# North Sumatra INVESTMENT BOOK



### 1<sup>st</sup> Quarter - June 2020 Edition

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

Strengthen Synergy for Sustainable Growth





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.









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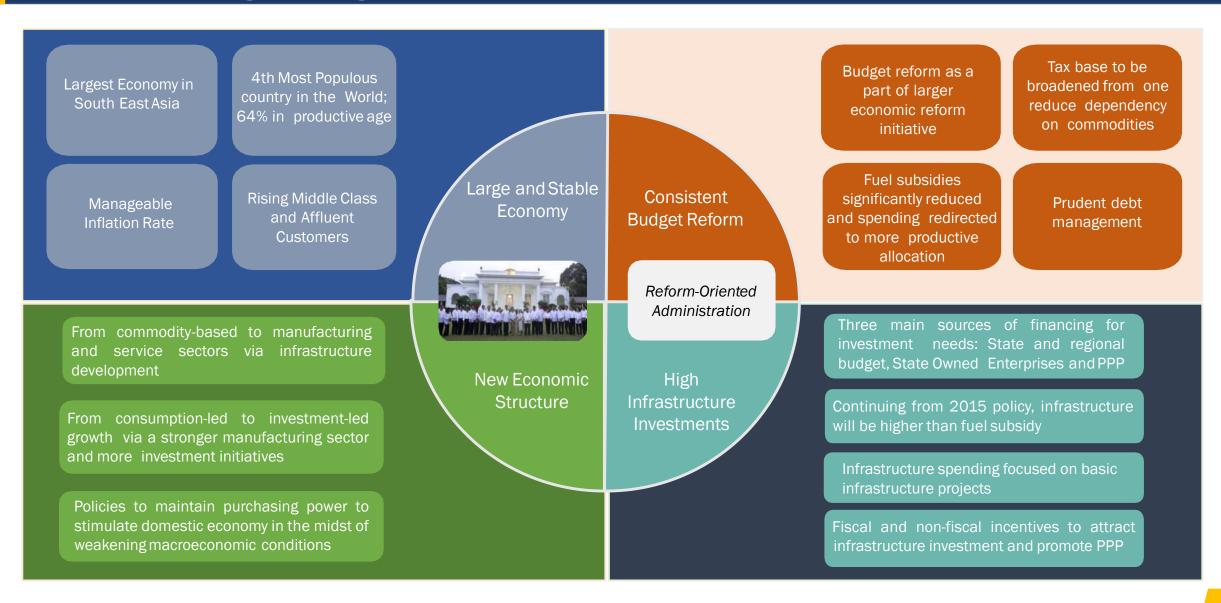
# 1

# Indonesia's Strong Performance

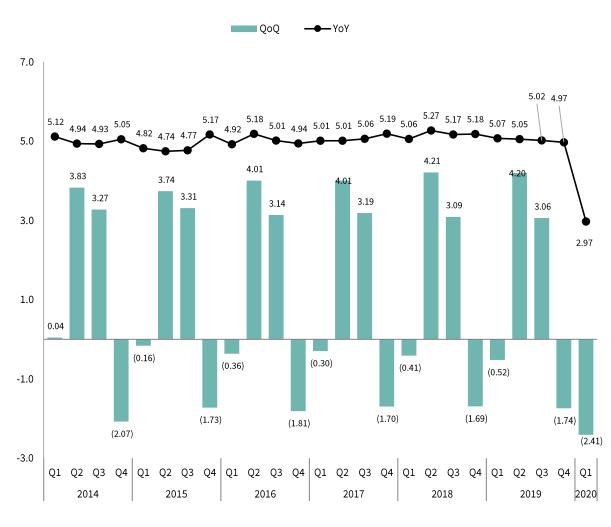
Indonesia is one of the fastest growing economy in the world. Find out our performance!



### **Conductive Environment Underpinning Strong Growth Fundamentals**



## **Indonesia's GDP Growth Momentum Moderated**



Despite global economic moderation, resilient national economic growth has been maintained in Indonesia. For the year 2019, solid economic growth was recorded at 5.02%, albeit slightly declined from 5.17% in 2018. The main driver of economic growth in 2019 was domestic demand, as export performance declined. In the fourth quarter of 2019, economic growth stood at 4.97% (yoy), down slightly from 5.18% (yoy) in the previous period.

Furthermore, the general election held in 2019 edged up consumption by non-profit institutions serving households (NPISH) to 10.62% from 9.10% in 2018. Domestic demand was also buoyed by strong investment performance, building investment in particular which grew 5.37% in the reporting period, similar to the 5.41% recorded in 2018. Services in the tertiary sector were the main locomotive of economic growth in 2019, led by communications and information, financial services and insurance as well as other services.

While in 2020 for quarter 1 Indonesia's economic growth was 2.97% (yoy). It was getting slightly declined from 2019 5.07% at the same period. It occurred because of COVID-19 to overcome this pandemic issue.

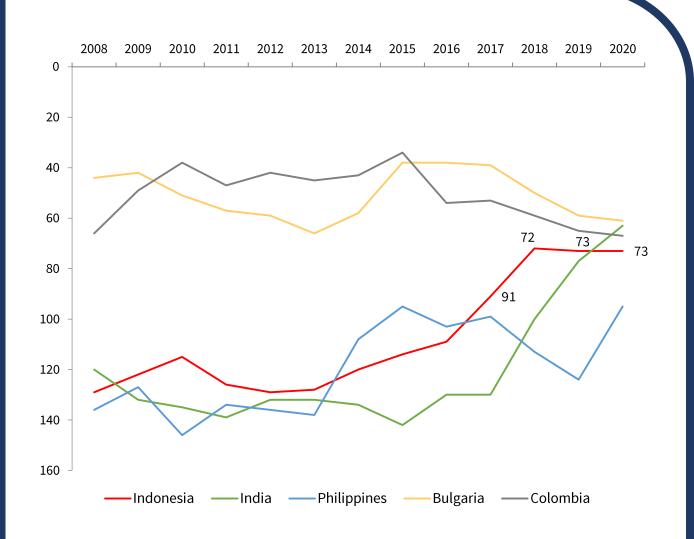
Institutions	2020 GDP growth (%YoY)
2020 Budget	5.3
Bank Indonesia	around 2,3
IMF (WEO April 2020)	0.5
World Bank (GEP April 2020)	2.1
ADB (ADO April 2020)	2.5
Consensus Forecast (April 2020)	2.1

## **Ease of Doing Business | Index The Higher The Better**

# **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 we could maintain our performance since 2017.

Our efforts to trim the licensing period gave an impact to the business player. And we plan to make it even easier. There is no better time to invest in Indonesia.



### **Investment Grade Approved**



JCR)

#### R&I

BBB+ / Stable



"Indonesia's President Joko Widodo is firmly implementing policies to strengthen economic growth potential, on the back of a political foundation solidified in his second term.

Supported by such policy efforts, the economy is expected to continue stable growth over the medium term. Keeping fiscal deficits in check, the government maintains its debt ratio at a low level. Foreign reserves are ample relative to short-term external debts. The country's economic resilience to external shocks is retained under a policy stance that emphasizes macroeconomic stability and fiscal discipline."

#### January 2020, Rating Upgraded at BBB+/Stable

"The ratings mainly reflect the country's solid domestic consumption-led economic growth, restrained budget deficit and public debt, and resilience to external shocks supported by flexible exchange rate and credible monetary policies and accumulation of foreign exchange reserves. Since its previous rating review, JCR has been paying particular attention to the continuing reform initiatives pushed by the administration of President Joko Widodo and the content and progress of the economic policy taken by his second administration which took office in October 2019. Among the reform agenda, infrastructure development has continued to progress faster than JCR had expected.".

BBB+ / Stable

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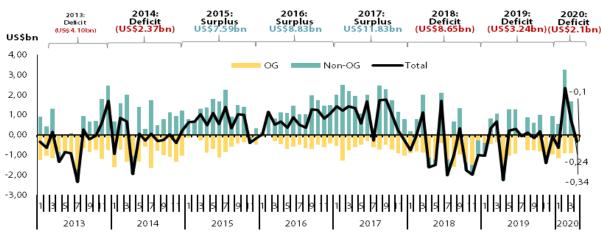
## **External Balance Supported by Adequate Reserves**

#### 2013: CA Deficit 2014: CA Deficit 2016: 2017: 2018: CA Deficit 2019: 2020: CA Deficit CA Deficit CA Deficit CA Deficit CA Deficit (US\$29.1bn) (US\$26.7bn) (US\$16.2bn) (US\$30.4bn) (US (US\$16.9bn) (US\$17.5bn) (USS30.6bn) US\$bn 8 0,0 6 -0,5 4 -1,42 -1.0 2 -1,5 0 -2,0 -2 -2,5 -4 -3,0 (8, 08)-6 -3,5 -8 -4.0 -10 -12 -4.5 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 01 02 03 04 01 Q2 Q3 Q4 Q1 2013 2015 2016 2017 2018 2020\*\* 2014 2019\* Goods urrent Account (%GDP)+(rhs) ondarv In com

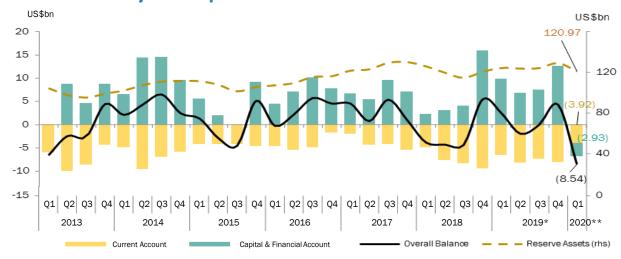
Source: Bank Indonesia

### Trade Balance | USDbn

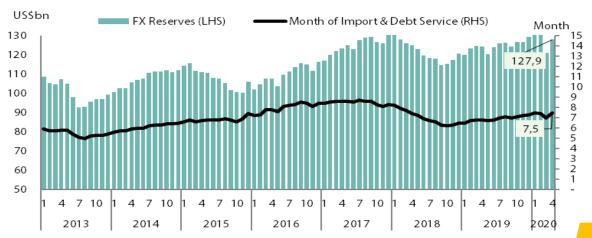
Current Account Deficit | USD/IDR



#### Balance of Payment | USDbn

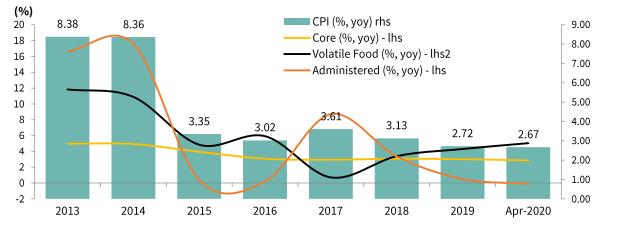


#### FX Reserves | USDbn

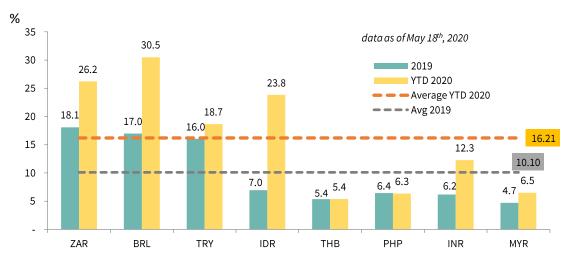


# Exchange Rate and Inflation Rate | In Line with Fundamentals

#### Well Maintained Inflation Ensured Price Stability

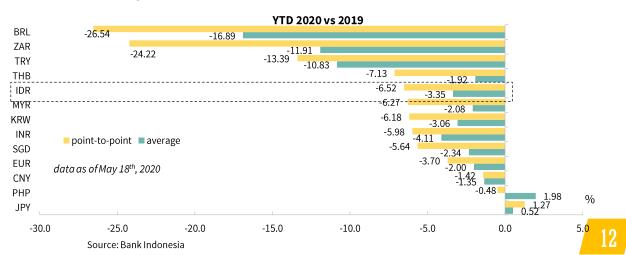


**Rupiah Exchange Rate Volatilty** 



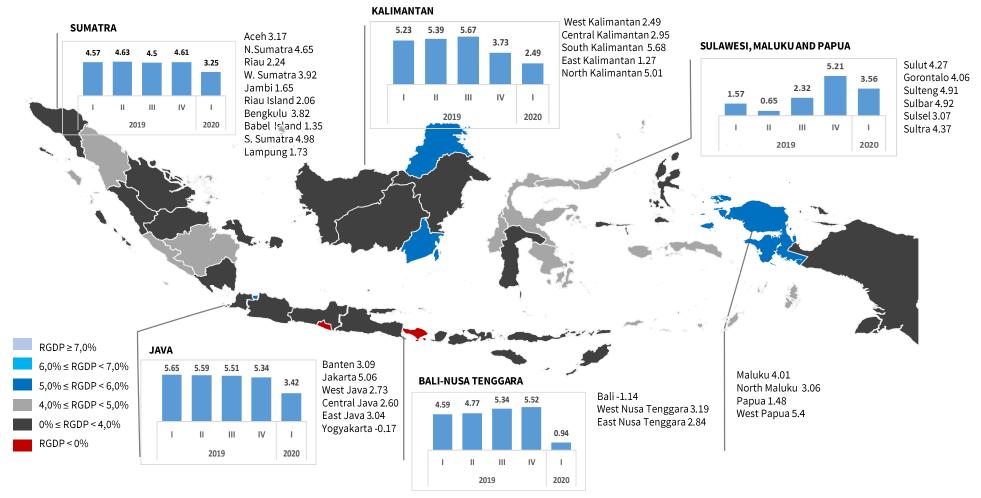
- Indonesia could maintain price stability in this pandemic era, reflected from inflation rate which is stable at 2,67% (yoy) in April 2020.
- The rupiah continued to regain lost value as global financial market uncertainty eased and confidence in national economic conditions was maintained. In addition, foreign capital inflows and a dominant supply of foreign exchange from domestic players have also strengthened the rupiah. Bank Indonesia is confident that the current rupiah exchange rate is fundamentally undervalued, leading to potential appreciation and underpinning the economic recovery. Supporting exchange rate policy effectiveness, Bank Indonesia continues to optimize monetary operations in order to safeguard market mechanisms and preserve adequate liquidity in the money market and foreign exchange market.

#### **Rupiah Exchange Rate Fared Relatively Well Compared to Peers**



## Simultaneous Growth All Over Regions

#### **REGIONAL ECONOMIC GROWTH FIRST QUARTER 2020 (%, YOY)**



### **Economic Policies Taken in Response to COVID-19 Pandemic**

- · Government's policy related to COVID-19 pandemic comprises of four safety nets.
- Latest Update 22/4: Expansion of business classification coverage for Fiscal Incentives.
- The economic safety net and national economic recovery measures, along with other economic stimulus that focus on maintaining purchasing power and ensuring business continuity (minimizing layoffs), will minimize the spill-over effect of the COVID-19 pandemic hence limiting the impact to the banking system.



Health Safety Net

#### Budget Support: Rp75 T

- BPJS contribution subsidies
- Medical Personnel Incentives
- Death Compensation for Health Workers
- Purchase of Medical Equipment (PPE, ventilators, masks, etc.)
- Referral Hospitals



Social Safety Net

#### Budget Support: Rp110 T

- Program Keluarga Harapan
- Staple Products
- Pre-employment Card
- Labor Intensive Program
- Electricity tariff discountfor 450 VA and 900 VA
- Housing Incentives for MBR
- Religious Holiday Bonus
- Price Stabilization/Market Operations
- Ministry/Agency Budget Adjustment



Economic Safety Net

#### Budget Support: Rp70,1 T

- Fiscal Incentives (Elimination of Income Taxes & Imported Goods Taxes, Corporate Tax Reduction and the Acceleration of VAT Restitution
- Non-Fiscal Incentives (Simplification and Acceleration of the Exim Process)
- Relaxation of Community Credit (KUR)
- Bank Indonesia Policy
- OJK and Capital Market
   Policies



National Economic Recovery Measures

#### Budget Support: Rp150

- Government Regulation in Lieu of Law No. 1 Tahun 2020
- Local Currency Settlement (LCS)
- Recovery Bond

Rp405,1 trillion (USD24.6 billion) Total Budget Allocation

# **COVID-19 Risk Mitigation** | Economic Stimulus for the Real Sector Safety Net

IMPACTED GROUPS	COVID-19 IMPACT	POLICY	MAIN POLICIES	
INDIVIDUAL/ HOUSEHOLD	<ul> <li>Fatal threats, health problems</li> <li>Job Loss, Decreased Income</li> <li>Declining purchasing power, bad credit</li> </ul>	Social Safety Net		
MSMEs	<ul> <li>Decreased activities, business difficulties</li> <li>Lack of sales, business closures</li> <li>Bad Credit, unable to pay obligations</li> </ul>		Allowance / Postponement / Withholding Tax (Article 21/22/25 Income Tax, VAT) * * Loan Allowance / Delay Payment,	
		Real 2	Credit Restructuring *	С
CORPORATIONS	<ul> <li>Declining Demand, Shrinking sales</li> <li>Reduced production, employee layoffs</li> <li>Loss / Bankruptcy / Closing, Bad Credit</li> </ul>	Sector Safety	Relaxation of Rules and Licensing, Ease of Doing Business and Investment *	
	Raw material supply disruption,	Net	Process and Service Acceleration, Administrative Reduction and Costs 💥	
REAL SECTOR	production decline • Declining demand, business closure, layoffs • Cash-Flow Difficulties, Credit Restructuring	5	Special Credit Facilitation for Increasing Working Capital and Maintaining Business	
FINANCIAL SECTOR	<ul> <li>Liquidity issues, Decreasing solvency</li> <li>Pressure on the money market, capital markets, exchange rates</li> <li>Threats to financial sector stability</li> </ul>	Financial Sector Safety Net	<ul> <li>* : Expansion of the Policy in the 2nd Stimulus</li> <li>* : Expansion of Fiscal Incentives in PMK-23/2020</li> </ul>	



# Why North Sumatra?

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

# **North Sumatra Profile**

Governor	: Edy Rahmayadi
Vice Governor	: Musa Rajekshah
Capital City	: Medan
Regencies/Cities	: 25 Regencies and 8 Cities



Located in the vast and prosperous area of Sumatra island, with total area of **73.000** km<sup>2</sup>.

It is strategically positioned along the Malacca Strait and has long been a major trade center in west Indonesia.

### A MILLENIAL PROVINCE

Almost half of North Sumatra population is under 25 years old.

### LOW MINIMUM WAGE LEVEL

At \$177 / month, our wage level is cheaper than several countries in ASEAN.

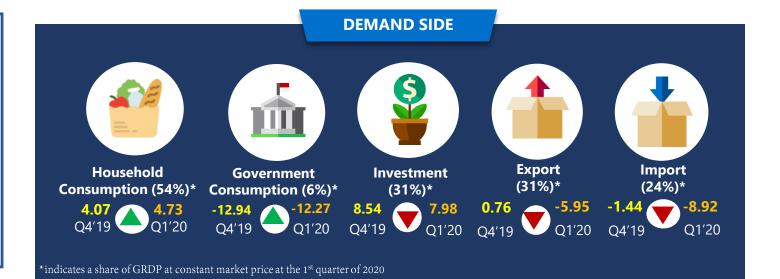


#### **GRDP SHARE** HDI 2019 %share to national 2019 71.74% 5% Top 6 biggest province Categorized as high by economic comparison POPULATION INFLATION June 2020 4.56m 0.43% The 4<sup>th</sup> most populous %mtm **Province in Indonesia** EXPORT EMPLOYMENT RATE **April 2020** 70.19% US\$597,47m Adequate human resources mtm for supporting new business

## **Vigorous Economic Growth**

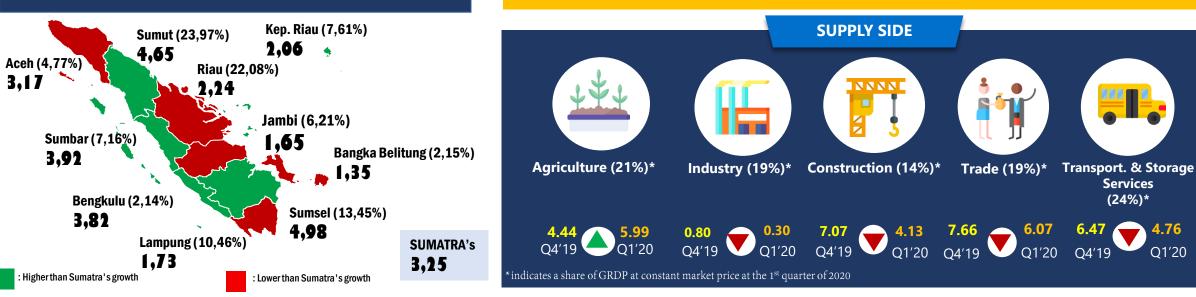
- North Sumatera economic growth was recorded at 4,65% (yoy) in the 1st quarter of 2020.
- Still grow higher and stronger than Indonesia, which was recorded at 2,97% (yoy) on the same period.
- This performance shows resilience of North Sumatera in this Pandemic Era.

**Economic Growth of All Provinces in Sumatra** 

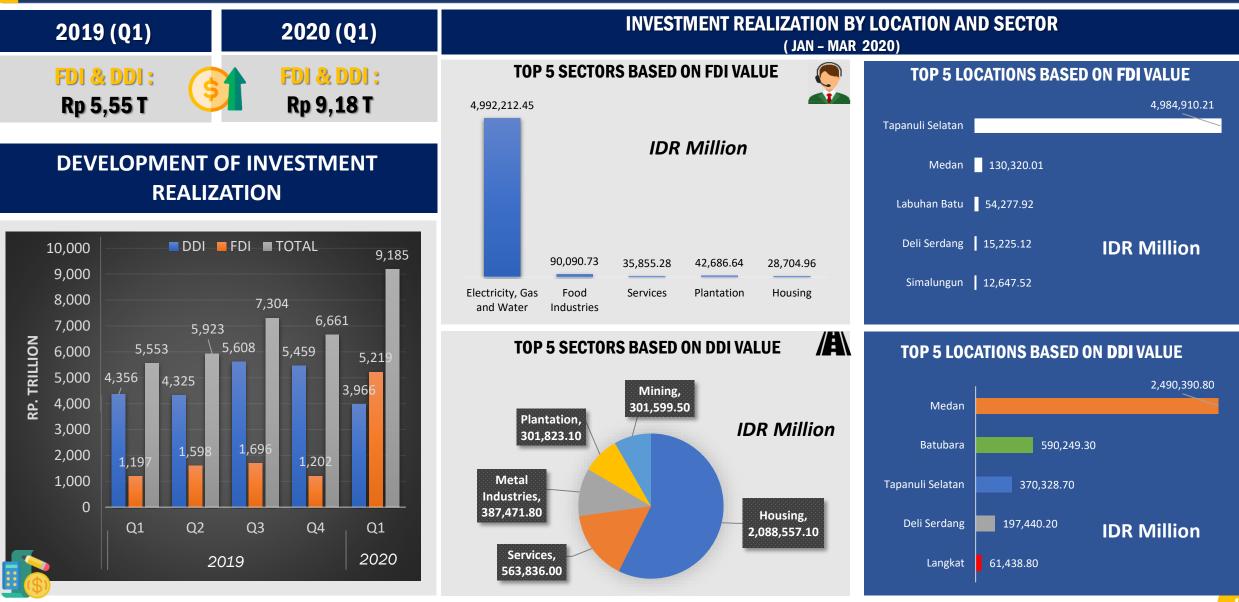


#### North Sumatra's Economic Growth Summary

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# **Growing Investment Realization**



Source : DPMPPTSP of North Sumatra Province

## Infrastructure Acceleration



Port of Belawan - Medan Port of Kuala Tanjung – Batu Bara Port of Tanjung Balai Asahan – Tanjung Balai Port of Pangkalan Susu - Langkat Port of Sibolga - Sibolga Port of Gunung Sitoli – Gunung Sitoli (Nias Island)

### Airports Lasondre Airport – Batu Islands Binaka Airport – Gunung Sitoli Kualanamu International Airport – Deli Serdang Aek Godang Airport – North Padang Lawas Ferdinand Lumban Tobing Airport – Central Tapanuli

- Sibisa Airport Toba Samosir
- Silangit International Airport Siborong-Borong

Train

Sribilah ( Medan ↔ Rantau Prapat ) Putri Deli ( Medan ↔ Tanjung Balai ) Siantar Ekspres ( Medan ↔ Pematang Siantar ) Airport Railink ( Medan ↔ Kualanamu ) Sri Lelawangsa ( Medan ↔ Binjai )

### **Existing and Planned Toll Roads in North Sumatra**



### **Trans Sumatra Highway**

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



# Investment Projects & Opportunities

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Guaranteed by the government, potential projects are handpicked just for you. In addition, We also specifically collect potential tourism sites and products in North Sumatra.



### SEI MANGKEI SPECIAL ECONOMIC ZONE

#### Overview



### **Project Description**

- Sei Mangkei is an industrial area located at the raw materials center which based on agribusiness, such as palm oil and rubber.
- SEZ Sei Mangkei is divided to 3 zones :
  - Industrial Zone : Palm Oil Downstream Industry Zone (oleochemical, refinery, biodiesel), Rubber Downstream Industry Zone, Production Supporting Facilities, Various Industry Zone (electronic, electricity), Small & Medium Industries.
  - ✓ Logistic Zone : Dry Port, Tank Farm, Warehousing, Packaging.
  - Tourism Zone : Hotel, Golf Course, Commercial Area, MICE (Meeting, Incentives, Convention & Exhibition).

Location	Simalungun Regency
Investment Value	Infrastructure : IDR 5,1 Trillion Investor/Tenant : IDR 129 Trillion
Total Area / Land Status	1933,80 Ha/ Land Management Rights (HPL)
Mode of Offer	Financing and Direct Investment
Project Owner	PT. Kawasan Industri Nusantara
Main Industries	Palm Oil & Downstream Industries Rubber & Downstream Industries
Project Status	<ol> <li>Infrastructure availability.</li> <li>Government provisions and support.</li> <li>Land used : 241,14 Ha / 12.57% from total area (updated July 2020).</li> <li>Investment realization : IDR 5,920 Billion (consist of IDR 793 Billion on infrastructure and IDR 5,127 Billion on Direct Investment)</li> <li>Direct investment is allowed to construct and own buildings or other structures on the land (max. 30 years and extendable for another 20 years).</li> </ol>
	Contact Person:
	Muhammad Fadillah



Mobile : +62811-6322-330 Email : marketing@seimangkeisez.co.id

# SEI MANGKEI PROFILE





Developer : PT Perkebunan Nusantara III (Persero/ State Owned Company)) Total Area : 1.933,8 Ha (HPL No, 1/2014)

Main Activities:

Palm Oil Processing Industry

Rubber Processing Industry



Estimated Investment (until 2031): Infrastructure : IDR 5,1 Trillion Investor : IDR 129 Trillion



Location : Simalungun Regency, North Sumatera Determination : Government Regulation No. 29 year of 2012 Officialy Opened: Januari 27, 2015

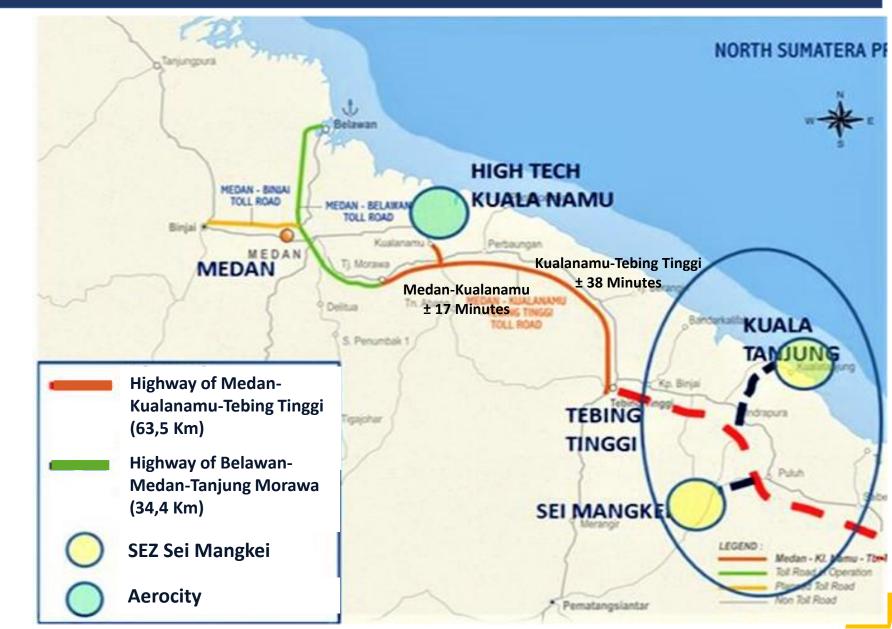
Direct Labor Projection: 83.304 people



Impact on the Economy: Increased Output of IDR 92,1 Trillion to the National Economy

# Highway Connection

Accesibility to Sei Mangkei has become easier, with and efficient and adequate highway from Medan and Belawan to Sei Mangkei.



# SPECIAL ECONOMIC ZONE SEI MANGKEI

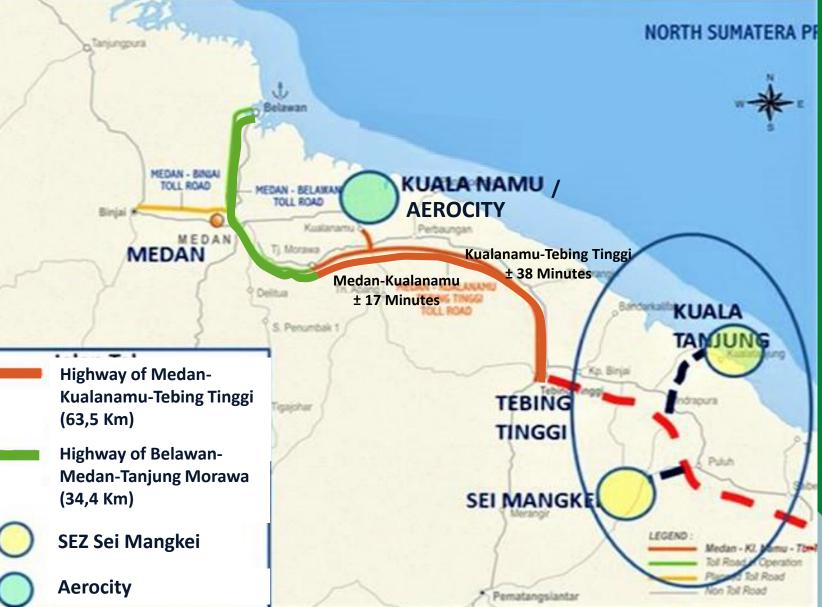
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	0	

Derivative CPO Product	Derivative PKO Product	Deriv	rative Product of Solid Waste 🛛 🏋					Width		Percenta	age (%)	
Cooking Oil	Fatty Acid	Boiler Fuel	(Palm Shell)		TOURISM ZONE	No.	Zones	(Ha)	Indus- try	Facility	Road	Green Area
Margarine	Surfactant	Source of (	Calium Fertilizer		01 (22 (23 (24 (25 (24 (25 (24 (24 (24 (24 (24 (24 (24 (24 (24 (24	1	Palm Oil Industry	245,49	12,69			
Biodiesel	Glycerine	Compost			Proc.         F4         F3         F8         F7         F8         F9         F10         F11         F12           E29         E28         E27         E28         E28         E24         E23         E21         E23         E14		-	579,50	29,97			
Shortening	Soap Noodle	Furniture ro	aw material	T E2 E3 E4 E5 E6 E7	DB         E19         E11         E12         E13         E14         E15         E35         E17         E18           D09         D08         D07         D08         D08         D08         D02         D11         D16         D16	2	Various Industry					<u> </u>
Ice Cream	Shampoo	Fiber Board	d (as raw material of furniture)	D1 02 03 04 06 04 07	UB INDUSTRY ZONE DB DI0 DI1 D12 D13 D14 D15 D19 D17 C28 C34 C33 C32 C29 C39 C19 C18 C17 C19	3	Production Supporting Facilities	85,06	4,40			
Bakery Fats	Biscuits cream fats	Fiber mate mattresses	rial as car seat filler and	RE2         R22         R23         R24         R35         R16         R16 <td>dbs         00         00         01         01         02         03         04         03           Br7         BN         Br5         845         819         SMALL         92           Br         Br         Br3         818         SMALL         92           Br         Br3         818         BADUSTRY         92</td> <td>4</td> <td>Rubber Industry Electronic Industry</td> <td>84,10</td> <td>4,35</td> <td></td> <td></td> <td></td>	dbs         00         00         01         01         02         03         04         03           Br7         BN         Br5         845         819         SMALL         92           Br         Br         Br3         818         SMALL         92           Br         Br3         818         BADUSTRY         92	4	Rubber Industry Electronic Industry	84,10	4,35			
Soap	Coffee Whitener	etc		ANA ANS AND ANT AND	All salescular			155,40	8,04			
Emulsifier	Cocoa Butter Substitute					6	Commercial Zones	31,91	1,65			
Chocolate & coatings	Specialty Fats		le l			7	Office Area	42,57	2,20			
Dry Soaps	Sugar Confectionary			A A A A A A A A A A A A A A A A A A A	* #	8	Logistic and Warehouse	67,67	3,50			
Lubrications	Detergen			38 38 15 M A8 AC AD A 316 311 8 g A AL AK AJ A		9	Public Facilities	24,50		1,27		
Textiles	Ice Cream				NO THE	10	Housing	11,80		5,78		
Plasticts	Shortening					11	Tourism	117,50		0,61		
Cosmetics, etc.	etc				12	Electricity Industry	38,32	1,98				
Rubb	er Industry Zone		Various	Industry Zor	1e	13	Standard factory Enterprises	19,40	1,00			
> Tyres Product					webtee	14	Small & Medium Enterprises	16,30		0,84		
	/res for bicycle, motor	cycle,	Electrical Appliance (Air Conditioner, refr			15	WWTP	13,24		0,68		
cars)	•	•	television, etc)	geraior, sem	ing machine,	16	WTP	10,90		0,56		
> Automotive Pro			Chemical Industry			17	ROW Road/Utility	185,10			9,58	
bearing, rail pa	oveyor belt, rol karet, l d)	oriage	(Medicine, pharmac	••		18	Green park	205,04				10,60
> Latex Goods	n, rubber thread, ballo	on	Gilour, sugar, tea, co	· · · · · · · · · · · · · · · · · · ·	d packaging)		Total Area (Ha)	1.933,80				
foam)		, , , , , , , , , , , , , , , , , , ,	Building Materials ar (sawn timber, plywor		dustry		Land Us	age Rate	)			
<ul> <li>General Rubber (footwear, sport appliances)</li> </ul>	r Goods apparels, household		Textiles Industry (yarn, clothes, etc)				12,57%	of the t	otal are	а		25

### **HIGHWAY CONNECTION**







### SPECIAL ECONOMIC ZONE SEI MANGKEI Accessibility

### **INVESTMENT PROJECT**



### UTILIZATION AND FACILITY SEZ SEI MANGKEI



#### Overview



### **Project Description**

Kuala Tanjung Industrial Estate is intended for processing industries such as :

- Petroleum
- Palm Oil
- Liquified Natural Gas
- Aluminium

- Automotive
- Rubber
- Electricity
- Cement

Location	Sei Suka Sub-District, Batubara Regency
Investment Value	IDR 28.87 Trillion
Total Area / Land Status	±3400 Ha
Mode of Offer	Financing and Investment
Project Owner	PT Pelabuhan Indonesia I (Persero)
Project Developer	PT Prima Pengembangan Kawasan
Main Activities	Processing Industries
Project Status	<ol> <li>The Port as its supporting facilities has been opened for operation (2019)</li> <li>Land acquisition (start from 2019)</li> </ol>

**INVESTMENT PROJECT** 

#### **PROJECT'S OWNER PROFILE:**

PT Pelindo I is a leading port service provider in Sumatera. It operates 24 ports and has a strong footprint in Aceh, North Sumatera, Riau and Riau Islands.

**PT. PELINDO I** through its subsidiary (PT Prima Pengembangan Kawasan) is in charge to develop and manage Kuala Tanjung Industrial Estate.

Contact Person: Saut Siagian (Director) Mobile: +6281298556132



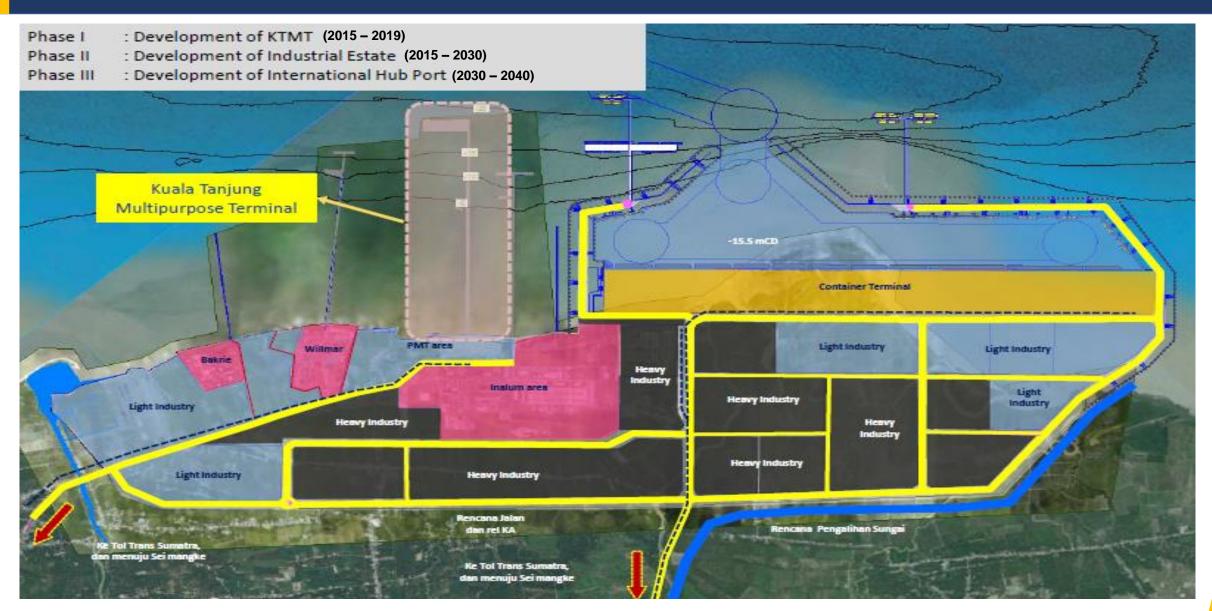
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#### **Master Plan**



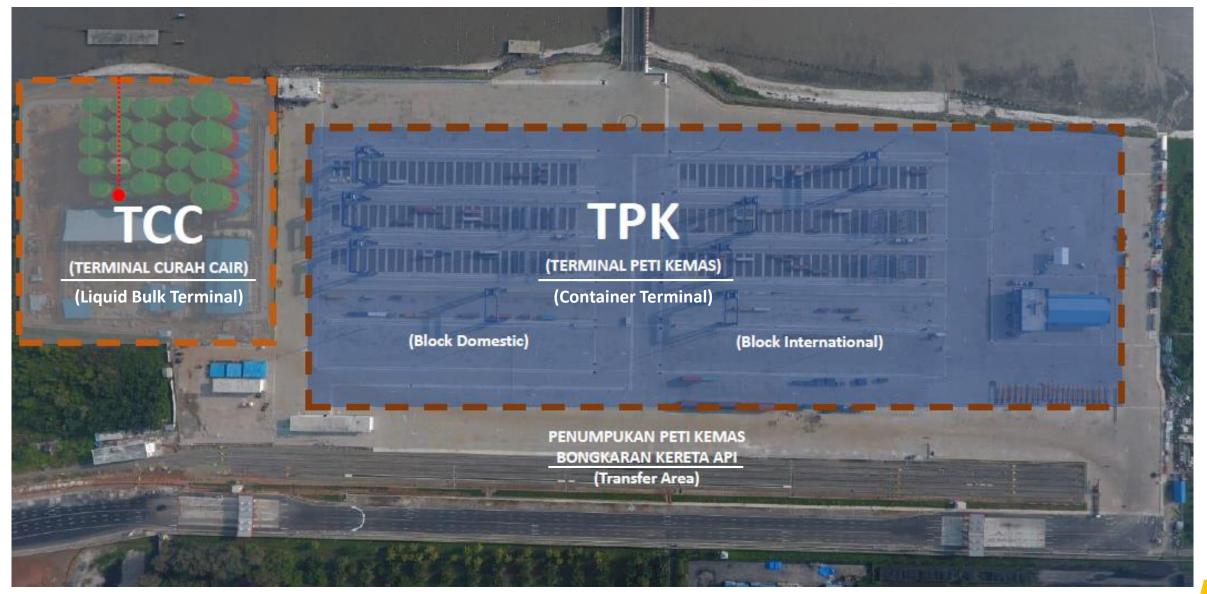
#### **Master Plan**

**INVESTMENT PROJECT** 



Master Plan

**INVESTMENT PROJECT** 



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Connectivity

INVESTMENT PROJECT

TOLL ROAD





#### **OPPORTUNITY**

### **TOBA CALDERA RESORT**

#### Overview





### Project Description

- Business Overview & Objectives :
  - 5-Star International Hotel and Resort, Leisure and Entertainment, Commercial and Fine Dining, Luxury Residential Villa, Golf Course and Facilities.
  - Resort Concept that incorporate nature, culture, and technology into an Integrated Eco Resort.
- Competitive Advantage
- ✓ World's largest volcanic lake and stunning landscape in nature (formed by 3 major volcanic eruptions)
- ✓ Accessibility (Air Connectivity) : Kualanamu Airport, Silangit Airport and Sibisa Airport.

Location	Ajibata District, Toba Samosir Regency, North Sumatera		
Land	386.72 Ha		
Sectors	Tourism		
Utilities & Infrastructure	<ol> <li>Hospitality 121.67 Ha</li> <li>MICE 2.72 Ha</li> <li>Commercial 8.36 Ha</li> <li>Small and Medium Enterprise Center 0.9 Ha</li> <li>Geo Cultural Park 9.78 Ha</li> <li>Cultural Center 1.35 Ha</li> <li>Supporting Facilities 2.06 Ha</li> <li>Healthcare 1.66 Ha</li> <li>Botanical Garden 14.54 Ha</li> <li>Agro Farm 21.47 Ha</li> <li>Sustainable Golf 71.53 Ha</li> <li>Green Space 127.43 Ha</li> </ol>		
Investment Value	Total Infrastructure; Landscape Feature; Office and Supporting Building; Public Facility IDR 1,8 Trillion (Excluding PPN)		
Business's Scheme	<ul><li>cheme</li><li>• Long lease Agreement (30 to 80 years)</li><li>• Other Agreeable Cooperation Form</li></ul>		
Project Status Managed by Lake Toba Tourism Authority			
Name Occup Mobile Email	pation : Director		

### **Integrated Low-Cost Apartment Building Investment Project**

### **OPPORTUNITY**

Lake Toba was formed by three major eruptions 900,000 years ago, 500,000 years ago, and 74,000 years ago. That caused historical records through the evolution of human, flora and fauna.

Besar erupsi Gunung api dunia

80 Km

Tambora

Indonesia

1815

18 Km

.....

Krakatau

Indonesia

1883

12 Km

Katma

Alaska

1912

2800 Km

Toba

Indonesia

<75.000 Tahun lalu



World's Largest Volcanic Lake

Stunning Landscape in Major Volcanic Eruptions (last was 74,000 years ago)

All-year-round Comfort Climate ± 18-24°C Water Surface Elevation at ± 900 m above sea level



### Home of Ancient **Bataknese Culture**

Rich in **Culture** including Vernacular Architecture, Traditional Oraft, Music,

and Culinary



**Investment Opportunities** 

OPPORTUNITY

Floating Jetty

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Cable Car









International Hospital



Tourist Bus Service



International Hotel and Resort

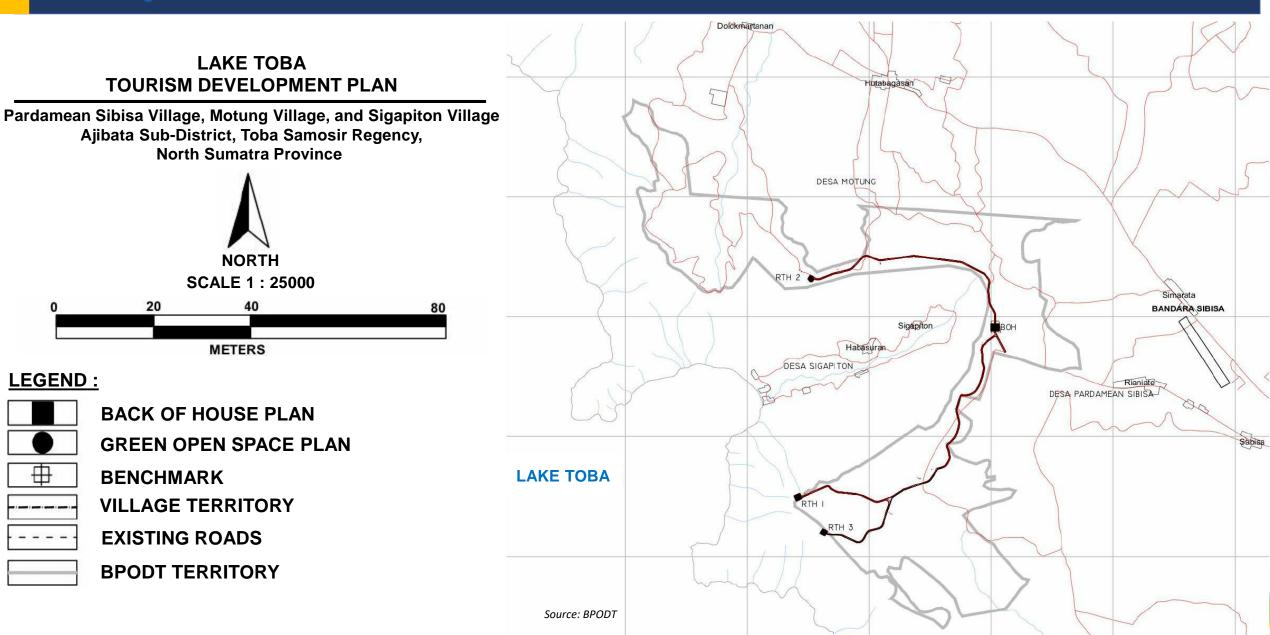




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**Initial Study - Road** 

OPPORTUNITY



OPPORTUNITY

#### Land Use Plan

Land use	Total (m <sup>2</sup> )	Total (Ha)	%
Hotel/ Resort	1.325.704	132,57	34,38%
Commercial	91.752	9,18	2,38%
Geo Cultural Park	91.941	9,19	2,38%
The Kaldera	22.808	2,28	0,59%
BPODT Office	9.610	0,96	0,25%
Tourism Academy	22.028	2,20	0,57%
MICE	88.706	8,87	2,30%
Healthcare Facilities	13.139	1,31	0,34%
Cultural Centre	19.861	1,99	0,52%
UMKM Centre	9.244	0,92	0,24%
Flower Garden	46.848	4,68	1,21%
Botanical Garden	157.212	15,72	4,08%
Golf	757.789	75,78	19,65%
BOH (Back of House)	18.684	1,87	0,48%
Utilities	69.029	6,90	1,79%
Road	454.295	45,43	12%
Carriage way	142.856		
Median	15.328		
ROW Green Buffer	296.111		
Public Open Space	632.271	63,23	16%
Body of Water	24.943		
TOTAL	3.855.864	386	100%



**Investment Plan** 

OPPORTUNITY

#### **THEMATIC CONCEPT**

#### North Ridge

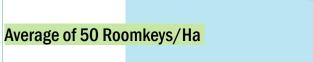
- Serene
- Exclusive
- Wellness

#### **Central Village**

- Celebration
- Vibrant
- Integrated
- Cultural

#### South Ridge

- Leisure
- Adventure
- Active
- Luxury



**North Ridge** 

South Ridge

#### **Investment Plan**





Figure

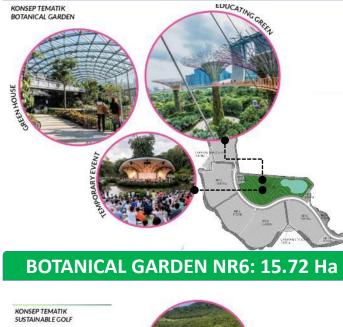
Overall Land Use Plan

Central Village, South Ridge, North Ridge

#### **Investment Plan**

OPPORTUNITY

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×	Saway Co. Mar.
BOTANICAL GARDEN	NR6: 15.72 Ha
KONSEP TEMATIK SUSTAINABLE GOLF	
	9.56 9.56
FLOWER GARDEN SR	89: 4.68 Ha

#### Legend : CARAVA 1.97Ha Hotel/ Resort Commercial NR 2 10.81Ha Geo Cultural Park Office BPODT Tourism Academy NR 3 9,72Ha MICE Health Care Facilities Cultural Centre UMKM Centre Flower Garden Botanical Garden Golf BOH (Back Of House) Utilities Caldera Open Space Water Body --- Site boundary Indicative cliffs boundary Sources : Preliminary Concept Masterplan - Toba Caldera Resort 1000 m 🛈 200 400



**Investment Plan** 

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**OPPORTUNITY** 





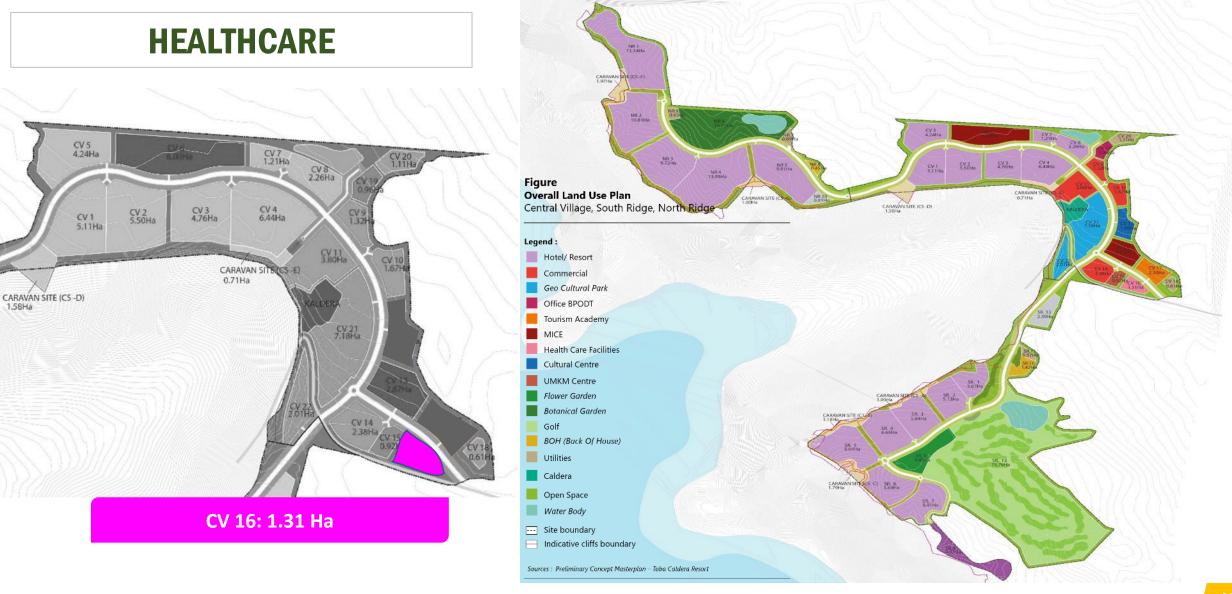
**Investment Plan** 

OPPORTUNITY



**Investment Plan** 

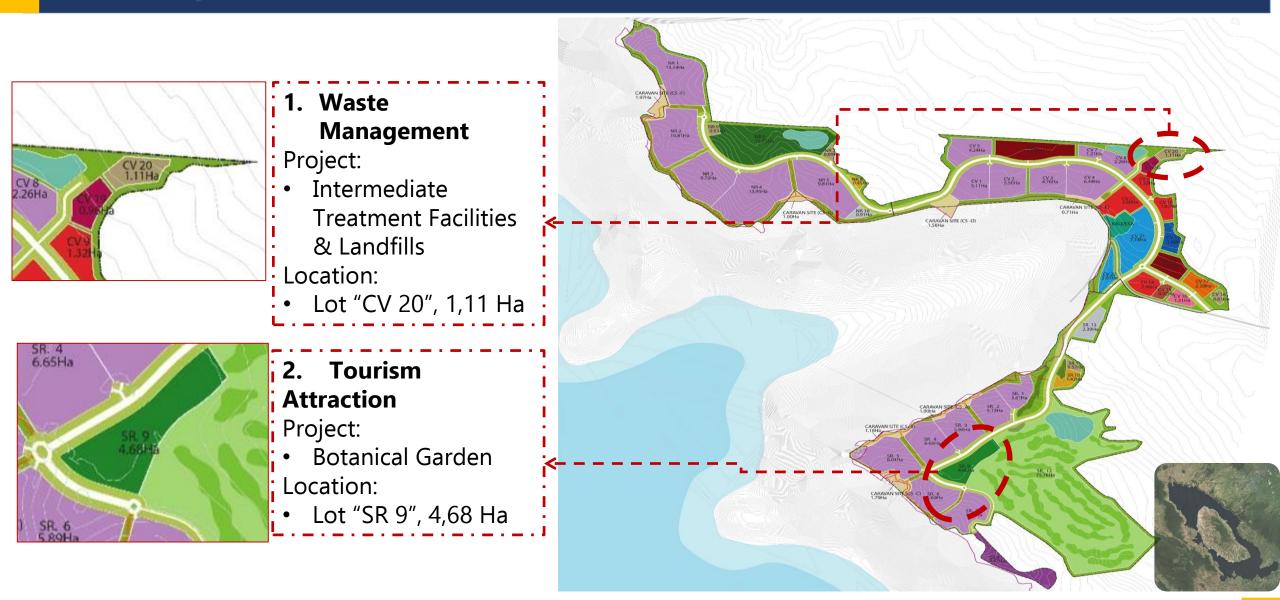
OPPORTUNITY





**Investment Project** 

OPPORTUNITY



#### **Investment Project**

OPPORTUNITY



#### **Investment Project**

Legal Owner

Land Area

• ± 4,68 Ha

Busines Scheme

**OPPORTUNITY** 

"Botanical Garden" • Lake Toba Tourism Authority • A Public Service Agency (Badan Layanan Umum) under Ministry of Tourism • 30 + 15 years Land Lease Agreement • Revenue sharing operational coorporation • Other legally allowed forms of cooperation \*Indicative tarif for land lease

from initial study is 2 USD / s.q.m / year





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Investment Value

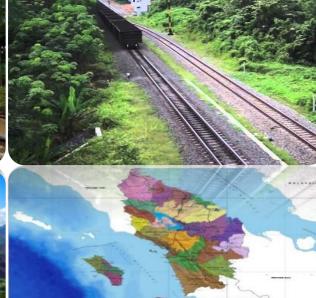
• Subject to further discussion

#### Siantar-Parapat Railway

Overview







#### **Project Description**

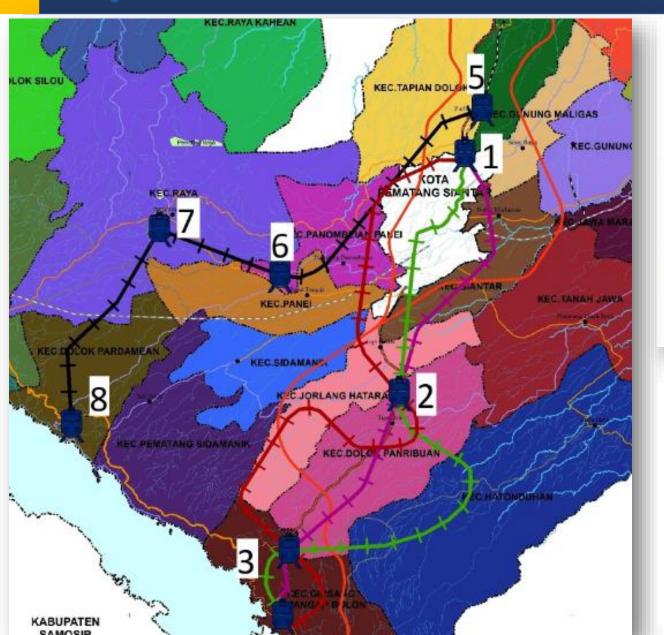
- It's railway construction project which connecting Pematangsiantar City to Parapat, the main gate of Lake Toba.
- The train to Parapat would shorten the travel time

Location		Pematangsiantar City – Parapat (Simalungun Regency)
Track Leng	th	64.7 Km (Divided into 3 segment)
Capacity		4.473.996 people/year
Sectors		Connectivity
Investmen	t Value	Railway: IDR 503 Billion Train Station: IDR 230 Billion Facilities: IDR 647 Billion
Business's	Scheme	Public Private Partnership
Project Status		- Feasibility Study completed in 2020
20	Name Occupation Mobile Email	<u>Contact Person</u> : Agustinus Panjaitan n : Head of Train Division, North Sumatra Transportation Board : +62 812-6067-538 : agustinuspanjaitan@gmail.com

OPPORTUNITY

#### \_

#### Siantar-Parapat Railway Concept Plan





Alternative Route 1: Pematangsiantar City (Martoba Subdistrict)-Simalungun District (Panombean Panei Subdistrict, Panei, Sidamanik, Jorlang Hataran, Sidamanik, Girsang Sipangan Bolon)

Alternative Route 2: Pematangsiantar City (Martoba Subdistrict-Siantar North, West Siantar, South Siantar and Marimbun Subdistrict)-Simalungun District (Siantar Subdistrict, Jorlang Hataran Subdistrict), Dolok Panribuan, Girsang Sipangan Bolon.

**Alternative Route 3**: Pematangsiantar City (Martoba Subdistrict)-Simalungun District (Siantar Subdistrict, Jorlang Hataran Subdistrict), Dolok Panribuan, Hatonduhan-Girsang Siangan Bolon-Desa Girsang-Parapat Kecamatan Girsang Sipangan Bolon.

#### MIXED USE RENTAL APARTMENTS in Sei Mangkei Special Economic Zone Overview



#### **Project Description**

This Low-Cost Building apartment is intended for workers in Sei Mangkei Special Economic Zone (SEZ). More than 1800 people work in Sei Mangkei but has an issue of sufficient housing facilities.

This area would be completed with another supporting facilities such as playground, mosque, gas station, and entertainment plaza.

Location	Sei Mangkei SEZ, Simalungun Regency
Investment Value	IDR 1.2 Trillion
Financing	Gov't budget: IDR 53,78 Billion National budget: IDR 193,01 Billion PPP: IDR 965,5 Billion
Project Owner	Governor of North Sumatra
Project Developer	Housing and Residential Area Reg. Gov't Board
Main Activities	Low-Cost Building Apartment
Project Status	1) OBC and FBC completed in 2020 2) 1 <sup>st</sup> market sounding has done in June 2020

**OPPORTU** 



#### MIXED USE RENTAL APARTMENTS In Sei Mangkei Special Economic Zone Overview

RUSUNAWA RENTAL APARTMENT

- Terdiri dari 3 Tower

- Kapasitas 1 tower :

Tower Capacity: 224 Unit

Floor Total: 18 Floor Level

dan 4 lantai parkir 14 Floor for Flathouse unit and

- 14 Lantai hunian

- Jumlah Lantai :

18 Lantai

4 Floor for Parking

(672 unit)

3 towers

224 unit

DATA BANGUNAN Building Data

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## BANGUNAN MIX USE

**OPPORTUNITY** 

- Mix Use Building
- 1. Apartment
- Total Floor: 16
- Ground Floor-5<sup>th</sup> floor: room, rooftop
- 6<sup>th</sup> floor: various facilities, 7<sup>th</sup> 16<sup>th</sup> floor: room,
- rooftop
- Studio Type Room (tipe 44): 77 unit
- Family Room (tipe 80): 55 unit

#### 2. HOTEL

Total Floor: 15 1<sup>st</sup> floor: lobby, 2<sup>nd</sup> - 3<sup>rd</sup> floor: core lift 4<sup>th</sup> – 6<sup>th</sup> floor: facilities, 7<sup>th</sup> floor: Hall 8<sup>th</sup> – 15<sup>th</sup> floor: room, rooftop+helipad Deluxe room (4x8m): 90 unit Suite room (5x9m): 27 unit

#### 3. COMMERCIAL UNIT/HYPEMART

Total Floor: 4  $1^{st} - 3^{rd}$  floor: Hypermart and other retail store  $4^{th}$  floor: service

#### MIXED USE RENTAL APARTMENTS In Sei Mangkei Special Economic Zone Location

OPPORTUNITY





#### 3°10'07.5"N ; 99°20'43.0"E



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#### MIXED USE RENTAL APARTMENTS In Sei Mangkei Special Economic Zone Site Plan



OPPORTUNITY

#### MIXED USE RENTAL APARTMENTS In Sei Mangkei Special Economic Zone Supporting Facilities

OPPORTUNITY

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#### **SPORT CENTER**

#### Overview



#### **Project Description**

#### Main facilities & Infrastructure:

- Main football stadium •
- Hockey field (indoor/outdoor) ٠
- Aquatic facilities ٠
- Equestrian cross country ٠
- Istora building ٠
- Badminton field (indoor)
- Martial arts ٠
- Venues (outdor) ٠

#### Supporting

#### Facilities:

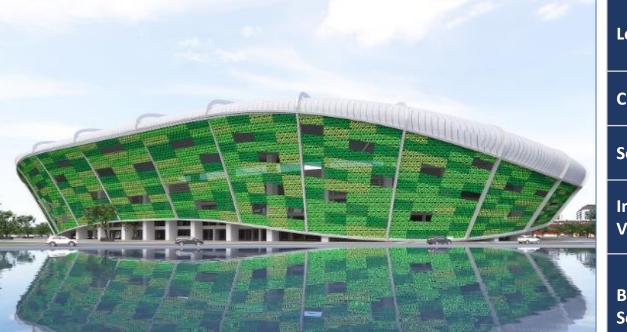
- Homestay
- Business center: mall, hotel, mass transportation
- Electricity, water, accessibility

Location	Sena Village, Deli Serdang Regency
Land	300 На
Sectors	Infrastructure
Investment Value	IDR 8 Trillion Exc. commercial area : Hotel, Shopping Mall, Recreation
Business's Scheme	<ul> <li>APBD, APBN, KPBU (construction of sports facilities and infrastructure)</li> <li>PPP/ B to B (construction of commercial area)</li> </ul>
Project Status	<ul> <li>The Master Plan was completed in 2019</li> <li>Land acquisition and compensation have completed in early 2020</li> <li>Initial Construction of Physical Construction for the Junior Athletics Stadium and Martial Arts Stadium will be carried out in 2021</li> <li>The DED Development of 5 Venues will be carried out in 2021, and the DED 5 Venues will be carried out in 2021</li> </ul>

		Contact Person	
	Name	: Rahmad Ziady	
	Occupation	: Head of sub-sector of Finance, Investment & Assets Plann and Development Body Government of North Sumatra	ing
	Mobile	: +62 823-6411-6083	
	Email	: rahmadziady@gmail.com	57

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#### **SPORT CENTER Main Football Stadium**



#### **Project Description**

- This main project will be constructed as the preparation to support the ٠ implementation of National Sport Weeks XXI (PON XXI) in 2024, SEA GAMES in 2025 and the Olympics in 2032.
- Accessibility: Main road to this venue will be integrated with the Toll ٠ Road and the LRT / BRT Development Plan

Location	Deli Serdang Regency
Capacity	75,000 People
Sectors	Infrastructure
Investment Value	IDR 1.84 Trillion
Business's Scheme	<ul> <li>KPBU</li> <li>Fiscal year plan for 2020 to 2023 (Multi-years)</li> </ul>

#### **Contact Person** : Rahmad Ziady Occupation : Head of sub-sector of Finance, Investment & Assets

- **Planning and Development Body** 
  - Government of North Sumatra
- : +62 823-6411-6083

Name

Mobile

Email

20

: rahmadziady@gmail.com

#### SPORT CENTER Istora Building

OPPORTUNITY



Deli Serdang Regency		
5,000 People		
Infrastructure		
IDR 136.79 Billion		
КРВU		
Contact Person		
<ul> <li>Rahmad Ziady</li> <li>Pation : Head of sub-sector of Finance, Investment &amp; Assets</li> <li>Planning and Development Body</li> <li>Government of North Sumatra</li> <li>+62 823-6411-6083</li> <li>rahmadziady@gmail.com</li> </ul>		

#### **Project Description**

- This main project will be constructed as the preparation to support the implementation of National Sport Weeks XXI (PON XXI) in 2024, SEA GAMES in 2025 and the Olympics in 2032.
- Accessibility: Main road to this venue will be integrated with the Toll Road and the LRT / BRT Development Plan

#### SPORT CENTER Homestay for Athlete



Location	Sport Center Arena
Capacity	2,600 People
Sectors	Infrastructure
Investment Value	IDR 1.15 Trillion
Business's Scheme	<ul> <li>KPBU (cooperation between government and business entities)</li> <li>Accessibility: Off the main road to Kualanamu Airport will be integrated with the Toll Road and the LRT / BRT Development Plan</li> </ul>

#### **Project Description**

- This main project will be constructed as the preparation to support the implementation of National Sport Weeks XXI (PON XXI) in 2024, SEA GAMES in 2025 and the Olympics in 2032.
- Accessibility: Main road to this venue will be integrated with the Toll Road and the LRT / BRT Development Plan





#### **Project Description**

- This main project will be constructed as the preparation to support the • implementation of National Sport Weeks XXI (PON XXI) in 2024, SEA GAMES in 2025 and the Olympics in 2032.
- Accessibility: Main road to this venue will be integrated with the Toll . Road and the LRT / BRT Development Plan

Location	Sport Center Arena	
Sectors	Infrastructure	
Investment Value	Stakeholder, investor, and third parties	
Business's Scheme	<ul> <li>Business center and commercial area such as shopping center, mall, hotel, and entertainment facilities</li> <li>Accessibility: Off the main road to Kualanamu Airport will be integrated with the Toll Road and the LRT / BRT Development Plan</li> <li>Funding from stakeholders, investors for commercial areas are needed</li> </ul>	
Contact Person         Name       : Rahmad Ziady         Occupation       : Head of sub-sector of Finance, Investment & Assets         Planning and Development Body         Government of North Sumatra         Mabilo       : 162 822-6411 6082		

: +62 823-6411-6083

Mobile

Email

: rahmadziady@gmail.com



### Tourism Site

4

The beauty of North Sumatra could find out from what we have through potential tourism site.



### LAKE TOBA

**Parapat regency** 

71,4 km away from Silangit International Airport



*"The Largest Volcanic Lake in The World"* 

Lake Toba is an immense volcanic lake covering an area of 1,707 km<sup>2</sup> (1,000 km<sup>2</sup> bigger than Singapore) with an island in its center. Lake Toba Caldera is one of the nineteen Geoparks in Indonesia, which is proposed to be included in the UNESCO Global Geopark

### TANGKAHAN

**Q** Langkat regency

136 km away from Kualanamu International Airport



### "The Hidden Paradise"

Some calls it "the hidden paradise", Tangkahan is a nature wonder where you can play and have fun with the friendly elephant. Here, you also can explore the jungle and enjoy the fresh river water



### **Bukit Lawang**

Langkat regency80 km away from Medan City

### "Conservation Site for Orang Utan"





Amazing panorama, surrounded by forests, rivers, and the mountain that stretches along the island of Sumatra. You won't miss the moment with this endemic creatures for sure!

### BERASTAGI

Karo regency 66 km away from Medan



"The Beauty of City and Culture"

The highland view of Berastagi would bring you the new kind of experience



### MURSALA ISLAND

Central Tapanuli regency Nearest airport : Dr Ferdinand Lumban Tobing airport



### *"The King Kong Island"*

The awesome scenery and its authentic wilderness have attracted the world. Proudly present Mursala Island, where King Kong movie (2005) production took place





Sibolga City

Nearest airport : Dr Ferdinand Lumban Tobing airport

### "The Exotic Island"



Imagine a ocean, it's Island off

Imagine an island with a beautiful landscape, blue ocean, it's crystal clear. That's exactly what Poncan Island offers you

### **MUARA OPU BEACH**

South Tapanuli regency

59 km away from Dr Ferdinand Lumban Tobing airport



# *"The Home of Turtles "*

With 14 km shore length, Muara Opu beach is home for thousands of turtles which breed once a year. You could feel the nature experience while seeing the breath-taking view



### SILAHI SABUNGAN

**O** Dairi regency Nearest airport : Sibisa airport



# *"Where Nature meets culture "*

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

71



### MAIMOON PALACE

Medan City Capital City of North Sumatra

### *"The Melayu Deli Kingdom"*





Historical value and the beauty of Deli tradition would be a good tease for your travel experience

## SIMALEM RESORT GARDEN

• Karo regency 100 km away from Medan City



## "The Sunrise Highland"

The clouds is just an inches away. Surely you don't want to miss a single moment of sunrise and sunset!

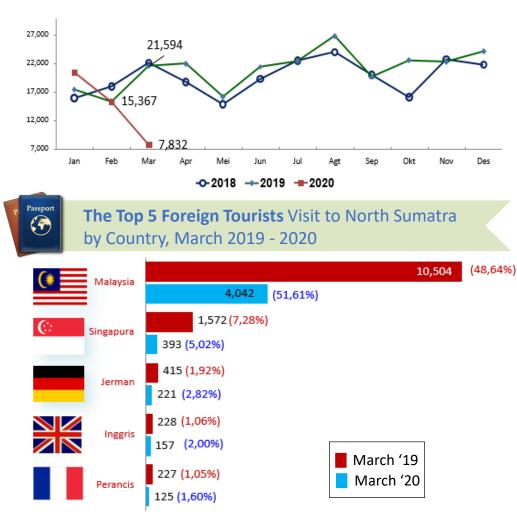
## **Tourists are Very Welcome**

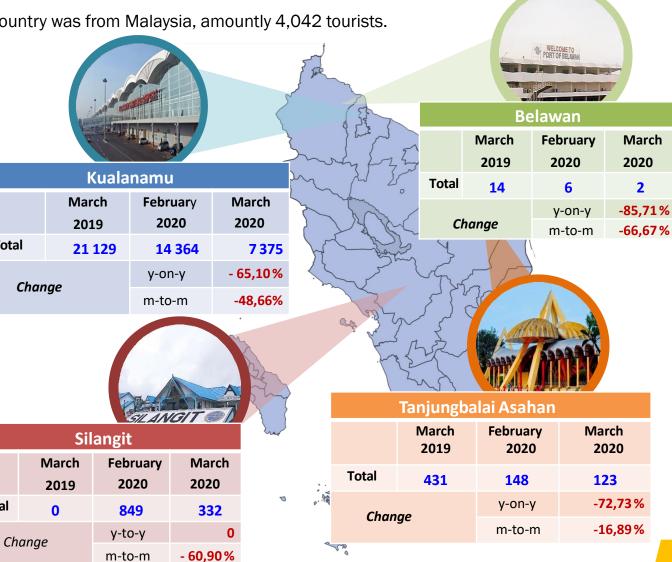
In accordance with the government's lockdown policy on the COVID-19 issue, the number of tourists decreased by -43.09% (mtm) • in March against February.

Total

Total

Whereas for the number of tourists in March 2020 the most by country was from Malaysia, amountly 4,042 tourists. ٠





Source: Central Bureau of Statistics of Indonesia (BPS)

# SMALL MEDIUM ENTERPRISE

North Sumatra had a great potential of SMEs, which picture the uniqueness of North Sumatra. Here you can see some products from us that are ready to be part of international market





Indonesia is known by many local races and ethnic that reflected by our fashion style. Sumatra Utara could offer and fulfil your ethnical desire with Songket and Ulos, which identical with Batak People

## **ULOS SIANIPAR**

There are various types of fabric pattern and also accessories which are made from Ulos fabric such as dresses, bags, shoes etc

sianiparulos@gmail.com
 +6281265846702
 galeryulos\_sianipar





## **RAKI TENUN**

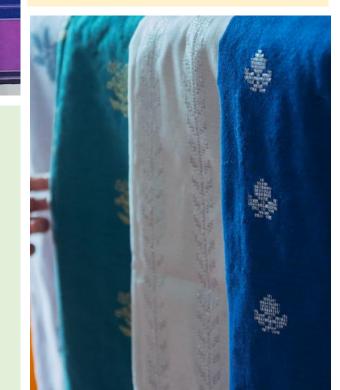
Various types of woven products such as raw fabric, clothes, and other accessories

Iwanurwahidah@gmail.com
 081375437933
 iwah\_rakitenun

### IR & IR Songket Deli

Translates traditional textile from Deli Malay Indonesia into modern style textile products. This such heritage is worth the world-wide sharing

Ir.songket@gmail.com
 +62 811-6517-766
 songketdeli





## COFFEE



North Sumatra is very famous for its specialty coffee such as Lintong, Mandheling, and Sidikalang. These kind of coffee are among the best and most sought after coffee in the world

01 MAGA COFFEE	02 ALOYA COFFEE	03 ASTARI COFFEE
Arabica Mandheling Lake Toba Organic green beans and roasted beans wild civet, wine coffee, etc.	Mandheling, Lintong, Longberry, Gayo green beans and roasted beans, cascara, coldbrew	Arabica Lintong, Arabika Sigordang,Arabika Mabulang, Robusta Sidikalang
<ul> <li>maga.arabica.coffee@gmail.com</li> <li>0821-6745-8276</li> <li>@magacoffee</li> </ul>	<ul> <li>aloya.coffee@gmail.com</li> <li>0821-6745-8276</li> <li>www.aloyacoffee.com</li> </ul>	<ul> <li>aciptakarsa@gmail.com</li> <li>082279779352</li> <li>Astari Coffee</li> </ul>
04 DRIP COFFEE	05 SINERGI COFFEE	06 CIMBANG COFFEE
•••		
DRIP COFFEE Arabica Lintong, Arabica Samosir, Arabica Sidikalang, Arabica	SINERGI COFFEE	CIMBANG COFFEE



SINERGI COFFEE

\*\*\*\*\*\*\* \* 0 0 0

COFFEE







#### **Gula Semut Aren**

#### Palm Sugar

- Made from pure palm sugar
- Has a lot of nutrients
- Practical to use as a sweetener



#### Gula Aren Alam Makmur

#### Palm Sugar

- Produced packaged brown and palm sugar
- Produced bandrek palm Sugar
- Produced Choco palm sugar



#### Nata De Coco



#### Zack Krezz

#### Snacks

- Potato chips
- Banana crackers
- Cassava chips
- Tempe Chips
- Crispy mushroom
- jack\_bang77@yahoo.com
  085296661433
  Zack Krezz



#### Pop Corn Brontak

#### Snacks

Crunchy caramel popcorn wrapped in 5 unique flavors : Caramel Chocolate, Caramel Cheese, Caramel Tiramisu, Caramel Mango and Caramel Strawberry.

rizkymiftahur15@gmail.com
 081388054676
 popcornbrontak

# gulasemutbuluhawar@gmail.com 081397610484 gulasemutarenberkahbuluhawar

tanyayudialma@gmail.com
 0811602211
 gulaarenmedan

**Sapodurin** 

# Licensing in Indonesia

5

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



#### BKPM

- Obtaining principal license
   Ministry of Law and Human
   Rights (with the help of notary)
- Establish the limited liability company
- Research about the sectors for investment under the negative investment list



FDI PROCEDURES (For Non-Industrial Zone)



#### **BKPM**

- > Obtaining import identification number (API-P) for manufacturing companies, if needed
- Submitting investment activities report (LKPM) every 3 months

#### DG of Taxation, Ministry of Finance

Obtaining facilities such as machinery import duty exemption and approval of tax facilities

#### **Local Government**

> Obtaining licenses from local government, such as building permit, domicile certificate.

#### **Sectoral Ministries**

Obtaining permits from relevant sectoral ministries, such as plantation permits



## ВКРМ

- > Obtaining business license (IU) before the start of commercial operation
- Obtaining general import identification number (API-U) and material import duty exemption, if needed
- Submitting investment activities report (LKPM) every 6 months

#### **Sectoral Ministries**

> Obtaining periodic operational permits, such as construction services permits



# **3 HOURS**

#### **Investment Licensing Service** & Direct Construction Permits

#### **Fulfill of 3 Criteria for** ()**Investing in Indonesia**

1) Investment plan minimal IDR 100 billion or absorbing 1,000 local workers



- Submitted directly by Investor 2)
- 3) The company project is located in certain industrial zone nor bounded zone





**Registering Your Business** at One Stop Service BKPM

- One stop service BKPM is 1) providing in-house notary
  - Registration deed of establishment & maintain of Tax ID number
- 3) By on-line through OSS BKPM



**Get License For Making A New Business** 



- **Deed of Incorporation** 2)
- 3) Tax ID number (TIN)



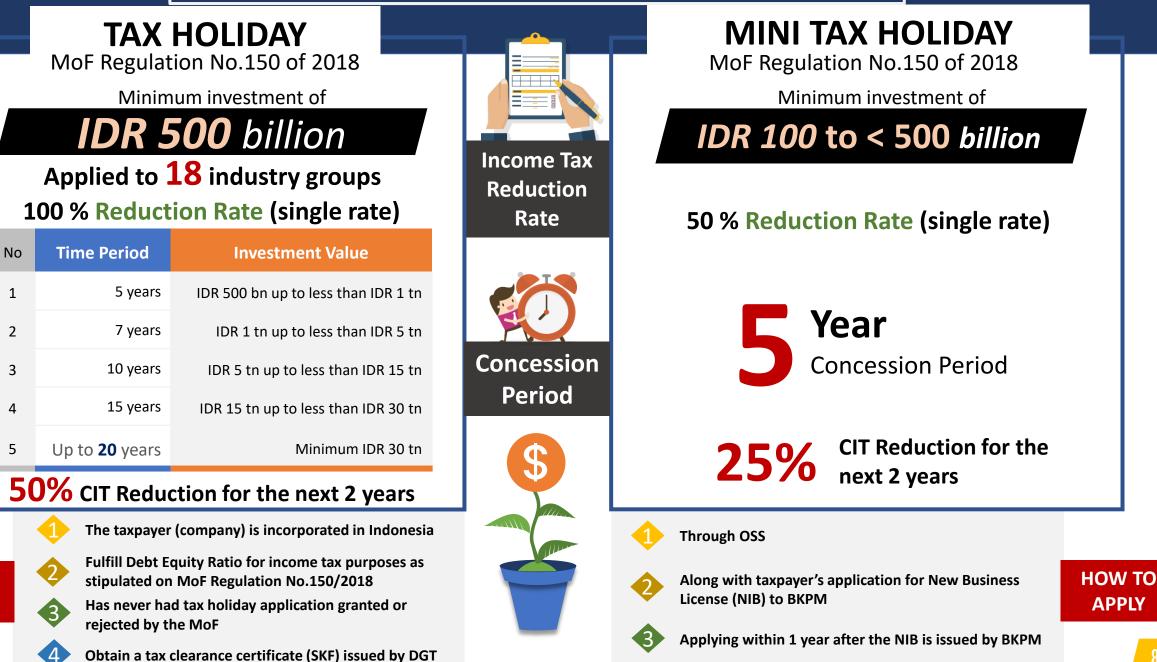




- One Stop Service BKPM 1)
- **Regional/District Investment** 2) Agency (BPMPTSP)



## N V E S T M E N T I N C E N T I V E S



**GENERAL** 

CRITERIA

# Key Contacts

6

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



# **OUR TEAM** We are fully committed to help your investment



Bank Indonesia Rizki Rahmawati Investor Relation r\_rahmawati@bi.go.id +6287722887165



#### Authority of Lake Toba

M. Rommy Fauzi Director of Tourism rommyfauzi@yahoo.com investment@bopdt.id +6281808686886



Promotion and Licensing Division Government of North Sumatra Renata renatabutarbutar@gmail.com +6281361116407



#### Sei Mangkei SEZ PT. KINRA

Anastasia Indriyani yaniindri3@yahoo.com +62811633721



Planning and Development Body Government of North Sumatra Rahmad Ziady Head of sub-sector of Finance, Investment & Assets rahmadziady@gmail.com +6282364116083



Kuala Tanjung Port PT. Prima Pengembangan Kawasan

Said Joeanna Busines Manager sjoeanna@ptppk.co.id +6281284347000

Saut F. Siagian Business Director sfsiagian@ptppk.co.id +6281298556132 For more information, Kindly visit our website : northsumatrainvest.id

# **SCAN US HERE**