

NORTH SUMATRA

INVESTMENT BOOK

YOUR INVESTMENT PARTNER TO PROVIDE BETTER TOMORROW
Quarter I of 2023



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Investment is one of the most important channels to support regional and national economic growth. Mature investment 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.

In the midst of increasingly real and progressive economic improvements, one of them is driven by the investment sector which contributed 29.45% and also makes investment sector as one of the largest economic drivers of North Sumatra in 2022. Supporting infrastructures for the improvement aspect of doing business is also continuously developed by the Central and Regional Government.

Recently, North Sumatra has 7 (seven) clear and clean investment projects, which 3 of them are included in National Strategic Projects. Those 7 projects are Toba Caldera Resort, Sei Mangkei Special Economic Zone (SEZ), Kuala Tanjung Industrial Estate, Medan Industrial Estate, Sport Center, Airport City in Sei Mangkei SEZ, and last but not least BRT Mebidang development. These projects are the focus of the government that continues to be promoted and developed intensively.

At the regional level, we continue to strive and support economic growth through investment. The North Sumatra Invest continues to explore many potentials that exists in the region and puts it into an integrated database through North Sumatra Invest Mapping Project (NSI-MP) in 2022. It aims making easier for investors to choose projects that suit their respective business profiles. Thus, North Sumatra Invest also held North Sumatra Invest Day as an annual investment flagship program to promote the investment projects in North Sumatra and also attract many potential investors. On the other hand, we are trying to make it simpler for investors in terms of business licensing through online licensing.

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 closer. We are ready to facilitate you because we are your investment partner to provide better tomorrow.

Medan, March 2023

Doddy Zulverdi
Head of Bank Indonesia Representative Office of
North Sumatra



Doddy Zulverdi
 Head of Bank Indonesia
 Representative Office of
 North Sumatra

North Sumatra Province is one of the Indonesian economy pillars with historically economic growth above the nationals. GRDP per capita of North Sumatra Province in 2022 is around IDR 63.19 million/person supported by abundant natural resources thus encouraging higher export activities so North Sumatra can still exist compared to other regions, thus making North Sumatra become one of the growth engine for the national economy outside Java island. It's still possible for North Sumatra to boost the national economy higher.

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. Moreover, 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. Meanwhile, in the sea transportation mode, there are 6 ports to strengthen the maritime side.

In line with our efforts to continue socio-economy development 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 supporting 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, 2023

Edy Rahmayadi
Governor of North Sumatra



Edy Rahmayadi
 Governor of North Sumatra

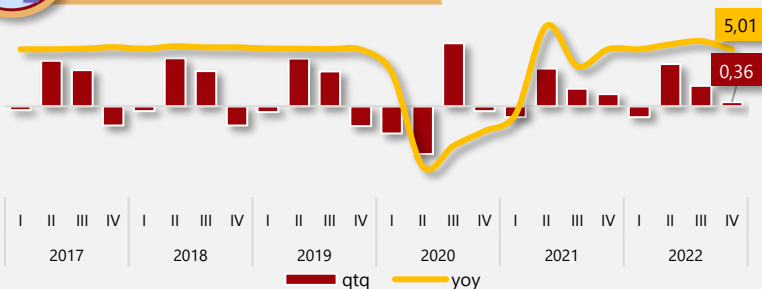
INDONESIA ECONOMY AT A GLANCE



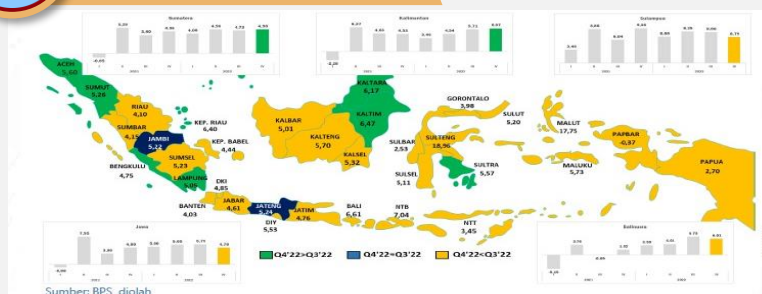
Rumah Adat Karo



Strong GDP Growth¹



GDP Regionally



Indonesia Growth Prospect in 2023

| Institutions | GDP growth (%) |
|------------------------------------|----------------|
| 2023 Budget | 5.3 |
| Bank Indonesia | 4.5-5.3 |
| Consensus Forecast (February 2023) | 4.5 |
| World Bank (GEP, Jan 2023) | 4.8 |
| IMF (WEO, Jan 2023) | 4.8 |

Indonesia economy expands at rate of 5.31% (yoy) in Full 2022, which is the best full-year GDP growth rate since 2013. It is reflected that Indonesian economy performed well amid still troubled global conditions. Meanwhile, in the last quarter of 2022 the Indonesian economy showed a growth rate of 5.01% (yoy) slightly slower than last quarter 5.73% (yoy). Solid economic performance was supported by persistently strong domestic demand, investment, and exports. National economic improvements were also reflected by various economic sectors and all regions of the archipelago. Moving forward, economic growth is expected to remain intact on the back of domestic demand in line with improving mobility and the ongoing completion of national strategic projects (PSN).





In terms of spending, nearly all components recorded positive growth in the reporting period. Household consumption expanded 4.48% (yoy) despite moderating from 5.39% (yoy) in the previous period. Strong growth was consistent with increasing public mobility, the limited impact of fuel price adjustments as well as disbursements of social assistance (bansos) and energy subsidies. Investment still going strong to 3.33% (yoy) despite moderating from 4.98% (yoy), primarily driven by non-building investment in machinery and equipment. Meanwhile, government consumption experienced a 4.77% (yoy) contraction due to lower procurement spending for Covid-19 handling as the number of Covid-19 cases is slowing down. Exports continued to expand with growth reaching 14.93% (yoy), despite moderating from previous quarter underpinned by persistently strong demand in Indonesia's main trading partners, together with policy to accelerate exports of crude palm oil (CPO). But, it is moderating because the commodity prices in the international market is slowing down. Import growth was also slowing down at 6.25% (yoy) in the reporting period.

Nearly all economic sectors growing strong in the last quarter of 2022, primarily driven by the Manufacturing Industry, Mining, Agriculture as well as Wholesale and Retail Trade. Regionally, economic improvements were bolstered by growth in all regions of Indonesia, led by Sulawesi-Maluku-Papua (Sulampua), followed by Java, Bali-Nusa Tenggara (Balinusra), Kalimantan and Sumatra.



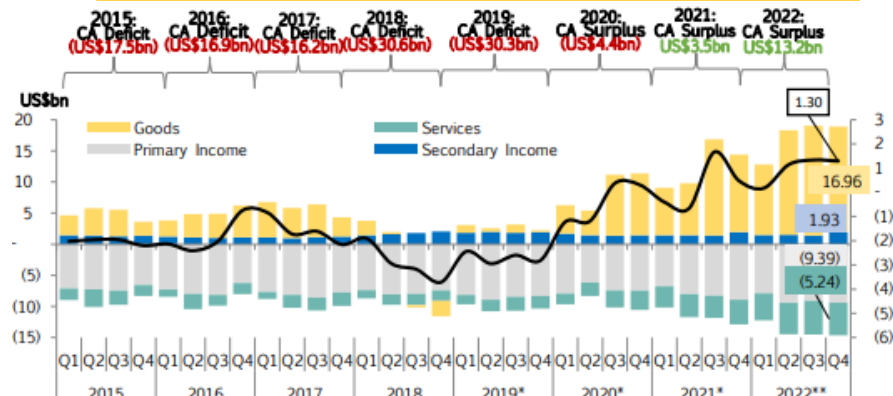
2023 Economic Outlook

- Bank Indonesia projects economic growth in 2023 continue to accelerate to the range of 4.5-5.3% in 2023.
- Bank Indonesia is confident core inflation will remain at the 3.0%±1% target during the first semester of 2023 and CPI inflation will return to the 3.0%±1% target in the second semester of 2023.
- Bank Indonesia projects BOP outlook for 2023 is good, with a manageable current account maintained in the range of a 0.4% of GDP surplus to a 0.4% of GDP deficit.
- Bank Indonesia projects credit growth in 2023 will accelerate to 10.0-12.0%.

| |  Economic Growth |  Inflation |  CAD (% of GDP) |  Credit Growth |
|------------------|---|---|--|---|
| 2018 Realization | 5.17% | 3.13% | 2.98% | 11.75% |
| 2019 Realization | 5.02% | 2.72% | 2.71% | 6.08% |
| 2020 Realization | -2.07% | 1.68% | 0.40% | -2.40% |
| 2021 Realization | 3.69% | 1.87% | 0.30% | 5.24% |
| 2022 Realization | 5.31% | 5.51% | 1.00% | 11.35% |
| Projection 2023 | 4.50%-5.30% | 3.0±1% | Surplus 0.40% - Deficit 0.40% | 10% - 12% |

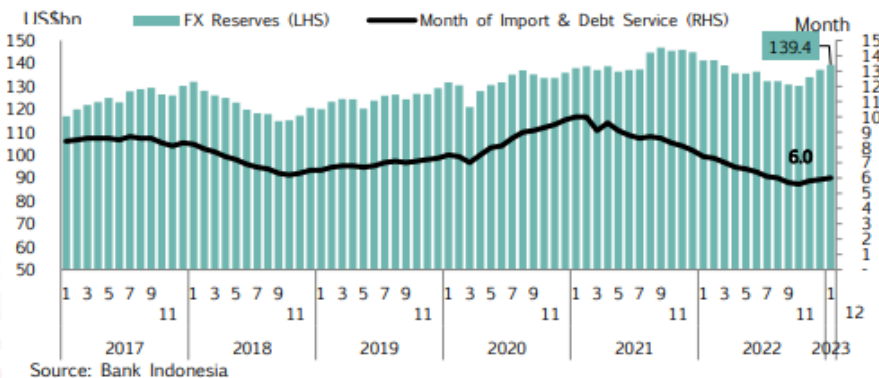
Source: Bank Indonesia (proceed)

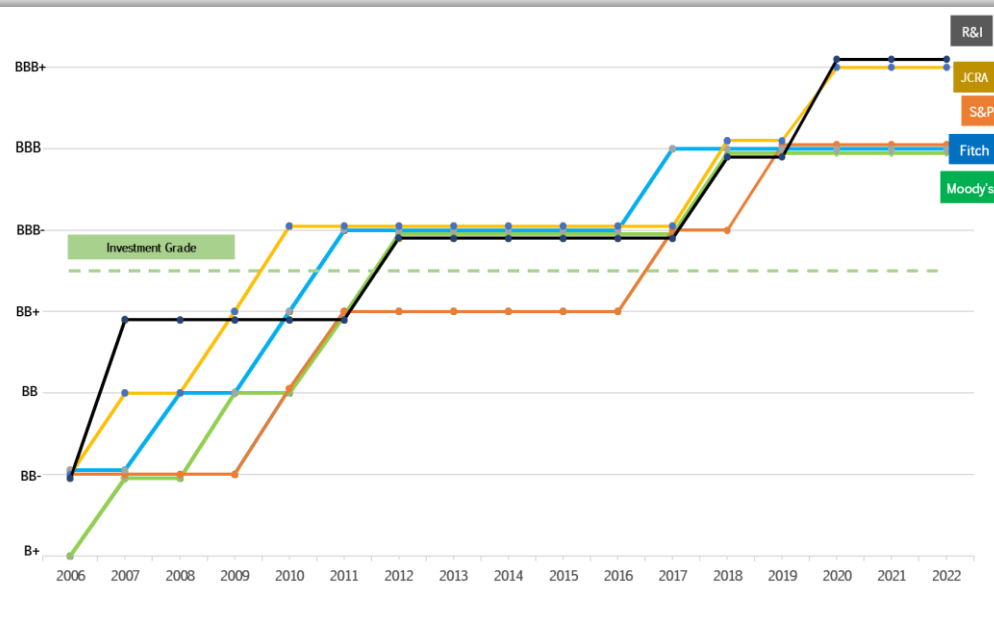
Current Account



Source: Bank Indonesia

Official Reserve Assets Increased to Reinforce External Sector Resilience





BBB+ / Stable

July 2022, Rating Affirmed at BBB+/Stable

"In R&I view, Indonesia's economy that plunged in 2020 will likely return to a pre-coronavirus growth level in one to two years. The government's structural reform efforts are also expected to boost growth potential in the medium to long term. Despite the pressure on the fiscal side caused by policy responses, the government debt ratio remains relatively low. The economic resilience to external shocks is maintained thanks to flexible policy responses by the government and the central bank and ample foreign reserves."



BBB+ / Stable

July 2022, 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 accumulation of foreign exchange reserves. JCR holds that the debt will gradually decrease as the fiscal balance improves mainly increased revenue from economic growth and higher commodity prices."



BBB / Stable

December 2022, Rating Affirmed at BBB/Stable

"Indonesia's rating balances a favorable medium-term growth outlook and a still low government debt/GDP ratio against government revenue, sovereign external debt to GDP and structural features such as governance indicators and GDP per capita that are weak compared with that of 'BBB' category peers."



BBB / Stable

April 2022, Outlook Revised To Stable; BBB Ratings Affirmed

"The stable outlook reflects our expectation that Indonesia's economic recovery will continue over the next two years, supporting the government's continued fiscal consolidation efforts. We expect the pace of the recovery to accelerate further this year."



Baa2 / Stable

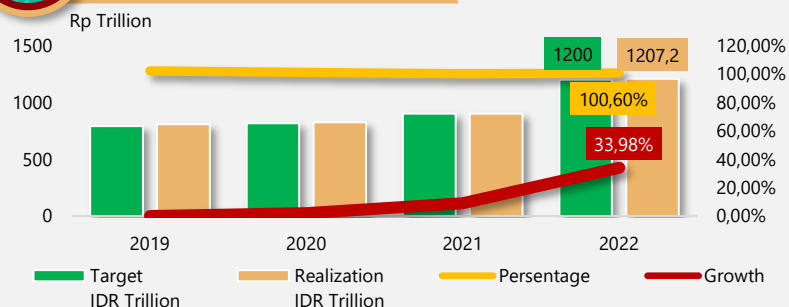
February 2022, Rating Affirmed at Baa2/Stable

"The affirmation of the rating is supported by continued economic resiliency and Moody's expectations that monetary and macroeconomic policy effectiveness will be maintained, containing risks as global interest rates rise. Moody's expects economic activity to revert to its historical average in 2023, with growth sustaining at those rates thereafter."

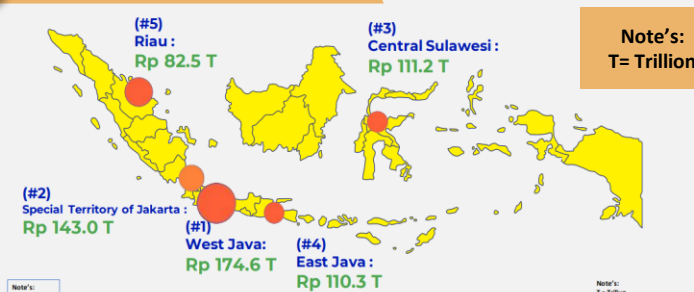




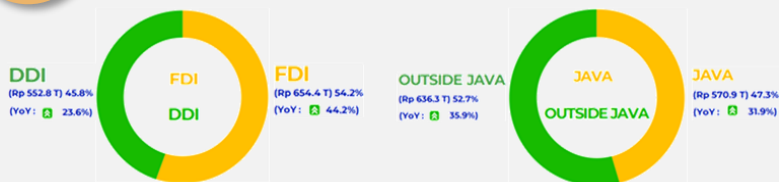
Investment Growth Toward Target



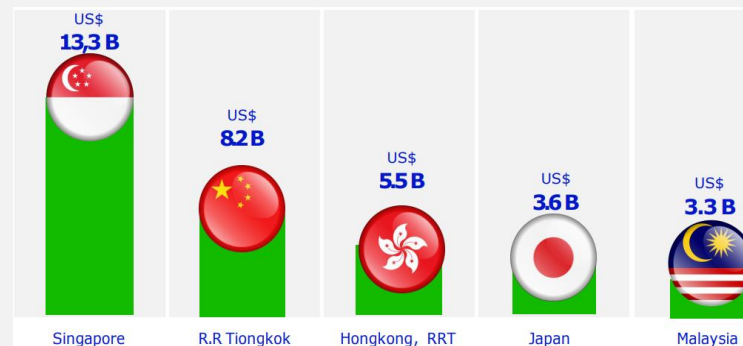
Investment Realization by Geography



Investment Realization by Spatial



Top 5 Investors by Country



Investment Realization by Sector (IDR billion)



Source: Investment Ministry/BKPM (processed)



Improving investment quality to promote inclusive and sustainable economic growth



Source: Strategic Planning of Ministry of Investment/ BKPM (Renstra) 2020 – 2024



The Omnibus Law has been in effect since its promulgation on November 2, 2020. The Constitutional Court Decision No. 91/PUU XVIII/2020 dated November 25, 2021 which states that the Law of Job Creation is unconstitutional with the condition: remains in effect operational but must be formally revised within 2 years. The issuance of Ministerial Regulations/Regional Regulations/Regional Head Regulations which are technical in nature, operational can still be carried out, and the OSS System will continue to run as should be.



Under the Omnibus Law, **77 Indonesian Laws** have been revised through a single law which regulates various sectors.

Has simplified into



Complicated licensing issues with abundant central & local regulations (hyper-regulations) that regulate the sector, causing disharmony, overlapping, non-operational and sectoral.
186 Article and **15 chapter**



Investment Ecosystem and Business Activities



Research and Innovation



Government Investment & National Strategic Project (PSN)



Business Licensing



Land Acquisition



Public Administration



Employment



Economic Zones



Imposition of Sanctions



SME and Cooperatives



Ease of Doing Business

Source: Coordinating Ministry for Economic Affairs

A new paradigm in accelerating the licensing process to improve Indonesia's investment competitiveness



Ease of Doing Business

Ex-ante Licensing (satisfying all requirements in advance) is effectively replaced by **ex-post licensing** (the requirements are checked afterward), which will be particularly advantageous for low- and medium-risk businesses.



Risk-based Business License

Risk Based Business Licensing aiming to simplify the procedure to obtain a business license based on risk analysis and determination of the scale of a business (whether it is a small or a big business)

There are 16 sectors in which the Gov Regulation No 5/2021 covers licensing:

1. Marine & fisheries;
2. Agriculture;
3. The environment & forestry;
4. Energy & mineral resources;
5. Nuclear energy;
6. Industry;
7. Trading;
8. Public works and housing;
9. Transport;
10. Health, medicine and food;
11. Education and culture;
12. Tourism;
13. Religion;
14. Post, telecommunications, broadcasting, electronic systems and transactions;
15. Defense & safety;
16. Employment.

Low Risk

Only required to obtain a Business Identification Number

Medium Risk

Business Identification Number + Standard Certificate

High Risk

Business Identification Number + License + Standard Certificate issued by either the central or regional government

Online Single Submission (OSS) – Risk Based Approach (RBA) already implemented starting **August 9, 2021** in all regions of Indonesia

The government facilitates fiscal incentives to create a conducive investment climate, especially for industry players. Through increased investment, it is hoped that it can strengthen the domestic industrial structure

TAX HOLIDAY

- The criteria are new investment, taxpayers including pioneer industries, and income received from the main business activities carried out.
- There are 18 eligible pioneer industries that consist of 169 KBLI. Pioneer industries are defined as industries possessing broad linkages, giving added value and high externality, introducing new technology, as well as possessing strategic value for the national economy.

As of September 2022 (year to date):

- Total Investment: Rp116 Trillion
- Tax Payer: 16 Tax Payer
- Location: 7 provinces
- Origin of investment: domestic and 5 countries

TAX ALLOWANCE

- To increase direct investment activities for certain business fields and / or in certain areas.
- The facilities include a reduction in net income of 30% of the total investment for six years, accelerated depreciation and amortization, imposition of income tax on dividends paid to foreign tax subjects of 10% or lower and compensation for losses of up to 10 years.
- The criteria are having a high investment value or for export, a large absorption of labor; or have a high local content.

- Total Investment: Rp13.4 Trillion
 - Tax Payer: 13 Tax Payer
 - Approval: 16 Minister of Finance Decree
- Source: OSS September 2022

INVESTMENT ALLOWANCE

- To encourage investment in labor-intensive industries, support programs for job creation and absorption of Indonesian workers.
- Incentives in the form of facilities to reduce net income by up to 60% for labor-intensive sectors
- There are 45 labor-intensive industrial sectors and employ an average of 300 workers in 1 tax year.

- Total Investment: Rp363 Billion
 - Investment: 2 activities
 - Tax payer: 2 tax payers
- Source: OSS September 2022

SUPER DEDUCTION TAX

Super Deduction Vocational

- Engaging industry in vocational activities to provide knowledge and encourage the transfer of knowledge
- A maximum reduction of 200% gross income from costs in the context of providing work practice, apprenticeship, and / or learning activities.
- As per September 2022, there are 186 agreement for vocational activities (ytd)

R & D Super Deduction

- Increase the role of industry in fostering innovation and the use of the latest technology in the production process
- Maximum gross income deduction of 300% over R&D costs carried out in Indonesia
- As per September 2022, there are 13 proposal for research and development activities (ytd), with estimated RnD cost up to Rp97.5 billions

Source: Coordinating Ministry for Economic Affairs

In the form of relaxation of asset quality assessments, postponement of principal & interest subsidies, low-interest working capital loans guaranteed by Askrindo and Jamkrindo, tax incentives for MSMEs borne by the government, and Productive Presidential Assistance for Micro Enterprises

MSMEs CREDIT RESTRUCTURING

1 ASSET QUALITY ASSESSMENT

According to POJK No. 11/POJK.03/2020 & 14/POJK.05/2020

Asset Quality Arrangement:

Loans ≤ IDR 10 billion can be based only on the accuracy of principal / interest payments

Restructurisation:

The credit quality for affected debtors is determined to be current since restructuring

The restructuring is carried out without a ceiling limit / type of financing

2 POSTPONEMENT OF PRINCIPAL & INTEREST SUBSIDIES

KUR Super Mikro : Loan up to IDR 10 million

- Interest subsidy will be 19% consist of additional interest subsidy 6% and regular interest subsidy 13%, debtors pays 0% interest from Aug – Dec 2020.

KUR MKM (SMEs):

Loan up to IDR 10 million up to IDR 500 million

- Postponement of installments and 6% additional interest subsidy for the period from Apr-Dec 2020 to 0%.

KUR MSME Credit, non-KUR:

Loan > IDR 500 million up to IDR 10 billion

- Postponement of installments and interest subsidies 3% for the first 3 months and 2% for the next 3 months

UMi, Mekaar, Pegadaian (Pawnshop)

- Postponement of principal installments and interest subsidies for 6 months from Apr-Sep 2020

Fintech Loan, Co-op, Farmers, LPDB, LPMUKP, UMKM PEMDA

- Relaxation is given a 6% interest subsidy for 6 months

Based on Coordination Meeting held by Financing Policy Committee for MSME on December 28, 2020, KUR implementation in 2021 are as follows:

- Additional interest subsidy 3% for 6 months, debtors pays 3% interest.
- Increase the ceiling of KUR in 2021 to IDR 253 trillion.

WORKING CAPITAL CREDIT

3 LOW INTEREST

Placement of IDR30 Trillion Government Funds at Bank Himbara

4 GUARANTEE

Government support in the form of guarantees by Askrindo and Jamkrindo

OTHER SUPPORT

5 Income Tax for MSMEs is borne by Government

MSMEs receive a final PPh rate of 0.5% (PP 23/2018) borne by the government (DTP).

6 MICRO BUSINESS PRODUCTIVE PRESIDENT ASSISTANCE

Direct assistance to 13 million Micro Enterprises and 1 million street vendors in the amount of IDR 1.2 million per recipient

Source: Coordinating Ministry for Economic Affairs

WHY INVEST IN NORTH SUMATRA?



Jumping Stone Tradition, Nias

NORTH SUMATRA is one of Indonesian economic proponent with economic growth above national's historically and frequently. With GRDP per capita of IDR 63.19 million/person in 2022, 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 build North Sumatra has humongous opportunity to be developed.

Renowned for its' fertile soil, **North Sumatra become one of the Indonesian central producer of agricultural commodities such as crops and horticultural.** Rice production of 2.13 million ton in 2022 propelled North Sumatra to become a rice granary in Sumatra Island. This productivity reflects to land area of CPO, rubber, and coffee in North Sumatra. While, CPO land area is about 442.07 thousand Ha with productivity as much 1.64 million ton, rubber is about 369.42 thousand Ha with productivity as much 310.03 thousand ton, and coffee which specialty arabica coffee is about 77.9 thousand Ha with productivity as much 67.6 thousand ton.

Besides that, **North Sumatra as one of the marine provinces in Indonesia has a big chance to expand the fishery production.** In 2021, North Sumatra produced a volume of marine captured fisheries of 424,876 ton with a volume value of IDR 12,51 billion. It's a huge advantage what North Sumatra has and really possible to grow up as a potential investment.

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, industry, tourism, and transportation sectors to support sustainable economic growth through investment.



GRDP of North Sumatra in 2022
4.73% (yoy)

One of the biggest contributors by economic comparison in Sumatra Island



HDI 2022
72.71

Categorized as high



Inflation
5.88% (yoy)

Feb 2023



Population (2021)
14.93 million

The 4th most populous province in Indonesia



Employment Rate
69.54% (Aug 2022)

Adequate human resources for supporting new business



Export (Jan 2023)
USD 814.16 million

Decreased -14.87% (yoy) due to global demand shortage



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 Malacca Strait, it has been a major trade center in west Indonesia.



Millennial Province because almost a half of North Sumatra population is under 25 years old



Low Minimum Wage Rate
At USD177 per month our wage rate is cheaper than several countries in ASEAN.



6 Ports are available to facilitate new business in North Sumatra.

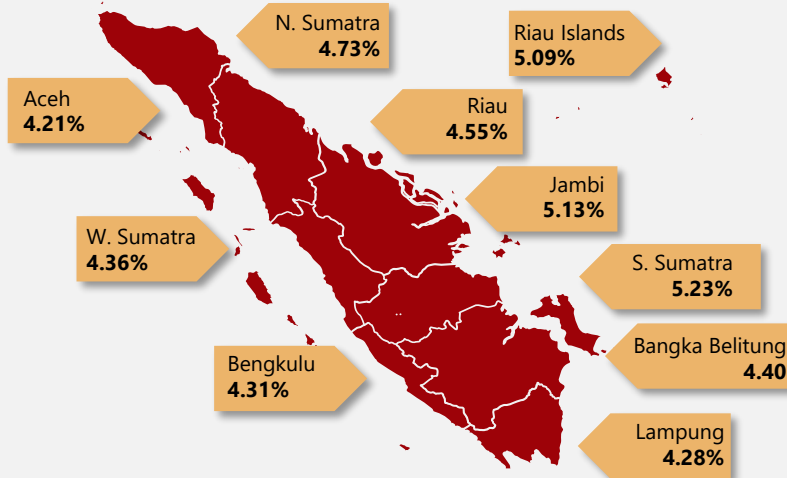


7 Airports which are consisting of 2 international airports & the rest service for domestic flights.

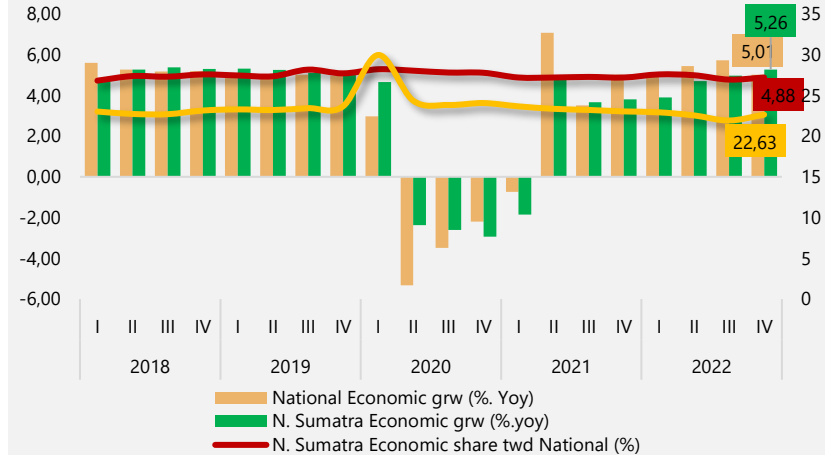
Source: BPS, processed



Sumatra Economic Growth



North Sumatra, national economic growth and north Sumatra gdrp share toward Sumatra & national

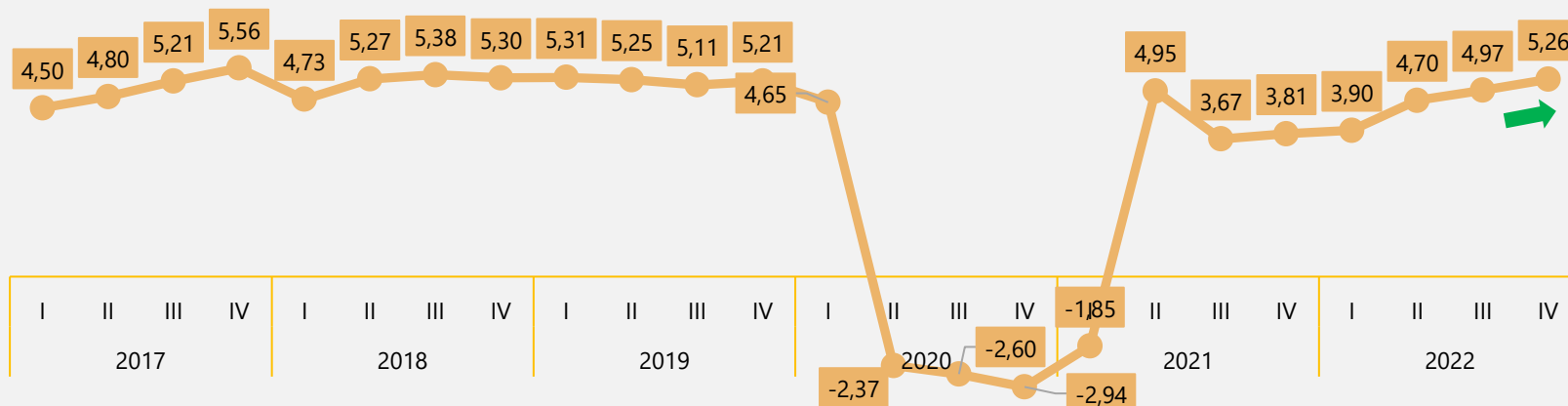


Source: BPS, processed

- **North Sumatra's economic recovery in 2022 continues and grows 4.73% (yoy) higher than the previous year.** The pandemic conditions that were better than the previous year were supported by the continuation of various government incentives to encourage domestic demand. The improvement also contributed to better business activity than the previous year. The realization of North Sumatra's economic growth in 2022 is still within the target range of projection, which is 4.1-4.9%.
- In terms of expenditure, household consumption was supporting North Sumatra's economic growth in 2022. The continuation of various national economic recovery (PEN) incentives such as the 3% ultra micro credit (KUR) program, disbursements of social assistance (bansos), and housing tax (PPN-DTP) incentives in the midst of economic activities that adopt a new normal encourages household consumption performance. The improvement in domestic pandemic conditions also contributed to positively investor sentiment, which help to increase investment performance. On the other hand, government consumption moderating due to lower procurement spending for Covid-19 handling as the number of Covid-19 cases is slowing down. Geopolitical conflicts that occurred throughout 2022 had an impact on the global economic slowdown and potentially restrain the performance of North Sumatra's international trade. The slow down in the international trade in line with the decline of demand from trading partner countries amid an increase in prices of major commodities such as CPO.
- In terms of industrial fields, growth comes from all major business fields. The adaptation of new habits and the acceleration of vaccination have encouraged the easing of mobility restrictions, which in turn has contributed to the performance of the Transportation and Warehousing Sector. The increasing purchasing power accompanied by the government's continued stimulus has also encouraged an increase in the Trade Sector. Construction is also starting to expand again, especially with the continuation of the Trans Sumatra Toll Road National Strategic Project and electricity infrastructure projects such as the Batang Toru hydropower plant.



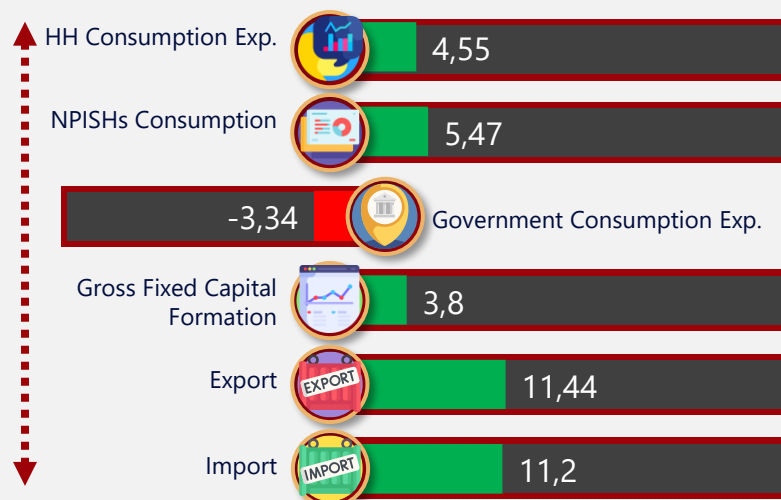
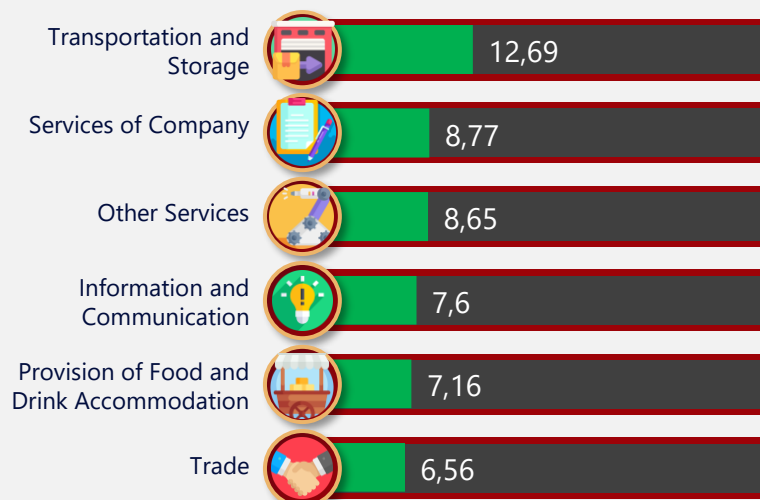
North Sumatra's economic is accelerated. The accelerated growth is supported by improvements in almost all economic sectors, both in terms of industrial origin and expenditure including of handling the pandemic which is getting better, thus encouraging the optimization of household spending, the investment sector, improving services and export performance that are getting better.



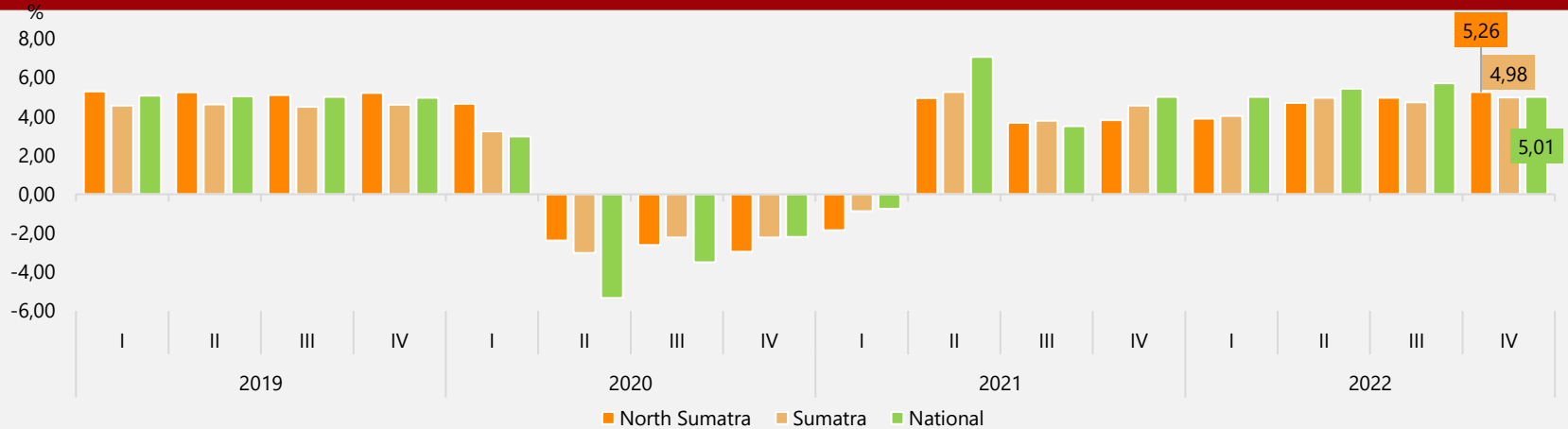
GRDP Growth (Industrial Origin, yoy)

2022

GRDP Growth (Expenditure, yoy)



Economic Growth of Indonesia, Sumatra and North Sumatra

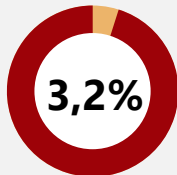


North Sumatra financial system is still conducive, reflected on positive growth of financing / banking credit. Government efforts to boost real sector are supported by optimizing credit restructuring for small business and fiscal incentive for resilient financial sectors.

North Sumatra Financial System Overview



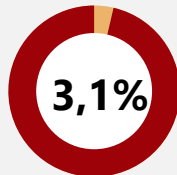
Financing g. (%; yoy)
Jan 2023



Nominal Jan 2023 :
IDR 248 Trillion
Nominal Jan 2022 :
IDR 240 Trillion



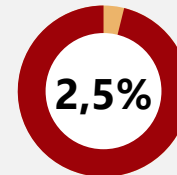
Bank Deposit Account (%; yoy)
Jan 2023



Nominal Jan 2023 :
IDR 299 Trillion
Nominal Jan 2022 :
IDR 290 Trillion



NPL (%)
Jan 2023

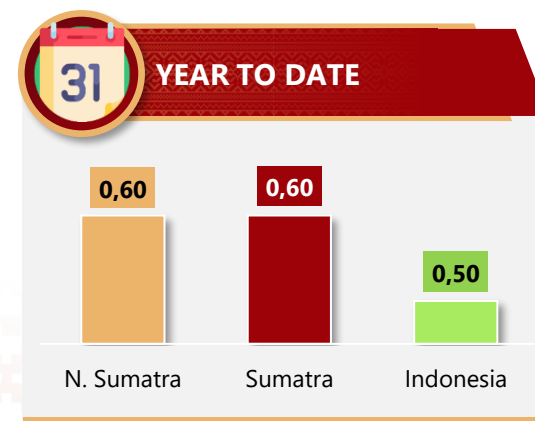
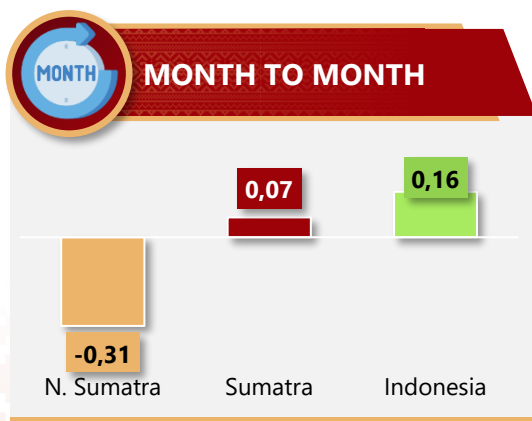


Nominal Jan 2023 :
IDR 6 Trillion
Nominal Jan 2022 :
IDR 6 Trillion

Source: Bank Indonesia



In February 2023, North Sumatra recorded deflation of -0.31% (mtm), down from the previous month which recorded inflation of 0.91% (mtm). This is mainly influenced by the normalization of demand and people's mobility in accordance with historical patterns. Annually, it was recorded at 5.88% (yoy), lower than 5.99% (yoy) in January 2023. The commodity groups that contributed the largest annual inflation were the Food and Beverage and Tobacco Group (2.40%) and the Transportation (2.02%). Spatially, the cities contributing to the highest inflation include Sibolga (6.91%) and Padangsidempuan (6.72%). The inflation rate of North Sumatra in 2023 is predicted to be lower than the previous year supported by an increase in strategic food production. Bank Indonesia of North Sumatra Province together with the Provincial Government of North Sumatra continue to strive to control inflation, especially ahead of religious holidays and new year through the synergy of Regional Inflation Control Team (TPID) of North Sumatra.



Source: BPS, processed



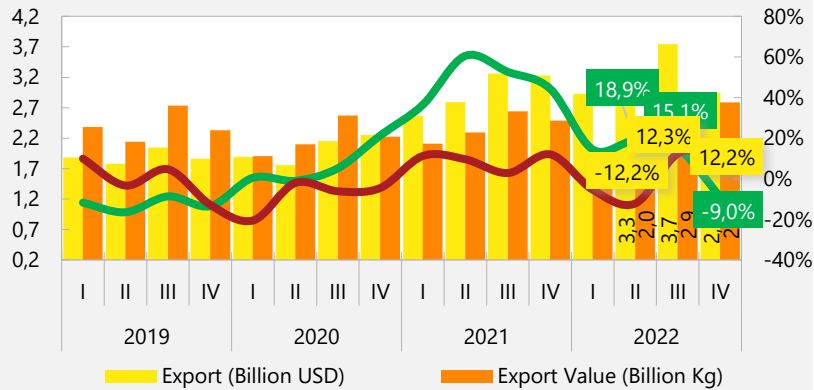
Adjacent to the world trade route, North Sumatra maintains its trade competitiveness among peer countries. Although the latest export volume of North Sumatra is moderating as a result of geopolitical conflicts and Zero Covid Policy of Tiongkok as the biggest share of export countries, export growth predicted to expand in the next quarter as Zero Covid Policy has ended.



EXPORT

USD Billion - Billion Kg

YoY



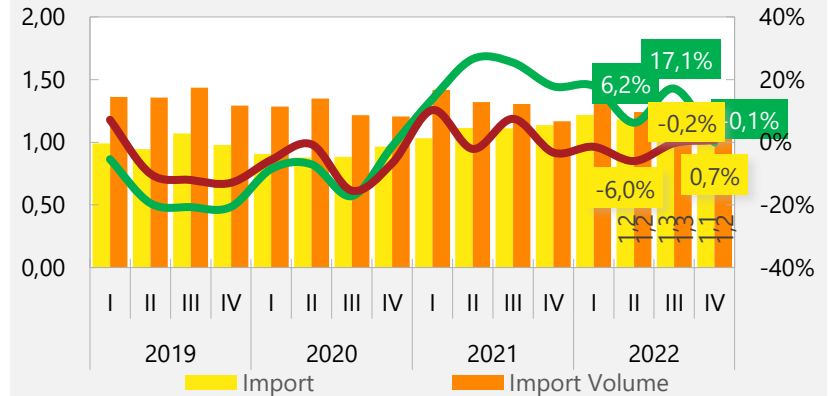
Source: Bea Cukai, proceed



IMPORT

USD Billion - Billion Kg

YoY



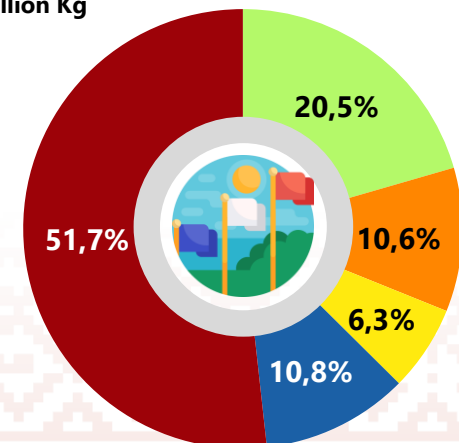
Source: Bea Cukai, proceed

Export Shares Based on Countries



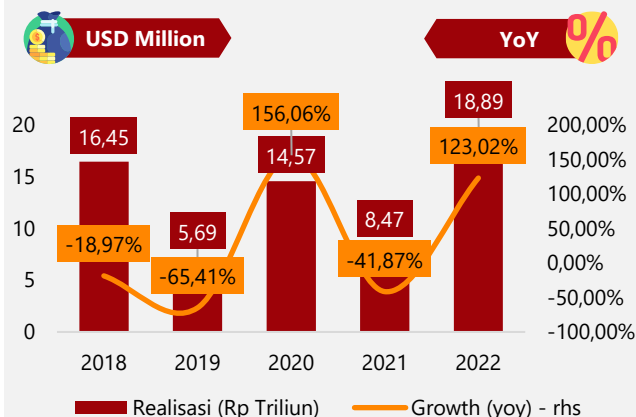
USD Billion - Billion Kg

- Tiongkok
- USA
- Euro Area
- India
- Others

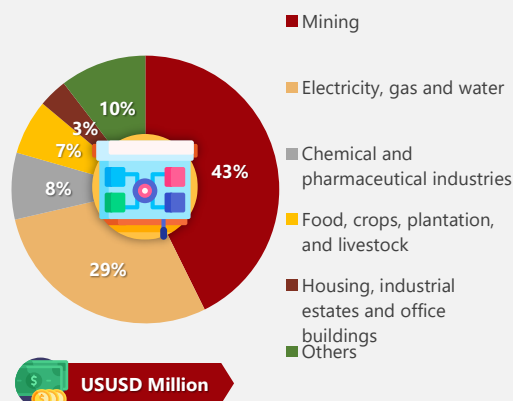


After experiencing a decline in the Covid-19 period in 2021, the realization of North Sumatra's investment in 2022 reached IDR 41.67 trillion or grew by 54.62% (yoy). Investment realization was dominated by DDI with a share of 54.67%. FDI grew significantly above 100% and DDI grew 23.29%. The realization of DDI and FDI investments in North Sumatra has a different sectoral focus. Domestic Investor focuses on investment in the transportation, warehouse, and telecommunications sectors and the food crop, plantation, and livestock sectors, while Foreign Investor focuses on the mining sector and the LGA sector. Based on the achievement of the investment target, the realization of North Sumatra's investment has reached 113.85% of the target set in the Regional Government Medium-Term Plan of IDR 36.60 trillion.

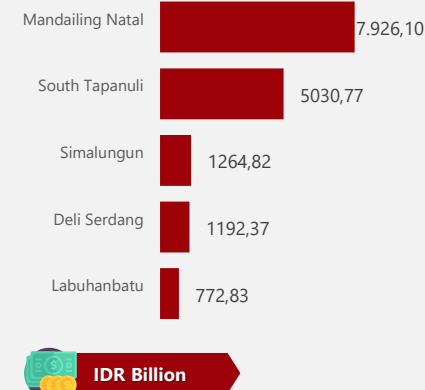
FDI GROWTH 2018 – 2022



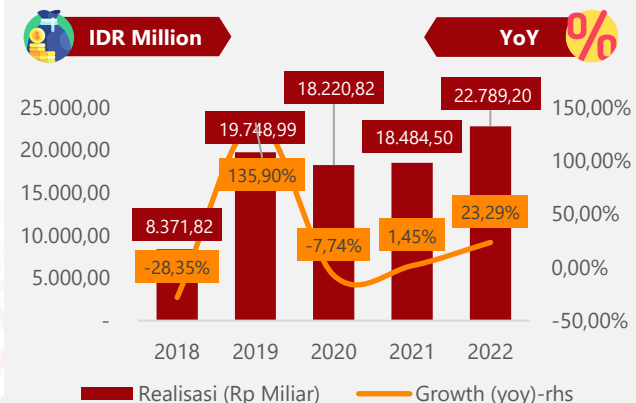
TOP 5 FDI BY SECTOR



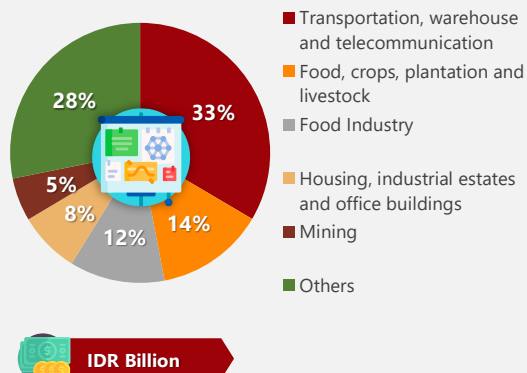
TOP 5 FDI BY LOCATION



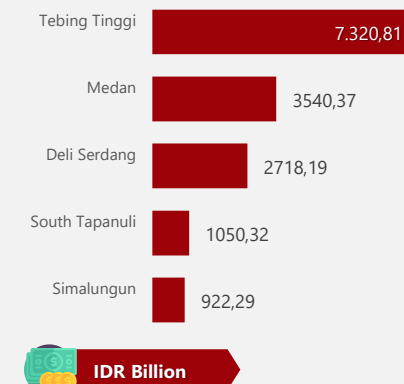
DDI GROWTH 2018 – 2022



TOP 5 DDI BY SECTOR



TOP 5 DDI BY LOCATION

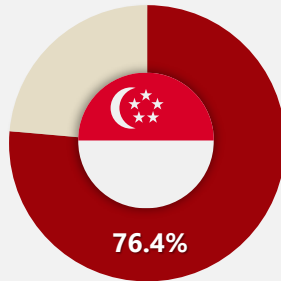


Source: Investment Ministry/BKPM

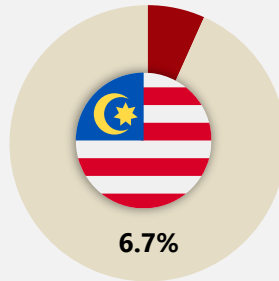


With an increasing investment realization, Singapore dominates investment realization in North Sumatra with share reaching 76.4% followed by Malaysia 6.7% and the Netherlands 5.1% in 2022. This also recorded an increase in investment realization of 85.56% close to the national investment target of IDR 48.70 trillion by the Ministry of Investment/BKPM.

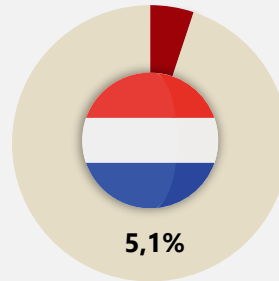
FDI IN Q3 OF 2022 BY COUNTRY



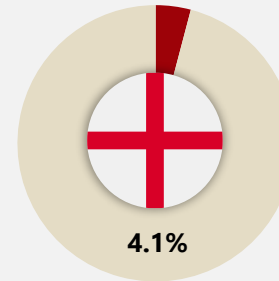
Singapore



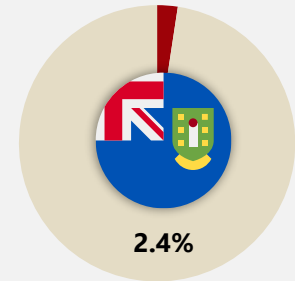
Malaysia



Netherlands



England



British Virgin Islands

**USD
Million**

1,005.23

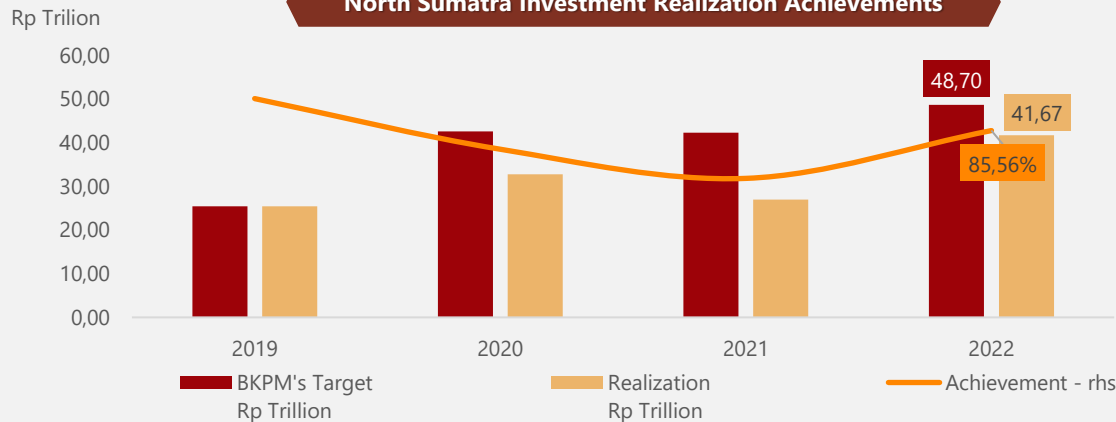
88.49

66.75

53.31

31.81

North Sumatra Investment Realization Achievements



120,00%
100,00%
80,00%
60,00%
40,00%
20,00%
0,00%



Source: Investment Ministry/BKPM



Vision of North Sumatra:

Making North Sumatra Developed, Safe and Dignity



Dignity in Life

Realizing a dignified society in life because it has faith and piety, the availability of sufficient clothing, a decent house, good education, excellent health, a pleasant livelihood, and affordable prices.



Dignity in Politics

Realizing clean and green government, good governance, fair and trustworthy, ethical politics, a society that has a national perspective and has strong and harmonious social cohesion.



Dignity in Education

Realizing a North Sumatran society that is educated, characterful, intelligent, collaborative, competitive and independent.



Dignity in Association

Realizing a society free from gambling, drugs, prostitution and smuggling so that it becomes an example in Southeast Asia and the world.



Dignity in Environmental

Realizing a society free from gambling, drugs, prostitution and smuggling so that it becomes an example in Southeast Asia and the world.



Objective

Developing Village to Organize City



Increasing Access to Education

1

Fulfillment of human resources that are competitive and can meet the challenges of the times



Increasing Public Health

2

Through increasing life expectancy, reducing maternal and child mortality, improving hospital service



Increasing Employment Opportunities

3

Through workforce competency training that is integrated with the job market and expand employment opportunities to reducing poverty



Increasing of Agriculture Sector

4

Increasing of agricultural and livestock facilities to drive the production and marketing process so that can compete globally



Increasing Tourism Competitiveness

5

Increasing the competitiveness through the implementation of CHSE (Cleanliness, Healthy, Safety, and Environmental Sustainability) principles



Increasing Bureaucratic Reform

6

Realized through good governance through established development priorities



Increasing Social Society & Sports

7

Through increasing national insight in encouraging a democratic climate and to support for PON XXI 2024 in North Sumatra



Environmentally Infrastructure Development

8

Optimization of irrigation networks, construction and management of waste, water and electricity for household electricity needs

INVESTMENT PROJECTS



Kuala Tanjung Sea Port, Batu Bara Regency



TOBA **CALDERA** RESORT

1

Lake Toba, Ajibata, Toba Regency



Location

Ajibata District, Toba Regency, North Sumatera



Investment Value

Total Infrastructure; Landscape Feature; Office and Supporting Building; Public Facility IDR 26 Trillion or equal to USD 1.75 Billion (Excluding PPN) (USD 1 = IDR 14,800)



Land

386.72 Ha
 Land has been used 4.05 Ha / 1.05% from total area



Sectors

Tourism Attractions, Agro-Tourism, Hospitality & Property.



Business's Scheme

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



Financial Feasibility

IRR 15.95%, NPV IDR118,043 million with Payback Period as long 8 years



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)



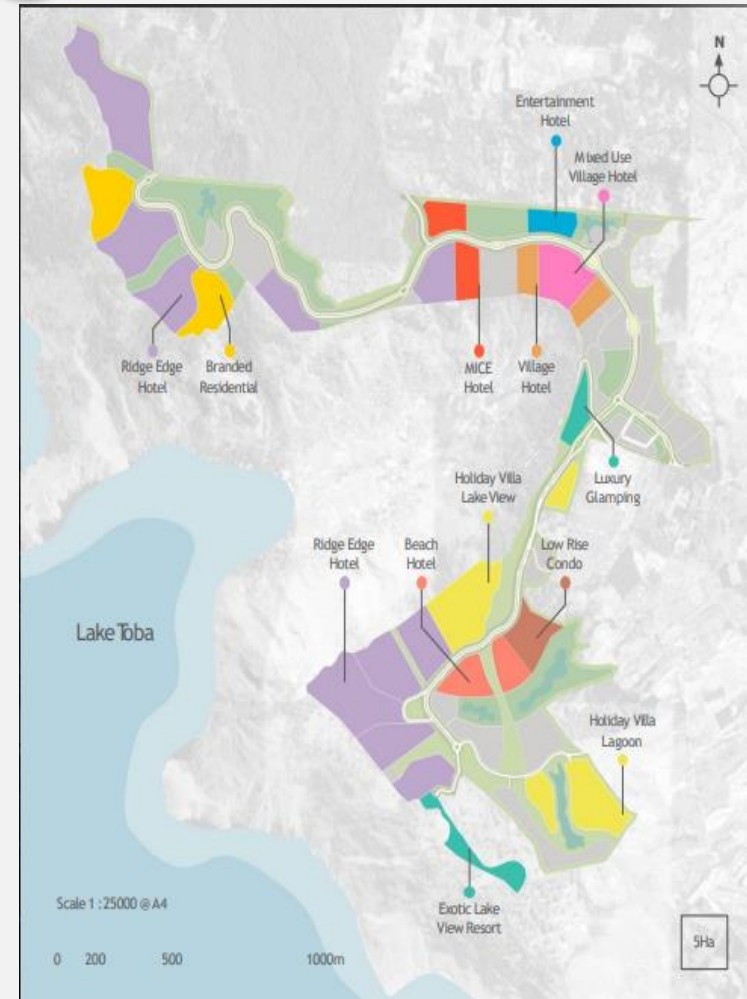
Source: Lake Toba Tourism Authority/BPODT



Accessibility



Development Plan Program



SITEPLAN



THEMATIC CONCEPT



North Ridge

Serene
Exclusive
Wellness



Central Village

Celebration
Vibrant
Integrated
Cultural



South Ridge

Leisure
Adventure
Active
Luxury

THEMATIC CONCEPT



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 Southeast Asia.**



One out of ten deepest lakes in the world, reaching around 500 meters deep.



The distinctive geographical of Lake Toba reserves several economic potentials for the benefit of the wide range of communities, especially as a source of bountiful fresh water and lush 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.

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



| | | |
|--|------------------------------|---|
| | Name of Project | International Five-star Hotel & Luxury Resort |
| | Managed By | Lake Toba Tourism Authority |
| | Sector | Property Development |
| | Business Scheme | <ul style="list-style-type: none"> • Joint Operation / Land-lease agreement (30+15 years) • Rate starts from USD 1 / m2 / year • Other agreeable cooperation form |
| | Key Project Highlight | <ul style="list-style-type: none"> • 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 years IRR for mid-class hotel investment in Lake Toba Area is between 10%-12% (subject to further financial analysis) |
| | Investment Size | <ul style="list-style-type: none"> • 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 <ul style="list-style-type: none"> • 3 lots of outdoor adventure / entertainment • International MICE Facility |
| | Managed By | Lake Toba Tourism Authority |
| | Sector | Commercial & Facility Development |
| | Business Scheme | <ul style="list-style-type: none"> • Joint Operation / Land-lease agreement (30+15 years) • Rate starts from USD 1 / m2 / year • Other agreeable cooperation form |
| | Key Project Highlight | <ul style="list-style-type: none"> • Located in Toba Caldera Resort of total 386,72 Ha • Allocated 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 |
| | Managed By | Lake Toba Tourism Authority |
| | Sector | Property Development |
| | Business Scheme | <ul style="list-style-type: none"> • 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) |
| | 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 | Lake Toba Tourism Authority |
| | Business Scheme | <ul style="list-style-type: none"> • Joint Operation / Land-lease agreement (30+15 years) • Rate starts from USD 1 / m2 / year • Revenue sharing • Other agreeable cooperation form |
| | Key Project Highlight | <p>Located in 386,5 Ha Sibisa Integrated Resort</p> <p>Total Investment for Basic Infrastructure Development IDR 1.6 Trillion (equals to USD 118.5 Million) including road infrastructure, street furniture & landscape, etc</p> <ul style="list-style-type: none"> • 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) <p>*subject to further study</p> |
| | Investment Size | |



1



PT. Bobobox Indonesia

The construction of comfortable accommodation through cabin has been present in Toba Caldera Resort since 2021. Currently, there are 11 cabins that are always full and have received enthusiasm from the community widely.

2



PT. Labersa Hutahaean

Offering the concept of residential development and star hotels as a support for amenity in the Toba Caldera Resort.

3



PT. Toba Nauli Indah

Offering the concept of residential development and star hotels as a support for amenity in the Toba Caldera Resort.



Other Prospective Companies



Lake Toba, Ajibata, Toba Regency

Jalan Kapten Patimura No. 125 Kec. Medan
Baru Kota Medan Provinsi Sumatera Utara
Kode Pos 20153



umum@laketoba.travel



061-4200-2060 / +62 852 7641 1171



otorita.danautoba



www.bpodt.id /
northsumatrainvest.id



otorita.danautoba



Otorita Danau Toba



CONTACT FOR DETAIL



SEI MANGKEI SPECIAL ECONOMIC ZONE

2

Sei Mangkei SEZ, Bosar Maligas, Simalungun Regency



Sei Mangkei SEZ, Bosar Maligas, Simalungun Regency

Location

Bosar Maligas, 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
Or equal to 9.36 Billion



Main Industries

- Palm Oil & Downstream Industries
- Rubber & Downstream Industries



Total Area / Land Status

1933,80 Ha/ Land Management Rights



Financial Feasibility

- IRR: 15%
- Concession: 30 years and extendable to 20 years



Business Scheme

PT. Perkebunan Nusantara III



Project Owner

PT. Perkebunan Nusantara III



Available Land Scheme



Land



Capacity **1.933 Ha**



Utilized **610,83 Ha**

Rent Cost (30 years) :
IDR 950.000/m² (USD 67,4)

***The listed price is negotiable**

***Exclude VAT (PPN) 10%.**



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



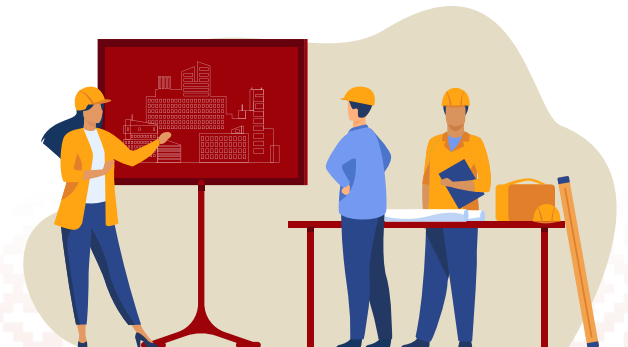
Finalizing & Agreement Signing

- 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.





As for supports outside area will get these facilities



Railway



International Airport



Highway



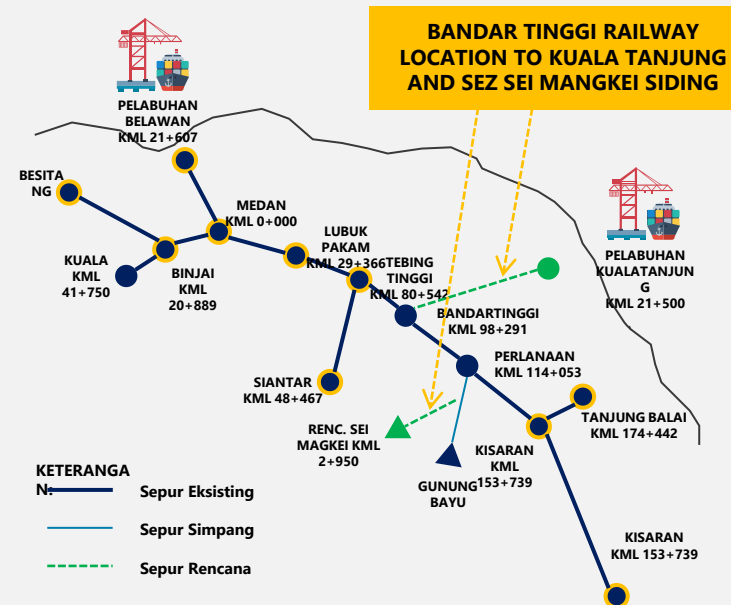
- Medan – Tebing Tinggi
- Tebing Tinggi – Kisaran
- Tebing Tinggi – Pematangsiantar

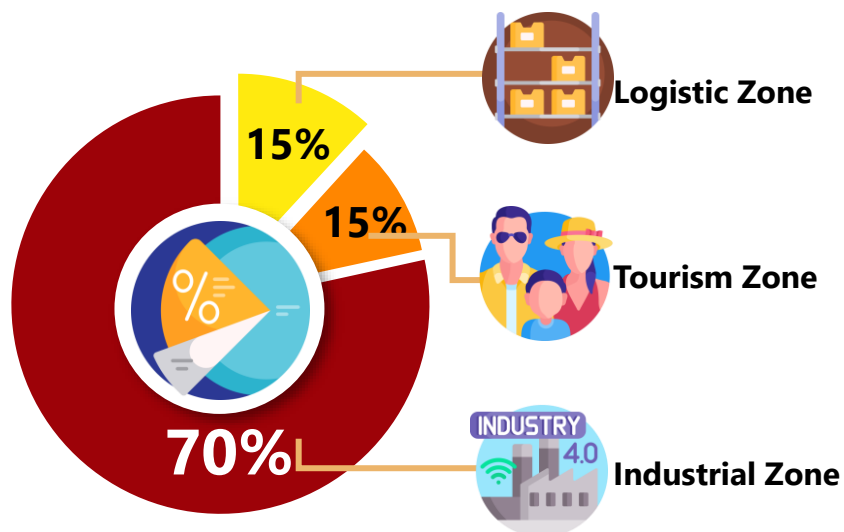


Kuala Tanjung Port



Access to Sei Mangkei SEZ





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 ZONE

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

CPO Derivative Products

Cooking Oil
Margarine
Biodiesel
Shortening
Ice Cream
Bakery Fats
Soaps
Emulsifier
Chocolate & coatings
Dry Soaps
Lubrications
Textiles
Plastic
Cosmetic, etc.

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
etc..

Solid Waste Derivative Products (Shell, EFB, Fiber, and Palm Trunk)

Boiler Fuel (Shell, Empty Fruit Bunch / EFB)
Potassium Fertilizer Material
Compost
Furniture Material
Fiber Board (Furniture raw materials)
Fiber for car seats dan mattresses.
Etc.

RUBBER INDUSTRY ZONE



Rubber Products
(two and four wheels tube and tire)



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

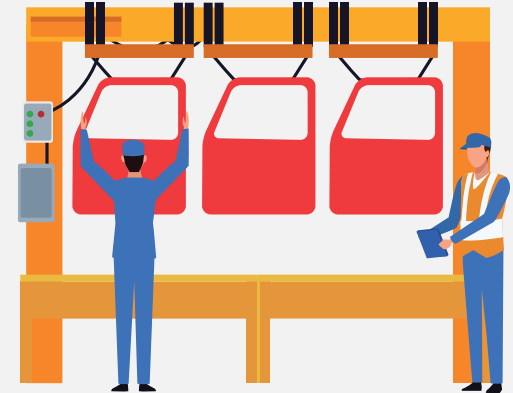


Latex Goods
(gloves, condoms, balloons, foams, catheter)



General Rubber Goods (carpet, footwear, sport apparel, household appliances)

VARIOUS INDUSTRY ZONE



Electronic Industry (air conditioner, refrigerator, sewing machines, television, etc.)



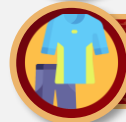
Chemical Industry (medicine, pharmacy)



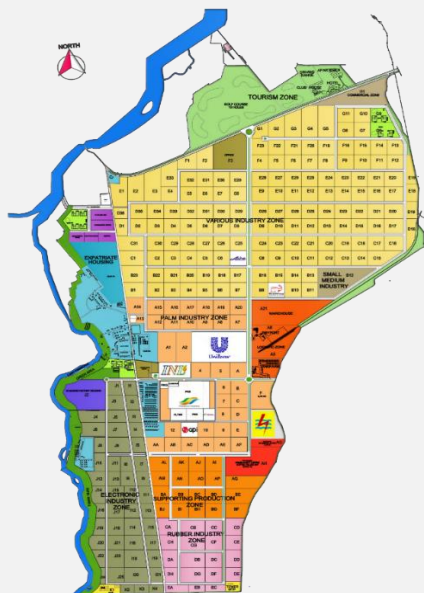
Food Industry (wheat, sugar, tea, coffee, salt, packed food)



General and Building Materials Industry
(board, plywood, marble, ceramics)



Textile Industry
(yarn, fabric, finished clothes)



| No. | Zones | Width | Industry | Facility | 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:

31.6%

From Sei Mangkei SEZ total area





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.

FARM TANK



DRY PORT & RAILWAY STATION



Dry Port Remission:

- › TAX BREAKS
- › FREE EXPORT AND IMPORT TAX
- › CONVENIENT IN LICENSING
- › LAND AND BUILDING TAX BREAKS



PMK 237/2020

TAX HOLIDAY

FACILITIES AND CONVENIENCE



Eligible Subjects

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



Minimum Investment

IDR 100 billion



Facilities

Tax holiday 100%
Business entity as long as 10 years
Investors/producers accordance to investment value

- Investment ≥ IDR 1 trillion as long as 20 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

FACILITIES 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



1

PT Unilever Oleochemical Indonesia

One of the world's oleochemical companies which located in North Sumatera is welcoming high caliber professionals to come onboard as part of this management team.



2

PT Industri Nabati Lestari

Industri Nabati Lestari (I N L) established on December 23, 2015 is a subsidiary of PTPN III & PTPN IV which operates a Palm Oil Refining & Fractionation plant with a capacity of 600,000 Mt per year. Having strong raw materials and being located in an integrated facility in the Sei Mangkei Special Economic Zone makes our product prices more competitive. PT. INL is committed to developing and promoting sustainable raw materials into all of our product lines.

3

PT Aice Sumatera Industry

Focuses to present ice cream that prioritizes innovation, quality, deliciousness and spreads a healthy and trendy lifestyle to make the day more beautiful, to achieve the dream of becoming the Most Popular Ice Cream Brand in Southeast Asia.



4

PT Perkebunan Nusantara III

Integrated and synergistic plantation resource-based business groups in providing value creation for stakeholders.

As Well As Several Other Companies



Sei Mangkei SEZ, Bosar Maligas, Simalungun Regency

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



cs@seimangkeisez.com /
marketing@seimangkeisez.co.id



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+62 811 6097 271



kekseimangkei



www.seimangkeisez.com
/ northsumatrainvest.id



KEK Sei Mangkei



KEK Sei Mangkei



PT Kawasan Industri
Nusantara



@kekseimangkei



CONTACT FOR DETAIL

Activate WhatsApp
Go to Settings



KUALA TANJUNG INDUSTRIAL ESTATE

3

Sei Mangkei SEZ, Bosar Maligas, Simalungun Regency



Location

Sei Suka Sub-District, Batubara Regency



Investment Value

IDR 28.87 Trillion or equal to USD 1.95 Billion (USD 1 = 14,800)



Total Area / Land Status

150 ha already available and will be expanded up to 3400 Ha



Business's Scheme

Direct Investment



Project Owner

PT. Prima Pengembangan Kawasan



Main Industries

Industrial Estate



Financial Feasibility

IRR 12%, NPV IDR 336 trillion with Payback Period 14 years. Has been a dertermination of land procurement area of 1,128 Ha together with local government



Source: Lake Toba Tourism Authority/BPODT

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:



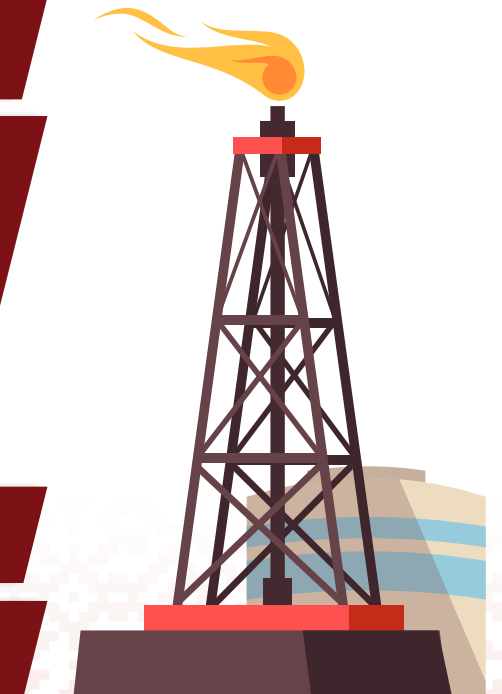
- ① Multipurpose Terminal Development (2015 – 2019)
- ② Industrial Estate Development (2015 – 2030)
- ③ International Hub Development (2030 – 2040)
- ④ Kuala Tanjung Development as Integrated Urban Area (2040 – 2050)

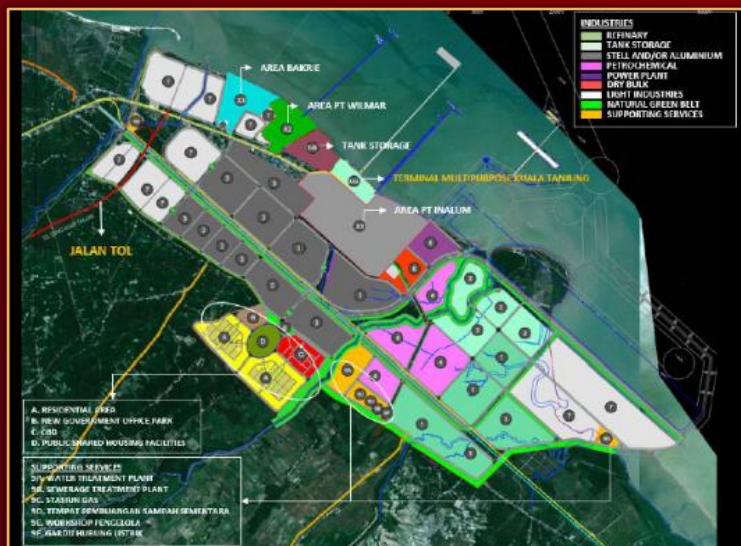


Basic infrastructure development (highway network, electrical installation, drainage, and raw and waste water processing) is planned to be initiated in 2021.



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.





SEGMENT TARGET & VALUE PROPOSITION

ALUMINIUM



Pure aluminium could be used directly for different industries



Inalum is the major producer of aluminium raw materials which is ingot



Trade flow will increase because of development, leading to higher GDP





Strategic Location

- Its proximity with the Mollaca Straits
- It has natural water depth up to 23 m LWS
- It has large space to develop
- It has existing industries, aluminium and palm oil



Abundant of Plantations

- Strong palm oil and rubber hinterlands
- Other agricultural products are adding more volume



Strong Government Support

- National Priority Projects
- One of the key industrial estate to be developed outside Java As west Indonesian hub



Availability of Human Resource

- It has abundant cheap and low skilled labor which is suitable for manufacturing
- Productive ages are dominated
- High skilled labor can easily travel to Kuala Tanjung



Integrated with Deep Seaport and Other Infrastructures

- Supported by 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 one of labor-intensive 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 aluminium raw materials which is Ingot
- Trade flow will increase because of development, leading to higher GDP





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



2. ALUMINIUM

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



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

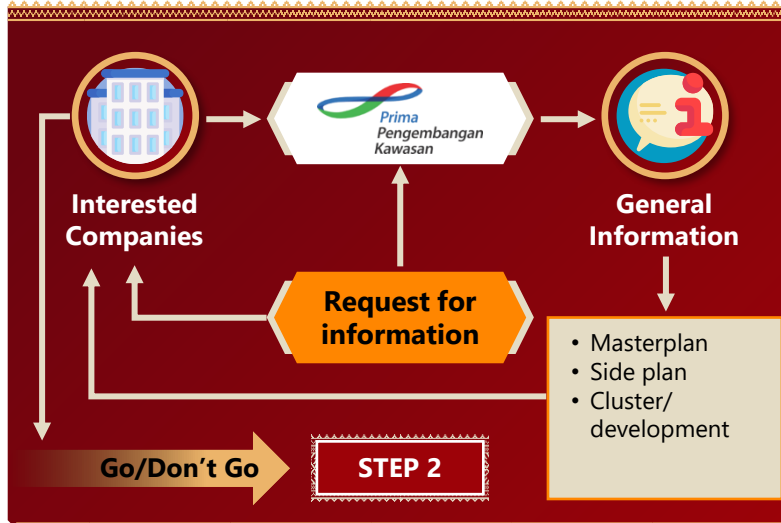
- Close proximity with cement production plants in Aceh and Padang
- Continued urbanization and major infrastructure project in North Sumatra will drive cement demand
- Development of Kuala Tanjung itself will require a lot of cement/concrete
- Cement industry is labour intensive and does not require 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



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

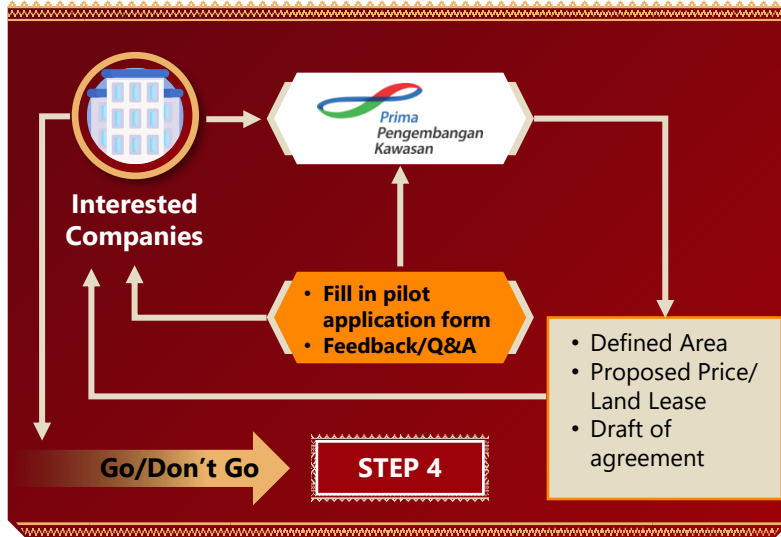
STEP 1



STEP 2



STEP 3



STEP 4



STEP 5





Kuala Tanjung Sea Port, Sei Suka, Batu Bara Regency

Jalan Lingkar Pelabuhan No. 1 Belawan
Medan Provinsi Sumatera Utara Kode Pos
20411



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sjoeanna@ptppk.co.id



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Pelindo 1



PT. Prima
Pengembangan
Kawasan



@pt_ppk



CONTACT FOR DETAIL



MEDAN INDUSTRIAL ESTATE

4

Medan Industrial Estate, Deli Serdang Regency



Medan Industrial Estate, Deli Serdang Regency

Location

Pulau Batam Street Medan Industrial Estate Area



Business's Scheme

150 Ha is still available and already clear by its existing land



Investment Value

IDR 359 Billion or equal to USD 23.64 Million



Sectors

Infrastructure and and manufacturing



Land

150 Ha is still available and already clear by its existing land



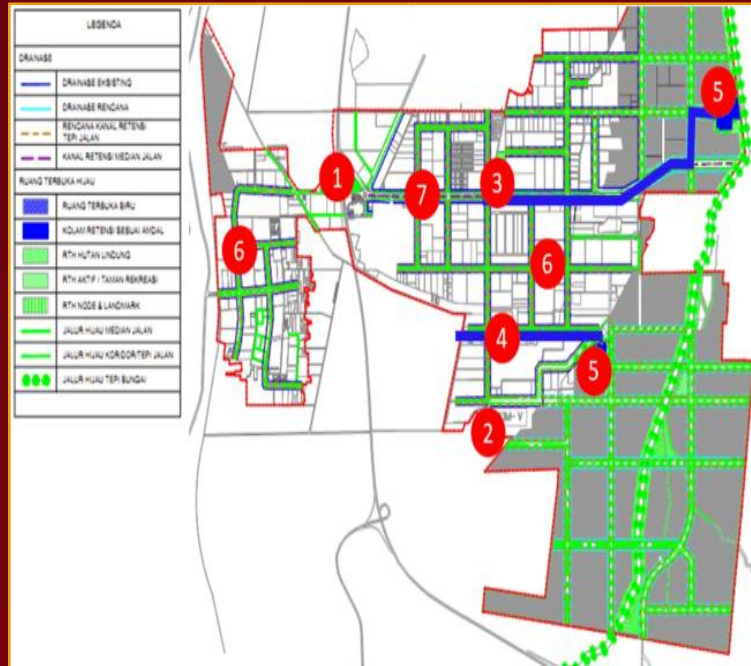
Project Owner

PT Medan Industrial Estate Company

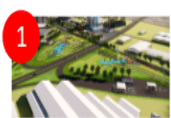


Source: PT. Medan Industrial Estate Company

A INTERNAL FLOOD CONTROL SYSTEM



RTH AKTIF TAMAN TOL



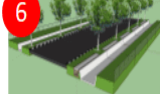
HUTAN LINDUNG



KOLAM RETENSI



KANAL RETENSI



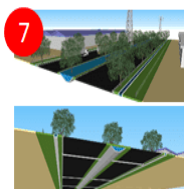
TAMAN REKREASI



TEROWONGAN AIR & POMPA PENDORONG



KANAL RETENSI KORIDOR



IRON & STEEL

IDR 114 Billion

Budget Year Plan

2021 to 2024 (Multiyears)

Source of Funds / Funding Scheme

Direct Investment

Location

In Medan Industrial Estate area at Pulau Batam Street

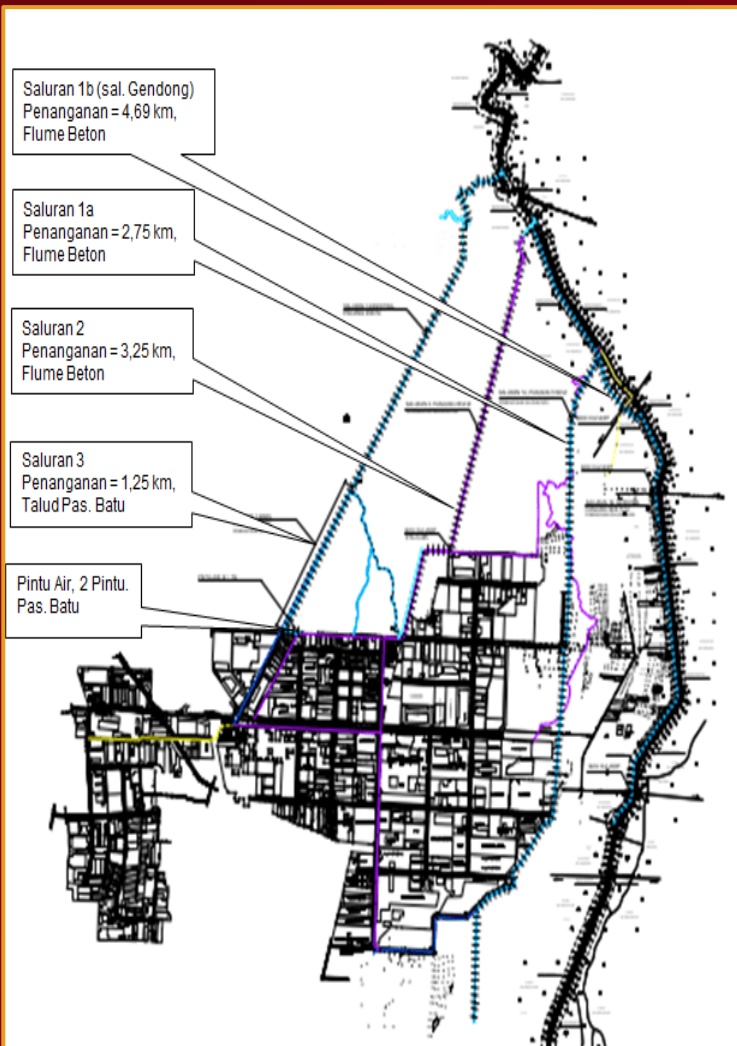
Land Allocation

It is scattered because according to its pipe and track plan

Description

- Existing canal repair (11,012 m)
- Addition of existing capacity (7,341 m)
- New canal (5,900 m)
- Sedimentation / drainage control (15,015 m)
- Transfer pump (4 units)
- Median retention canal (2,900 m)
- Drainage cell (36,707 m)
- Retention pool (5 Ha)

B SECONDARY & PRIMARY OF EXTERNAL DRAINAGE NETWORK FOR FLOOD CONTROL



IRON & STEEL

IDR 76 Billion

Budget Year Plan

2021 to 2024 (Multiyears)

Description

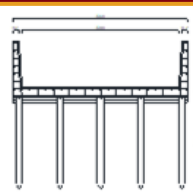
- National Government (PUPR Ministry)
- Provincial Government
- Regency (Deli Serdang) Government
- Government of Medan City

Location

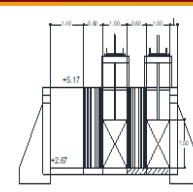
In Medan Industrial Estate area at Pulau Batam Street

Land Allocation

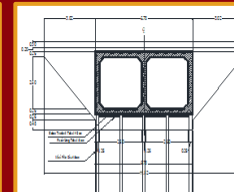
It is scattered because according to its pipe and track plan



FLUME BETON



BANGUNAN PINTU AIR



BOX CULVERT

C OFFICE TOWER



Hotel & Mice



Deskripsi :
Opsi Komersialisasi
Sistem Sewa
Market
Perusahaan, Karyawan, Tamu Tenant KIM
Public
Operator Hotel
Model Kerjasama
Turnkey

Business Information Center



Potensi Tenant Mix :
Tenant KIM
Perbankan / Jasa Finansial
Perusahaan jasa investasi
Konsultan Teknologi Industri Strategis,
Patent, Hukum, Ketenagakerjaan, DLL
Kementerian dan Dinas Terkait
Komplementer: Komersial, F&B, DLL
Target / End User : Tenant KIM, Investor,
Public

KIM Mart



Deskripsi :
Opsi Komersialisasi
Sistem Sewa
Potensi Tenant Mix
Lembaga Keuangan & Investasi, Pengual
Produk F&B, Kesehatan, Kecantikan,
Pakaian, UMRM, dan Pemda
Target Market / End User
Tenant KIM, Public, Online Market Place
Model Kerjasama



Investment Value

IDR 169 Billion



Budget Year Plan

2021 to 2024 (Multiyears)



**Source of Funds /
Funding Scheme**

Direct Investment



Location

In Medan Industrial Estate area at
Pulau Batam Street



Land Allocation

6.8 Ha



Description

- Commercial areal by rental system scheme for tenants
- Provides hotel and mice
- KIM Mart
- Rest area
- Modern business and service center



1

PT Musim Mas

One of the largest integrated palm oil companies in the world. Located in 13 countries, our main operations in Indonesia, from cultivation to refining and manufacturing.

2

PT Growth Asia

one of the world's leading manufacturing foundries. We are part of the Growth Steel Group that was established in 1989 to manufacture wear parts for Steel Mill operations. Since 1996, Growth commenced supplying wear parts to the mining industry.

3

PT Charoen Pokphand Indonesia

Companies that produce and sell feed, day-old chicks and processed foods that are of high quality and innovate.

4

PT Feedmill Indonesia

Public companies engaged in the livestock industry in the production and sale of animal feed, and processed food products. It has more than 4,000 employees and has a very rapid growth of the company.

As Well As Several Other Companies





Medan Industrial Estate, Deli Serdang Regency

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medan



www.kim.co.id /
northsumatrainvest.id



PT. KAWASAN
INDUSTRI MEDAN



PT. Kawasan Industri
Medan



CONTACT FOR DETAIL



SPORT CENTER

5

Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara

Location

Sena Village, Batang Kuis, Deli Serdang Regency



Project Owner

Dinas Pemuda dan Olahraga Provinsi Sumatera Utara



Investment Value

IDR 3.94 Trillion or equal to USD 266.67 Million



Business's Scheme

Financing, Direct Investment, and other possibility



Land

99.19 Ha/ Land Management Rights



The Sport Center project includes the development of a promising commercial area as a support system for integrated sports venues.

Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara

A

COMMERCIAL AREA DEVELOPMENT (Office Center Development)

Investment Needs

IDR 433.75 Billion

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)



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara

B **COMMERCIAL AREA DEVELOPMENT** (Shopping Center Development)

Investment Needs

IDR 323.47 Billion

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

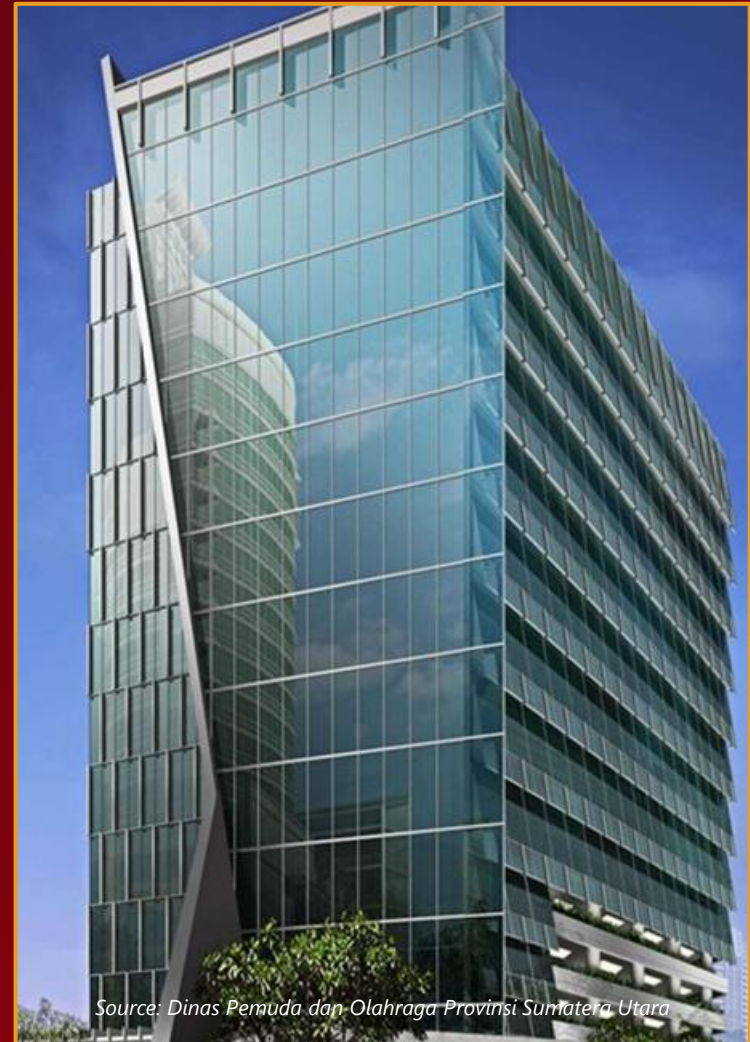
Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

Land Allocation

99.19 ha

Expected Endorsement

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



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara

C COMMERCIAL AREA DEVELOPMENT (Hotel Development)

Investment Needs

IDR 524.76 Billion

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)



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara

D

COMMERCIAL AREA DEVELOPMENT

(Entertainment Development: Waterpark Theme Park, etc)

Investment Needs

IDR 854.86 Billion

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)



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara

E COMMERCIAL AREA DEVELOPMENT (International Hospital)

Investment Needs

IDR 1.81 Trillion

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

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



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara

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Sumatera Utara



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northsumatrainvest.id



Disporasu Channel



CONTACT FOR DETAIL



AIRPORT CITY

6

Kualanamu International Airport, Deli Serdang Regency



Location

Jalan Bandara Kualanamu, Deli Serdang



Investment Value

- Airport City: IDR 3.9 Trillion or equal to USD 338.38 Million
- E-Commerce Center Warehouse: IDR 100 Billion or equal to USD 6.98 Million
- Integrated Commercial Area: IDR 824 Billion or equal to 57.52 Million
- Rest Area at Kualanamu International Airport IDR 85 Billion or equal to USD 5.67 Million



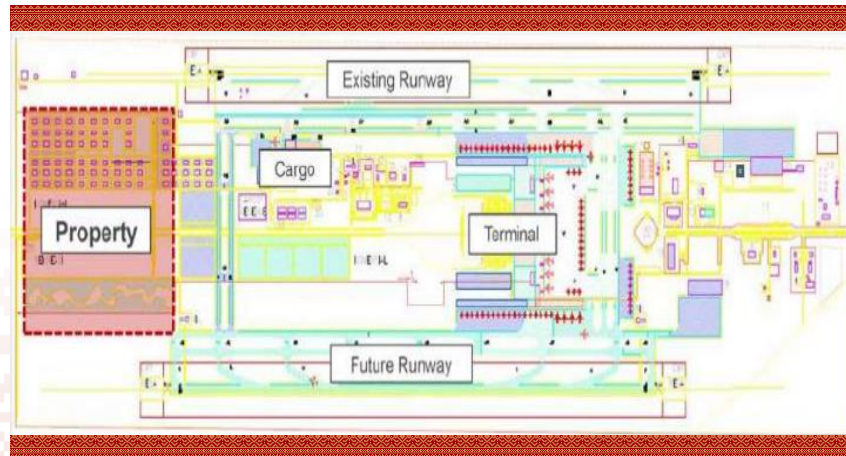
Land

- Airport City 135 Ha
- E-Commerce Center Warehouse 2 Ha
- Integrated Commercial Area 20 Ha
- Rest Area at Kualanamu International Airport 1 Ha



Concession Period

BOT period up to 32 years with the right to develop and operate



Project Owner

PT Angkasa Pura II and PT Angkasa Pura Aviassi



Business's Scheme

Direct Investment



Financial Feasibility

IIR divided per each project but at least 13.49% with payback period as long 11 years



Source: PT. Angkasa Pura II dan PT. Angkasa Pura Aviassi

HOTEL MARKET

A

Location

Jalan Bandara Kualanamu, Deli Serdang



Investment Value

IDR 3.6 Trillion



Land

2.3 Ha



Business's Scheme

Stakeholders, investor, third parties



Discount Rate and IRR

11.36% and 13.49%



NPV and BCR

IDR 30.822.765 million and 1.18



Payback Period

11 years 1 month



B

HOSPITAL

Location

Jalan Bandara Kualanamu, Deli Serdang



Investment Value

IDR 388.5 Billion



Land

3.3 Ha



Business's Scheme

Stakeholders, investor, third parties



Discount Rate and IRR

10.97% and 16.71%



NPV and BCR

IDR 323.762.724 million and 1.16



Payback Period

9 years 2 months



THEME PARK

C

Location

Jalan Bandara Kualanamu, Deli Serdang



Investment Value

IDR 2 Trillion



Land

40 Ha



Business's Scheme

Stakeholders, investor, third parties



Discount Rate and IRR

11.28% and 15.52%



NPV and BCR

IDR 1.123.803.651 million and 1.35



Payback Period

10 years 5 months



D

RETAIL

Location

Jalan Bandara Kualanamu, Deli Serdang



Investment Value

IDR 470 Billion



Land

3 Ha



Business's Scheme

Stakeholders, investor, third parties



Discount Rate and IRR

10.52% and 16.48%



NPV and BCR

IDR 458.250.787 million and 1.15



Payback Period

9 years 8 months



GOLF PARK

E

Location

Jalan Bandara Kualanamu, Deli Serdang



Investment Value

IDR 127 Billion



Land

40 Ha



Business's Scheme

Stakeholders, investor, third parties



Discount Rate and IRR

11.36% and 13.49%



NPV and BCR

IDR 72.815.809 million and 1.04



Payback Period

12 years



View from The Kualanamu Airport



View to The Kualanamu Airport





E-COMMERCE CENTER WAREHOUSE

F

Location

Jalan Bandara Kualanamu, Deli Serdang

Investment Value

IDR 127 Billion

Land

40 Ha

Business's Scheme

Stakeholders, investor, third parties

Discount Rate and IRR

11.36% and 13.49%

NPV and BCR

IDR 72.815.809 million and 1.04

Payback Period

12 years



TRANSACTION SCHEME



Existing Asset Owner



Authority of Utilization

Dividend



Existing Asset Owner



Right to Asset Utilization for BOT Period

Land Lease & Concession Fee



Strategic Investor

BOT

Revenue



E-Commerce Centre Area BOT 25Th

- Located at the front of the airport, with clean and clear status and has distance 39 km from Medan, the capital city of North Sumatra.
- A very strategic location and there is no E-Commerce Center Warehouse in Sumatra.
- Property is surrounded mostly by local housing and few commercial buildings. The nearest commercial development is located in Lubuk Pakam (± 10 km from the property). So this is very good visibility from the airport main road.

INTEGRATED COMMERCIAL AREA – FACTORY OUTLET & MICE

G

Location

Jalan Bandara Kualanamu, Deli Serdang

Investment Value

IDR 834 Billion

Land

20 Ha

Business's Scheme

Stakeholders, investor, third parties

Discount Rate and IRR

IDR 196 billion and 20%

NPV and BCR

30 years

Payback Period

8 years



TRANSACTION SCHEME



**Existing
Asset
Owner**



Authority of
Utilitization

Dividend



**Existing
Asset
Owner**



Right to Asset
Utilization for
BOT Period

Land Lease &
Profit Sharing



**Strategic
Investor**

Revenue



**Integrated
Commercial
Area BOT 30th**

- Integrated to the e-commerce center warehouse makes this project will cut the logistic cost.
- Near to the Kualanamu International Airport and Medan City, this place will create a new promising economic market in North Sumatra.





Kualanamu International Airport, Deli Serdang Regency

Jalan Bandara Kualanamu, Deli Serdang



contact.center@angkasapura2.co.id (for project Airport City)

contact.center@angkasapuraaviasi.co.id (for project E-Commerce Center Warehouse and Integrated Commercial Area)



138 / 0878-8743-4864 (for project Airport City)

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@angkasapuraaviasi**



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CONTACT FOR DETAIL



BUS RAPID TRANSIT MEBIDANG

7



Location

Jalan Bandara Kualanamu, Deli Serdang



Investment Value

USD 1.56 Billion or equal to IDR 2.31 Trillion
(USD1 = IDR14,800)



Track Distance

179 Km



Capacity

153.000 people/day



Business's Scheme

Direct Investment, and Other Possibilities



Project Owner

Transportation Agency of North Sumatra



Financial Feasibility

Still in the stage of compiling the study

Benefit Cost Analysis

With the congestion situation and increasing private vehicle ownership, the reduction in emissions and the number of accidents can increase



Reducing CO2 emissions up to

29.240 tons



Reducing the number of driving accidents

6%

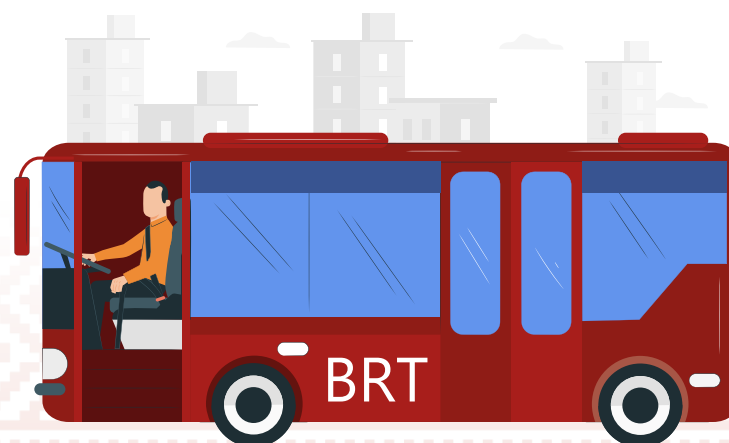


Reduces travel time of increasing efficiency

29%

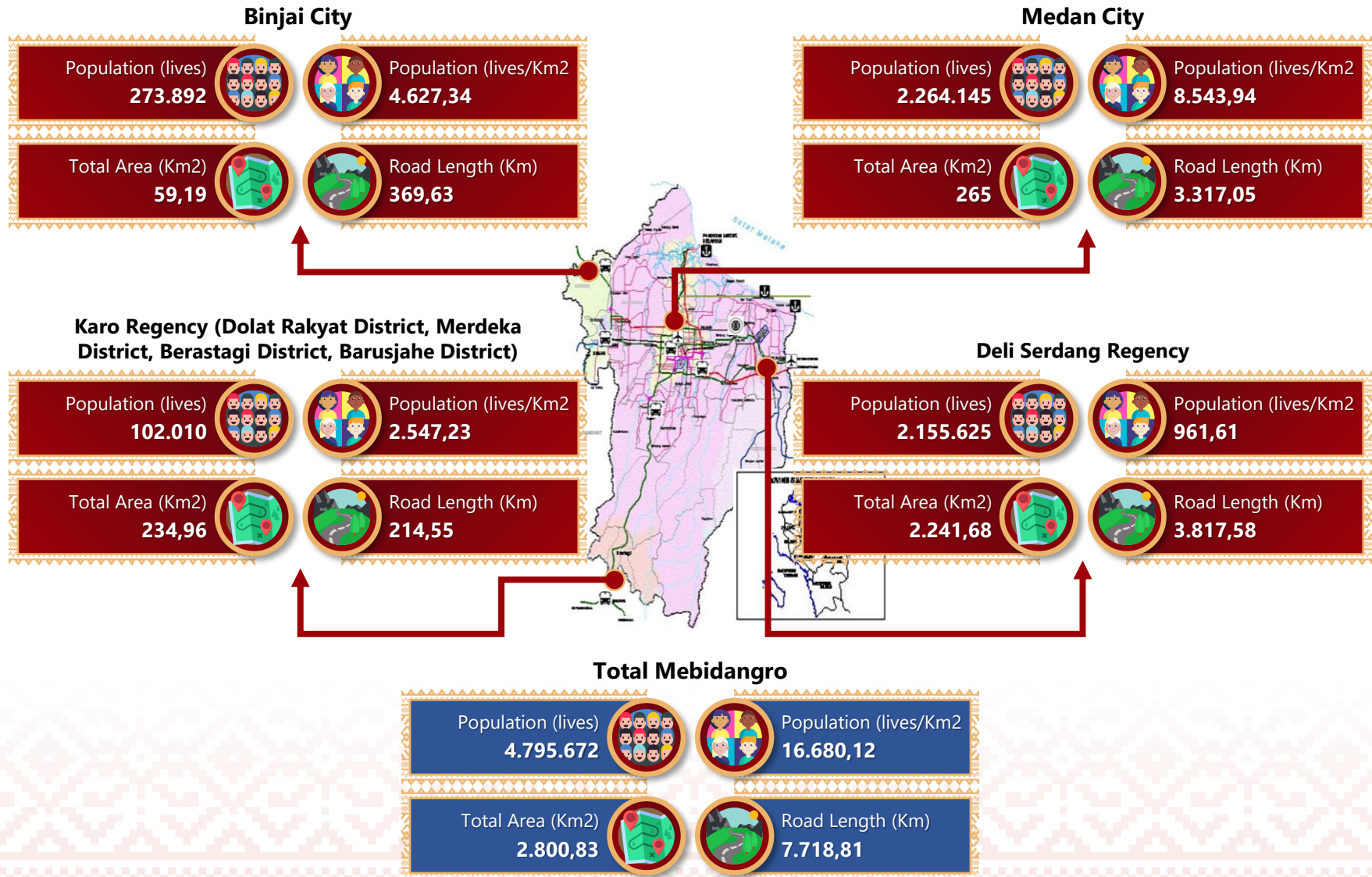


Create new jobs and improve human resources

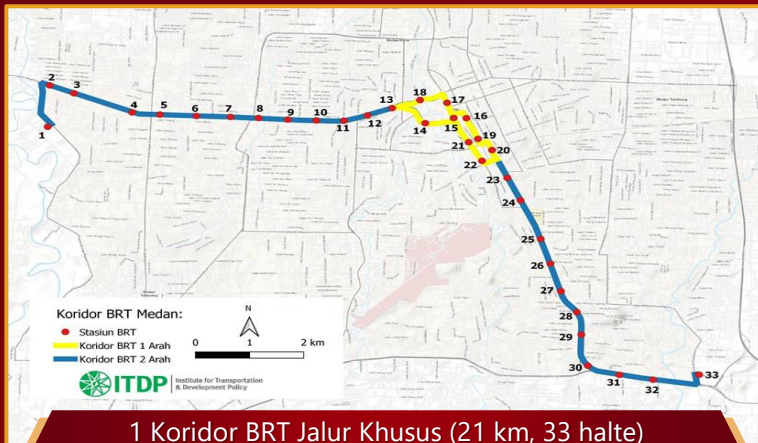


Source: Dinas Perhubungan Provinsi Sumatera Utara

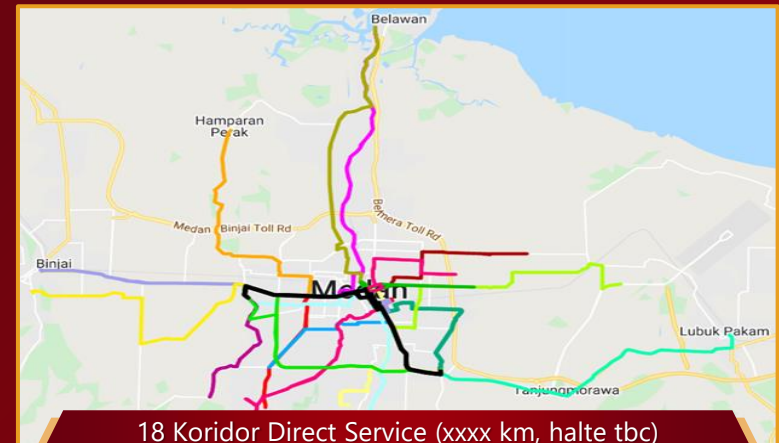
...this is a good condition to provide mass vehicle that can connect to several regions.



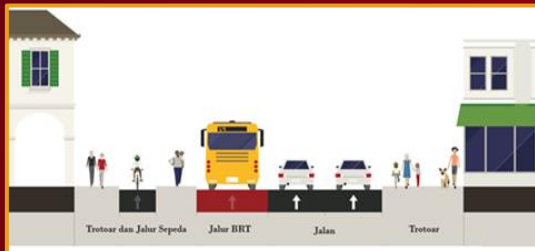
BRT Mebidang is the first stage to realize the gradual development of the LRT Mebidang, while looking at the prospective community mockups which include Medan-Binjai-Deli Serdang



**1 Koridor BRT Jalur Khusus (21 km, 33 halte)
dengan jangkauan Kota Medan**

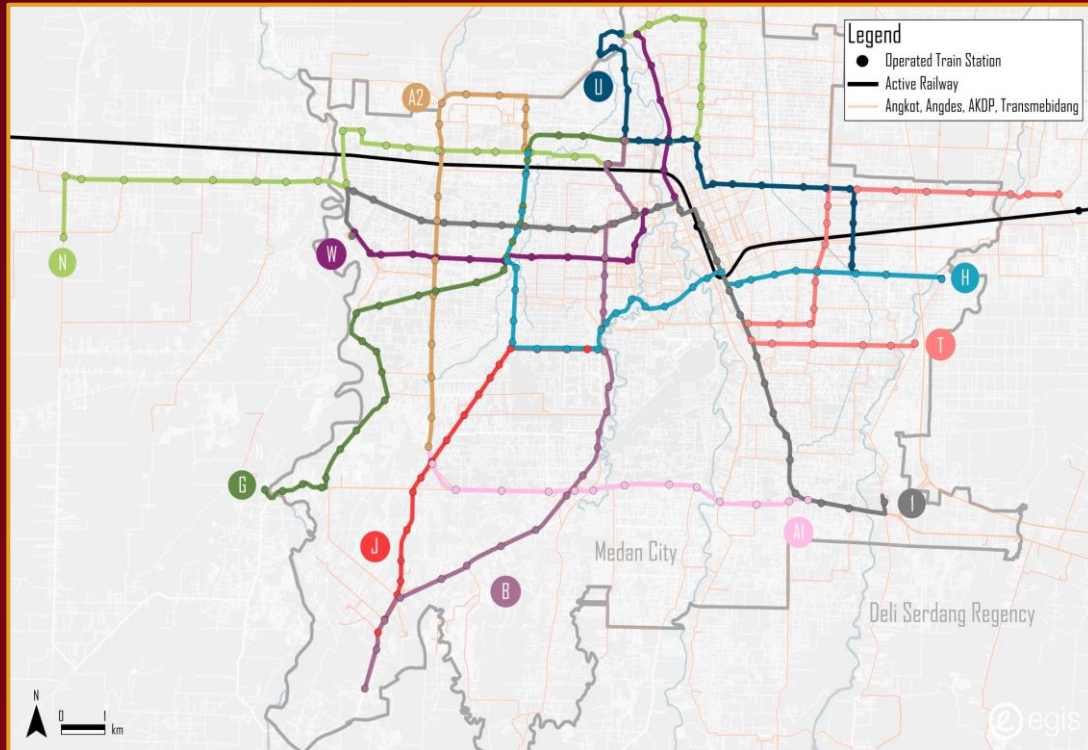


**18 Koridor Direct Service (xxxx km, halte tbc)
dengan jangkauan Mebidang**



**Estimation of
the required
bus needs
440 unit**

2023, the first mass transit line will be built is BRT Mebidang



to 2023

BRT Mebidang Line 1

Corridor : Pinang Baris - Amplas

Length : 18 km

Station : 23 stations

Ridership : 210.000 pax/day

to 2028

Corridor H

Corridor : Helvetia – Denai

Service : Level 1 (for example BRT)

Line : 15 km – 29 stations

Ridership : 202.000 pax/day

CAPEX : IDR 1,5-1,9 T (USD 105-130 million)

Year : 2026

Corridor U

Corridor : Sumarsono – Denai

Service : Level 2 (for example Tramway)

Line : 13 km – 25 stations

Ridership : 187.000 pax/day

CAPEX : IDR 3,3 – 4,1 T (USD 230-280 million)

Year : 2026

to 2035

Corridor G

Corridor : Bunga Sakura - Jl. T. Amir Hamzah

Service : : Level 2 (for example Tramway)

Length : 15 km

Station : 27 stations

Ridership : 222.000 pax/day

CAPEX : IDR 3,5-4,3 T (USD 240-295 million)

Year : 2030

to 2035

Corridor T

Corridor : Denai - Batang Kuis

Service : Level 1 (for example BRT)

Length : 14 km

Station : 23 stations

Ridership : 197.000 pax/day

CAPEX : IDR 1,4-1,8 T (USD 98-120 million)

Year : 2030

to 2035

Corridor B

Corridor : Simalingkar - Jl. T. Amir Hamzah

Service : Level 3 (for example LRT)

Length : 16 km

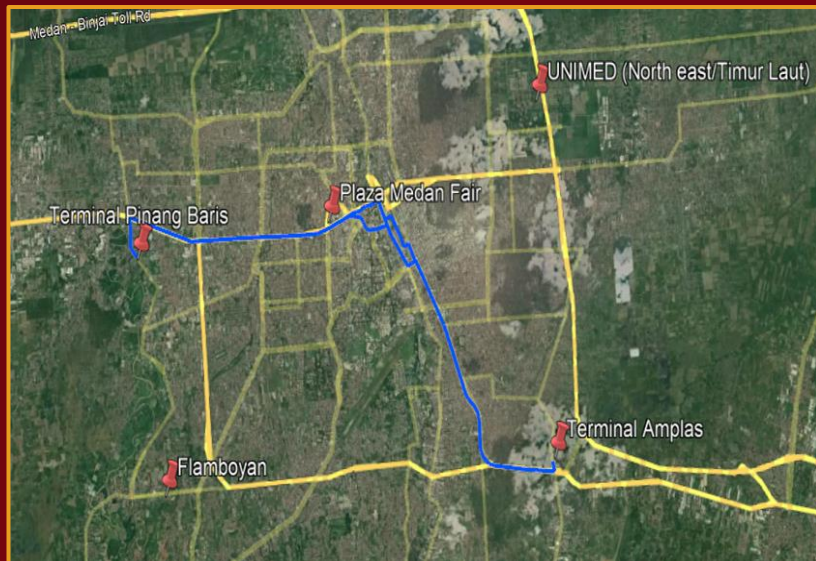
Station : 25 stations

Ridership : 260.000 pax/day

CAPEX : IDR 9,9-12,1 T (USD 680-830 million)

Year : 2030

BRT Depot Plan in Medan City



Depot 1 and 2 can accommodate 50% of the total bus demand for the entire BRT network system in Medan. For another 50% gap and the development of a larger public transportation system, an additional depot location belonging to the Regional/City Government is required.



| Location | Capacity | Luas | Information |
|--------------------------------------|----------|----------|--|
| Depot 1 : Pinang Baris | 67 | 0.74 Ha | Medan City Government land, has received a depot construction permit |
| Depot 2 : Amplas | 178 | 1.96 Ha | Medan City Government land, has received a depot construction permit |
| Depot 3 : Flamboyan | - | 26.00 Ha | Belongs to Medan City |
| Depot 4 : Plaza Medan Fair | - | 2.8 Ha | Belongs to Medan City |
| North East UNIMED | - | - | Alternative land that needs to be acquired |



Location options for land owned by the Regional Government that can be used as depots



Jalan Imam Bonjol No. 61 Kec. Medan Polonia
Kota Medan Provinsi Sumatera Utara Kode
Pos 20157



agustinuspanjaitan@gmail.com



+62 812 6067 538



dishubsu



dishub.sumutprov.go.id
/ northsumatrainvest.id



CONTACT FOR DETAIL

INVESTMENT SUPPORTING FACTORS



As one of the biggest provinces in Indonesia, North Sumatra has a vary supporting facilities/factors to boost better investment. It reflects to adequate infrastructure repairments, high quality human resources, transportations availability, ports, industries, and the beautiful scenery tourism destinations.

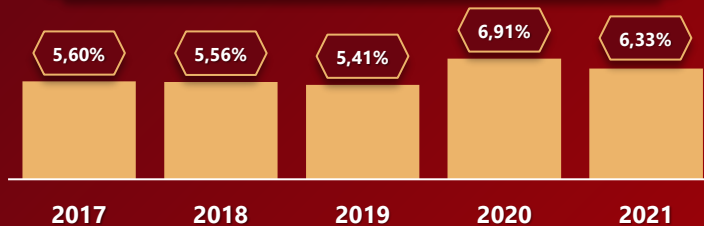
Besides that, due to its strategic location which is supported by world trade route, makes investment and trading flows are accelerated in North Sumatra.



I. High Quality Human Resources

North Sumatra is known as one of the 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 or it can be called as millennial. It shows that we have creative, innovative, and competitive human resources. Through that number also indicates that North Sumatra is really capable to supply local labors for regional development.

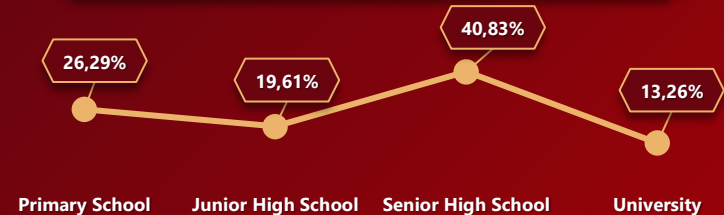
Unemployment Rate



EMPLOYMENT RATE (AUG 2022)

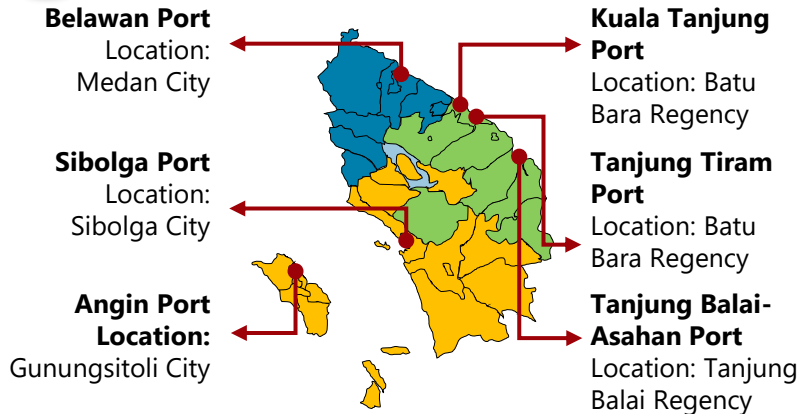
69.54%

Population at the age 15 and over that are employed based on education level



—●— 2021

I 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.

II Healthcare Facilities



III Port Connectivity

Int. Silangit Airport

Location: North Tapanuli Regency

Bandara Dr. Ferdinand Tobing

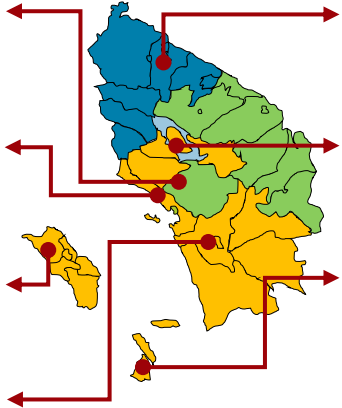
Location: Central Tapanuli Regency

Binaka Airport

Location: Gunungsitoli City

Aek Godang Airport

Location: South Tapanuli Regency



Kualanamu International Airport

Location: Deli Serdang Regency

Sibisa International Airport

Location: Toba Regency

Bandara Lasondre

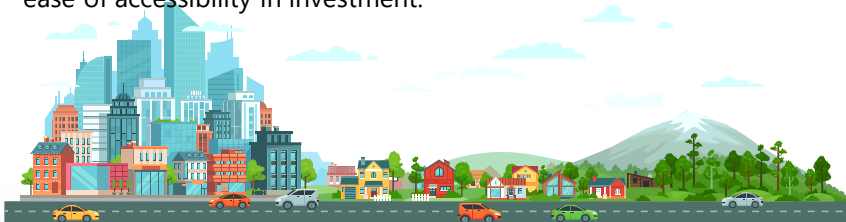
Location: South Nias Regency



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.

IV Highway

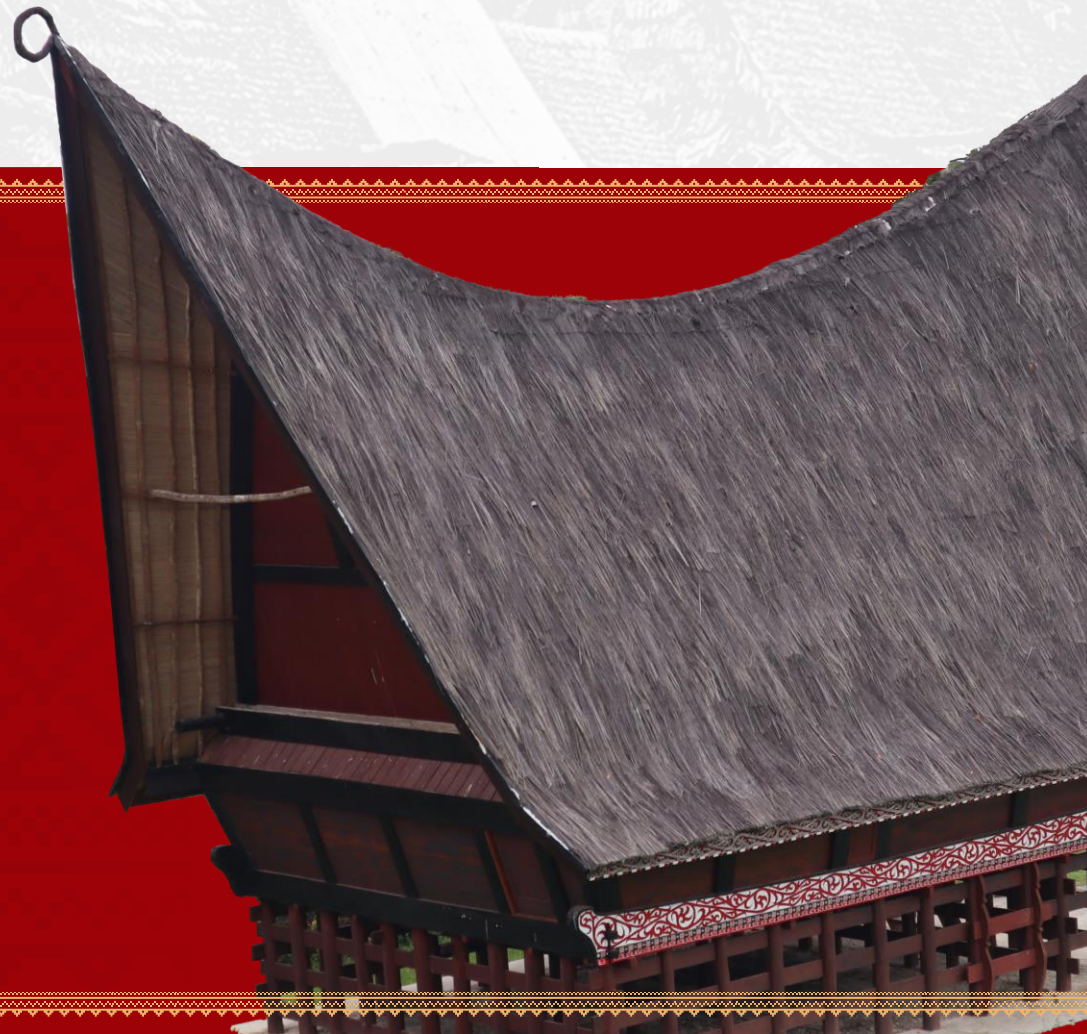
North Sumatra on daily basis is always improving with adjustments on both are facilities and infrastructures. They are for providing the ease of accessibility in investment.



| Province | Highway length (km) | State Roads (km) | Provincial Roads (km) | Regional Roads (km) | Bridge (unit) |
|---------------|---------------------|------------------|-----------------------|---------------------|---------------|
| North Sumatra | 40,737.18 | 2,630.37 | 3,005.65 | 35,101.16 | 880 |

Sumber: BPS Sumut (processed)





TOURISM SITE



Super Priority Tourism Site



Lake Toba

Priority Tourism Site



Tangkahan
Langkat Regency



Bukit Lawang
Langkat Regency



Berastagi
Karo Regency

Attractive Tourism Site



Maimoon Palace
Medan City



Muara Opu Beach
South Tapanuli
Regency



Simalem Resort
Dairi Regency



Mursala Island
Central Tapanuli Regency



Poncan Island
Sibolga City



Silahisabungan
Dairi Regency



Balige, Toba Regency

The Largest Volcanic Lake in The World



- 20,2 km away or only 38 minutes from the Silangit International Airport
- 3 - 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
- Batakese culture: villages, museums, palaces of the Batakese people
- Camping
- Traditional & modern souvenir shops
- Culinary
- F1H2O International Power Boat Event in Balige



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. In 2023, Lake Toba was chosen as the Venue of world's foremost international series of single-seater inshore circuit powerboat racing, F1 Powerboat (F1H2O) and it is planned that the location will still be developed for the next 5 years.

The Hidden Paradise in North Sumatra

Batang Serangan, Langkat Regency



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



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



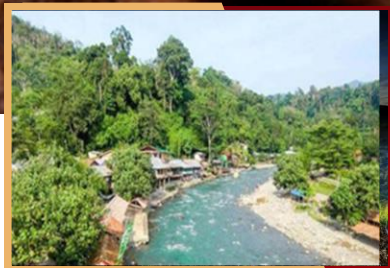
Offers you:

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



Bahorok, Langkat Regency

Conservation Site for Orangutan



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



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!



Offers you:

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

The Beauty and Cultural Experiences are Providing Here

Berastagi, Karo Regency



- 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



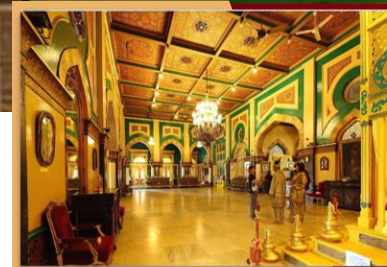
Offers you:

- 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 Heart of Medan City

The Heritage of Melayu Deli Kingdom



- 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 Home for Turtles

Muara Batang Toru, South Tapanuli Regency



- 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



Merek, Karo Regency

The Sunrise Highland



- 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 King Kong Island

Tapian Nauli, Central Tapanuli Regency



- 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



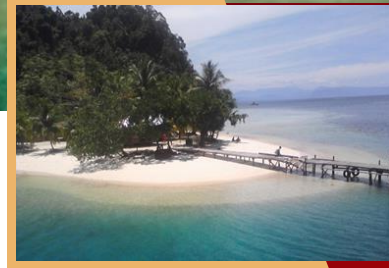
Offers you:

- 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



Sibolga City

The Exotic 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

Where Nature meets culture

Dairi Regency



- 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



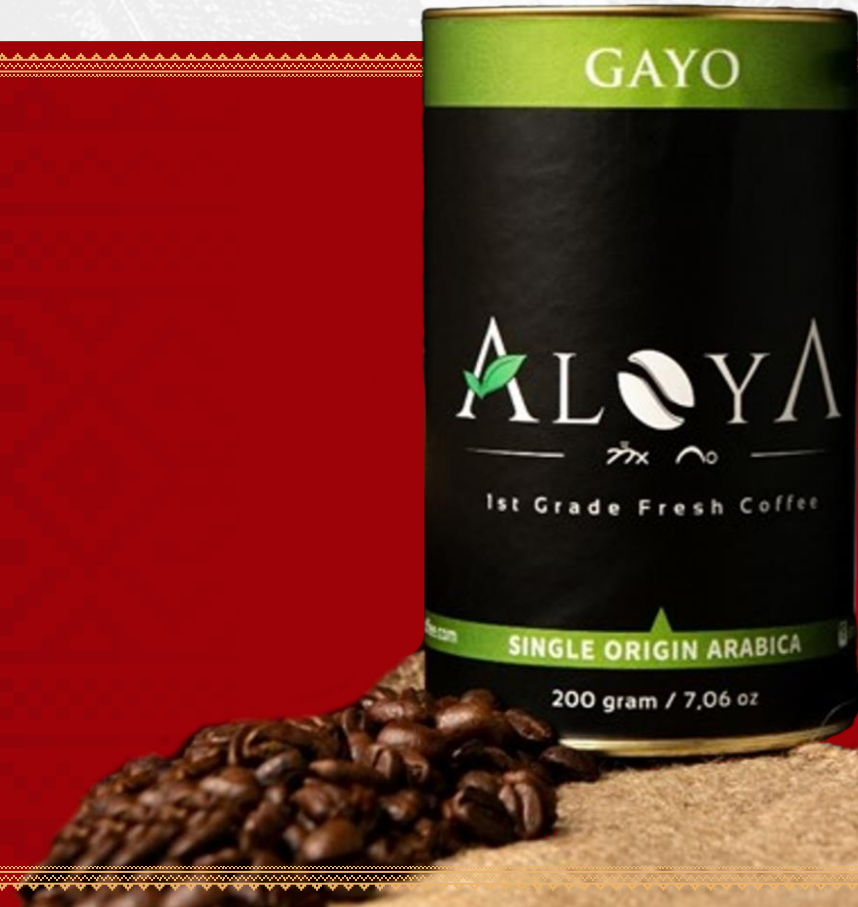
Natural beauty, cultural experience and religious pilgrimage, Silahisabungan is a majestic place like no other can find inner peace



Offers you:

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

SMALL MEDIUM ENTERPRISE



WOVEN FABRIC

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 Tribe



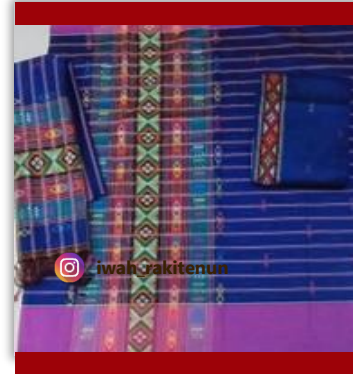
ULOS SIANIPAR

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](https://www.instagram.com/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](https://www.instagram.com/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](https://www.instagram.com/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](https://www.instagram.com/langgamsouvenir)

Coffee



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.

Maga Coffee

Arabica Mandailing Lake Toba Organic
 green beans and roasted beans wild civet, wine coffee, etc.

✉ maga.arabica.coffee@gmail.com ☎ 0821-6745-8276 📷 @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

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.



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 ☎ 0813-7558-8774



Cimbang Coffee

Arabica Coffe

green beans and roasted bean, 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

gulasemutbuluhawar@gmail.com

081397610484

gulasemutarenberkahbuluhawar



Mata De Coco **Sapo Durin**

Palm Sugar
Nata De Coco

desridatokenta@gmail.com

08116502012

Sapodurin



Gula Aren **Alam Makmur** **Palm Sugar**

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

tanyayudialma@gmail.com

0811602211

gulaarenmedan



Zack Krezz **Palm Sugar**

Potato chips
Banana crackers
Cassava chips
Tempe Chips
Crispy mushroom

jack_bang77@yahoo.com

085296661433

Zack Krezz



Pop Corn Brontak **Palm Sugar**

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

rizkymiftahur15@gmail.com

081388054676

popcornbrontak

INVESTMENT INCENTIVE



I. Import Duty Facilities

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 | 4 Mining | 6 Telecommunication |
| 2 Public Transportation | 5 Construction | 7 Ports |
| 3 Public Health Service | | |



Requirements

Importing machineries, goods and raw materials

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

II. 30% of Investment Value

Government of Republic of Indonesia has issued a new regulation related 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"

- 1 Base metal upstream industry (steel or non-steel) with or without its integrated derivative
- 2 Oil and natural gas refinery industry with or without its integrated derivative
- 3 Coal, natural gas, or crude oil based petrochemical industry with or without its integrated derivative
- 4 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
- 7 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
- 10 Robotics components manufacturing industry to support machinery manufacturing industry
- 11 Power plants main components machinery manufacturing industry
- 12 Vehicles and vehicles main components manufacturing industry
- 13 Ships main components manufacturing industry
- 14 Trains main components manufacturing industry
- 15 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
- 18 Digital economy including data processing, hosting, and other related activities

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 minister, 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.

KEMENTERIAN KOORDINATOR
BIDANG PERENCANAAN
REPUBLIK INDONESIA

www.oss.go.id

MEMPEROLEH NOMOR INDUK BERUSAHA (NIB)

Nomor Induk Berusaha (NIB) adalah identitas Pelaku Usaha dalam rangka pelaksanaan kegiatan berusaha sesuai bidang usahanya. NIB wajib dimiliki pelaku usaha yang ingin mengurus perizinan berusaha melalui OSS.

- Login pada Sistem OSS menggunakan User-ID dan Password.
 - Mengisi data-data yang diperlukan, seperti : data perusahaan, pemegang saham, kepemilikan modal, nilai investasi, rencana penggunaan tenaga kerja, rencana permintaan fasilitas perpajakan dan kepastian.
- Pelaku usaha akan menerima notifikasi dari OSS untuk mengubah jenis bidang usahanya, jika bidang investasi yang diinput tidak memenuhi ketentuan Daftar Negatif Investasi (DNI).
- Sistem OSS menerbitkan Nomor Induk Berusaha (NIB) untuk pelaku usaha. Pelaku usaha dapat memperoleh dokumen pendaftaran lainnya bersamaan dengan penerbitan NIB (jika diperlukan).

NPWP RPTKA BPJS KES & NAKER
FASILITAS FISKAL IZIN USAHA

AKSES KEPABEANAN

AKSES KEPASTIAN

Catatan:
Khusus untuk BPJS Ketenagakerjaan dan BPJS Kesehatan, nomor kepesertaan yang diperoleh hanya akan diaktifkan menjadi Sertifikat Kepesertaan BPJS setelah dilakukan pembayaran premi bulan pertama berdasarkan pemberitahuan virtual account dari BPJS kepada pelaku usaha.



A. The requirements for applying/confirming a Limited Stay Visa are :

- 1 Visa applications can be made online via <https://www.imigrasi.go.id/en/>
- 2 The required documents include: 1) Application letter and guarantee (for corporations signed by the Board of Directors / Commissioners / Chairman) on stamp duty, 2) Cover of a valid and valid national passport, 3) 6 months min biodata page or travel document min 12 months, 4) Return Ticket, and 5) Savings account book of guarantor / foreigner with min balance. Equivalent USD 1.500.
- 3 The required documents will then be verified and will be given a notification of payment from the Ministry of Law and Human Rights of the Republic of Indonesia Directorate General of Immigration.
- 4 As for the guiding application for a visa as stated in the <https://visa-online.imigrasi.go.id/> and the file can be downloaded.
- 5 Limited Stay Visa holders must be made ID card no later than 30 days from the time the entry mark is given.

B. The requirements for submitting/inaugurating ID card (substitute for foreigners' ID cards) are :

- 1 Documents that need to be prepared in the submission of ID card :
 - a. Limited Stay Visa application form;
 - b. Statement and guarantee letter from the sponsor (stamped Rp. 10.000,-);
 - c. Limited Stay Visa application letter from the sponsor;
 - d. Sponsor's ID card;
 - e. Original passport and photocopy;
 - f. Certificate of domicile from Hamlet Head or hotel or apartment;
 - g. Recommendations from the Investment Coordinating Board Manistry and other company documents;
 - h. Plan for the Use of Foreign Workers from authorized agencies;
 - i. Valid entry application.
- 2 Currently, ID card submissions can only be made through the Immigration Office where the sponsoring company is registered and the document processing process can be represented by the company's internals through a power of attorney. However, the process of taking photos can only be done by the name concerned.

C. The requirements for submitting / inaugurating Taxable Entrepreneurs (PKP) are :

- 1** Has gross income (turnover) in 1 financial year reaching Rp 4.8 billion.
- 2** Passing the survey process conducted by KPP or KP2KP (Tax Service Office) where registration.
- 3** Complete the documents and requirements for submitting PKP or inaugurating PKP. Required documents (source: <https://www.online-pajak.com/tentang-ppn-efaktur/pengukuhan-pkp-cara-syarat-pengajuan-pkp#>) including :
 - a. Individual taxpayers / corporate taxpayers / corporate taxpayers form of joint operation).
 - b. Proof of lease / ownership of the place of business
 - c. Photo of the room / place of business
 - d. Location map
 - e. Specimen of invoice signer (form provided by KPP) & photocopy of invoice signer
 - f. List of treasures / office inventaris
 - g. Financial statements (profit/loss balance)
 - h. Last annual tax return
- 4** Currently, PKP submissions can only be made through the KPP where the taxpayer is registered. Within 3-5 days after all requirements are completed and submitted, the verification officer will conduct a survey or verification. If approved, then about 1-2 days from the survey, the PKP confirmation letter can be taken at the KPP where the PKP submission requirements are given. The decision on the PKP Application is issued no later than 5 to 10 working days after the Proof of Receipt of the Letter is issued.
- 5** The creation of PKP cannot be represented by other agencies, but can be represented by the company's internals through a power of attorney.

D. The requirements for submitting / confirming the NPWP (Taxpayer Identification Number) are :

- 1 KPP applications can be made online via ereg.pajak.go.id
(source: [https://www.online-pajak.com/tentang-pajak-pribadi/cara-membuat-npwp-pribadi#:~:text=Syarat%20membuat%20NPWP%20pribadi%20untuk%20karyawan%20pekerja%20kantoran&text=Warga%20Negara%20Asing%20\(WNA\)%3A,Mengisi%20formulir%20pengajuan%20NPWP.](https://www.online-pajak.com/tentang-pajak-pribadi/cara-membuat-npwp-pribadi#:~:text=Syarat%20membuat%20NPWP%20pribadi%20untuk%20karyawan%20pekerja%20kantoran&text=Warga%20Negara%20Asing%20(WNA)%3A,Mengisi%20formulir%20pengajuan%20NPWP.))
- 2 Requirements for making a personal NPWP for employees / office workers
 - a. Indonesian Citizen (WNI): photocopy of KTP.
 - b. Foreign Nationals (WNA): bring a photocopy of passport/residence permit card.
 - c. Certificate of employment from the company where you work.
 - d. For civil servants can bring a decree.
 - e. Fill out the NPWP application form.
- 3 Requirements for making a personal **Taxpayer Identification Number** for entrepreneurs
 - a. Indonesian Citizen (WNI): photocopy of KTP.
 - b. Foreign Nationals (WNA): bring a photocopy of passport/residence permit card.
 - c. Business Certificate at least issued by Head of Hamlet / proof of electricity bill.
 - d. An affidavit that has been signed on the seal. This letter explains that the Taxpayer actually owns a free business or worker.



CONTACT US



Investor Relation

Juwasari Nur Rachmawati

Bank Indonesia Representative Office of North Sumatra



juwasari_nur@bi.go.id



+62821-6213-3356



Investment Promotion Affairs

Renata Butarbutar

Regional One-stop Investment and Licensing Board



renatabutarbutar@gmail.com



+62813-6111-6407



Economic, Maritime, and Resources Affairs

Iswandy Ronny

Regional Planning, Research and Development Board



rahmadziady@gmail.com



+62823-6411-6083



www.northsumatrainvest.id



NSI SECRETARIAT
BANK INDONESIA
Representative
Office of North Sumatra

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