







# NORTH SUMATRA INVESTMENT BOOK

Strengthen Synergy for Sustainable Growth

Quarter IV of 2020



77

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

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LRT Mebidang

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# REMARKS BY HEAD OF BANK INDONESIA REPRESENTATIVE OFFICE OF NORTH SUMATRA PROVINCE

Investment is one of the most important channels to support regional and national economic growth. Mature investment realization could highly impact on new job opportunities and create a multiplier effect for the economy, explicitly supporting economic growth and improving people's welfare by reducing unemployment.

North Sumatra has successfully positioned itself as the largest contributor of economy in Sumatra, with a contribution of 24.06% to the economic growth of the island of Sumatra in the 2020. Supporting infrastructures for the improvement aspect of doing business is also continuously developed by the Central and Regional Governments.

North Sumatra has 7 clear and clean investment projects, which 3 of them are National Strategic Projects. Those projects are the Lake Toba Tourism Area, the Sei Mangkei Special Economic Zone, the Kuala Tanjung Industrial Estate, the Mixed Use Rental Apartments within the Sei Mangkei SEZ area, the North Sumatra Sport Center, the Siantar-Parapat Railway, and the Light Rail Transit Mebidang. These projects are the focus of the government that continues to be developed intensively.

At the regional level, we continue to strive to support economic growth through investment. The North Sumatra Invest task force continues to explore many potentials that exists in the region and puts it into an integrated database, thus makes it easier for investors to choose projects that suit their respective business profiles. On the other hand, we are trying to make it simpler for investors in terms of business licensing through licensing digitization.

All of these efforts, working closely with our spirit to advance the regional economy for the welfare of the people of North Sumatra. So, let's come and explore the potential of North Sumatra more closely. We are ready to facilitate you.

Medan, February 2021

Head of Bank Indonesia of North Sumatra Representative Office

Soekowardojo Executive Director

# **REMARKS BY THE GOVERNOR OF**

# NORTH SUMATRA PROVINCE

North Sumatra Province is one of the pillars of the Indonesian economy with historical economic growth above the national economic growth. GDP per capita of North Sumatra Province in 2020 is around IDR 533.75 trillion, makes North Sumatra become one of the growth engine for the national economy outside the island of Java.

Its geographical advantage, which is directly adjacent to the Malacca Strait, makes North Sumatra being the center of trade and national connectivity hub in the western region of Indonesia. Not only that, from a demographic perspective, North Sumatra has a prospective market advantage. This is reflected in the population which is the 4th largest in Indonesia, where more than 50% is dominated by people of productive age.

The natural beauty of North Sumatra contains many potentials that also contributes greatly to the economy through the tourism sector. Our main attraction is Lake Toba, which has been designated as the Global Geopark by UNESCO and a national priority tourist destination.

To support in becoming an international standard tourist destination, infrastructure development continues to be developed, especially to advance connectivity. Various National Strategic Projects currently being developed include the eastern Sumatra route and the toll road from Medan to Lake Toba. To strengthen the connectivity of air transportation modes, North Sumatra also has 2 international airport that have direct flights to Singapore and Malaysia and 5 airports that serve domestic flights. In the sea transportation mode, there are 6 ports to strengthen the maritime side.

In line with our efforts to continue to develop the socio-economy in North Sumatra, our 7 strategic investment projects are expected to generate a sustainable economy.

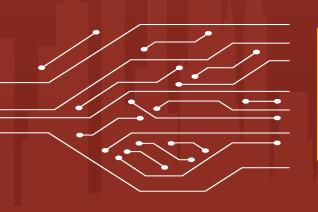
The Regional Government of North Sumatra has never stopped providing support for the development of regional investment projects. We continue to strive for this support as a form of structural transformation and ease of licensing procedures that are more efficient. Ease of fiscal and non-fiscal for the business community, relatively cheaper wages for labor, and easy access to raw materials create an excellent investment climate in North Sumatra.

Medan, February 2021

H. Edy Rahmayadi

Governor of North Sumatra



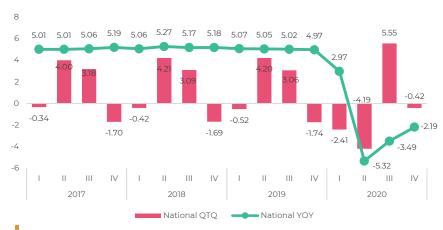


# **INDONESIAN ECONOMY**

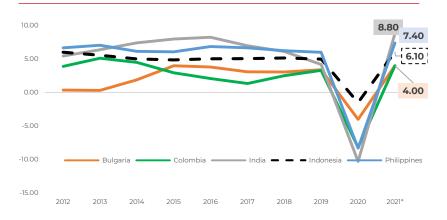
AT A GLANCE

### **INDONESIA GDP GROWTH**

#### GDP Growth<sup>1</sup>



#### Favourable GDP Growth Compared to Peers<sup>2</sup>



- National economic growth maintained recovery momentum in the fourth quarter of 2020. Based on data from BPS-Statistics Indonesia, economic growth in Indonesia recorded a shallower -2.19% (yoy) contraction in the fourth quarter of 2020, improving from -3.49% (yoy) in the third quarter of 2020. A fourth-quarter improvement was recorded across nearly all demand-side components and economic sectors. Therefore, national economic growth in Indonesia contracted 2.07% in 2020. Looking forward, domestic economic growth, which improved through to the end of 2020, is projected to gradually gain momentum in 2021. Bank Indonesia has oriented its accommodative policy mix towards supporting the national economic recovery, while strengthening synergy with the Government and other relevant authorities.
- Domestic economic improvements in the fourth quarter of 2020 were supported by stimulus realization and a positive external sector contribution. Government consumption expanded 1.94% (yoy) in 2020 due to the realization of government stimuli, dominated by social assistance disbursements, other goods and services expenditure as well as regional transfers and village fund disbursements. Meanwhile, household consumption growth recorded a shallower -3.61% (yoy) contraction in the fourth quarter of 2020 compared with -4.05% (yoy) in the previous period in response to greater public mobility. Annually, household consumption contracted 2.63%. Investment growth also experienced a slightly shallower -6.15% (yoy) contraction in the reporting period compared with -6.48% (yoy) in the previous period, bringing the decline for the year in 2020 to negative 4.95%. On the other hand, net exports enjoyed a positive position as export performance improved in line with economic recovery momentum in several of Indonesia's major export destinations amidst comparatively subdued import performance.
- Most economic sectors recorded incremental gains in the fourth quarter of 2020. Sectors associated with healthcare as well as work-from-home and schoolfrom-home activities continued to improve and maintained positive growth, including Information and Communication as well as Health Services. In addition, Agriculture and Education also recorded positive growth, while the Manufacturing Industry and Trade, accounting for large economic contributions, improved to experience shallower contractions

#### **Growth Prospect**

Institutions	2021 GDP growth (%YoY)
2021 Budget	5.0
Bank Indonesia	4.3 – 5.3
IMF (WEO Jan 2021)	4.8
World Bank (Indonesia Economic Prospects, Jan 2021)	4.4
ADB (ADOS December 2020)	4.5
Consensus Forecast (February 2021)	4.5

#### Source:

- 1. BPS, processed
- 2. World Economic Outlook Database

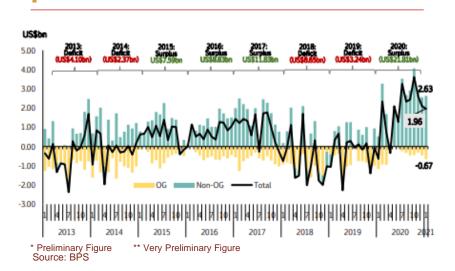
# **EXTERNAL SECTOR REMAINS RESILIENT** BY ADEQUATE RESERVE

#### **Balance of Payment Remains Solid**

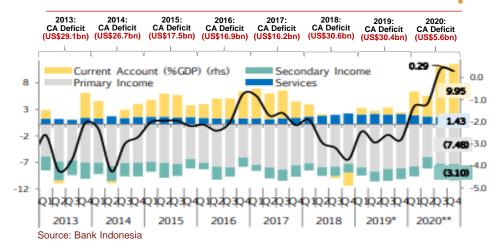
#### US\$bn Capital and Financial Account Current Account 20 Overall Balance Reserve Asset (rhs) 15 120 10 5 -5 -10 -15 0

Source: Bank Indonesia

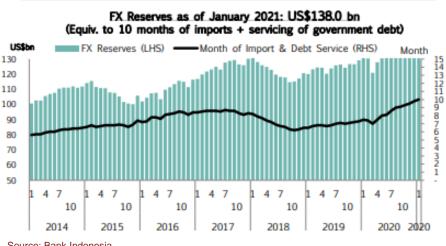
#### **Trade Balance Surplus Increases**



#### **Current Account Recorded Surplus in Q3-2020**



#### **Official Reserve Assets Increased**

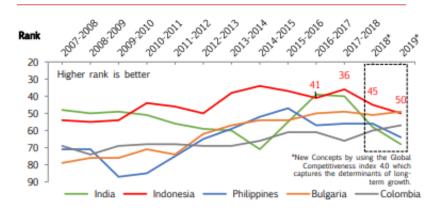


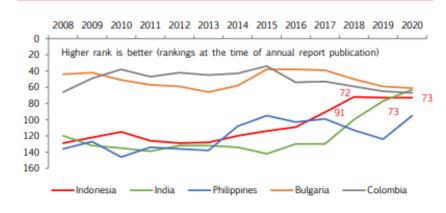
# IMPROVING GLOBAL PERCEPTION

... with recent improvements on governance effectiveness

#### **Global Competitiveness Index** <sup>1</sup>

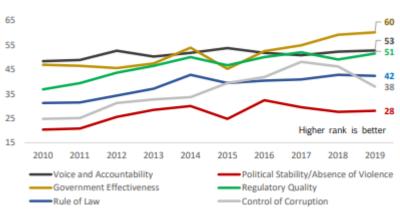
### **Ease of Doing Business**

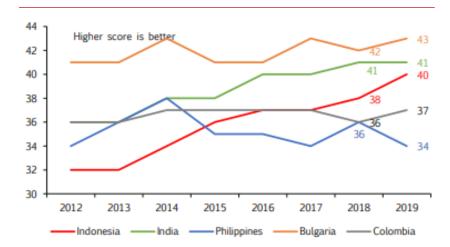




### **Worldwide Governance Indicators** <sup>3</sup>

**Corruption Perception Index** <sup>4</sup>

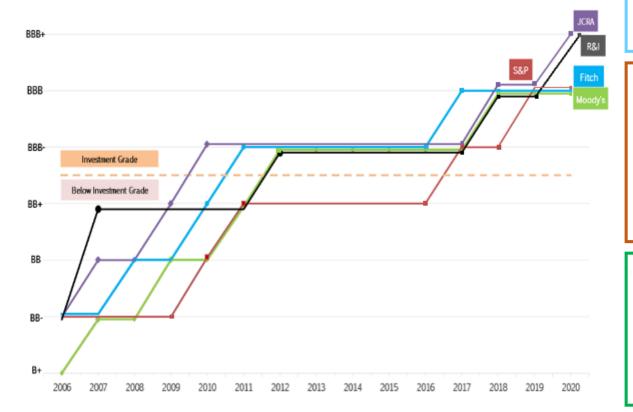




#### Source:

- 1. Source: World Economic Forum The Global Competitiveness Report 2019;
- 2. Source: World Bank Doing Business 2020 Report;
- 3. Source: World Bank The Worldwide Governance Indicators 2020 Update;
- 4. Source: Transparency International Corruption Perceptions Index 2019 Report

### **INVESTMENT GRADE APPROVED**



#### **Fitch**Ratings

BBB / Stable

#### August 2020, Rating Affirmed at BBB/Stable

The affirmation of the rating is underpinned by a favorable medium-term growth outlook and a low government debt burden compared with "BBB" category peers.

#### S&P Global Ratings

**BBB / Negative** 

### April 2020, Rating Affirmed at BBB, Outlook Revised from Stable to Negative

"The affirmation reflects Indonesia's stable institutional settings, strong growth prospects, and historically prudent fiscal policy settings. The negative outlook reflects S&P expectation that Indonesia faces additional fiscal and external risks related to the COVID-19 pandemic in the next 24 months."

#### Moopy's

Baa2 / Stable

#### Feb 2020, Rating Affirmed at Baa2/Stable

"The affirmation of the ratings is underpinned by a number of credit strengths – including Indonesia's robust and stable growth rates and a low government debt burden, preserved by consistent fiscal discipline and emphasis on macroeconomic stability – as well as persistent credit challenges."



BBB+ / Stable

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

"The upgrade reflects the firm implementation of policies to strengthen economic growth potential on the back of a solidified political foundation. As the global spread of the novel coronavirus could strain growth in the Indonesia economy, the government and the central bank are working to shore up the economy and maintain macroeconomic stability. Given the country's underlying economic strength which remains intact, R&I expects the economy to start to recover if the epidemic is brought under control"



BBB+ / Stable

#### December 2020, Rating Affirmed at BBB+/Stable

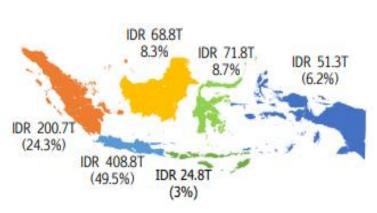
"The ratings mainly reflect the country's solid domestic demand-led economic growth potential, restrained public debt, and resilience to external shocks supported by flexible exchange rate and monetary policies and accumulation of foreign exchange reserves. Additionally, the government has been maintaining the momentum of economic structural reforms even amid the pandemic, as evidenced by the enactment of the "Omnibus Law on Job Creation".

# **INVESTMENT** REALIZATION

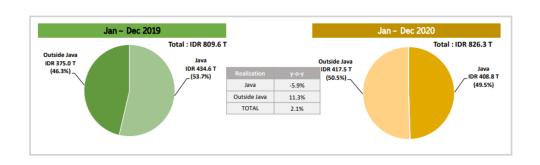
#### **Investment Realization in 2020**



Jan – Dec 2020 Investment Realization By Geography

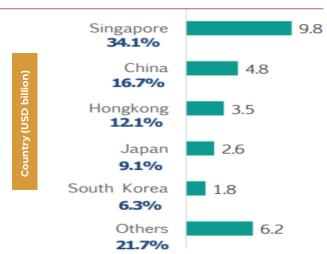


Jan - Dec 2020 Investment realization



Source: Investment Coordinating Board (BKPM)

#### Jan – Dec 2020 Investment Realization



# INVESTMENT REALIZATION FACILITATION SERVICES DURING COVID-19 PANDEMIC

1

#### **Companies Operation Support**

Optimizing facilitation for companies to accelerate the development and operation of business activities through the issuance of letters of support while still observing the COVID-19 protocol



2

#### Visa Recommendations for Company Leaders

Providing Visa recommendations for foreign company leader's visit to North Sumatra related to their industry exploration /relocation and company operations. Including recommendation to obtain an entry permit / visit visa during large scale social restriction (PSBB)



3

#### Visa recommendations for foreign skilled workers

Providing Visa recommendations for foreign skilled workers who will enter the country related to their investment realization / implementation



4

#### **Escorting Existing Investment Realization**

Conduct visits to companies (for example visiting Hyundai and Bonded Zone) to spur existing investment in addition to fiscal incentive facilitation



5

#### Optimization of Business Licensing Services

BKPM continues to provide business licensing services amid the COVID-19 Pandemic. The average business license issued during the pandemic both online and offline is 4000-5000 permits per day.



Source: Investment Coordinating Board (BKPM)

# The Job Creation Omnibus Law Encourages Employment and Facilitates New Business Opening While Recovering the Post-Pandemic Economy







DATA & FACT

SUBSTANCE

From the total population aged 203.97 million people, there are 14.28 people affected by Covid-19

- 1. Unemployment due to covid-19 (2,56 million people)
- 2. Not labor force due to Covid-19 (0,76 million people)
- 3. Temporarily not working due to Covid-19 (1,77 million people)
- 4. Work with shorter hours due to Covid-19 (24,03 million people)



Among the 64.19 million MSEs, 64.13 million are Micro & Small Businesses, most of which are in the informal sector, so it needs to be encouraged to transform into formal ones.

Complicated licensing issues with abundant central & local regulations (hyper-regulations) that regulate the sector, causing disharmony, overlapping, non-operational and sectoral.

#### **JOB CREATION LAW**

- 1. Improving Investment Ecosystem
- 2. Business Licensing
- 3 Lahor
- 4. Supporting MSME's
- 5. Ease of Doing Business
- 6. Research and Innovation
- 7. Land Procurement
- 8. Economic Zone
- 9. Central Government & Speeding of Strategic National Project
- 10. Government Administration
- 11. Imposition of Sanctions

#### **BENEFIT**



**Encouraging Job Creation** 



Facilitate New Business Opening



Supporting Corruption Eradication

Source: Coordinating Ministry for Economic Affairs

# Health Sector (COVID-19 Handling)

# Comittee (Chairman: Coordinating Minister for Economic Affairs)

# Economy Sector (National Economic Recovery/PEN)

#### Reducing the Spread of Covid-19

#### **Government Responsibilities: 3T**

- Test of Covid-19 for Public
- · Tracing for Every Positive Result, and
- Treat Every Case Well

#### Community Responsibilities: 3M

- Mask Awareness,
- · Make Sure to Wash Hand Regularly, and
- · Make Sure to Maintain Social Distancing

#### Reducing COVID-19 Death Rate

#### **Government Responsibilities:**

- Optimizing Health Facilities (Public Health Center& Hospital)
- Supporting Health Workers

#### **COVID-19 Vaccines Provision**

Presidential Law No. 99/2020 as Vaccination Roadmap

### Vice Chairman

- Coord. Minister for Maritime and Investment
- Coord. Minister for Politics, Law, and Security
- Coord. Minister for Human Development and Culture
- Minister of Finance

#### Vice Chairman

- · Minister of Health
- · Minister of Home Affairs
- · Exceutive Secretary I
- Exceutive Secretary II

Vice Chairman + Executive Team Leader
Minister of SOEs

#### COVID-19 Task Force

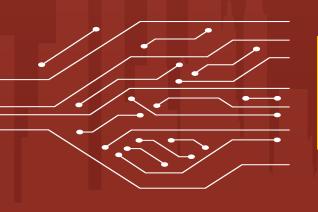
(Chairman: Chairman of BNPB) PEN Task Force (Chairman: SOEs Vice Minister)

Health and Economic Policies need to Integrated to Encounter Covid-19

PEN and Covid-19 Stimulus Budget	2020	2021*		
TOTAL	IDR 695,2 T	IDR 553,1 T		
1. Health	IDR 87,55 T	IDR 104,70 T		
2. Social Safety net	IDR 203,90 T	IDR 150,96 T		
3. Business Incentives	IDR 120,61 T	Will be reported regularly		
4. SME's Support	IDR 123,46 T	IDR 156,06 T		
5. Corporate Financing	IDR 53,57 T			
6. Sectoral Institution/ Ministry and Regional Government Support for Economy	IDR 106,11 T	IDR 141,36 T		

 $Source: Coordinating\ Ministry\ for\ Economic\ Affairs$ 





# WHY INVEST IN

NORTH SUMATRA?

# NORTH SUMATRA AT A GLANCE

**NORTH SUMATRA** is one of Indonesian economic proponent with economic growth above national economic growth historically and frequently. With GRDP per capita of IDR 533.75 trillion in 2020, North Sumatra was adequate to be the economic driving force outside Java region. The total population of North Sumatra is the fourth largest in Indonesia and still growing. Eight tribes and various religious beliefs in North Sumatra live in harmony, spread in 25 regencies and 8 cities in an area of 182,414.25 km².

Renowned for its' fertile soil, North Sumatra become one of the Indonesian central producer of agricultural commodities; crops and horticulture. Rice production of 2,076,280.01 ton in 2020 propelled North Sumatra to become a rice granary in Sumatra Island. Fishery commodities such as shrimp and fish are two of superior exports with foreign exchange contribution of \$ 201,6 millions in 2018. It's total production is 427,218 ton/year.

Another superior potential of North Sumatra is the tourism sector. In abundance of vast natural resources and the existence of world's largest volcanic lake, the Lake Toba, North Sumatra offers indisputable tourism experience. It's getting more compliments because the Lake Toba has designated as the Global Geopark by UNESCO in 2020.

Moreover, directly adjacent with Malacca Strait has enacted North Sumatra as the center of trade and connectivity in western part of Indonesia. Such potentials are encouraged by central and regional governments to promote existing infrastructure in North Sumatra. Reciprocally, the governments have several priority investments projects in infrastructure and tourism sectors to support sustainable economic growth through investment.

# **GRDP of North Sumatra** -1.07% (ctc)

The biggest contributor by economic comparison in Sumatra Island



**HDI 2020** Categorized as high



Inflation 0.35% (mtm) February 2020



Population (2020) 14.79 million

The 4th most populous province in



**Employment Rate** 68.67% (2020)

Adequate human resources for supporting new business



Export (December 2020) US\$ 748.58 million

Increased 3.83% than November 2020

# **NORTH SUMATRA**

PROFILE



**North Sumatra Province is** geographically positioned between 1°-4° North and 98°-100° East.



GOVERNOR: H. Edy Rahmayadi

VICE GOVERNOR: Musa Rajekshah

**CAPITAL CITY: Medan** 

**REGENCIES / CITIES:** 25 Regencies & 8 Cities



Located at the vast and prosperous area of Sumatra island, with total area of 182.414.25 km2.



Strategically positioned along the Malacca Strait, it has long been a major trade center in west Indonesia.



Millennial Province because almost a half of North Sumatra



**Low Minimum Wage Rate** 

At \$177 per month our wage rate



6 Ports are available to facilitate new business in



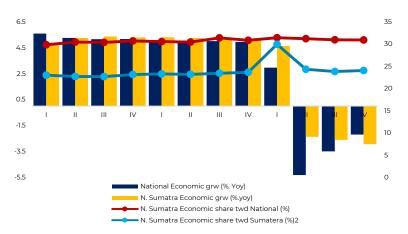
**7 Airports** which are consisting of rest service for domestic flights.

# **ECONOMIC OUTLOOK**

#### **Sumatra Economic Growth**



NORTH SUMATRA, NATIONAL ECONOMIC GROWTH
AND N. SUMATRA GDRP SHARE TOWARD SUMATRA & NATIONAL



Economic performance of North Sumatra can fully support the acceleration of sustainable economic growth. Historically, annual economic growth of North Sumatra has always been above national growth rate since 2011 as supported by low and steady inflation rate. Banking performance is also measured as good that describes conducive financial system stability, supported by optimum real sector and investment on infrastructure in various lines.

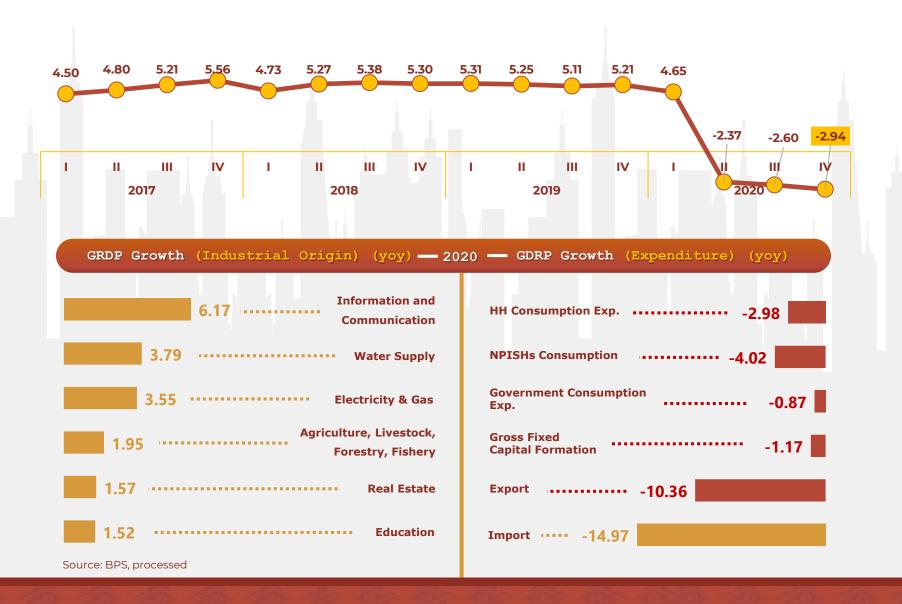
showing recovery in the middle of global economic downturn due to COVID-19 outbreak. In this term, Information and Communication sector spurs the economy through a positive growth rate of 4.66%. According to expenditure side, government consumption component can still sustain the rate of economic growth of 3.92% (qtq).

Budget refocusing of regional government which has been done massively for COVID-19 countermeasures has contributed in increasing the economy. On the other hand, export volume of North Sumatra on quarterly basis is contracting yet but sloping downwards. The leading Vinegar and Vegetable Oil producing industry and manufacturing of North Sumatra are contributing to withstand the impact of decreasing demand for export.

North Sumatra economic growth in the fourth quarter of 2020 recorded at -2,94% (yoy), slowing down from the previous quarter of -2,60% (yoy) due to Covid-19.

### **ECONOMIC & FINANCIAL**

#### PERFORMANCE





**North Sumatra** 

-2.60% -2.94%



**Indonesia** 

-3.49% -2.19%

3<sup>rd</sup> quarter of 2020 4<sup>th</sup> quarter of 2020

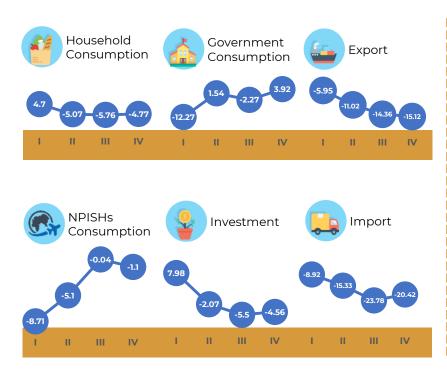
# **ECONOMIC & FINANCIAL**

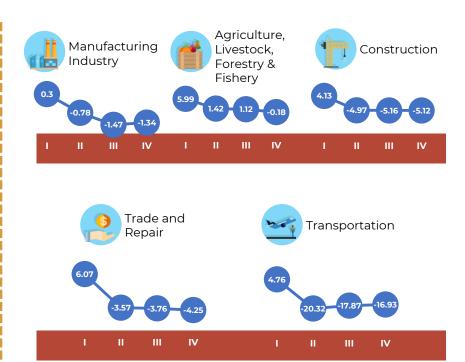
#### PERFORMANCE

The spread of Covid-19 outbreak could be seen through these components below. The Government Consumption showed positive as much 3,92% (yoy) and the Transportation showed recovery even got slowdown at -16.93% (yoy).

# Expenditure (yoy)

# Industrial Origin (yoy)





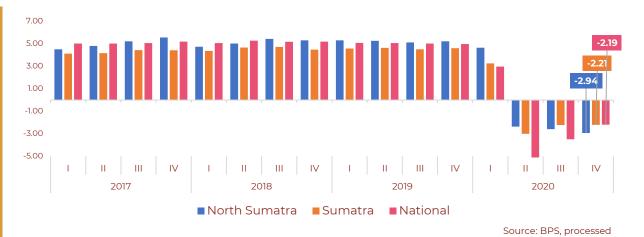
Source: Central Bureau of Statistics (BPS), processed

# **ECONOMIC & FINANCIAL**

#### PERFORMANCE

# **Economic Growth of Indonesia, Sumatra and North Sumatra**





North Sumatra financial system is still conducive, reflected on positive growth of financing / banking credit. Government efforts to boost real sector are supported by optimizing credit restructuration for small business and fiscal incentive for sectors affected by Covid-19.

Financing g. (%; yoy)

Third Party
Funds g.
(%; yoy)

NPL (%)

Jan 2021

Jan 2021

Jan 2021

0,1%

10,7%

3,6%

Dec 2020: -1,0% Jan 2020: 4,2% Dec 2020: 11,2% Jan 2020: 5,63%

Dec 2020: 3,5%
Jan 2020: 3,7%

North Sumatra Financial System Overview

Source: Bank Indonesia, processed



Inflation rate of North Sumatra in February 2021 was recorded on -0,35% (mtm) or 1,35% (yoy). Based on this fluctuation, volatile food is the major cause of deflation in North Sumatra. Several major commodities causing deflation in North Sumatra are red chili, purebred chicken egg and purebred chicken meat. However, coordination and collaboration on regional level through Regional Inflation Control Team contributed in keeping low and steady inflation rate for public welfare.







Source: Central Bureau of Statistics, processed

# INTERNATIONAL TRADE

Located on the world trade route, North Sumatra maintains its trade competitiveness amongst peer countries. The export volume of North Sumatra is still stable enough. On import side, the downturn occurred due to the reduction of domestic and external demand, along with the agitated global supply chain.



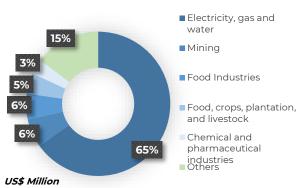
### **INVESTMENT REALIZATION**

In this quarter, investment also started to show recovery. Gradual improvement was being pursued alongside with the ratification of the Omnibus Law as a target to restore investor confidence in investing in North Sumatra. As a result, the total investment realization in the forth quarter originating from Foreign Direct Investment (FDI) was USD 113.50 million or declining 49.25% from the previous quarter of 2020 (USD 223.63 million), but it's increasing 41.59% compared to the same period in 2019 (USD 80.16 million). Meanwhile, the realization of Domestic Direct Investment (DDI) amounted to IDR 4,886.10 billion or experienced positive from the previous quarter by 41.38% (IDR 3,456.09 billion) and a contraction of 10.50% over the same period in 2019 (IDR 5,459.48).

#### **FDI GROWTH 2018 - 2020**



#### **TOP 5 FDI BY SECTOR**



#### **TOP 5 FDI BY LOCATION**

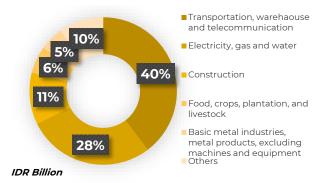


#### **DDI GROWTH 2018 - 2020**



#### Source: BKPM, processed

#### **TOP 5 DDI BY SECTOR**



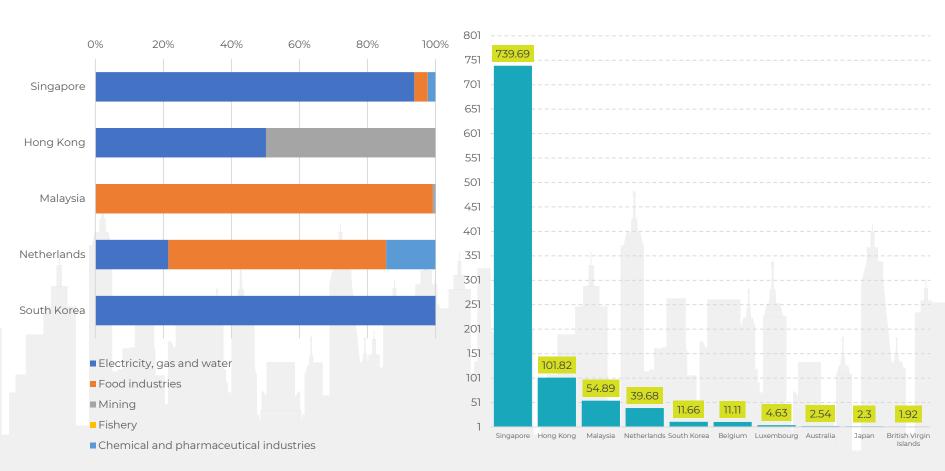
#### **TOP 5 DDI BY LOCATION**



IDR Billion

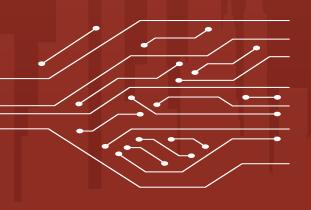
The investment realization performance of FDI over the 2020 based on the 5 (five) largest countries as the investors in North Sumatra are: Singapore (USD 739.69 million); Hong Kong (USD 101.82 million); Malaysia (USD 54,89 million), the Netherlands (USD 39.68 million), South Korea (USD 11.66 million).

#### **FDI IN 2020 BY COUNTRIES**



Source: BKPM, processed



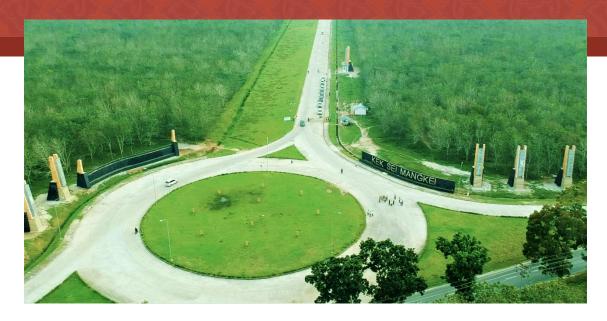


# INVESTMENT

PROJECTS



# SEI MANGKEI SPECIAL ECONOMIC ZONE

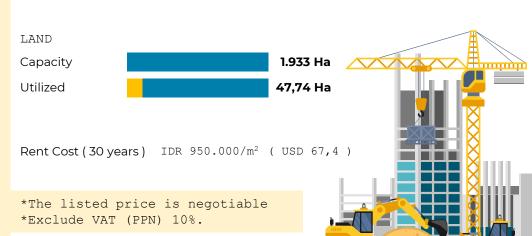


#### **PROFILE**

Location	Simalungun Regency	Project Developer	PT. Kawasan Industri Nusantara (subsidiary of PT. Perkebunan Nusantara III)
Investment Value	Infrastructure : IDR 5,1 Trillion Investor/Tenant : IDR 129 Trillion	Main Industries	<ul><li>Palm Oil &amp; Downstream Industries</li><li>Rubber &amp; Downstream Industries</li></ul>
Total Area / Land Status	1933,80 Ha/ Land Management Rights	Project Status	<ol> <li>Infrastructure availability.</li> <li>Government provisions and support.</li> </ol>
Mode of Offer	Financing and Direct Investment		3) Direct investment is allowed to construct and own buildings or other structures on the land (max. 30 years and extendable for another 20 years).
Project Owner	PT. Perkebunan Nusantara III	Existing tenants	5 companies already established and 6 companies more (ongoing operation)

#### **Available Land Scheme**





### Investment Mechanism in Sei Mangkei SEZ:



Letter of Intent in Investment

- Industry/business types to be built
- Land area requirements (m2/ha)
- Utilities needs: Electricity, clean water, gas

Finalizing & Agreement Signing

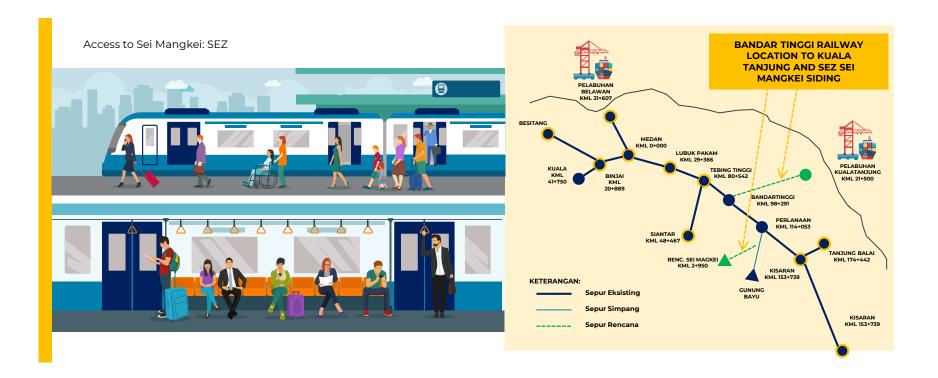
- Agreement drafts negotiation
- Notary process of binding compensation of land use

Land Compensation Payment

- Land clearing & land elevation forming by PTPN III
- Arrangement process of building rights by investor through Sei Mangkei SEZ administrator (Integrated One Way Service)







# **PROJECT DESCRIPTION:**

- Sei Mangkei Special Economic Zone (SEZ) is the first SEZ in Indonesia to be officially fully operated on 27 January 2015.
- Primary business is palm oil and rubber industries and focused to be the development epicenter of large scale, international quality of palm oil and rubber downstream industry.
- Area expansion plans are divided into two. The major is palm oil, rubber, and other processing. The supporting businesses are logistic and tourism.







Rubber Products

(two and four wheels tube and tire)



Automotive Products

(dock fender, conveyor belt, rubber roll, bridge bearing, rail pad)



Latex Goods

(Gloves, condoms, balloons, foams, catheter)



General Rubber Goods

(Carpet, footwear, sport apparel, household appliances)



Electronic Industry

(Air conditioner, refrigerator, sewing machines, television, etc.)



Chemical Industry

(obat-obatan, farmasi)



Industri Pangan

(wheat, sugar, tea, coffee, salt, packed food)



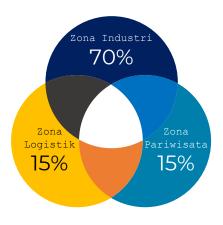
 $\hbox{\tt General and Building Materials Industry}$ 

(board, plywood, marble, ceramics)



Textile Industry

(yarn, fabric, finished clothes)









#### INDUSTRIAL ZONE

- Palm oil downstream (oleochemical, refinery, biodiesel)
- Rubber Downstream
- Production Support Facility (NPK fertilizer)
- Various industries (electronics, electricity)
- Small & Medium Industries

#### LOGISTIC ZONE

- Dry Port
- Tank Farm
- warehouse
- Packing

#### TOURISM ZONA

- Hotel
- Golf Course
- Commercial Area
- MICE (Meeting, Incentives, Convention 8 Exhibition)

#### **CPO Derivative Products**

#### **PKO Derivative Product**

Fatty Acid

Surfactant

Glycerine

Soap granules

Shampoo

Biscuits cream fats

Coffee Whitener

Cocoa Butter Substitute

Specialty Fats

**Sugar Confectionary** 

Detergent

Ice cream

Shortening

# Solid Waste Derivative Products

Boiler Fuel (Shell, Empty Fruit Bunch / EFB)

Potassium Fertilizer Material

Compost

Furniture Material

Fiber Board (Furniture raw materials)

Fiber for car seats dan mattresses.

Cooking Oil

Margarine

Biodiesel

Shortening

Ice Cream

Bakery Fats

Soaps

**Emulsifier** 

Chocolate & coatings

Dry Soaps

Lubrications

Textiles

Plastic

Cosmetic. etc.

(Shell, EFB, Fiber, and Palm Trunk)

33



No	. Zones	Width	Industry	Percen Facility	tage (%) Road	Green Area
1	Palm Oil Industry	245,49	12,69			
2	Various Industry	579,50	29,97			
3	Production Supporting Facilities	85,06	4,40			
4	Rubber Industry	84,10	4,30			
5	Electronic Industry	155,40	8,04			
6	Commercial Zones	31,91	1,65			
7	Office Area	42,57	2,20			
8	Logistic and Warehouse	67,67	3,50			
9	Public Facilities	24,50		1,27		
10	Housing	11,80		5,78		
11	Tourism	117,50		0,61		
12	Electricity Industry	38,32	1,98			
13	Standard factory Enterprises	19,40	1,00			
14	Small & Medium Enterprises	16,30		0,84		
15	WWTP	13,24		0,68		
16	WTP	10,90		0,56		
17	ROW Road/Utility	185,10			9,58	
18	Green park	205,04				10,60
	Total Area (Ha)	1.933,80				



Occupied Land by Tenant:

2,46%

From Sei Mangkei SEZ total area

#### SUPPORTING INFRASTRUCTURE



Sei Mangkei Special Economic Zone is supported with sufficient infrastructure so that tenants can improve their productivity optimally. Supporting infrastructures in Sei Mangkei are :

# Highway

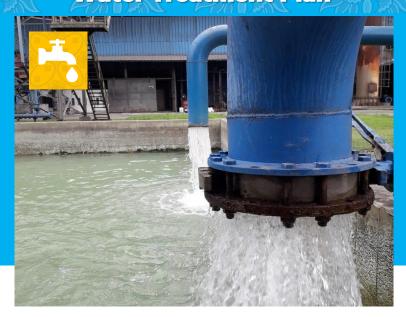








# **Water Treatment Plan**



# **Waste Water Treatment Plan**



# **Electrical Installations**



# **Gas Pipe**



## Solid Waste Dump Truck







PT KINRA provides solid waste transport using Dump Truck for all tenants in Sei Mangkei SEZ



## Fire Fighter







PT KINRA also provides fire engine service to always be on standby in Sei Mangkei SEZ area.



## CHOR HENDE HENDE HENDE HENDE HENDE



## **Dry Port & Railway Station**







#### **Dry Port Remission:**

- 1. Tax Breaks
- 2. Free Export and Import Tax
- 3. Convenient in Licensing
- 4. Land and Building Tax Breaks



#### **Facilities and Convenience**

#### PMK 237/2020

#### **Tax Holiday**



Eligible Subjects

- Business entity
- Investors/producers who carry out main activity in SEZ



Minimum Investment

IDR 100 billion



**Facilities** 

- Tax holiday 100%
- Investors/producers accordance to investment value
  - Investment ≥ IDR 1 trillion as long as 20 years

Business entity as long as 10 years

- Investment IDR 500 billion to < IDR 1 trillion as long as 15 years
- Investment IDR 100 billion to < IDR 500 billion as long as 10 years
- Transition to 50% of income tax (PPh) reduction for 2 years



Procedure

 Submission, verification and decision making are done online via OSS system. Verification is carried out by BKPM within 5 working days

#### PMK 237/2020

#### **Tax Allowance**

#### **Facility and Convenience**



Eligible Subjects

- Investors/producers who:
- Carry out main activities in SEZ and choose to be given a tax allowance or do not meet the criteria and requirements of the SEZ tax holiday, or
- Carry out other activities in SEZ



**Facilities** 

- Reduction in net income by 30% for 6 years (5% per annum)
- Accelerated depreciation and amortization
- Dividend income tax rate of 10% for foreign taxpayers or lower in accordance with Double Taxation Avoidance Agreement (P3B)
- Loss compensation for 10 years that are given automatically without the need to meet certain conditions



Procedure

 Submission, verification and decision making are done online via OSS system. Verification is carried out by BKPM within 5 working days

## **CONTACT FOR DETAIL**



Jalan Kelapa Sawit II No. 1 Kawasan Ekonomi Khusus Sei Mangkei Kec. Bosar Maligas Kab. Simalungun Provinsi Sumatera Utara Kode Pos 21183



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kekseimangkei



KEK Sei Mangkei



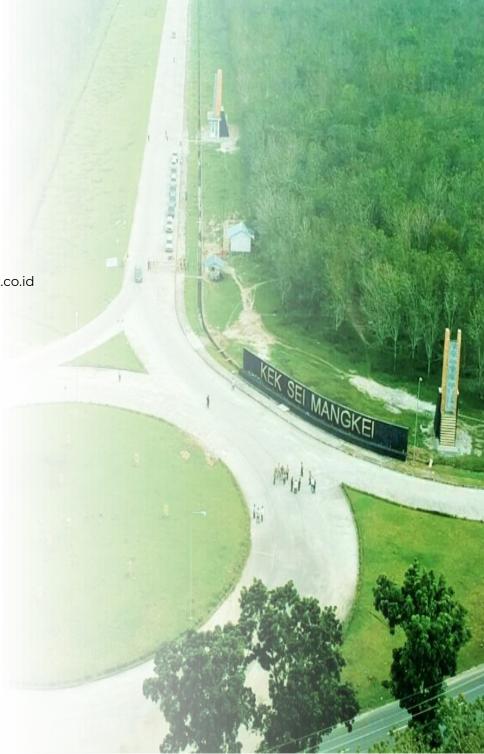
KEK Sei Mangkei



@kekseimangkei



PT Kawasan Industri Nusantara





### **TOBA CALDERA RESORT**

Toba Caldera Resort has designed by the Government as one of 5 super priority destinations in Indonesia and one of the Global Geopark by UNESCO in 2020.

#### **PROFILE**

Location

Ajibata District, Toba Regency, North Sumatera

Land

386.72 Ha

Sectors

Tourism Attractions, Agro-Tourism, Hospitality & Property,

Investment Value Total Infrastructure; Landscape Feature; Office and Supporting Building; Public Facility IDR 1,6 Trillion (Excluding PPN)

Business's Scheme

- Joint Operation / Long lease Agreement (30 + 15 years)
- Other Agreeable Cooperation Form

Projects to Offer

- 4-5 Star Hotel & Luxury Villa (International Chain)
- Commercial & MICE Facilities
- Geo- Cultural Park

Project Status

Managed by Lake Toba Tourism Authority

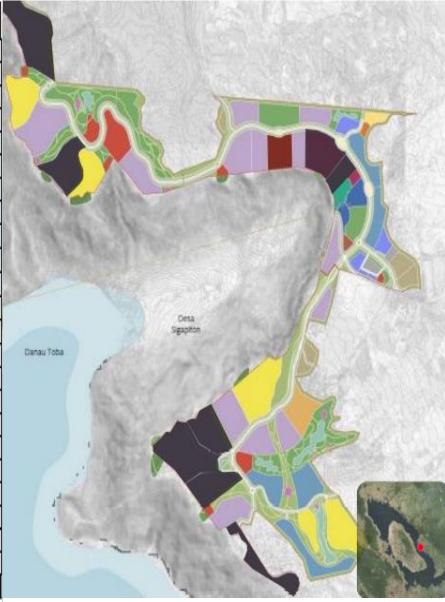
Key Project Highlights

- Investors will be provided with resort, landscape and architecture design guidelines for each individual lot.
- Investors will be provided with ease of permit approval from both Central and Provincial Government through Online Single Submission (OSS).
- Lake Toba Tourism Authority will give beneficial incentives such as grace period on land compensation during construction (subject to discuss)



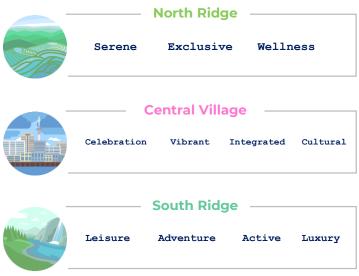
## LAND USE PLAN

Land Use	Ha	Sqm	%
Hotel/Resort	118.0	1,180,017	31%
Residential	39.8	398,094	10%
Residential Apartment	4.8	47,996	1%
Mixed Use	7.7	76,526	2%
Commercial	3.4	34,450	1%
Entertainment	25.7	257,307	7%
Beach Club	1.8	18,092	0%
MICE	5.1	50,588	1%
Kaldera	2.1	20,798	1%
Cultural Center	3.4	34,137	1%
UMKM Center	0.6	6,320	0%
BPODT Office	0.9	9,074	0%
Public Amenities	4.4	43,651	1%
Tourism Academy	0.6	6,419	0%
Staff Housing	1.3	13,179	0%
Parking	2.4	23,884	1%
ВОН	2.7	27,340	1%
Utility	4.1	41,272	1%
Park / Garden	51.0	510,267	13%
Waterbody	6.1	61,328	2%
Open Space	46.3	463,211	12%
Road ROW - Driveway	18.9	188,557	5%
Road ROW - Open Space	34.3	343,354	9%
Total	385.6	3,855,864	100%





#### THEMATIC CONCEPT



#### **PROJECT DESCRIPTION:**

- Lake Toba is one of the five **super priority destinations** assigned by the Government because of its beauty of nature.
- The largest volcanic lake in the world and the largest lake in the South East Asia.
- One out of ten deepest lakes in the world, reaching around 500 meters deep.
- The distinctive geographical of Lake Toba reserves a number of economic potentials for the benefit of the wide range of communities, especially as a source of bountiful fresh water and lust tropical forest which attract the interest of big industries to invest in the areas.
- Toba Caldera Resort would that incorporate nature, culture and technology into an Integrated Eco Resort.
- It also initiates a cutting-edge, engaging educational experience on the history of Lake Toba, a massive caldera created by a super-volcanic eruption 1.2 million years ago; together with its culturally rich communities that live around Lake Toba.

## **Breakdown of the Project**

#### Brief Project Profile - FIVE-STAR HOTEL & LUXURY RESORT DEVELOPMENT



- Name of Project :International Five-star Hotel & Luxury Resort
- Managed By : Lake Toba Tourism Authority
- 1. Sector : Property Development
- Business Scheme : Joint Operation / Land-lease agreement (30+15 years)
  - Rate starts from USD 1/m2/year
    - Other agreeable cooperation form
- Key Project Highlight: Investor will be provided with ease of permit approval from both central and regional government through online single submission (OSS)
  - The estimated projection of the 10 year IRR for mid-class hotel investment in Lake Toba Area is between 10%-12% (subject to further financial analysis)
- Investment Size : Subject to discussion
  - : Subject to discussion with potential investors
  - Example: estimated IDR 500 Billion (equals to USD 37 Million) for a Typical 250-300 Rooms of 5-Star Hotel Development

#### **Brief Project Profile - COMMERCIAL FACILITIES**



- Name of Project :Supporting Amenities
  - 3 lots of outdoor adventure / entertainment
  - International MICE Facility
- Managed By : Lake Toba Tourism Authority
- Sector : Commercial & Facility Development
- Business Scheme
   Joint Operation / Land-lease agreement (30+15 years)
   Rate starts from USD 1 / m2 / year
  - Other agreeable cooperation form
- 🕏 Key Project Highlight: Located in Toba Caldera Resort of total 386,72 Ha
  - Alocated area:
    - 16.5 Ha for 3 lots of outdoor adventure / entertainment
    - 5.1 Ha for an International MICE facility
- Investment Size : Subject to discussion with potential investors

#### Brief Project Profile - GEO-CULTURAL PARK



Name of Project : Geo-Cultural Park

: Lake Toba Tourism Authority Managed By

: Property Development Sector

Business Scheme : Joint Operation / Land-lease agreement (30+15 years)

Rate starts from USD 1/m2/year

Other agreeable cooperation form

Investor will be provided with ease of permit approval from both central and Key Project Highlight: regional government through online single submission (OSS)

🖪 Investment Size : Subject to discussion with potential investors

#### Brief Project Profile - BASIC INFRASTRUCTURE



Name of Project : Basic Infrastructure Within Sibisa Integrated Resort

Managed By : Lake Toba Tourism Authority

Sector : Infrastructure Development

Projects

Business Scheme : Joint Operation / Land-lease agreement (30+15 years)

Rate starts from USD 1/m2/year

Revenue sharing

Other agreeable cooperation form

Key Project Highlight: Located in 386,5 Ha Sibisa Integrated Resort

醒 Investment Size : Total Investment for Basic Infrastructure Development IDR 1.6 Trillion (equals to USD 118.5 Million) including road infrastructure,

street furniture & landscape, etc

Individual : Electrical, ICT and Gas Network IDR 145 Billion (equals to USD 10.8 Million)

Clean Water Network IDR 154 Billion (equals to USD 11.4 Million)

 Wastewater Network IDR 251 Billion (equals to USD 18.6 Million) \*subject to further study

## **CONTACT FOR DETAIL**



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SPORT CENTER



## **SPORT CENTER**



#### **PROFILE**

Location	Sena Village, Deli Serdang Regency	Business's Scheme	Regional Budget, State Budget, PPP (construction of sports facilities and infrastructure), and investors	
Land	300 Ha	Project Status	<ul> <li>Sports Center's Masterplan has completed in 2019;</li> <li>Land acquisition and settlement process have done in 2020;</li> <li>Construction for area borders, gateway, security posts start in 2020;</li> </ul>	
Sectors	IDR 10 Trillion Exc. commercial area : Hotel,		<ul> <li>Early construction for Athletes' Homestead and Martial Art Stadium will be built in 2021;</li> </ul>	
	Shopping Mall, Recreation		<ul> <li>DED Construction of 6 Venues in process starts in 2020 and the</li> </ul>	

Sena Village,

rest of 15 venues in 2021 with sourced regional budget.

Investment Value

IDR 2.737.967.230.000

# MAIN FOOTBALL STADIUM DEVELOPMENT

a.

Budget Year Plan 2020 s/d 2023 (Multiyears)

Source of Funds / Funding Scheme

Cooperation between Government and Business Entities (PPP Scheme) and Other Possible Funding

Location

Sena Village, Batang Kuis Sub-District, Deli Serdang District

Accessibility: Alongside the main road to Kualanamu International Airport will be integrated with Highway and LRT development plan

Integration of

Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

Challenges

Limited budget of Provincial Government of North Sumatra to fund the development

**Land Allocation** 

- Building area 12 ha
- Land area 6.55 ha

**Expected Endorsement** 

Financial support from the third parties (PPP, investors, and stakeholders mechanism)



Sport Center project is the main facility to support National Sports Week in 2024 in North Sumatera.

b.

## ISTORA BUILDING DEVELOPMENT

Investment Value

IDR 333.672.100.000,-

Budget Year Plan 2020 s/d 2023 (*Multiyears*)

Source of Funds / Funding Scheme

Cooperation between Government and Business Entities (PPP Scheme) and Other Possible Funding

Location

Sena Village, Batang Kuis Sub-District, Deli Serdang District

Accessibility: Alongside the main road to Kuala Namu Airport will be integrated with Highway and LRT development plan

Integration of

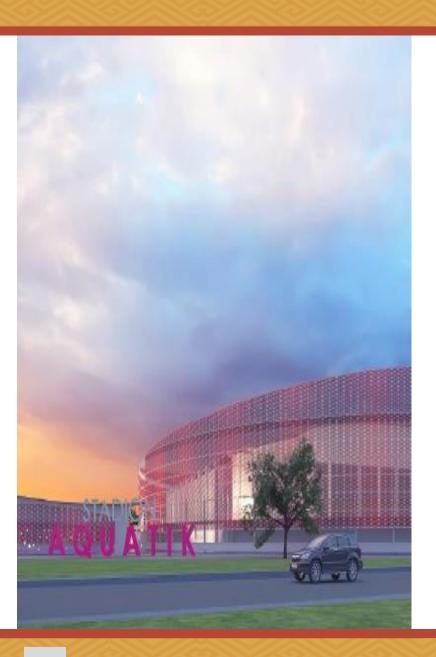
Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

**Land Allocation** 

- Building area 0,84 ha
- Land area 1.70 ha

**Expected Endorsement** 





## AQUATIC BUILDING DEVELOPMENT

C.

Investment needs

IDR 574.766.260.000,-

Budget Year Plan

2020 s/d 2023 (Multiyears)

Source of Funds / Funding Scheme

Cooperation between Government and Business Entities (PPP Scheme) and Other Possible Funding

Sena Village, Batang Kuis Sub-District, Deli

Location

Serdang District Accessibility: Alongside the main road to Kuala Namu Airport will be integrated with Highway and LRT development plan

Integration of

Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

**Land Allocation** 

- Building area 1,94 ha
- Land area 2.88 ha

**Expected Endorsement** 

d.

## VOLLEY BUILDING DEVELOPMENT

Investment needs

IDR 148.222.860.000,-

Budget Year Plan

2020 s/d 2023 (Multiyears)

Source of Funds / Funding Scheme

Cooperation between Government and Business Entities (PPP Scheme) and Other Possible Funding

Location

Sena Village, Batang Kuis Sub-District, Deli Serdang District

Accessibility: Alongside the main road to Kuala Namu Airport will be integrated with Highway and LRT development plan

Integration of

Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

**Land Allocation** 

- Building area 0,46 ha
- Land area 1.65 ha

**Expected Endorsement** 





## VELODROME BUILDING DEVELOPMENT

€.

Investment needs

IDR 19.025.370.000,-

Budget Year Plan 2020 s/d 2023 (Multiyears)

Source of Funds / Funding Scheme

Cooperation between Government and Business Entities (PPP Scheme) and Other Possible Funding

Location

Serdang District Accessibility: Alongside the main road to Kuala Namu Airport will be integrated with Highway and LRT development plan

Sena Village, Batang Kuis Sub-District, Deli

Integration of

Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

**Land Allocation** 

- Building area 0.13 ha
- Land area 1.66 ha

Expected Endorsement

f.

## **BOWLING AND SQUASH BUILDING DEVELOPMENT**

Investment needs

IDR 83.956.050.000,- (Bowling) IDR 89.242.590.000,- (Squash)

Budget Year Plan 2020 s/d 2023 (Multiyears)

Source of Funds / Funding Scheme

Cooperation between Government and Business Entities (PPP Scheme) and Other Possible Funding

Location

Serdang District Accessibility: Alongside the main road to Kuala Namu Airport will be integrated with Highway and LRT development plan

Sena Village, Batang Kuis Sub-District, Deli

Integration of

Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

**Land Allocation** 

- Building area 0,27 ha (Bowling)
- Building area 0.19 ha (Squash)
- Land area 0.82 ha

Expected Endorsement





## ATHLETIC STADIUM DEVELOPMENT

g.

**Investment needs** 

IDR 207.882.160.000,-

Budget Year Plan

2020 s/d 2023 (*Multiyears*)

Source of Funds / Funding Scheme

Cooperation between Government and Business Entities (PPP Scheme) and Other Possible Funding

Location

Sena Village, Batang Kuis Sub-District, Deli Serdang District

Accessibility: Alongside the main road to Kuala Namu Airport will be integrated with Highway and LRT development plan

Integration of

Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

**Land Allocation** 

- Building area 0.4 ha
- Land area 6.48 ha

Expected Endorsement

h.

## TENNIS COURT DEVELOPMENT

#### Investment needs

### IDR 188.319.780.000,-

Budget Year Plan

2020 s/d 2023 (Multiyears)

Source of Funds / Funding Scheme

Cooperation between Government and Business Entities (PPP Scheme) and Other Possible Funding

Location

Sena Village, Batang Kuis Sub-District, Deli Serdang District Accessibility: Alongside the main road to Kuala

Namu Airport will be integrated with Highway and LRT development plan

Integration of

Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

**Land Allocation** 

- Building area 0,51 ha
- Land area 2.46 ha

**Expected Endorsement** 





## BADMINTON BUILDING DEVELOPMENT

i.

Investment needs

IDR 108.742.860.000,-

Budget Year Plan

2020 s/d 2023 (*Multiyears*)

Source of Funds / Funding Scheme

Cooperation between Government and Business Entities (PPP Scheme) and Other Possible Funding

Location

Sena Village, Batang Kuis Sub-District, Deli Serdang District Accessibility: Alongside the main road to Kuala Namu Airport will be integrated with Highway and

LRT development plan

Integration of

Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

**Land Allocation** 

- Building area 0.5 ha
- Land area 1.65 ha

**Expected Endorsement** 



## MARTIAL ART DEVELOPMENT

#### Investment needs

### IDR 100.319.780.000,-

#### Budget Year Plan

2020 s/d 2023 (Multiyears)

Source of Funds / Funding Scheme

Cooperation between Government and Business Entities (PPP Scheme) and Other Possible Funding

Location

Sena Village, Batang Kuis Sub-District, Deli Serdang District

Accessibility: Alongside the main road to Kuala Namu Airport will be integrated with Highway and LRT development plan

Integration of

Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

**Land Allocation** 

- Building area 0,54 ha
- Land area 1.65 ha

**Expected Endorsement** 





## BASEBALL COURT BUILDING DEVELOPMENT

k.

**Investment needs** 

IDR 74.934.210.000,-

Budget Year Plan

2020 s/d 2023 (*Multiyears*)

Source of Funds / Funding Scheme

Cooperation between Government and Business Entities (PPP Scheme) and Other Possible Funding

Location

Sena Village, Batang Kuis Sub-District, Deli Serdang District Accessibility: Alongside the main road to Kuala Namu Airport will be integrated with Highway and

Integration of

Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

**Land Allocation** 

• Building area 0.41 ha

LRT development plan

• Land area 4.41 ha

**Expected Endorsement** 

I.

## SOFTBALL COURT DEVELOPMENT

Investment needs

IDR 33.363.300.000,-

Budget Year Plan

2020 s/d 2023 (Multiyears)

Source of Funds / Funding Scheme

Cooperation between Government and Business Entities (PPP Scheme) and Other Possible Funding

Location

Sena Village, Batang Kuis Sub-District, Deli Serdang District Accessibility: Alongside the main road to Kuala

Namu Airport will be integrated with Highway and LRT development plan

Integration of

Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

**Land Allocation** 

- Building area 0,18 ha
- Land area 4.18 ha

**Expected Endorsement** 





## ARCHERY COURT DEVELOPMENT

m.

Investment needs

IDR 33.100.740.000,-

Budget Year Plan

2020 s/d 2023 (Multiyears)

Source of Funds / Funding Scheme

Cooperation between Government and Business Entities (PPP Scheme) and Other Possible Funding

Location

Sena Village, Batang Kuis Sub-District, Deli Serdang District Accessibility: Alongside the main road to Kuala Namu Airport will be integrated with Highway and

LRT development plan

Integration of

Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

**Land Allocation** 

- Building area 0.08 ha
- Land area 3.32 ha

Expected Endorsement

n.

## BASKETBALL BUILDING DEVELOPMENT

#### Investment needs

### IDR 136.634.420.000,-

#### Budget Year Plan

2020 s/d 2023 (Multiyears)

Source of Funds / Funding Scheme

Cooperation between Government and Business Entities (PPP Scheme) and Other Possible Funding

Location

Sena Village, Batang Kuis Sub-District, Deli Serdang District Accessibility: Alongside the main road to Kuala

Namu Airport will be integrated with Highway and LRT development plan

Integration of

Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

**Land Allocation** 

- Building area 0,46 ha
- Land area 1.65 ha

**Expected Endorsement** 





## EQUESTRIAN COURT DEVELOPMENT

0.

**Investment needs** 

IDR 284.540.110.000,-

Budget Year Plan

2020 s/d 2023 (Multiyears)

Source of Funds / Funding Scheme

Cooperation between Government and Business Entities (PPP Scheme) and Other Possible Funding

Location

Sena Village, Batang Kuis Sub-District, Deli Serdang District

Accessibility: Alongside the main road to Kuala Namu Airport will be integrated with Highway and

LRT development plan

Integration of

Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

**Land Allocation** 

Land area 2.3 ha

**Expected Endorsement** 

p.

## HOCKEY INDOOR & OUTDOOR DEVELOPMENT

Investment needs

IDR 100.567.120.000,- (Indoor)
IDR 16.488.620.000,- (Outdoor)

Budget Year Plan

2020 s/d 2023 (Multiyears)

Source of Funds / Funding Scheme

Cooperation between Government and Business Entities (PPP Scheme) and Other Possible Funding

Location

Sena Village, Batang Kuis Sub-District, Deli Serdang District Accessibility: Alongside the main road to Kuala

Namu Airport will be integrated with Highway and LRT development plan

Integration of

Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

**Land Allocation** 

- Building area 0.51 ha (Indoor)
- Building area 0.09 ha (Squash)
- Land area 1.65 ha

Expected Endorsement





## BMX TRACK DEVELOPMENT

q.

Investment needs

IDR 16.521.710.000,-

Budget Year Plan

2020 s/d 2023 (*Multiyears*)

Source of Funds / Funding Scheme

Cooperation between Government and Business Entities (PPP Scheme) and Other Possible Funding

Location

Sena Village, Batang Kuis Sub-District, Deli Serdang District Accessibility: Alongside the main road to Kuala Namu Airport will be integrated with Highway and

LRT development plan

Integration of

Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

**Land Allocation** 

Land area 0.42 ha

Expected Endorsement

## PETANQUE COURT DEVELOPMENT

Investment needs

r.

IDR 14.723.770.000,-

Budget Year Plan 2020 s/d 2023 (Multiyears)

Source of Funds / Funding Scheme

Cooperation between Government and Business Entities (PPP Scheme) and Other Possible Funding

Location

Sena Village, Batang Kuis Sub-District, Deli Serdang District

Accessibility: Alongside the main road to Kuala Namu Airport will be integrated with Highway and LRT development plan

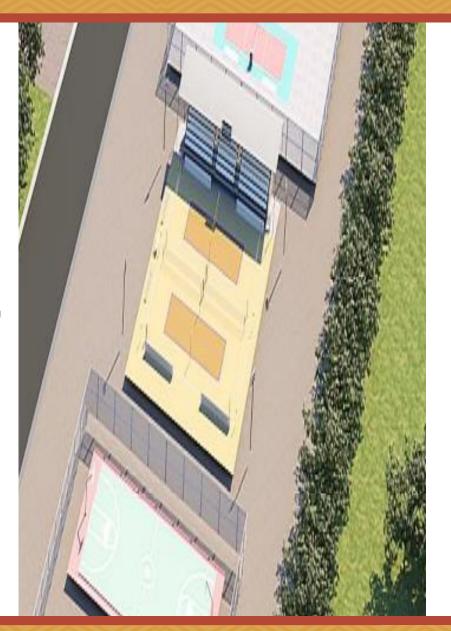
Integration of

Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

**Land Allocation** 

Land area 0.08 ha

Expected Endorsement





# ATHLETES' HOMESTEAD DEVELOPMENT (Male and Female)

S.

Investment needs

IDR 1.152.989.383.500,-

Budget Year Plan

2020 s/d 2023 (*Multiyears*)

Source of Funds / Funding Scheme

Cooperation between Government and Business Entities (PPP Scheme) and Other Possible Funding

Location

Sena Village, Batang Kuis Sub-District, Deli Serdang District

Accessibility: Alongside the main road to Kuala Namu Airport will be integrated with Highway and LRT development plan

Integration of

Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

**Land Allocation** 

- Building area 5 ha
- Land area 6.3 ha

Expected Endorsement

### **COMMERCIAL AREA DEVELOPMENT**

(International Hospital)

Investment needs

IDR 1.814.000.000.000,-

**Budget Year** Plan

2020 s/d 2023 (*Multiyears*)

Source of Funds / **Funding** Scheme

Stakeholders, investors, third parties

Location

Sena Village, Batang Kuis Sub-District, Deli Serdang District

Accessibility: Alongside the main road to Kuala Namu Airport will be integrated with Highway and

LRT development plan

Integration of

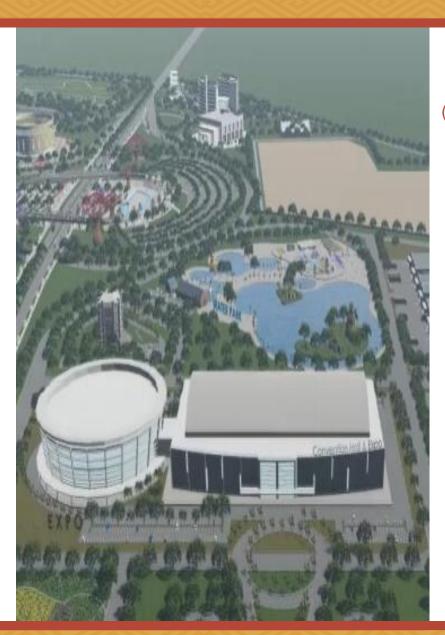
Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

Land Allocation

10 ha

Expected **Endorsement** 





## COMMERCIAL AREA DEVELOPMENT

u.

(Office Center Development)

**Investment needs** 

IDR 433.752.100.000,-

Budget Year Plan

2020 s/d 2023 (Multiyears)

Source of Funds / Funding Scheme

Stakeholders, investors, third parties

Location

Sena Village, Batang Kuis Sub-District, Deli Serdang District

Accessibility: Alongside the main road to Kuala Namu Airport will be integrated with Highway and

LRT development plan

Integration of

Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

**Land Allocation** 

99.19 ha

**Expected Endorsement** 

V.

### **COMMERCIAL AREA DEVELOPMENT**

(Shopping Center Development)

Investment needs

IDR 323.475.624.000,-

**Budget Year Plan** 

2020 s/d 2023 (Multiyears)

Source of Funds / **Funding** 

Stakeholders, investors, third parties

Scheme

Location

Sena Village, Batang Kuis Sub-District, Deli Serdang

District

Accessibility: Alongside the main road to Kuala Namu Airport will be integrated with Highway and LRT

development plan

Integration of

Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032

Olympics

Land Allocation

99.19 ha

Expected **Endorsement**  Financial support from third parties (KPBU, investors, and stakeholders mechanism)





## COMMERCIAL AREA DEVELOPMENT

W.

(Hotel Development)

**Investment needs** 

IDR 524.765.356.000,-

Budget Year Plan

2020 s/d 2023 (Multiyears)

Source of Funds / Funding Scheme

Stakeholders, investors, third parties

Location

Sena Village, Batang Kuis Sub-District, Deli Serdang District

Accessibility: Alongside the main road to Kuala Namu Airport will be integrated with Highway and

LRT development plan

Integration of

Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

**Land Allocation** 

99.19 ha

**Expected Endorsement** 

Financial support from third parties (PPP, investors, and stakeholders mechanism)

X.

### **COMMERCIAL AREA DEVELOPMENT**

(Entertainment Development)

Investment needs

IDR 854.860.245.000,-

**Budget Year Plan** 

2020 s/d 2023 (Multiyears)

Source of Funds / **Funding** 

Stakeholders, investors, third parties

Scheme

Sena Village, Batang Kuis Sub-District, Deli Serdang

District Location

Accessibility: Alongside the main road to Kuala Namu Airport will be integrated with Highway and LRT

development plan

Integration of

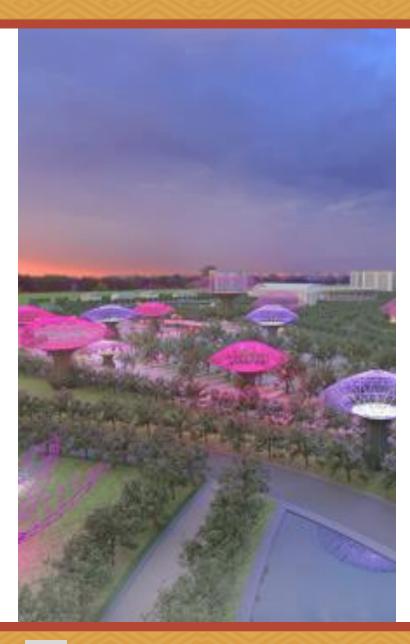
Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

Land Allocation

99.19 ha

Expected **Endorsement**  Financial support from third parties (KPBU, investors, and stakeholders mechanism)





#### **COMMERCIAL AREA DEVELOPMENT**

(Business & Entertainment Center with unsolicited scheme)

у.

Investment needs

IDR 11.340.943.000.000,-

**Budget Year Plan** 

Source of Funds / Funding Scheme

Location

2020 s/d 2023 (*Multiyears*)

Stakeholders, investors, third parties

Sena Village, Batang Kuis Sub-District, Deli Serdang District

Accessibility: Alongside the main road to Kuala Namu Airport will be integrated with Highway and LRT development plan

Venues

- Medical city
- Residential
- Main Sport Center
- Expo center
- Entertainment and commercial

Integration of

Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

Land Allocation

99.19 ha

Expected Endorsement Financial support from third parties (KPBU, investors, and stakeholders mechanism)

## **CONTACT FOR DETAIL**



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disporaprovsu



Disporasu Channel



4

## LIGHT RAIL TRANSIT MEBIDANG



## LIGHT RAIL TRANSIT MEBIDANG

## **PROFILE**

Medan – Binjai – Deli Serdang (MEBIDANG) Regency

Track 41.3 Km

Capacity 4.473.996 people/year

Concession Period

Location

20 years

Equity IRR 11.63 %

Government Contracting Agency (GCA)

Governor of North Sumatera Province

Return of Investment Mechanism

Availability payment

Investment Value LRT: IDR 20,3 Trillion

Capsule Metro: IDR 10,8 Trillion

Business's Scheme Public Private Partnership and Economic

Development Partnership Facility

Project Status

- Outline Business Case completed in 2019
- Final Business Case will be conducted at the end of 2021



#### **OBJECTIVE**

- Reduce congestion in Medan and Surrounding areas especially heading to Binjai city and Dell Serdang Municipality
- Increasing Economic Growth
- LRT to Transit Oriented Development (TOD)

#### TARGET

 Development of integrated urban mass transportation in the Mebidang (Medan – Binjai – Deli Serdang

#### SCOPE OF PROJECT

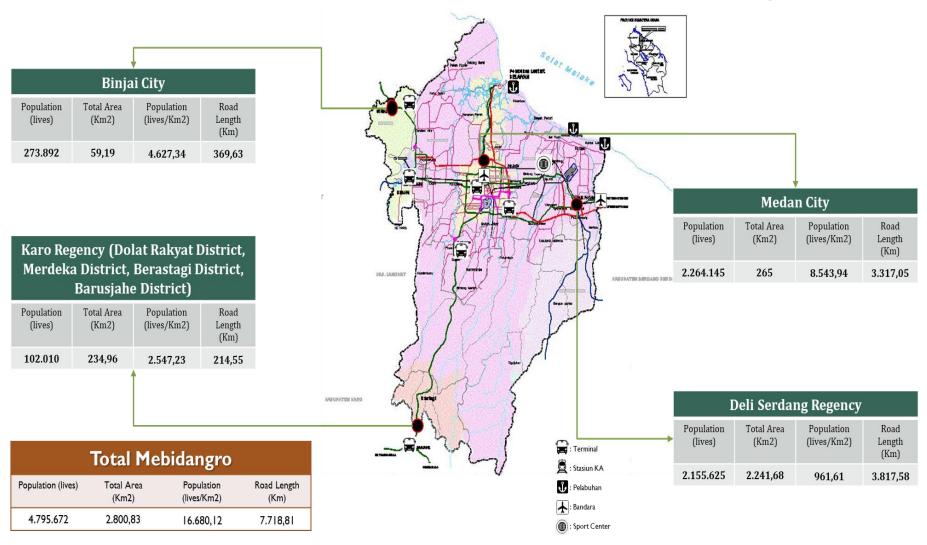
• Infrastructure Construction, Maintenance and Operation 41,3 Km

#### CUITPLIT

 Availability of passenger railway services on the Mebidang light Rail Transit as urban mass transportation in Mebidang

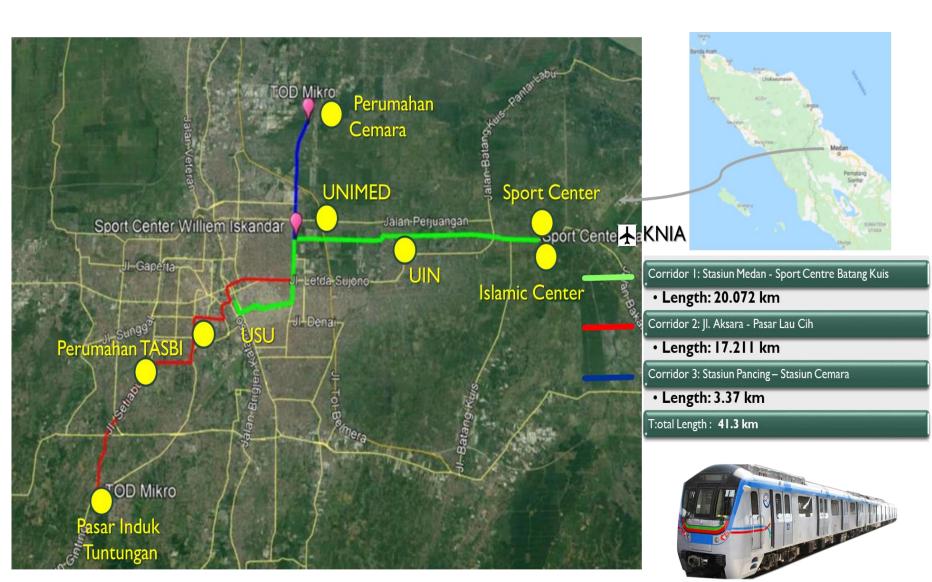
## MEBIDANGRO ADMINISTRATIVE AREA

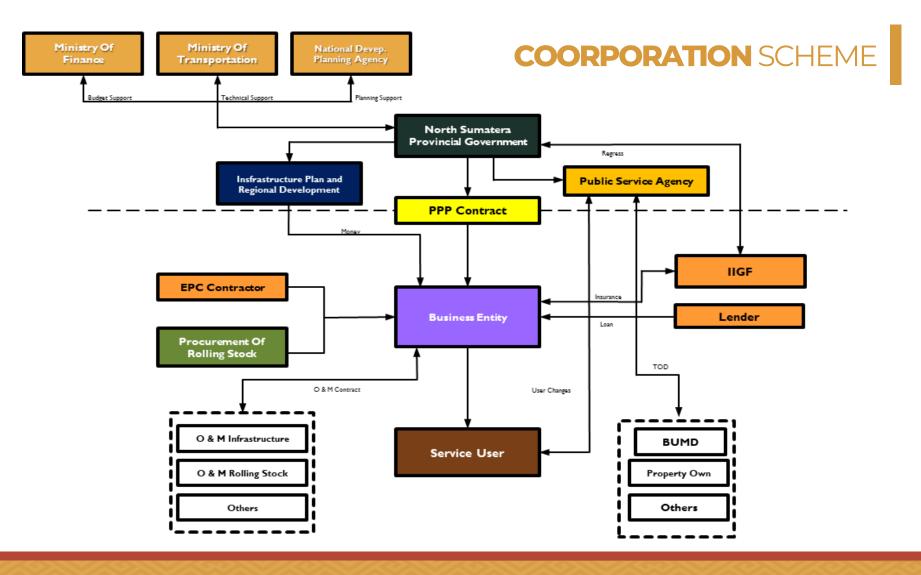
...this is a good condition to
provide mass vehicle that can
connect to several regions.



LRT Mebidang development is also as transportation mode to support Sport Center Project in Deli Serdang as one of its track is connected to the Sport Center.

## **PROJECT**DESCRIPTION





PPP Scheme of Design - Build - Finance - Operate - Maintain - Transfer (DBFOM-T) Mechanism of Build Operate Transfer (BOT)

### **Timeline**

2021 Q3 2021 Q4 2021 QI - 2023 2019 Q4 2020 QI 2020 Q3 2021 QI 2024 QI Sign **Financial** OBC **FBC RFP Operation** PQ Close Construction Contract

Financial Profile	IDR	USD	
Ticket Price	IDR 12.000		
CAPEX	IDR 20.303.779 Million	\$1.440 Million	
OPEX	IDR 306.951 Million/Annual	\$ 22 Million/Annual	
DEBT: EQUITY	70:30		
EQUITY NPV	IDR. 1.496.884 Million	\$ 106 Million	
PROJECT NPV	IDR . 487.872 Million	\$ 35 Million	
EQUITY IRR	11,63 %		
PROJECT IRR	9,68 %		
AP VALUE ANNUAL	IDR 5.755.877 Million	\$ 408 Million	
CONSESSION PERIOD	20 Years		



LRT							
No	Description		Price	Unit		IDR Amount	
1	Rolling Stock	IDR	24.400.800.000	20	unit	IDR	488.016.000.000
2	Track per km	IDR	400.000.000.000	41,3	km	IDR	16.520.000.000.000
3	Station	IDR	20.000.000.000	17	unit	IDR	340.000.000.000
4	Depot	IDR	66.831.925.670	1	unit	IDR	66.831.925.670
5	Operation Facilities	IDR	52.931.200.000	1	unit	IDR	52.931.200.000
Total						IDR	17.467.779.125.670

No	Aditional Capital	Amount						
1	Pre Operational Cost	IDR	210.635.769.000					
2	Interest During Construction	IDR	55.607.843.000					
3	Working Capital	IDR	2.569.756.388.000					
	Total	IDR	2.836.000.000.000					

**Total Project Funding: IDR 20.303.779.125.670** 

## PROGRESS OF LRT MEBIDANG

- Availability studies and documents:
  - FS of LRT Medan City (2018) facilitated by the Ministry of Finance of Indonesia
  - OBC MEBIDANG Railway Project (2019) facilitated by the Ministry of Transportation of Indonesia
- Accordance to BAPPENAS directives, the Regional Government required to have a Sustainable Urban Mobility Plan (SUMP) as the basis for developing MEBIDANG urban mobility.
- The AFD from France was appointed to assist the Provincial Government of North Sumatra to prepare the SUMP document.
- SUMP as a reference to develop urban mass transportation in MEBIDANG area.
- Currently, the EGIS team from France is still collecting data as the Consultant of this project.
- The document is targeted to be completed in September 2021.

## **CONTACT FOR DETAIL**



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5

SIANTAR - PARAPAT RAILWAY



## SIANTAR - PARAPAT RAILWAY

## **PROFILE**

Location

Pematangsiantar City – Parapat

(Simalungun)

**Track Length** 

64.7 Km (Divided into 3 segment)

Capacity

4.473.996 people/year

Contract Period

20 years

Investment Value

IDR 12,100 Billion

IRR

14 %

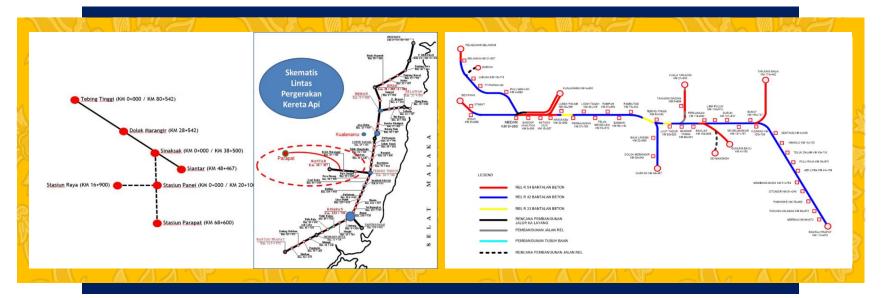
Project Status

- Feasibility Study completed in 2016
- Outline Business Case completed in 2017
- Survey Investigation Design in 2018
- Detail Engineering Design in 2019

## **PROJECT DESCRIPTION:**

- Railway has become essential to offset the mobility of communities from one area to another as it will drive economic growth.
- This project aims to increase accessibilities especially to national tourism strategic area of Lake Toba..
- Siantar-Parapat train track is an addition of existing railway lane in North Sumatra that crosses Langkat Districts, Medan City, and Rantau Parapat (Labuhan Batu Districts).









Siantar - Parapat train
tracks will be divided into
3 segments:

- Ol Siantar Martoba Jorlang Hataran (26.5 km)
- Jorlang Hataran Girsang S. Bolon (27.5 km)
- O3 Girsang S. Bolon Parapat (10.7 km)



### Timeline

Feasibility 2016 Conducted by the Ministry of Transportation Outline Business Case 2017 Conducted by the Ministry of Transportation Survey Investigation Design 2018 Conducted by the Ministry of Transportation Detail Engineering Design 2019 Conducted by the Ministry of Transportation Environmental Impact 2021 Assessment 2021-Land Acquisition & 2020 Resetlement Action Plan 2021

Construction

2024

## **CONTACT FOR DETAIL**



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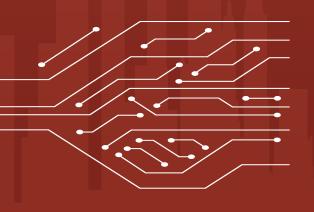
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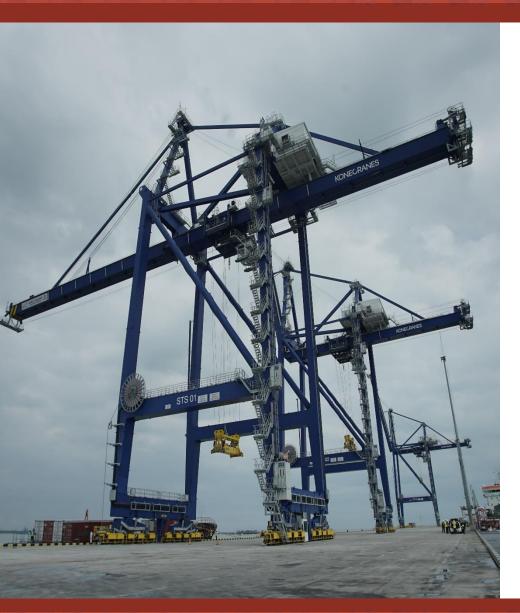
## INVESTMENT

OPPORTUNITIES

KUALA TANJUNG INDUSTRIAL ESTATE



## **KUALA TANJUNG INDUSTRIAL ESTATE**



### **PROFILE**

Location

Sei Suka Sub-District, Batubara Regency

Investment Value

IDR 28.87 Trillion

Total Area / Land Status

±3400 Ha

Mode of Offer

Direct Investment

Project Owner

PT. Pelabuhan Indonesia I (Persero)

Project Developer

PT. Prima Pengembangan Kawasan

Main Industries

Industrial Estate

#### Project Status

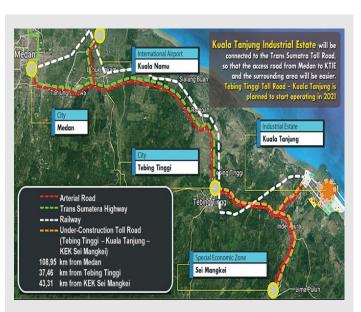
- 1) The Port as its supporting facilities has been opened for operation (2019)
- 2) Land acquisition (start from 2019)
- 3) Licensing process at regional level (2020)

## **PROJECT DESCRIPTION:**

- Kuala Tanjung Port is designated as international hub in western Indonesia as accordance in Presidential Decree of Republic Indonesia No. 26/2012, and has been designated as National Strategic Project.
- Integrated Industrial Estate Kuala Tanjung has several advantages such as strategic location, located in Malacca Strait, vast area to accommodate large scale industries, access to deep sea port that can accommodate largest ship size, and utilization of basic infrastructure and facilities collaboratively.
- As the gateway to Sumatra, Kuala Tanjung will increase regional economic hotspots by lowering logistic costs and increasing efficiency.
- Regional development is divided into 4 phases:
  - 1. Multipurpose Terminal Development (2015 2019)
  - 2. Industrial Estate Development (2015 2030)
  - 3. International Hub Development (2030 2040)
  - 4. Kuala Tanjung Development as Integrated Urban Area (2040 2050)
- Basic infrastructure development (highway network, electrical installation, drainage, and raw and waste water processing) is planned to be initiated in 2021.
- Up until now, major industries in Kuala Tanjung Industrial Estate includes palm oil, food products, beverage products, tire/other rubber products, steel, aluminium, cement, vehicle spare parts, and footwear.

## Siteplan





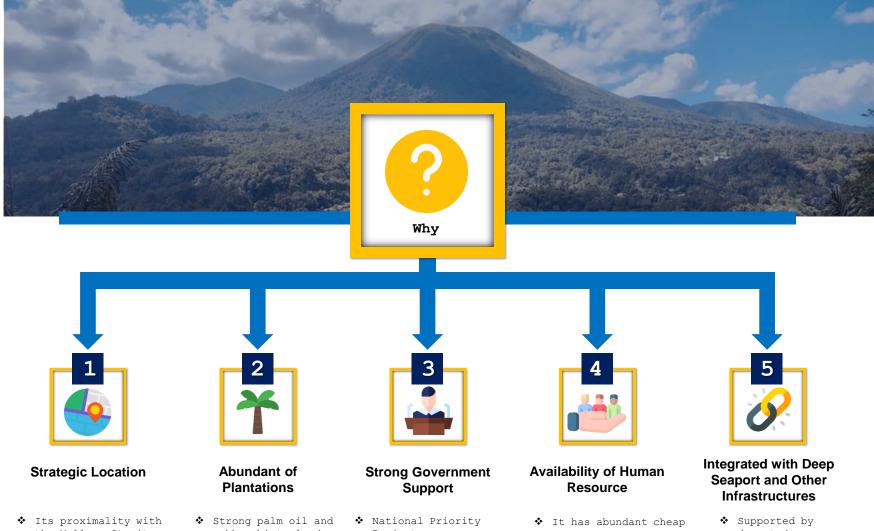


## SEGMENT TARGET & VALUE PROPOSITION



#### **ALUMINIUM**

- Pure aluminium could be used directly for different industries
- Inalum is the major producer of alumunium raw materials which is ingot
- Trade flow will increase because of development, leading to higher GDP



- the Mallaca Straits
- It has natural water depth up to 23 mLWS
- ❖ It has large space to develop
- ❖ It has existing industries, alumunium and palm oil
- rubber hinterlands
- ♦ Other agricultural products are adding more volume
- Projects
- ❖ One of the key industrial estate to be developed outside Java
- ❖ As west Indonesian hub
- and low skilled labor which is suitable for manufacturing
- Productive ages are dominated
- High skilled labor can easily travel to Kuala Tanjung
- decent deep sea port
- ❖ Connected with hinterland access
- ❖ Gas and electricity access are provided



#### **IRON & STEEL**

- Existed aluminium facilities in the region
- High demand of iron and steel products
- Access to raw materials from Kalimantan or nearby import



#### **PALM OIL FINAL PRODUCTS**

- The final product used by multiple industries such as fertilizer, oil, paper and wood products
- More than 150 products resulted from palm oil will give significant impact to economy



#### **TIRES**

- Tire manufacturing listed as on of laborintensive industry
- High integration with natural rubber, synthetic, chemical, plastic and recycling industries



#### **AUTO PARTS & ACCESSORIES**

- High integration with various industries such as rubber, plastic, textile, chemical, aluminium and iron steel
- Labor intensive process; high employment opportunities



#### **PETROCHEMICAL**

- Domestic demand for petrol products is already higher than domestic production capacity
- Domestic demand is expected to continue growing by at least 1% annually over the next 20 years



#### **PROCESSED FOODS**

- Large access and supply to livestock, plantation, and fisheries
- Limited of F&B downstream industries in the province and Sumatra yet high growth of demand, will create sizeable amount of market



#### **CEMENT**

- Indonesia cement demand expected to highly increase in average to 10%
- Rebound cement demand in industrialized market such as US & western further spur sales



#### **RUBBER PRODUCTS**

- High attractiveness due to underdeveloped downstream and high demand both global and Indonesia especially industrial rubber
- Rubber products are highly used in various kind of industries



#### **FOOTWEAR**

- One of the Indonesia labor intensive industry reaching to 4.2% from total manufacture worker
- Footwear industry gives significant impact to Indonesian export



#### **ALUMINIUM**

- Pure aluminium could be used directly for different industries
- Inalum is the major producer of alumunium raw materials which is Ingot
- Trade flow will increase because of development, leading to higher GDP

## HERE ARE SEVERAL INDUSTRIES BEST FIT IN OUR AREA



## 1. PETROCHEMICAL

- Domestic demand for petrol products is already higher than domestic production capacity
- ➤ Domestic demand is expected to continue growing by at least 1% annually over the next 20 years
- Without investment in capacity, Indonesia will become heavily reliant on imported petrol products
- > Kuala Tanjung offering its strategic location for this large oil refinery since it has deep water sea port integrated with large industrial estate



**Anchor Tenant** 





## 2. ALUMINIUM





- > Inalum has been producing Aluminium Ingot and Alloy
- > As the feedstock is not available in the hinterland, a smelter and its downstreams.
- > Rising middle class throughout the entire country and large infrastructure projects in Indonesia demands more
- > Kuala Tanjung is located near Indonesia's fourth most populous city Medan with a big and growing consumer
- > Aluminium smelting is very labour intensive. There is a
- > There is sufficient ample space to develop the expansion of Inalum

## Anchor





## 3. FOOD and BEVERAGES

- > Population in Indonesia and on Sumatra continues to grow, and incomes are rising will be the potential market for this industries
- > Consumer demand for (higher value) food & beverages increases
- > Presence of cheap and low skilled labor for processing, packaging and bottling
- > Abundant agricultural products for further development of value chain
- > Favorable government policy to facilitate this type of manufacturing







## 4. CEMENT





- > Close proximity with cement production plants in Aceh and Padang
- > Continued urbanization and major infrastructure project in North Sumatra will drive cement demand
- Development of Kuala Tanjung itself will require a lot of cement/concrete
- > Cement industry is labour intensive and does not require much skilled labour
- Existing port infrastructure and toll road between Medan and Kuala Tanjung will enable cement facilities in Kuala Tanjung to serve Medan
- There is sufficient space for cement activities

# Potential Anchor Tenant







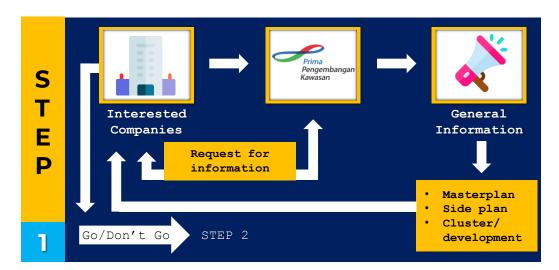
## 5. RUBBER PRODUCTS

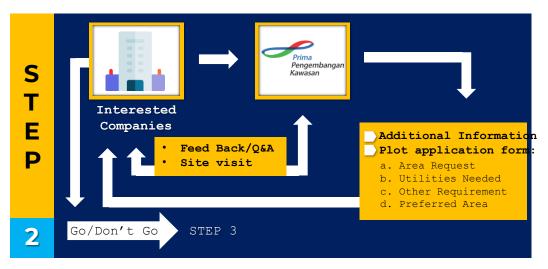
- Presence of an abundant, natural rubber in North-Sumatra:
   Significant natural rubber production in North Sumatra
- Rising middle class throughout the entire country. This is allowing more and more people the ability for vehicle ownership
- > Strong growth in neighboring markets automotive sales
- > Presence of cheap labor
- > Projects in Indonesia boosting car-sales growth
- ➤ Attractive business climate: possibility for 100% foreign / private ownership of tire manufacturing business



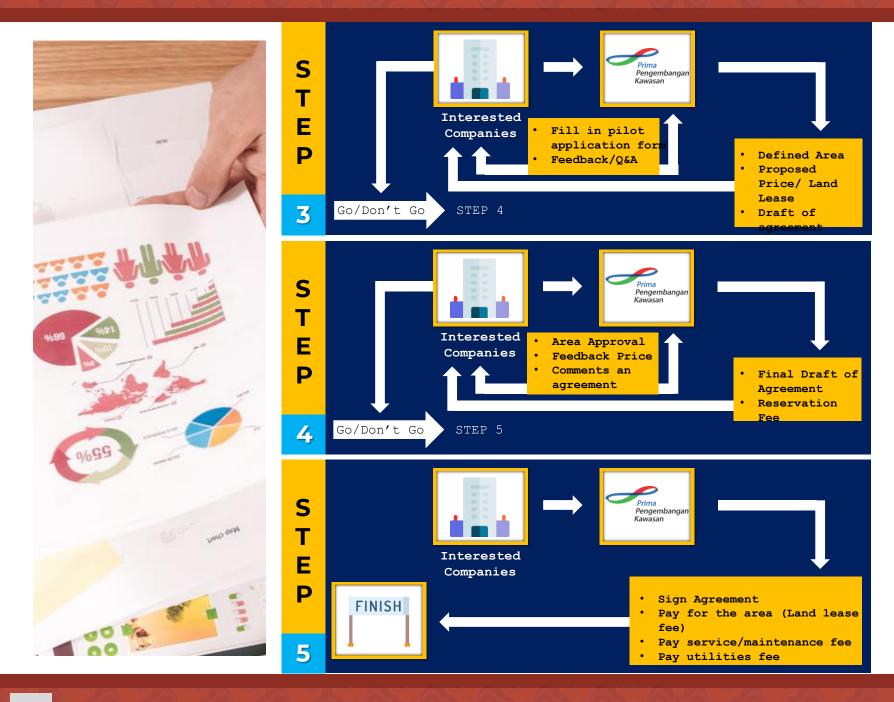


## How to Invest in our area









## **CONTACT FOR DETAIL**



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Pelindo 1



PT. PELINDO I (PERSERO)



Pelindo 1





## MIXED USE RENTAL APARTMENT IN SEI MANGKEI

## **PROFILE**

**Location** Sei Mangkei SEZ, Simalungun Regency

Investment Value IDR 1.2 Trillion

Regional Gov't budget: IDR 53,78 Billion
National budget: IDR 193,01 Billion
PPP: IDR 965.5 Billion

**Project Owner** Governor of North Sumatra

ProjectHousing and Residential AreaDeveloperReg. Gov't Board

Main Activities Building Apartment and Commercial Area

Project Scope Design, Build, Finance, Maintenance, and Transfer (DBFMT)

Contract Period 20 years

Construction

2 years

Project Status

Periode

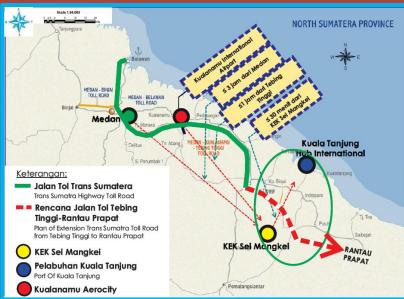
) OBC and FBC completed in 2020

2) 1st market sounding has been done in June 2020

## **PROJECT DESCRIPTION:**

- Employment of labor in SEZ Sei Mangkei has reached 1800 labors and has the opportunity to keep increasing considering this area is the fifth biggest investment location in Indonesia. However, 45% of the labors still lives in rental houses while 35% of them lives in dormitories. This issue is the background to initiate integrated flat project...
- The Apartment in Sei Mangkei SEZ is not only targeting for labors (both domestic and foreign workers), but also low-income communities in the areas of Simalungun, Batubara, and Asahan.
- With convenience access of both highway and railway, integrated apartment in Sei Mangkei will be a prospective project.





Construction
Planning
(siteplan)



#### **Building Details:**



Consisted of 3 towers (672 unit)



1 tower capacity: 224 unit



Number of floors: 18



14 residential floors and 4 parking floors





In addition to urban area-designed residential area, Apartment project is planned to be equipped with mix use buildings consisting of:





#### Facilities:

- 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<sup>st</sup> – 3<sup>rd</sup> floor: Hypermart and

other retail store 4<sup>th</sup> floor: service

4. SWIMMING POOL

# Other Supporting Facilities





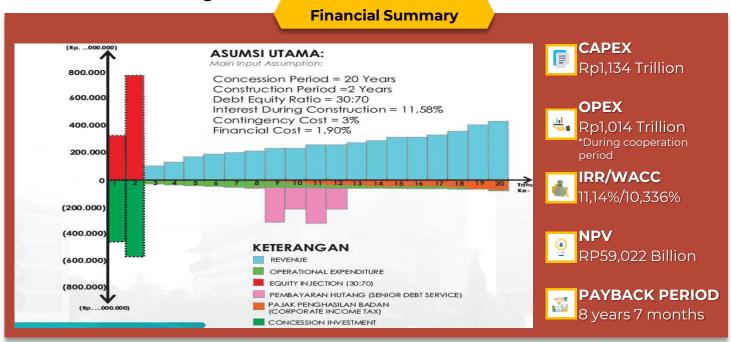








#### **Financial Feasibility**



#### Criteria

Debt Equity Ratio Interest during construction Contingency cost Financial Cost CAPEX OPEX

IRR / WACC

Payback Period

#### **Notes**

30:70

11,58%

3%

1,90%

IDR 1.134 Trillion

IDR 1.014 Trillion

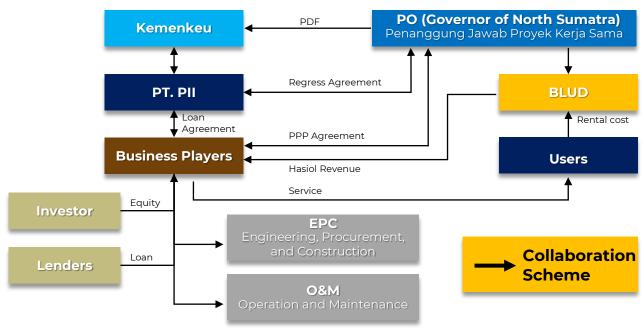
11,14% / 10,36%

IDR 59.022 Billion

8 years and 7 months



#### Partnership Scheme



#### **Project Timeline**



NOTE: FBC DAN TENDER PROCESS WILL BE ARRANGED BY MINISTRY OF FINANCE

PPP PROCESS BY PROJECT OWNER



### **CONTACT FOR DETAIL**



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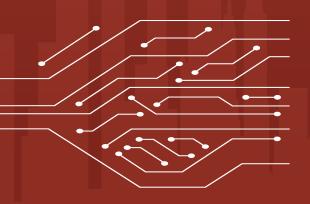
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# INVESTMENT

SUPPORTING FACTORS

#### INVESTMENT SUPPORTING FACTORS

As one of the biggest provinces in Indonesia, North Sumatra holds various supporting facilities/factors to encourage improvement for investment. Starting from adequate infrastructure repairments, high quality human resources, facile transportations, ports, industries, and the beautiful scenery tourism destinations.

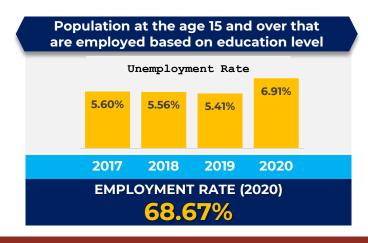
Due to its strategic location, it supports world trade route so that investment and trading flow are accelerated in North Sumatra.

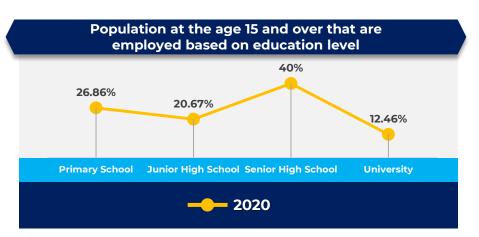


#### I. High Quality Human Resources

North Sumatra is known for one of regionals in Indonesia with the most and highly qualified human resources. More than 50% of total population in North Sumatra are in productive age of 15-64 years old/millennials. Such number shows that we have creative, innovative, and competitive human resources.

Those numbers indicated that North Sumatra is capable to supply local labors for regional development.





#### II. Modern Industrial

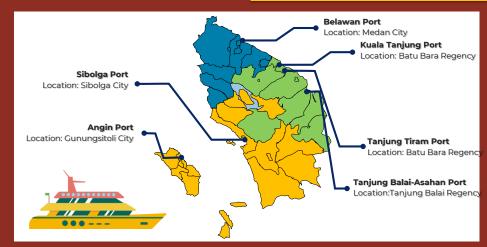




North Sumatra is open for industrial development.

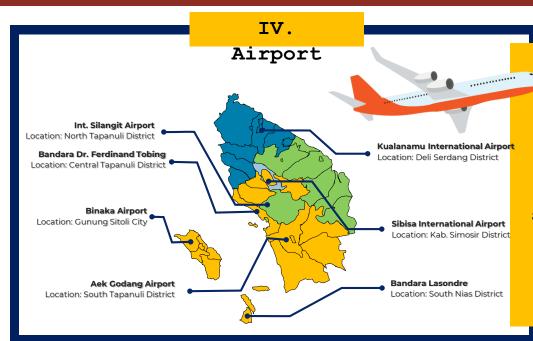
This is due to industrial opportunity in North Sumatra that can still develop further..

#### III. Port Connectivity





North Sumatra Province is enriched with accessible sea and open water lane through ports. Up until now, there are at least six ports in North Sumatra that are ready to operate and facilitate distribution of goods.



Other supporting
facilities are more
complete with the
availability of airports
for domestic as well as
international route. The
existence of airport is
strategically designed to
be integrated with
railway to increase the
efficiency flow of goods
and passengers.

#### V. Highway

North Sumatra on daily basis is always improving with adjustments on both facilities and infrastructures. It is to provide easy accessibility in investment.



Province	Highway length	Close Causeway	Central Causeway	West Causeway	Non Causeway	Connector Causeway	Bridge (unit)	Bridge (m)
	(km)	(km)	(km)	(km)	(km)	(km)	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
North Sumatra	2.632,22	581,97	501,28	419,39	386,18	743,39	914	24.214

Sumber: Balai Besar Pelaksana Jalan Nasional II Medan

#### VI. Healthcare Facilities

The availability of healthcare facility such as hospitals is the main factor in bolstering improvement of life quality.



Hospital

**179** Unit



Maternity Hospital

19 Unit





Polyclinic

**813** Unit



Public Health Center 624 Unit

Supporting Public Health Center 1.822 Unit



North Sumatra has healthcare facilities equipped with decent supporting means and technologies. Healthcare facilities in North Sumatra is sufficient with 179 units hospital and 813 units polyclinic spread in all districts/municipalities.

Nevertheless, with high projection population growth, North Sumatra is still open for hospital development especially in distant areas located outside Medan City.



General 3.596
Practitioner



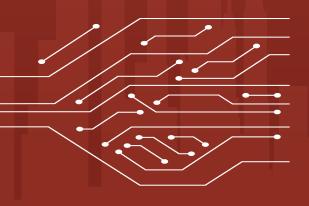






Source: Central Bureau of Statistics 2019 (processed)





TOURISM SITE

#### **TOURISM SITE**







- ❖ 71,4 km away from the Silangit International Airport
- ❖ 2 4 hours from the Kualanamu International Airport
- ❖ 4 5 hours from Medan City by using public transportation / personal vehicle



#### Offers you:

- > The beauty of the largest Caldera Lake in the world
- > Bataknese culture: villages, museums, palaces of the Bataknese people
- Camping
- > Traditional & modern souvenir shops
- Culinary



Lake Toba is an immense volcanic lake covering an area of 1,707 km² (1,000 km² bigger than Singapore) with an island in its center. Lake Toba Caldera is one of the five super priority destinations in Indonesia and had designed as the Global Geopark by UNESCO in 2020.

"The Largest Volcanic Lake in The World"













- ❖ 4 hours from the Kualanamu International Airport
- 3 hours from Medan City by using public transportation / personal vehicle



#### Offers you:

- > The beauty of nature and friendly people
- > The area for elephants rehabilitation
- Camping
- > Waterfall and fresh rivers water
- Culinary



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

"The Hidden Paradise in North Sumatra"













- 4 hours from the Kualanamu International Airport
- 2 3 hours (80 km) from Medan City by using public transportation / personal vehicle



#### Offers you:

- > Tracking the jungle to find the orangutan conservation
- ➤ Hostelry
- Rafting
- Camping
- > Fresh rivers water
- Culinary



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!

"Conservation Site for Orangutan"













- ❖ 3 hours from the Kualanamu International Airport
- 2 hours (66 km) from Medan City by using public transportation / personal vehicle



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



#### Offers you:

- > Traditional and cultural exhibition
- > Sinabung hills resort
- > Kubu and Gundaling hills
- > Cool and fresh air
- > Waterfall, lake and hot water spots
- > Culinary and plantation experience

# "The Beauty and Cultural Experiences are Providing Here"













- 2 hours from the Kualanamu International Airport and only 30 minutes by using Railink train transportation
- Existing in the center of Medan City



Historical value and the beauty of Melayu Deli tradition which had connectivity to the Grand Mosque would be a good tease for your travel experience



#### Offers you:

- > Traditional and cultural of Melayu experience
- Souvenir shop
- Photo spots
- > Knowing the legacy of Melayu Deli Kingdom

#### "The Heritage of Melayu Deli Kingdom"













- ❖ 1 2 hours from the Aek Godang Airport in North Padanglawas and from Dr Ferdinand Lumban Tobing in Central Tapanuli
- 5 6 hours from Toba Lake by using public / personal vehicle
- ❖ 7 8 hours to travel this site from Medan City by using public / personal vehicle



With 17 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



#### Offers you:

- > Releasing turtles into the beach exhibition
- > Turtle conservation
- > Swimming together with turtle experience
- Cultivation of coral reefs

"The Home for Turtles"













- ❖ 2-3 hours from Parapat, Simalungun Regency
- ❖ 3 3.5 hours from Medan City by using public / personal vehicle
- ❖ 3 4 hours from Silangit International Airport



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



#### Offers you:

- > Comfortable resort
- > Garden and green space experience
- Camping ground and adventure zone
- Labyrinth space
- > Amphitheatre and Toba multi purpose hall
- > Fabulous view which directly to Lake Toba

#### "The Sunrise Highland"













- ❖ 1 1.5 hours from Sibolga City by boards
- ❖ 3 4 hours from Nias Islands by boards
- ❖ 9 10 (215 km) hours from Medan City by using public / personal vehicle
- ❖ 3 4 hours from Silangit International Airport



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



#### Offers you:

- > The beauty of the waterfall
- One of the waterfalls in the world that plunge directly into the sea
- > The combination between fresh water and sea water
- > Snorkeling and diving experience

"The King Kong Island"











- 2 hours (66 km) from Silangit International Airport
- ❖ 9 10 hours from Medan City by using public / personal vehicle



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



#### Offers you:

- > Amazing snorkeling and diving experience
- > White sand and beautiful shoreline
- Culinary

"The Exotic Island"













- ❖ 2-3 hours from Parapat, Simalungun Regency
- ❖ 3 4 hours from Medan City by using public / personal vehicle
- ❖ 3 4 hours from Silangit International Airport



Natural beauty, cultural experience and religious pilgrimage, Silahisabungan is a majestic place like no other can find inner peace



#### Offers you:

- > Health care facility
- Camping
- > Snorkeling and diving experience
- ➤ Hostelry
- Popular photo spots
- > Sunset and sunrise scenery

#### "Where Nature meets culture"









#### **TOURIST ARE VERY WELCOME**



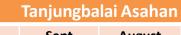
Kualanamu				
	Sept August		Sept	
	2019	2020	2020	
Total	18.913	28	36	
Char	nge	y-on-y	- 99.81%	
Change		m-to-m	-28.57%	



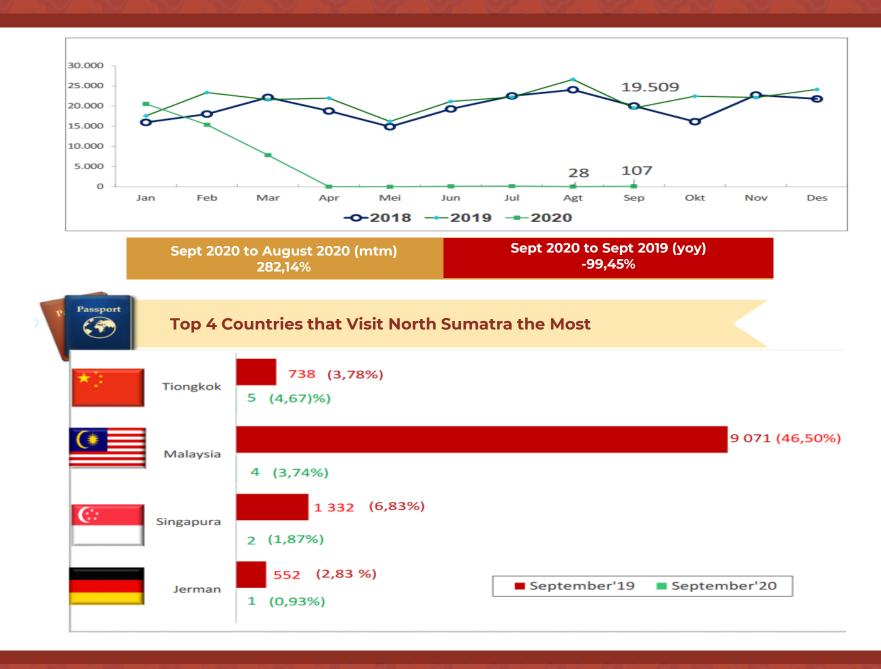
Delawali				
Sept		August	Sept	
	2019	2020	2020	
Total	5	0	71	
Change		y-on-y	1.320%	
		m-to-m	100%	
<b>A</b>				



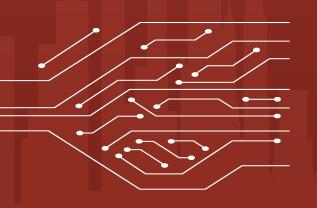
Silangit				
Sept		August	Sept	
	2019	2020	2020	
Total	482	0	0	
Change		y-to-y	-100%	
		m-to-m	0%	



	Sept 2019	August 2020	Sept 2020
Total	109	0	0
Chan	<b>~</b>	y-on-y	-100%
Change		m-to-m	0%







# **SMALL MEDIUM**

ENTERPRISE

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

#### **WOVEN FABRIC**



#### **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



+62 812-6584-6702



galeryulos\_sianipar



#### **RAKI TENUN**

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



iwanurwahidah@gmail.com



+62 813-7543-7933



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



#### **LANGGAM BATIK**

The way to keep and pride our traditional wear which is Batik with typical of Bataknese batik motif



langgam.souvenir@gmail.com



+62 812-6364-6436



langgamsouvenir

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

MANDHELIN

#### COFFEE

LONGBERK



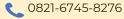
#### **MAGA COFFEE**

Arabica Mandailing Lake Toba Organic

green beans and roasted beans wild civet, wine coffee, etc.



maga.arabica.coffee@gmail.com





@magacoffee



#### **ALOYA COFFEE**

Mandheling, Lintong, Longberry, Gayo

green beans and roasted beans, cascara, coldbrew



aloya.coffee@gmail.com



0821-6745-8276



www.aloyacoffee.com



#### **ASTARI COFFEE**

Arabica Lintong, Arabika Sigordang, Arabika Mabulang, Robusta Sidikalang



aciptakarsa@gmail.com



0822-7977-9352



Astari Coffee

#### COFFEE



#### **DRIP COFFEE**

Arabica Lintong, Arabica Samosir, Arabica Sidikalang, Arabica Mandailing, Arabica Karo, Arabica Blue Batak

coldbrew coffee, wine coffee, and beauty products



welovecoffee@dripkoffie.com



0821-1758-8175



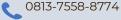
#### **SINERGI COFFEE**

Arabica Karo

green beans and roasted beans



🚉 sinergifajarharapan@gmail.com





#### **CIMBANG COFFEE**

Arabica Coffee

green beans and roasted beans, and powder



imamsyukrisyah@gmail.com



082160550726



Kopi Cimbang Sinabung

#### **OTHER PRODUCT**

North Sumatra also has vary products that are produced from local small medium enterprise and those have been popular



**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 Sapo Durin

#### Dessert

Nata De Coco



Zack Krezz

#### **Snacks**

- Potato chips
- Banana crackers
- Cassava chips
- Tempe Chips
- Crispy mushroom



**Pop Corn Brontak** 

#### **Snacks**

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



gulasemutbuluhawar@gmail.com



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Sapodurin



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Zack Krezz



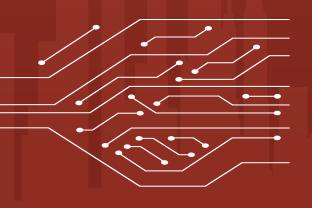
rizkymiftahur15@gmail.com





popcornbrontak

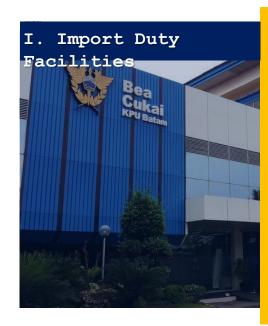




# INVESTMENT

INCENTIVE

#### **INVESTMENT INCENTIVE IN NORTH SUMATRA**



Import duty exemption for 2 years or directly submit a request for 4 years for companies that use local production machinery (minimum 30%). This facility applies for goods and services producing companies, including:

- 1 Tourism and Culture
- 2 Public transportation
- 3 Public health Service
- 4 Mining
- 5 Construction
- 6 Telecommunication
- 7 Ports

Requirements

Importing machineries, goods and raw materials

- 1 Not yet produced by local companies.
- 2 If local machineries are available but unable to meet required machineries requirements.
- 3 If local machineries are available but unable to meet required machineries numbers.

#### 30% of investment

to Tax Allowance policy, namely **Government Regulation No. 78 Year 2019** on 12 November 2019.

183 business fields meet the requirements to receive tax allowance, expanded from 145 segments on previous regulation.

With certain requirements including investment value or export orientation, labor absorption, Domestic Component Level (TKDN), and project location (especially outside Java island).

Deduction of companies' net income which amounts to 30% of total investment that will be done over a 6-year period (equivalent to 5% deduction per annum).



#### III. Tax Holiday Policy



Ministry of Finance of
Republic of Indonesia has
issued a new regulation
related to Tax Holiday
policy: Minister of Finance
Regulation No.
150/PMK.010/2018 on 27
November 2018. "Deduction
of Corporate Income Tax is
to be granted within 5-20

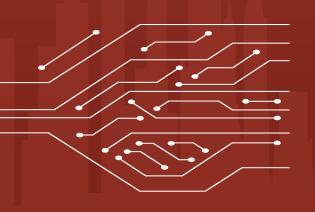
years period"

There are **18** pioneer industries who are eligible for this facility:

- Base metal upstream industry (steel or non-steel) with or without its integrated derivative
- Oil and natural gas refinery industry with or without its integrated derivative
- Coal, natural gas, or crude oil based petrochemical industry with or without its integrated derivative
- Organic-based chemical industry obtained from Agriculture, plantation, or forestry with or without its integrated derivative
- 5 Inorganic-based chemical industry with or without its integrated derivative
- 6 Pharmaceutical main raw materials industry with or without its integrated derivative
- 17 Irradiation, electromedical, or electrotherapy equipment manufacturing industry
- 8 Electronics or telematics main components manufacturing industry such as semiconductor wafer, backlight for Liquid Crystal Display (LCD), electrical driver, or display
- 9 Machineries and machineries components manufacturing industry
- Robotics components manufacturing industry to support machinery manufacturing industry
- Power plants main components machinery manufacturing industry
- Vehicles and vehicles main components manufacturing industry
- Ships main components manufacturing industry
- 14 Trains main components manufacturing industry
- Aeroplane main components manufacturing and aerospace supporting activities industry
- 16 Agriculture, plantation, or forestry based pulp production industry with or without its derivative
- 17 Economic Infrastructure
- Digital economy including data processing, hosting, and other related activities

Source: BKPM.





# HOW TO INVEST IN

NORTH SUMATRA

# HOW TO INVEST IN NORTH SUMATRA?

Business and investment potential will not be optimal without strong commitment from both central and regional governments. Our effort to keep improving the facilities for investors has been realized on national level by having Online Single Submission (OSS) system, a business licensing issued by OSS Institution for and on behalf of the minster, institution leader, governor, or regent/mayor to business practitioners through integrated electronic system.

On regional level, North Sumatra owns an application to simplify application-based licensing namely "SIAP LAYANI". This application will ease the investors in proposing business license on regional level, without face-to-face registration and documents submission. The efficiency of licensing services that has becoming more convenient is our commitment to increase the realization of regional investment.







### **CONTACT US**



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Bank of Indonesia North Sumatra Representative Office



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#### **Investment Promotion Affairs** Renata B.

Regional One-stop Investment and Licensing Board



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