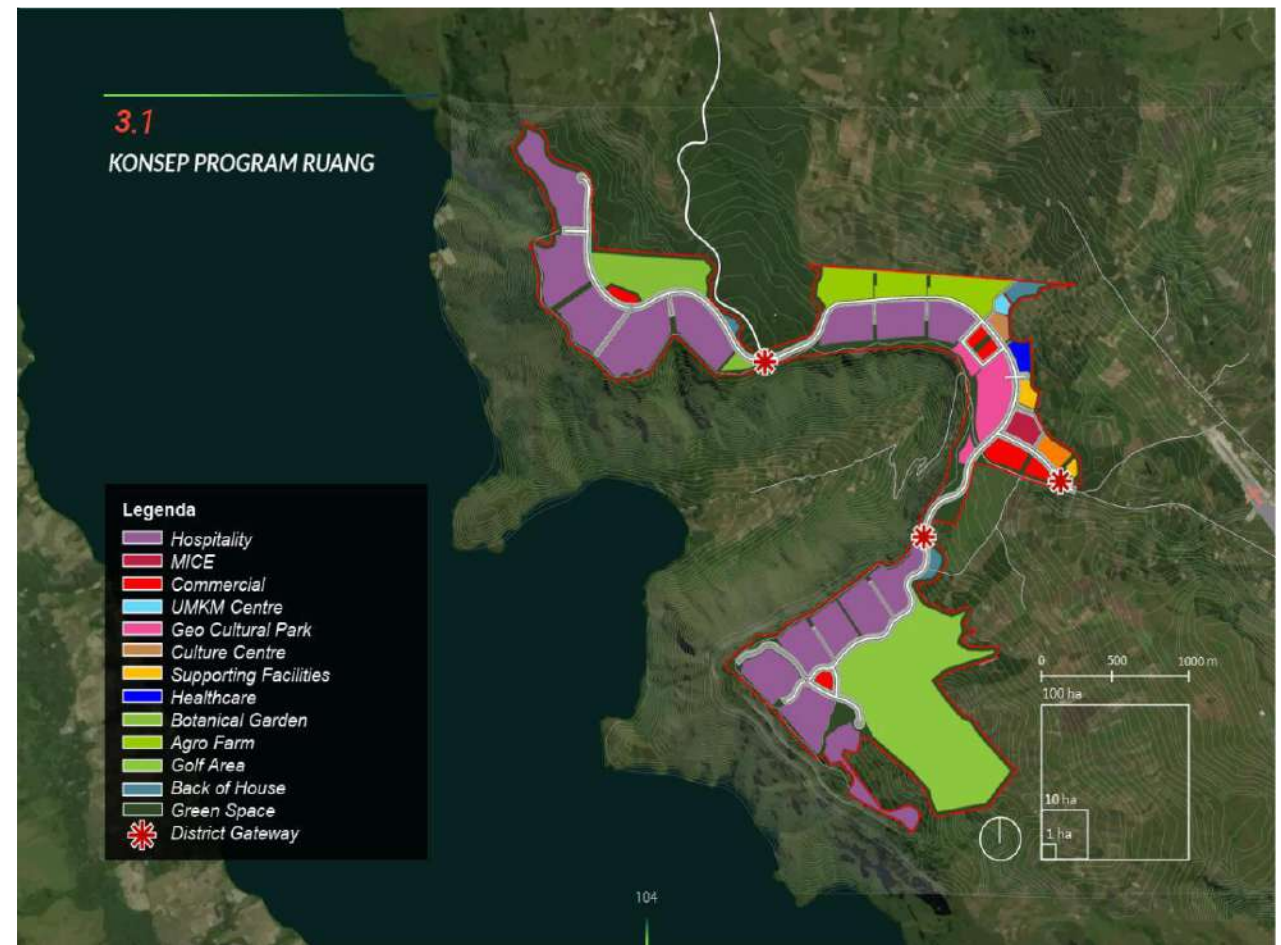
OPPORTUNITIES

An integrated resort complex located on the cliffs surrounding the naturally sculpted Lake Toba

TOBA CALDERA RESORT

Located on top of a valley with a total authorized area of +500 Ha and development area of ± 386.72 Ha, Sibisa is the key region to be developed by the Lake Toba Tourism Authority. The site overlooks the vast Lake Toba and Samosir Island in the front, as well as Bukit Barisan mountain range in the back.

Development Site Breakdown	Area (Ha)	Percentage
Hospitality	121,67	31,46%
MICE	2,72	0,70%
Commercial	8,36	2,16%
UMKM Centre	0,9	0,23%
Geo Cultural Park	9,78	2,53%
Cultural Centre	1,35	0,35%
Supporting Facilities	2,06	0,53%
Healthcare	1,66	0,43%
Botanical Garden	14,54	3,76%
Agro Farm	21,47	5,55%
Sustainable Golf	71,53	18,50
Back of House	3,25	0,84%
Green Space	127,43	32,95%





Eco Friendly

- Nature & Adventure
- Agro & Sustainability
 - Green Activities
 - Education
 - No Plastics
- Pollution Control
- Alternative Energy

To create a unique ecofriendly and sustainable tourism destination in Toba that develops and empowers local communities by integrating technology, diversity, and innovation

Community Focused

- Education & Training
 - Community Engagement
- Health & Medical
- Cultural Shows



Geo-Park

- UNESCO
- Education & Mice
- First In Indonesia
 - Best In Asia
- International Exposure
- 3D Mapping Shows
 - Memorable Experiences



Natural Tourism

**Marvelous
geological
attraction
at one of the
greatest
Supervolcano on
earth**



Heritage Tourism

**Heartwarming
Bataknese
cultural & historical
pilgrimage
at the heart of
North Sumatera**



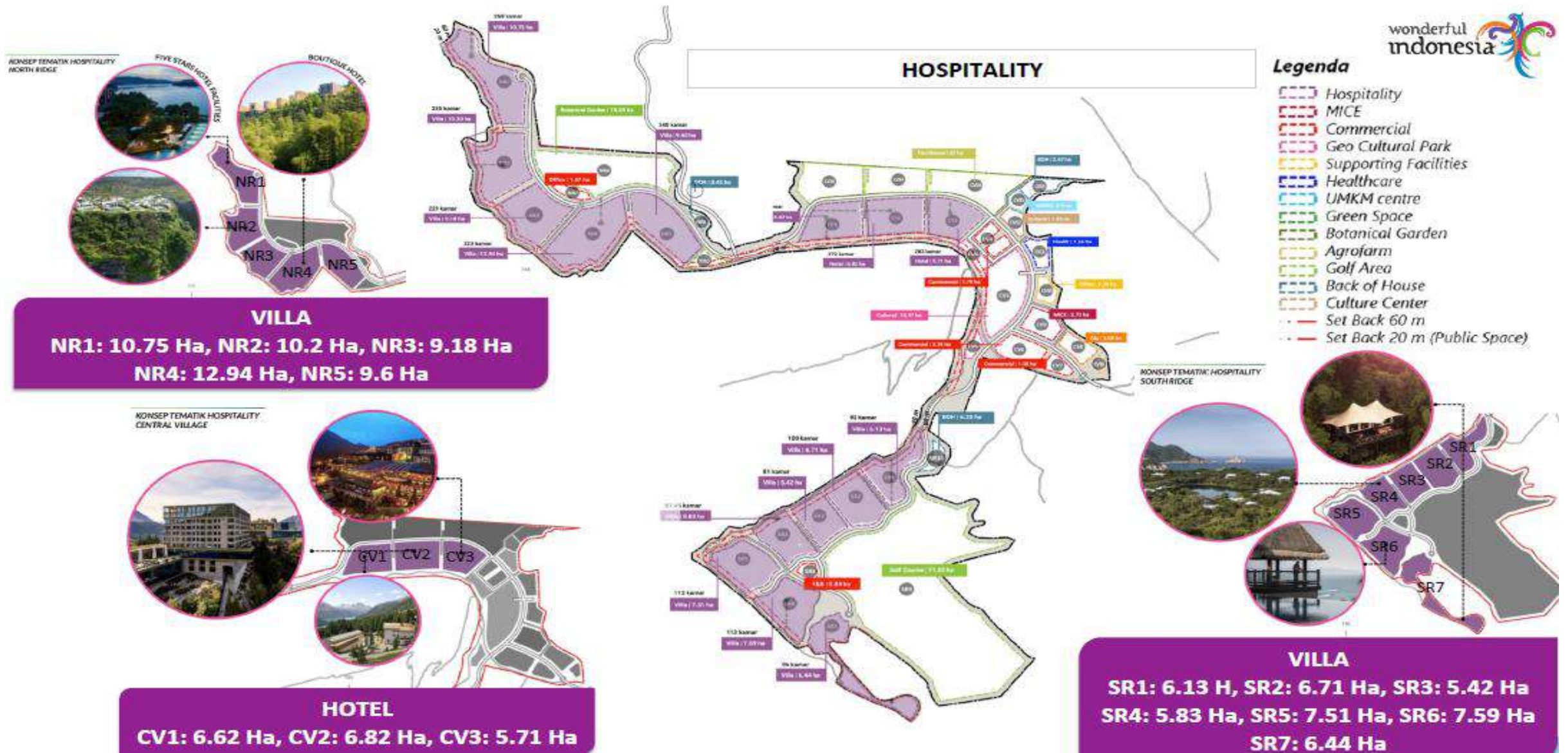
Leisure Tourism

**Vibrant and lively
creative villages
that enlivened the
local economy**



Community Tourism

**Serene retreating
resorts and
lakeside delights at
the natural
wonder of Toba
Highland**



-  Hospitality
-  MICE
-  Commercial
-  Geo Cultural Park
-  Supporting Facilities
-  Healthcare
-  UMKM centre
-  Green Space
-  Botanical Garden
-  Agrofarm
-  Golf Area
-  Back of House
-  Culture Center
-  Set Back 60 m
-  Set Back 20 m (Public Space)

KONSEP TEMATIK BOTANICAL GARDEN



BOTANICAL GARDEN NR6: 15.55 Ha

NONSEP TEMATIK
AGRO FARM HOUSE

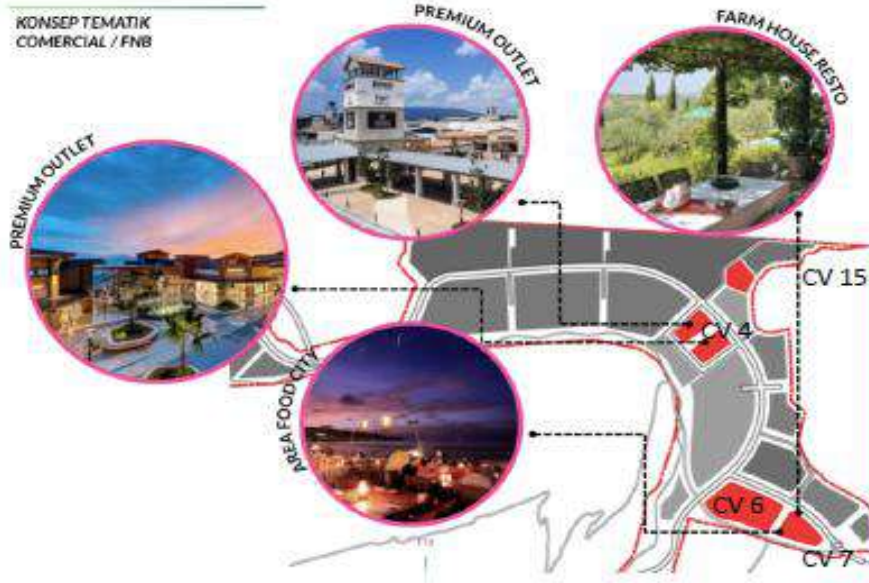
**FARMHOUSE CV14: 32 Ha**

GOLF COURSE SR9: 71.53 Ha

TOBA CALDERA RESORT

Commercial

KONSEP TEMATIK
COMERCIAL / FNB



COMMERCIAL
CV4: 1.79 Ha
CV6: 3.35 Ha
CV7: 1.30 Ha

UMKM
CV15: 0.9 Ha

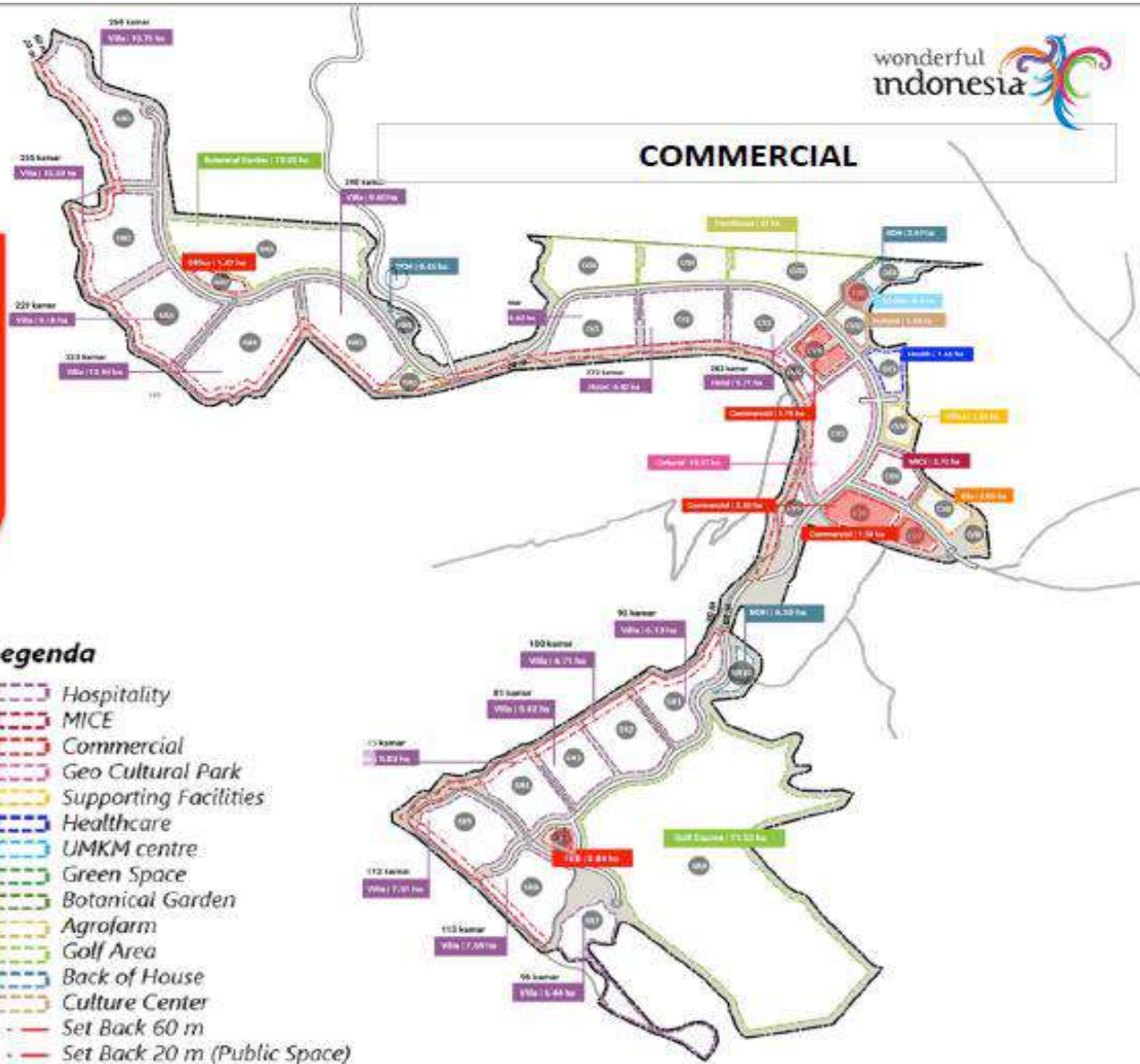
KONSEP TEMATIK
PREMIUM FNB



F&B
SR8: 0.84 Ha

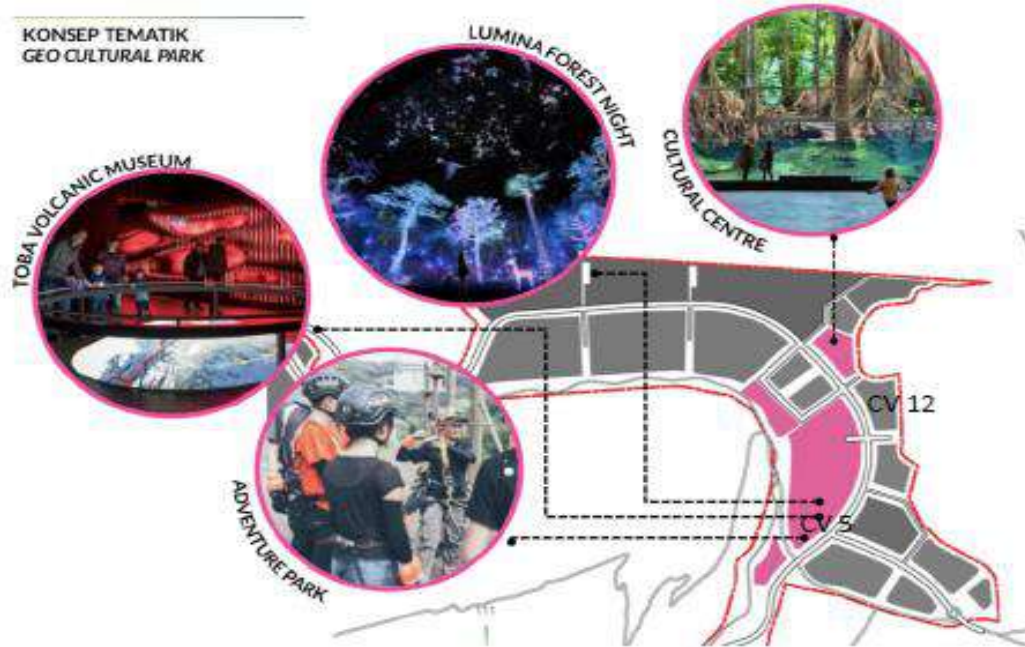


COMMERCIAL



GEO CULTURAL PARK

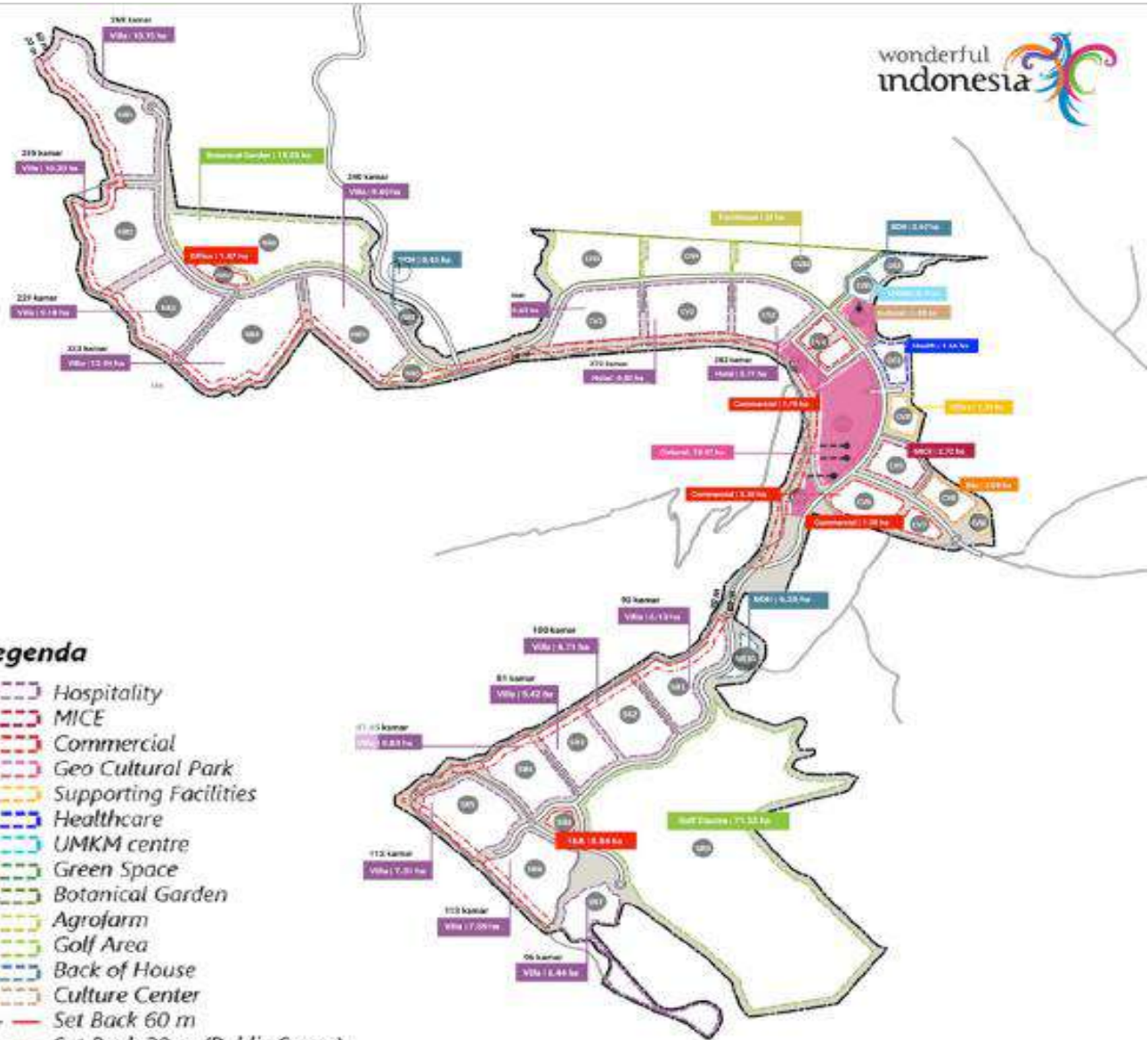
KONSEP TEMATIK
GEO CULTURAL PARK



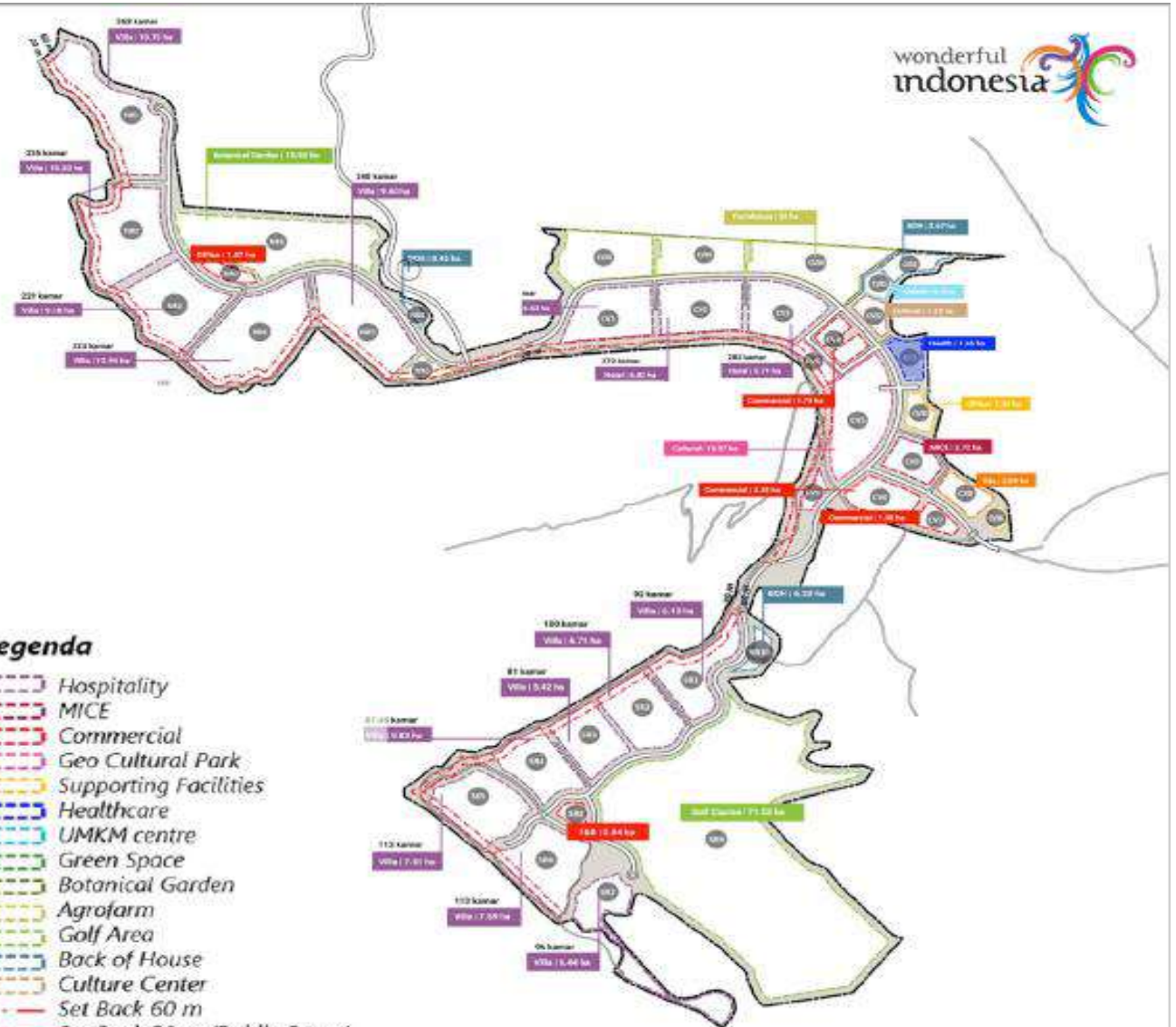
CV 5: 10.95 Ha
CV 12: 1.35 Ha

Legenda

- Hospitality
- MICE
- Commercial
- Geo Cultural Park
- Supporting Facilities
- Healthcare
- UMKM centre
- Green Space
- Botanical Garden
- Agrofarm
- Golf Area
- Back of House
- Culture Center
- Set Back 60 m
- Set Back 20 m (Public Space)



 Hospitality
 MICE
 Commercial
 Geo Cultural Park
 Supporting Facilities
 Healthcare
 UMKM centre
 Green Space
 Botanical Garden
 Agrolfarm
 Golf Area
 Back of House
 Culture Center
 Set Back 60 m
 Set Back 20 m (Public Space)



ACCESSIBILITY

It's easier than ever to reach Toba



Air Connectivity

Kualanamu (KNO)

International Direct Flights :

Kuala Lumpur, Singapore, Bangkok

Domestic Direct Flights :

Jakarta and many cities in Indonesia

Silangit Airport (DTB)

Domestic Direct Flights :

Jakarta and Kualanamu

International Direct Flights :

Singapore, Kuala Lumpur (Malindo Air)

Sibisa Airport (SIW)

Open for special flights



Kuala Tanjung Port & Industry Zone

Kuala Tanjung Port is developed with 3 functions at its core

The seaport will function as **Sumatra gateway**, which means flow of goods will be centered in Kuala Tanjung.
Benefit : reducing logistic cost



Main
Gateway

As a **trans-shipment hub**, Kuala Tanjung will be the new distribution center for container and cargo
Benefit : reducing logistic cost and distribution



Trans
Shipment

Integrated industrial cluster, benefitting companies with better distribution chain, more efficient operation cost, while bringing companies closer to raw material



Industry Zone

Hidden Impact of Thailand's Kra Canal

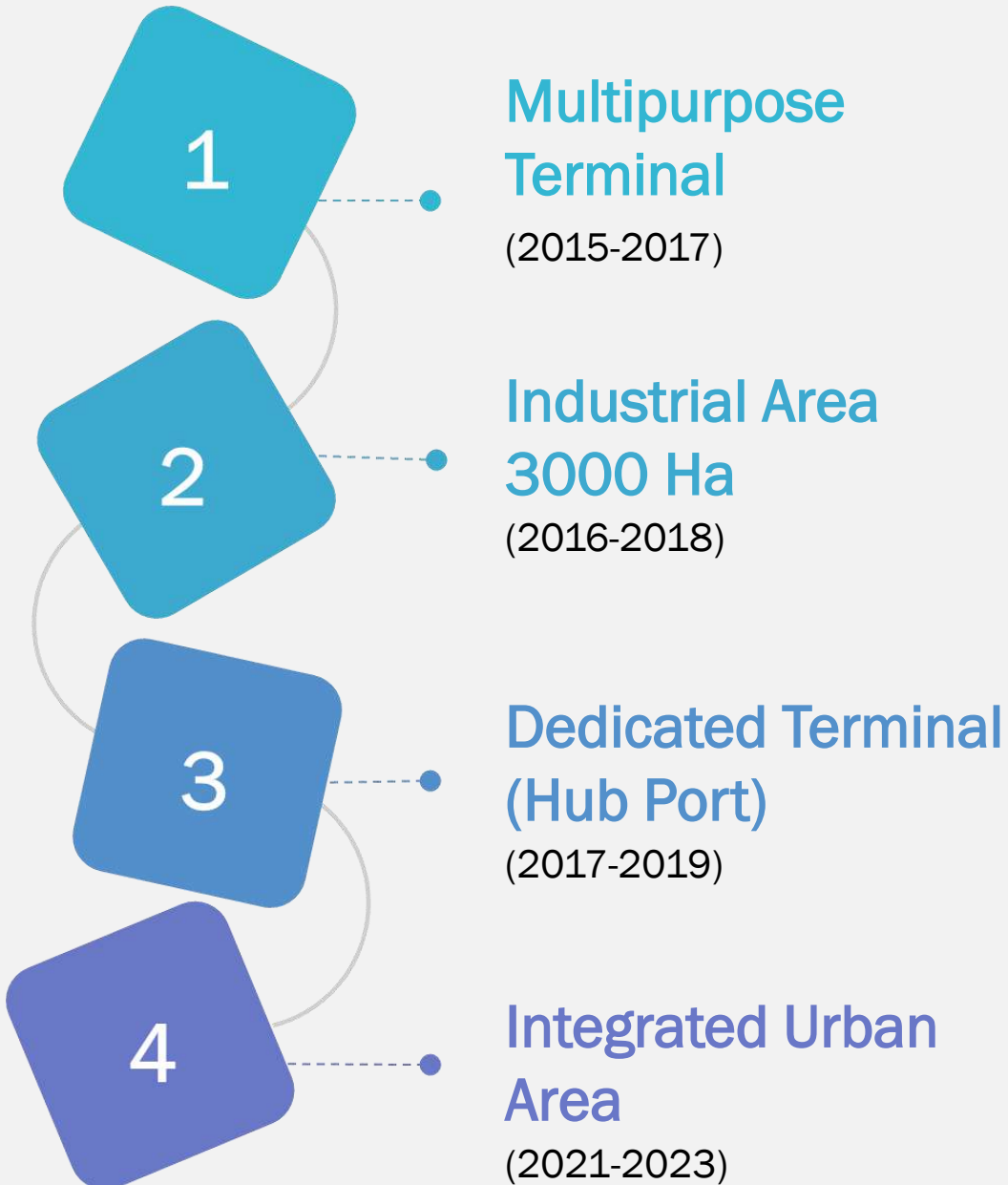
Existence of **THE KRA CANAL** bring a potential rapid growth for Kuala Tanjung Port as the biggest International hub port

Kuala Tanjung international hub is ready to tap overseas strategic partners



Masterplan of Kuala Tanjung Port

Development Timeline

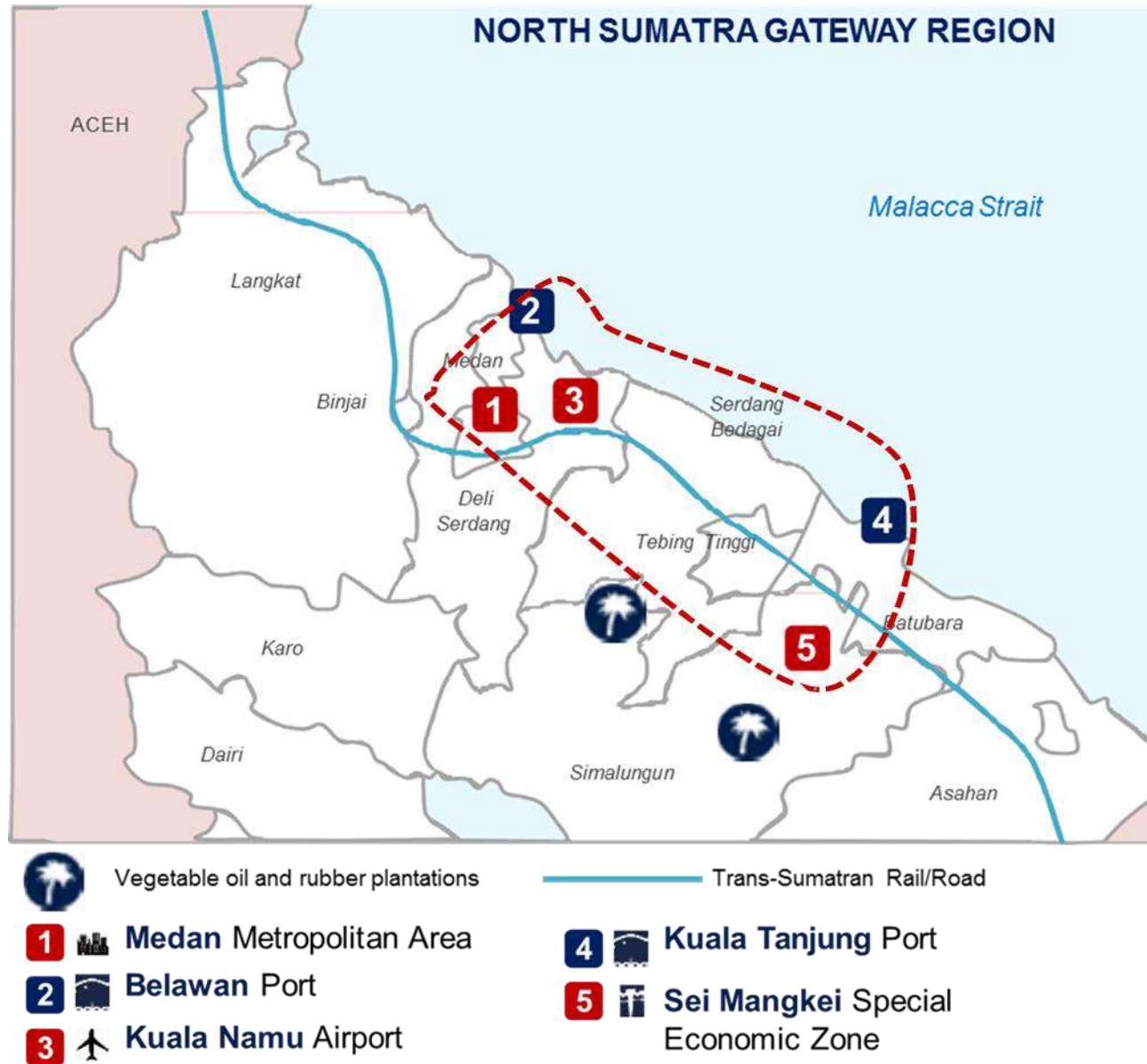


Multipurpose Terminal Project Spec

- **CAPEX:** 3.7 Trillion Rupiah
- **JETTY**
Dimension 60 x 500 Mtr
Length of Trestle 2,85 KM
Length of Berth 1.000 Mtr (2x 500 Mtr)
Bearing Capacity 3 Ton/M2
Water Depth -17 M. LWS
- **BERTHS CAPACITY**
Liquid Bulk Carrier: max. DWT 50.000
Container Vessel: max. DWT 60.000
- **YARD AREA**
Total Area ± 18 Ha
Tank yard ± 4 ha
Container yard ± 14 ha
Bearing Capacity 6 - 8 T/M2
- **MODALITIES:**
Excellent Rail,
Road connection & Energy

Industrial Gateway Port Project Spec

- **JETTY**
Dimensi : 60 x 300 Mtr
Trestle : 825 Mtr
Causeway : 1500 Mtr
Jetties : 600 Mtr (2x 300 Mtr)
Capacity : 3 Ton/M2
Draft : -15 M. LWS
- **JETTY CAPACITY**
Coal Carrier : max. DWT 60.000
Clinker Vessel: max. DWT 60.000
- **AREA CAPACITY (100 Ha by 2017)**
Power plant :20 Ha
Coal Storage : 20 Ha
Cement factory: 7 Ha + 15 Ha
Public area: 5 Ha
Supporting Power : 6 - 8 T/M2
- **INFRASTRUCTURE:**
- Railway, Trans Sumatera Highway



Economic Growth Driver

Kuala Tanjung, together with Sei Mangkei SEZ, Kuala Namu Airport, Belawan Port, and the new Trans Sumatra Highway are built to be the new growth drivers in the region. it is Highly connected. These National Strategic Projects will bring a new level of efficient logistic chain and fully integrated production base.

Sei Mangkei Special Economic Zone

To be a modern industrial city with high competitiveness and eco-friendly mindset, through optimal development of local natural resources.

Legality	PP No. 29 Tahun 2012 Tentang KEK Sei Mangkei
Location	Simalungun Regency, North Sumatera
Area	1,933.80 ha
Area Manager	PT Perkebunan Nusantara III (PTPN III)
Administrator	Badan Pelayanan Perijinan Terpadu dan Penanaman Modal Kab. Simalungun
Investment amount	<ul style="list-style-type: none">• Infrastructure : Rp. 5,14 trillion• Est. total investment by 2025 : Rp. 129 trillion
Labor force	83,304 people by 2031
Infrastructure and facilities	Railroad, electricity, water treatment, palm oil R&D center, industrial gas available
Connectivity into and out of SEZ	Highway, electricity, gas pipe, dedicated train connectivity direct to Kuala Tanjung sea port, Kualanamu airport



Sei Mangkei Special Economic Zone

SEZ Sei Mangkei is well-linked to strategic distances :

- ❖ to Kuala Tanjung Seaport = 36 km
- ❖ to KNO Airport = 106 km
- ❖ to Medan City = 125 km
- ❖ to Belawan Seaport = 146 km

Supported by both regional and local infrastructures that built connectivity from inside to outside of the estate.

Inside the estate: Concrete Road, Electricity, Gas Pipe Line, IT Network, Water Treatment Plant, Electricity, Waste Water Treatment Plant, Tank Farm, Dryport connected by train directly to the port.

Outside the estate: Railway track, Highway, Kuala Namu International Airport, Belawan Seaport and Kuala Tanjung Seaport.



Development Timeline

1

Base Industrial Zone
of 104 Ha

(2010-2015)

2

Industrial Zone + Infrastructure
add 640 Ha

(2015-2020)

3

Integrated Industrial Zone
add 1.993 Ha

(2020-2035)

Companies Investing in Sei Mangkei SEZ



Unilever

PT UNILEVER OLEOCHEMICAL INDONESIA



RealStrong[®]
AgriCulture Innovation

PT. All Cosmos Indonesia



PT PERKEBUNAN NUSANTARA III (PERSERO)



**PT. Alternative
Protein Indonesia**
(a multinational
consortium)



PERTAMINA
BGS PLTBg

Investment Opportunity in Sei Mangkei SEZ

Rubber Industry Zone

- ☐ **Tyres Product**
(Inner & Outer tyres for bicycle, motorcycle, cars)
- ☐ **Automotive Products**
(*Dockfender, coveyor belt*, rubber roller, *bridge bearing*, rail pad)
- ☐ **Latex Goods**
(gloves, condom, rubber thread, balloon, foam)
- ☐ **General Rubber Goods**
(carpets, footwear, sport apparels, household appliances)

Various Industry Zone

- ☐ **Textile Industry**
(yarn, fabrics, apparel)
- ☐ **Electrical appliances & Metal Industries**
(fan, refrigerator, sewing machine, television, and radio)
- ☐ **Chemical Industry**
(medicine, pharmacy)
- ☐ **Food & Beverage Industry**
(flour, sugar, tea, coffee, salt, food packaging)
- ☐ **Building materials and general industry**
(sawn timber, plywood, marble)



Subsidy and incentives for SEZ

Income Tax

- Tax holiday for investment >Rp 500bn
- Tax allowance of 30% from NI
- Faster depreciation allowed

- Dedicated wage council
- One Labor Union allowed
- Better regulation for expat workers

Labor

VAT

- No VAT for import
- No VAT for transactions with tenant in Sei Mangkei

- Visa on arrival for 5 visits
- Multiple visa for 1 year
- Living permit to owners of property

Immigration

FISCAL

Foreigner Property Right

- Foreigners can own property
- Owner of property can get living permit

- Rights to build permit
- Easier process for land permit

Land Regulation

Tourism Sector

- Deduction between 50-100% for construction and entertainment tax

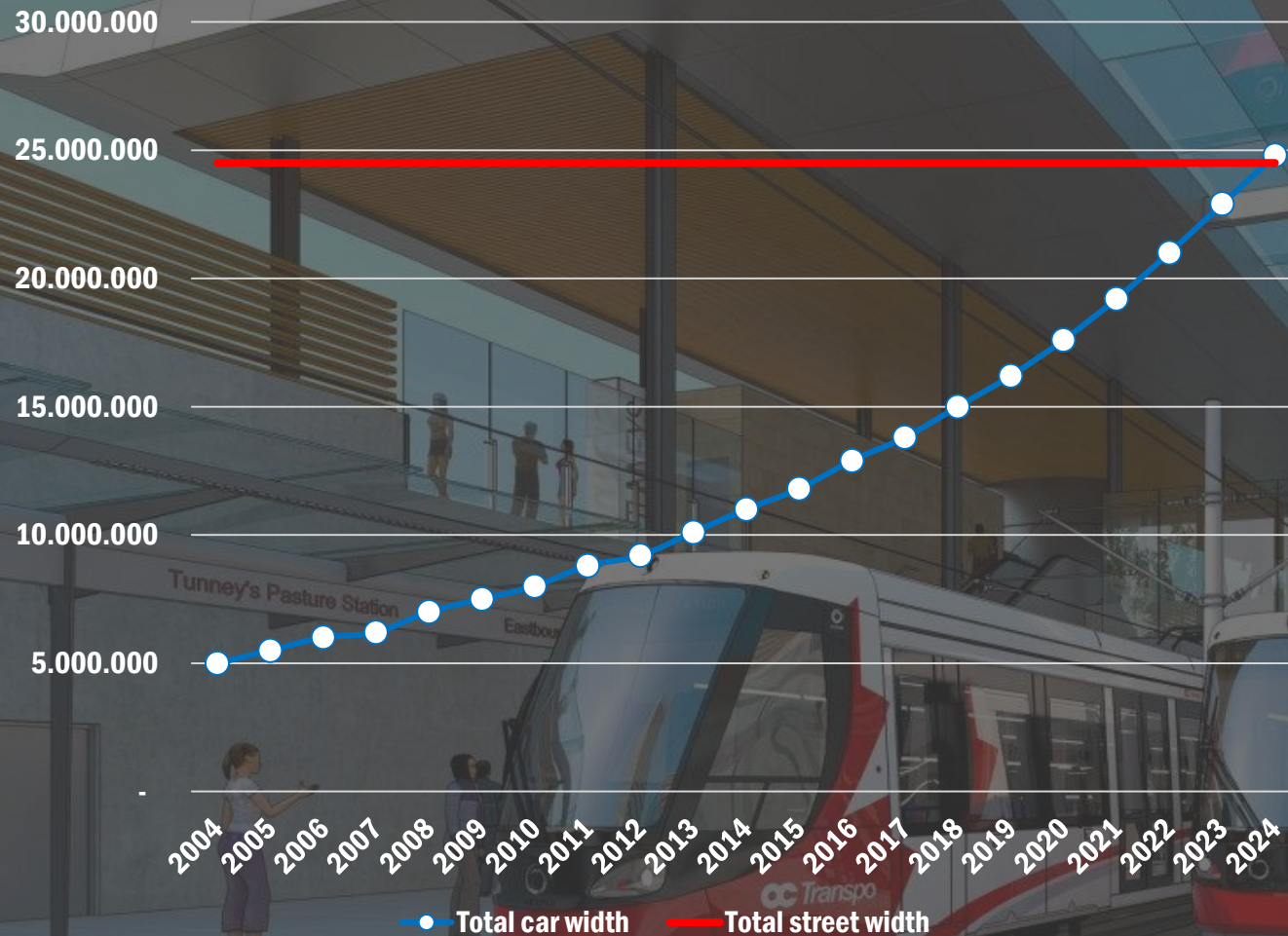
- 3 hours licensing
- All licensing can be done through SEZ administrator

Licensing

NON FISCAL

Medan City's LRT & BRT Scheme

Total Gridlock Prediction by 2024



As one of the biggest cities in Indonesia, Medan's limited public transport and huge growth of private car ownership are predicted to lead to gridlocks in major roads in Medan by 2022.

The integrated Light Rail Transit (LRT) and Bus Rapid Transit (BRT) scheme is the government's solution to it and will become an important infrastructure to the city with 2,2 million people.



The Inadequacy of Current Mode

Currently, the public car (pictured) is the most widely used public transport in Medan city. It's not only inadequate, but also messy since they don't have a station.

The LRT & BRT scheme will not only help untangled predicted gridlock, but also become a reliable transportation mode for the city.

Scheme : Public – Private Partnership

Apx. Distance : 20 km (LRT) & 14 km (BRT)

Inv. Opportunity : IDR 20 tn (LRT) & IDR 1 tn (BRT)

Concession Period : 35 years

Payback Period : 16,47 years

Project IRR (35 years) : 14,7%

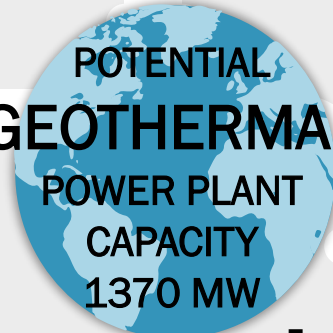
**Latest feasibility study result*

The Initial Blueprint for Medan LRT&BRT

- Halte BRT
- Koridor BRT
- Stasiun LRT
- Koridor LRT
- Direct Service

ITDP, 2017





POTENTIAL GEOTHERMAL POWER PLANT CAPACITY 1370 MW

Location	Current Condition	Capacity
▪ Sarulla & Sibual buali	Existing/Expansion	660
▪ Sibayak/Lau Debuk-debuk	Existing/Expansion	160
▪ Sorik Marapi	High Possibility	500
▪ Sipoholon	Low Possibility	50

Current electricity supply in Pangkalan Susu, 2300 MW.

Future need in 2025, 5800 MW

Energy investment potential:

- Asahan Hydro Power Plant III
- Sumbagut Power Plant II (250 MW)
- Batang Toru Hydro Power Plant (510 MW)
- Biomas Power Plan
- Solar Power Plant



POTENTIAL HYDROELECTRIC POWER PLANT CAPACITY 307 MW

Aek Bilah River,
Tapanuli Selatan
50 MW

Batang Oru River,
Tapanuli Utara
155 MW

Aek Bilah River,
Tapanuli Utara
40 MW

Lalu Biang,
Karo
46 MW

Piasa,
Asahan
16 MW

Potential Investment in renewable energy



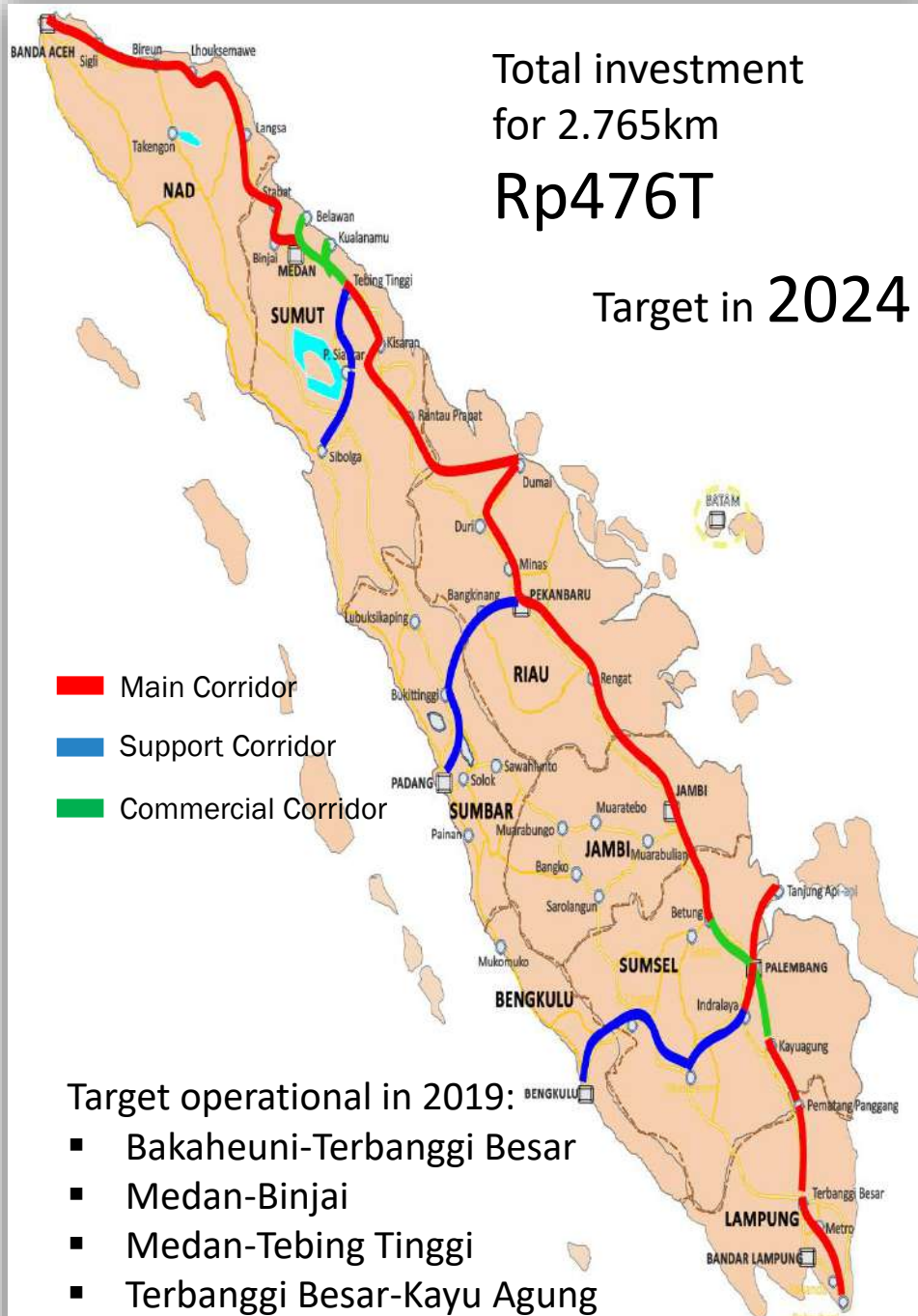
TEBING TINGGI - KISARAN

(Trans Sumatera Toll Road 1st Phase)

Feasibility Study by KOICA (Korea International Cooperation Agency), Route Selection Stage

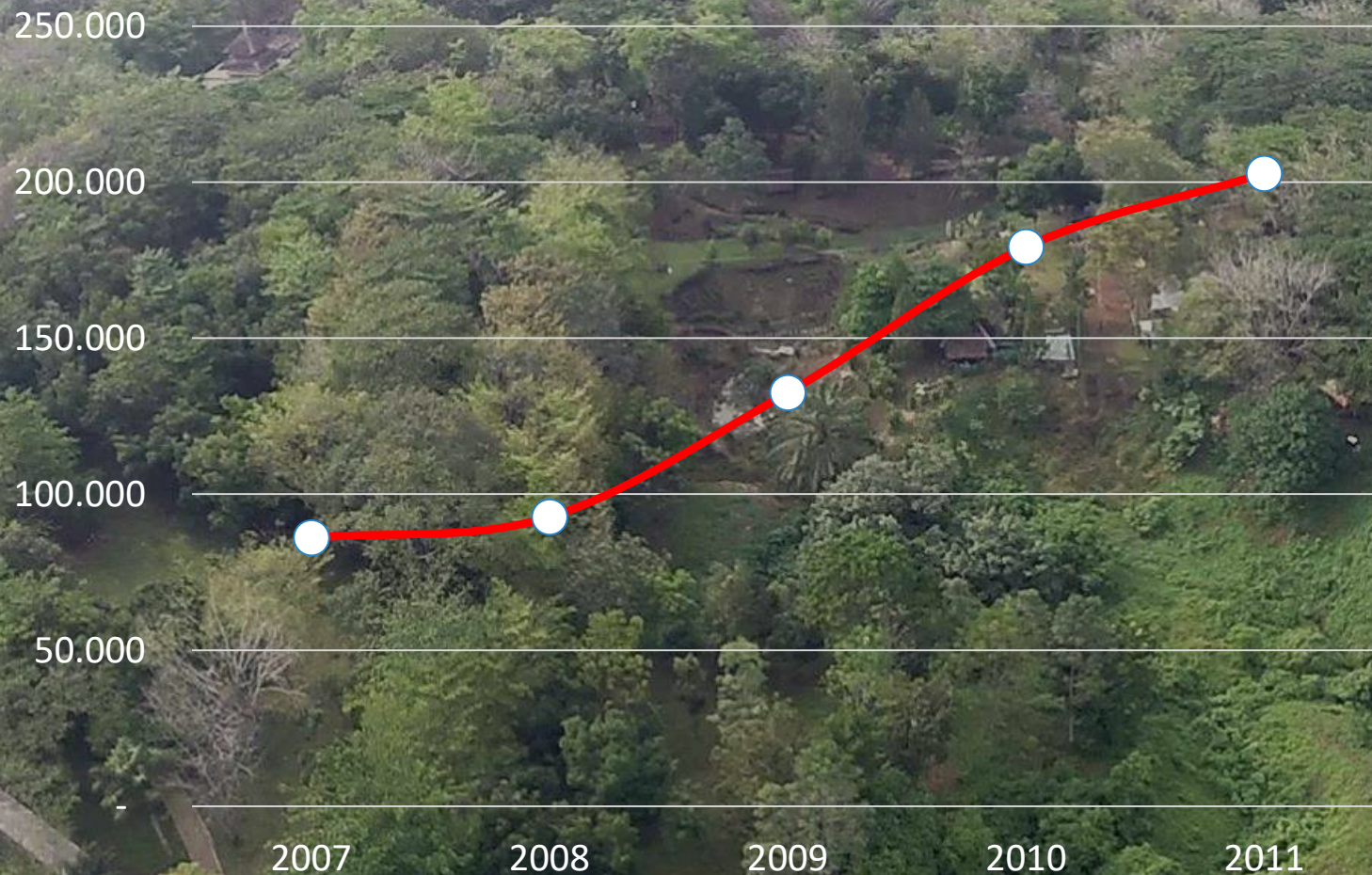
To support the development of Special Economic Zone Sei Mangke (KEK Sei Mangke), which is the main project for MP3EI Sumatera Corridor

As a segment of Trans Sumatera Toll Road Project (Phase I) in North Sumatera Province



Medan City Zoo Expansion

Medan Zoo is Gaining Visitors | Number of visitor



As the capital of North Sumatra, Medan city develops economically. Its 2,2 million people need various of entertainment. One of them is Medan Zoo, which has become attraction for visitors. Expecting similar growth in the future, the Government offers investors to partner up and develop the zoo



Modern Zoo

Revamping the zoo by increasing the variety of the animal.

01

02

Theme Park

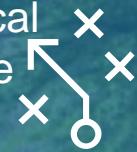
Well who doesn't love a theme park?



03

Botanical Garden

Adding a touch of botanical garden to further increase the attractiveness



Our concept for the $\pm 30.000 \text{ m}^2$
Investment Opportunity IDR 250 bn

Medan Public Hospital Expansion

Public Private Partnership opportunity to expand the Dr. Pirngadi Public Hospital in Medan city. The project includes building the VIP wing in an area of $\pm 10.000 \text{ m}^2$.



1



Pantai Muara Opu
South Tapanuli Regency

2



Orang Utan Batang Toru
South Tapanuli Regency

3



Mursala Island
Central Tapanuli Regency

4



Poncan Island
Sibolga City

6



Tangkahan
Langkat Regency

5



Silahi Sabungan
Dairi Regency

Potential
Tourism Site



The Home of Turtles

Muara Opu Beach

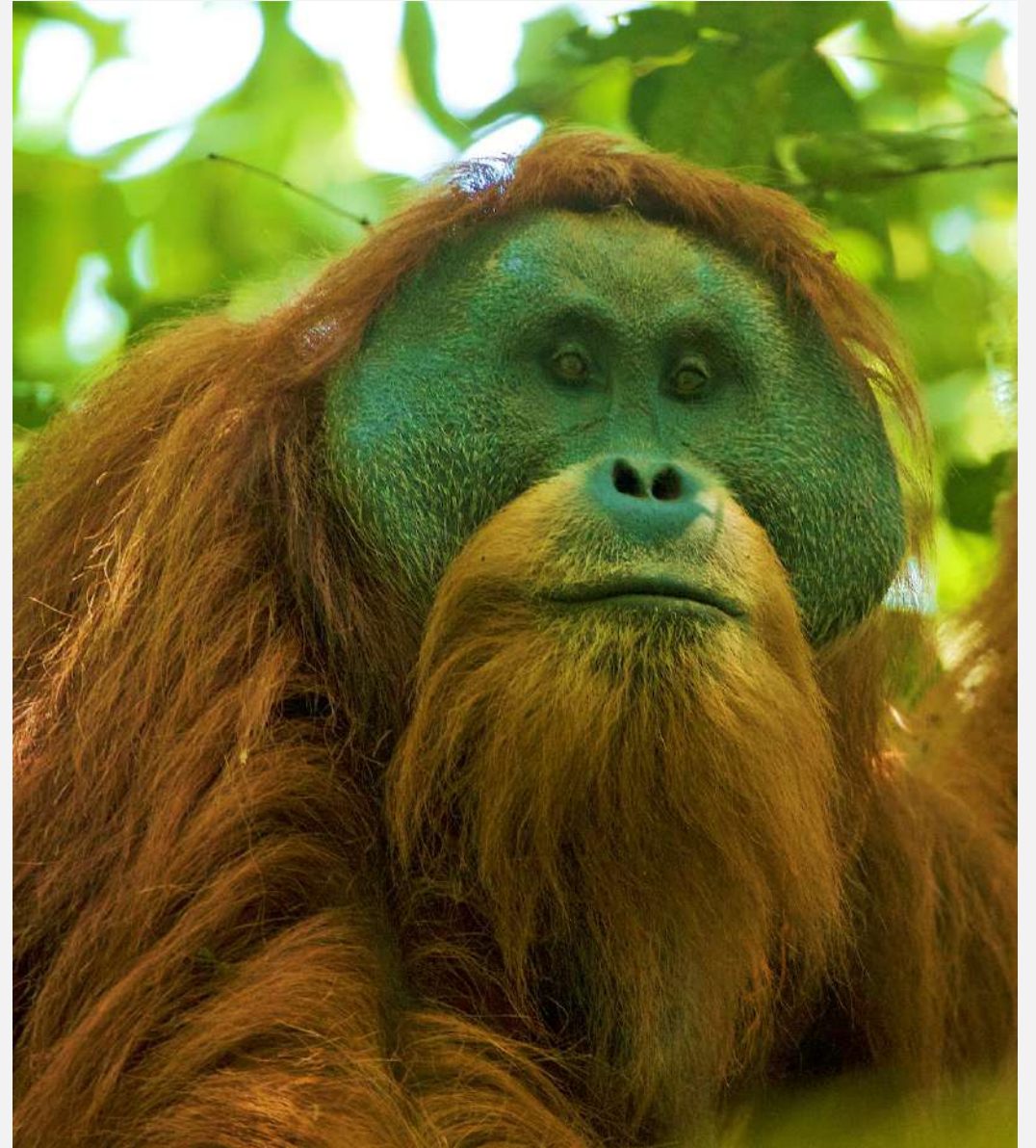
With 14 km shore length, Muara Opu beach is home for thousands of turtles to breed once a year. And at that majestic moment, the experience is breath taking.



The Oldest Orang Utan

Batang Toru Forest

Batang Toru forest is home to one of the oldest orang utan, the Pongo Tapanuliensis, which currently only 800 still exist



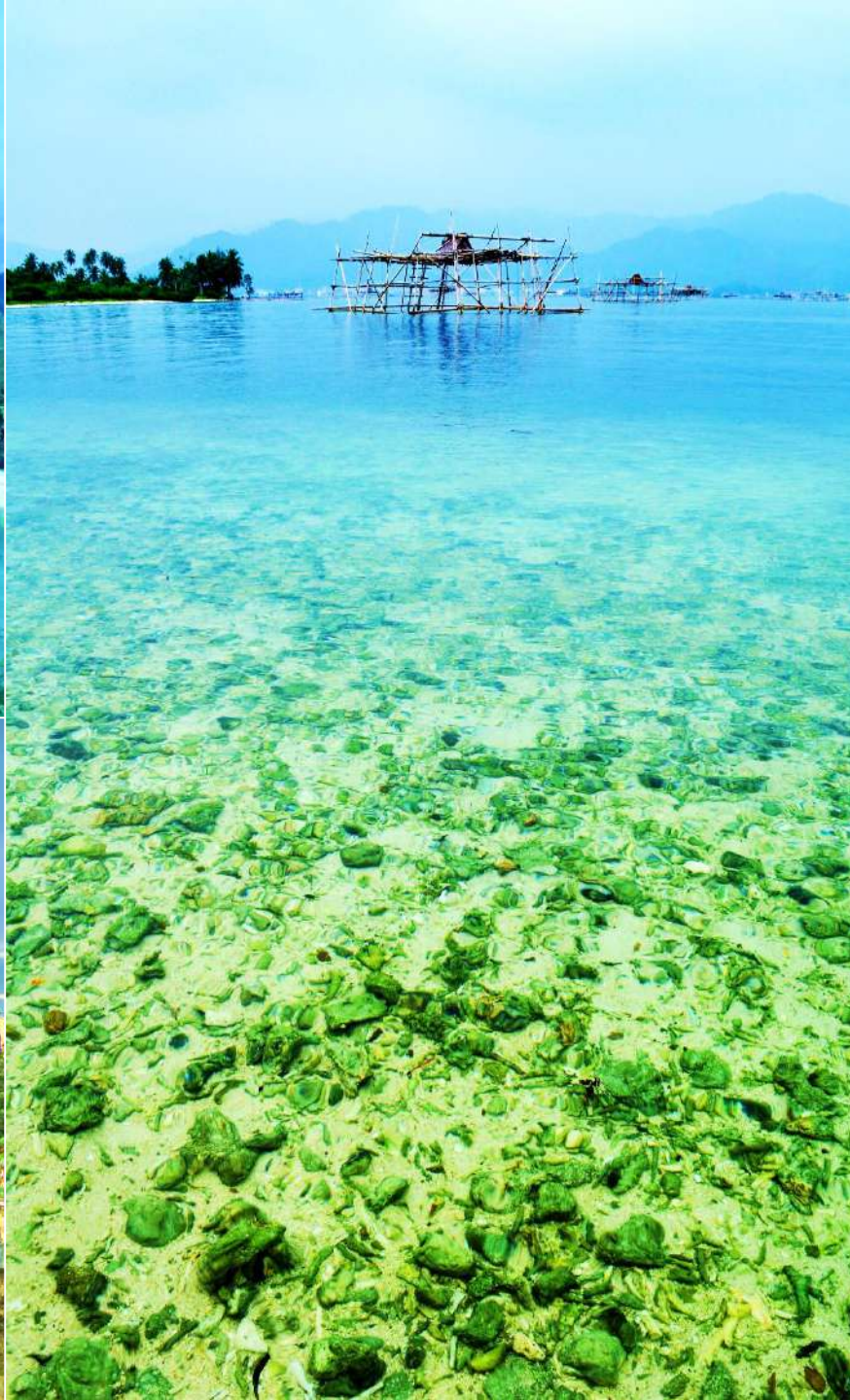


The King Kong Island

Mursala Island

Due to its awesome scenery and authentic wilderness, Mursala Island is famous as the place for the shooting of King Kong movie (2005)





“The Island”

Poncan Island

Imagine an island with a beautiful landscape, and a blue ocean. Where the water so clear you can see everything underneath. That's exactly what Poncan Island offers you.



Blending In

Silahi Sabungan

Natural beauty, cultural experience and religious pilgrimage, Silahi Sabungan is a place like no other to find inner peace





The Hidden Paradise

Tangkahan

Some calls it “the hidden paradise”, Tangkahan is a nature wonder where you can play and have fun with the friendly elephant



Lau Simeme Dam

Deli Serdang

The water could stream within the power up to 13 million m² dam water discharge, which could be used as hydroelectric power plant. This project is essentials, as it's the human being basic needs.





4

LICENSING IN INDONESIA

LICENSING

Enhanced business licensing through OSS

Policy Goals

Improve efficient, streamlined, & integrated business license service standards



Accelerate the business licensing process

Provide business licensing process assurance in terms of the costs and lead times



Increase coordination & synergy between central & regional government



Overcome the barriers to doing business in Indonesia



Implement integrated licensing process (single submission)



Main Policy

1st Phase



Forming a Task Force to identify & overcome the end-to-end licensing barriers



Implementing a licensing checklist for Special Economic Zones (KEK), Free Trade Zones (FTZ), Industrial Zones & Tourist Zones



Utilizing data sharing

2nd Phase



Business license regulatory reforms



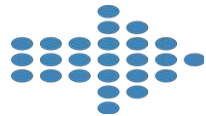
Implementation of the Single Submission system

Note: 1st and 2nd Phase are implemented in parallel

Priority Investment Service

Direct Construction (KLIK)

Investors can directly start their project construction before obtaining construction permits. This service is supported by both **Central and Regional Governments** which become the first step to synergize between central and local licensing



No Requirements

- No minimum investments or workers is required.
- Available for **32 selected industrial estates**.
- Construction permits can be obtained in parallel with construction process.



Obtain investment licence at OSS at national or regional level.

- **Survey** a land within selected industrial estates.
- **Acquire** the land for your industry.

- **Start the construction** of your project. No other permits are required.
- **Apply** for building construction permit & environmental permit, in parallel with construction process.



5

KEY CONTACTS

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We are fully committed to help your investment



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