



BANK INDONESIA
BANK SENTRAL REPUBLIK INDONESIA



NORTH SUMATRA INVESTMENT BOOK

YOUR INVESTMENT PARTNER TO PROVIDE BETTER TOMORROW
Quarter IV of 2022





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

Investment is one of the most important channels to support regional and national economic growth. Mature investment 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 29.09% and also makes investment sector as one of the largest economic drivers of North Sumatra in third quarter of 2022. Supporting infrastructures for the improvement aspect of doing business is also continuously developed by the Central and Regional Government.

Recently, North Sumatra has 9 (nine) clear and clean investment projects, which 3 of them are included in National Strategic Projects. Those 9 projects are Toba Caldera Resort, Sei Mangkei Special Economic Zone (SEZ), Medan Industrial Estate, Airport City, Mixed Use Rental Apartments in Sei Mangkei SEZ, Kuala Tanjung Industrial Estate, Sport Center, LRT Mebidang and last but not least Siantar-Parapat Railway 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 to 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, December 2022
Head of Bank Indonesia Representative Office of North Sumatra

Doddy Zulverdi
Executive Director

REMARKS BY THE GOVERNOR OF NORTH SUMATRA PROVINCE

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 2021 is around IDR 56.64 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 even though in the midst of pandemic.

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. Although in the midst of this pandemic, these international direct flight is being suspended for a while. 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 9 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, 2022

H. Edy Rahmayadi

Governor of North Sumatra



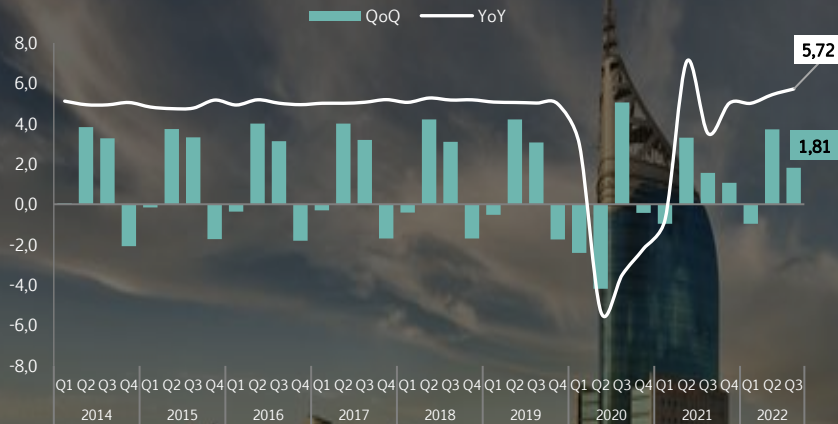
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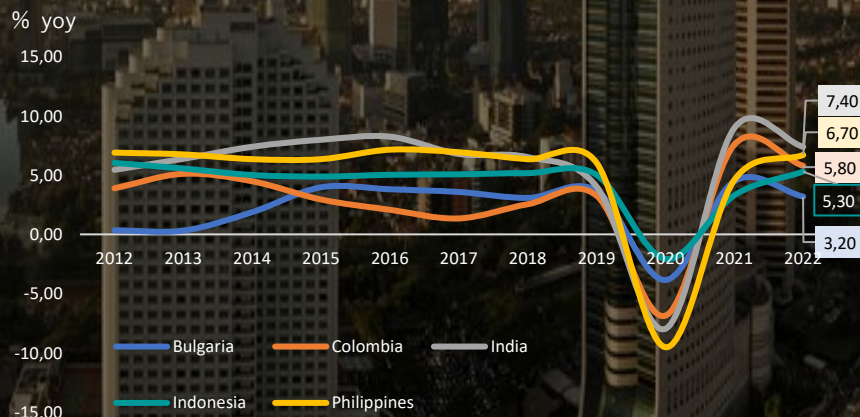
Masjid Raya Al Mashun, Medan

INDONESIA ECONOMY AT A GLANCE

Strong GDP Growth¹



Favourable GDP Growth Compared to Peers²



1. Source: Central Bureau of Statistics of Indonesia (BPS), ** Including non-profit household consumption

2. Source: World Economic Outlook Database – July 2022; * indicates estimated figure

*) Consensus Forecast number will be given later

National economic performance continued to gain momentum in Q3-2022 despite global economic moderation and rising inflation at home. This was confirmed by domestic economic growth accelerating to 5.72% (yoy) in third quarter of 2022. Solid economic performance was supported by ongoing improvements in terms of domestic demand, coupled with persistently strong 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).

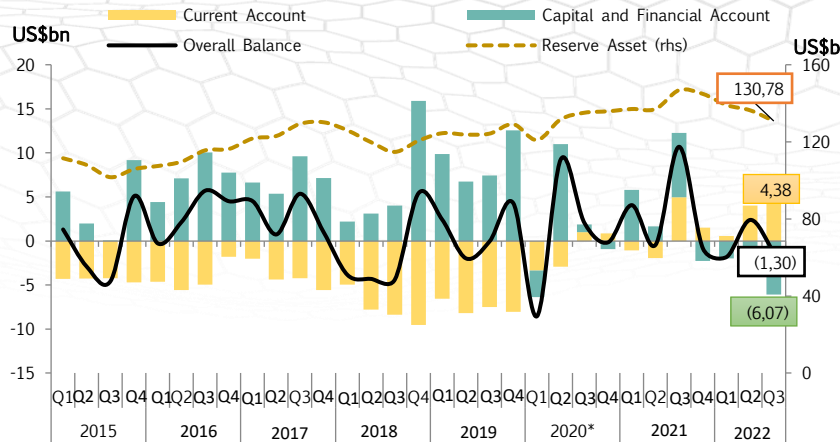
In terms of spending, nearly all components recorded positive growth in the reporting period. Household consumption expanded 5.39% (yoy) despite moderating from 5.51% (yoy) in the previous period. Strong growth was consistent with increasing public mobility, the limited impact of fuel price adjustments as well as disbursements of social assistance (bansos) and energy subsidies. Investment improved to 4.96% (yoy), primarily driven by non-building investment in machinery and equipment. Meanwhile, government consumption experienced a 2.88% (yoy) contraction due to lower procurement spending for Covid-19 handling and the national economic recovery program. Exports continued to increase, with growth reaching 21.64% (yoy), underpinned by persistently strong demand in Indonesia's main trading partners, together with policy to accelerate exports of crude palm oil (CPO). Import growth was also high at 22.98% (yoy) in the reporting period.

Nearly all economic sectors expanded in the third 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 Bali-Nusa Tenggara (Balinusra), Java, Kalimantan and Sumatra.

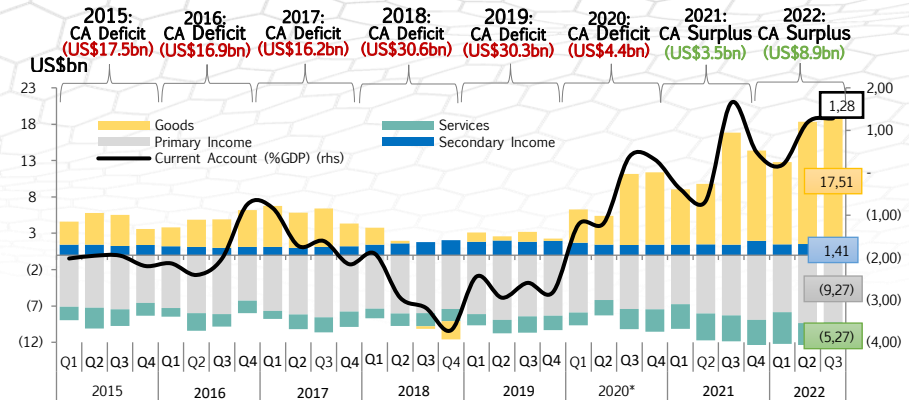
Growth Prospect

Institutions	GDP growth
2022 Budget	4.8-5.5
Bank Indonesia	4.5-5.3
IMF (WEO, October 2022)	5.3
Consensus Forecast (November 2022)	5.3
World Bank (GEP, June 2022)	5.1
ADB (ADO, September 2022)	5.4

Current Account

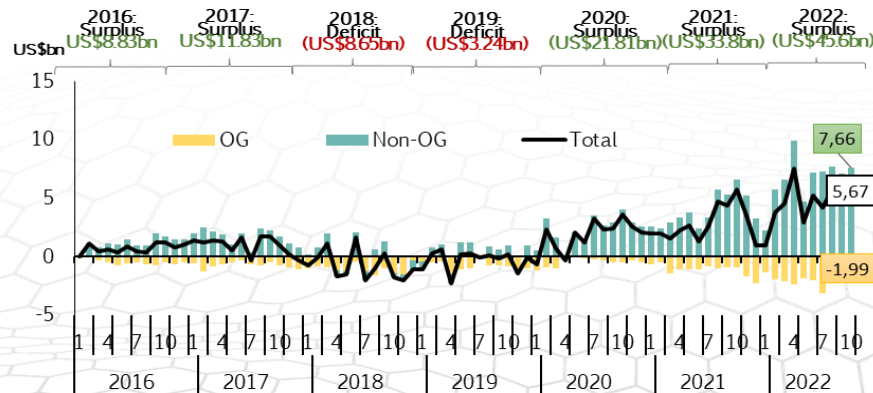


Source: Bank Indonesia



Source: Bank Indonesia

Trade Balance Surplus Increases

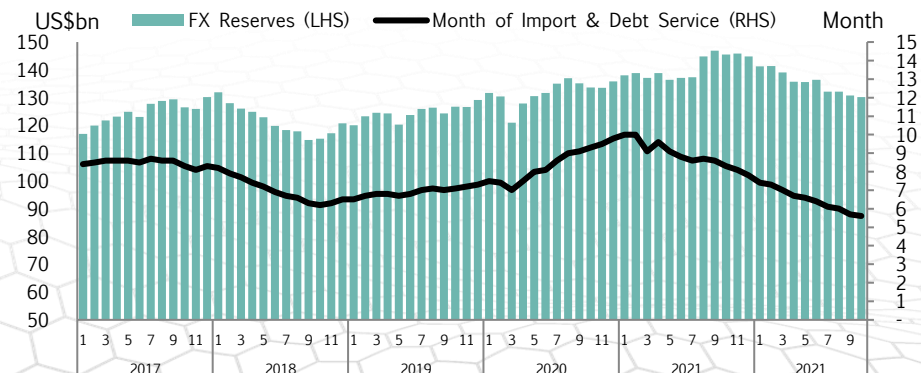


* Preliminary Figure ** Very Preliminary Figure

Source: BPS

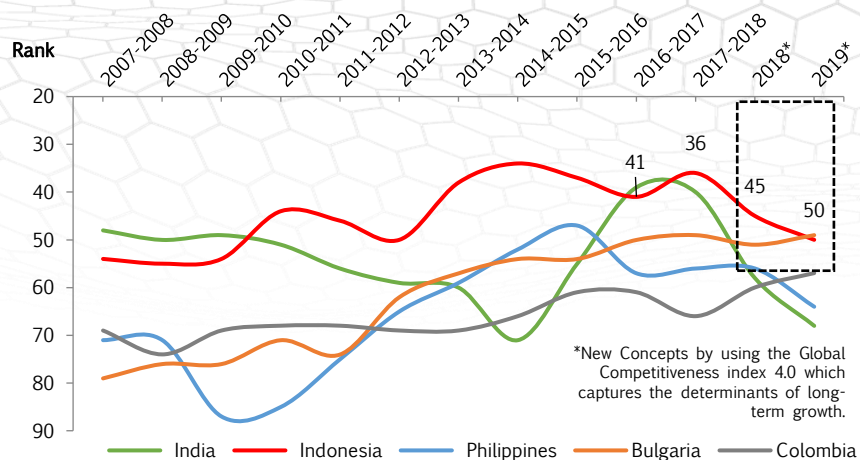
Official Reserve Assets Increased to Reinforce External Sector Resilience

FX Reserves as of October 2022: US\$130.2 bn
(Equiv. to 5.6 months of imports + servicing of government debt)

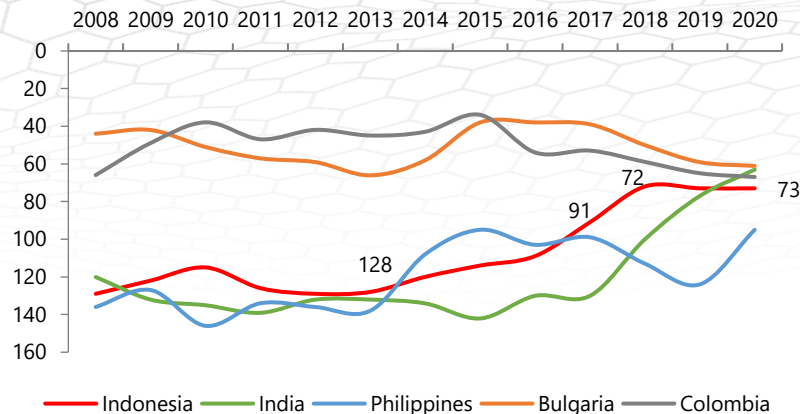


Source: Bank Indonesia

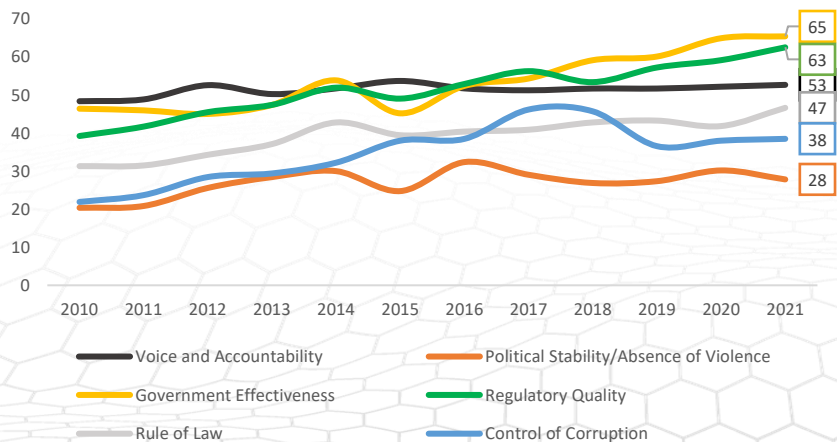
Global Competitiveness Index¹



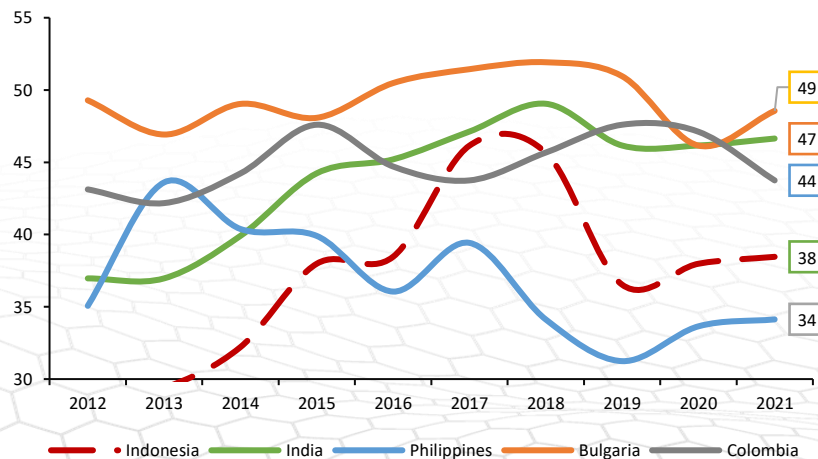
Ease of Doing Business²



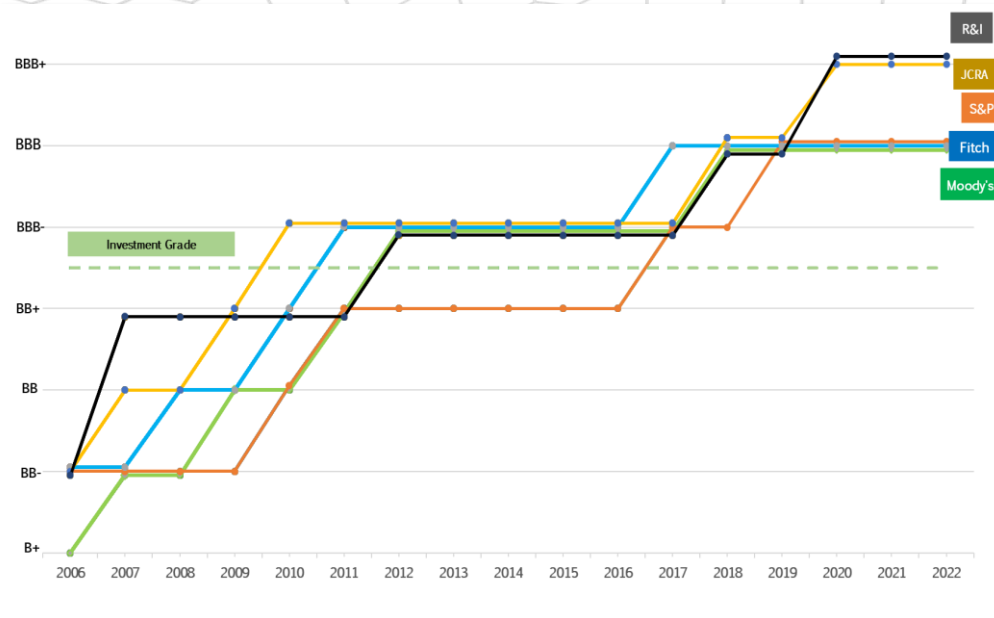
Worldwide Governance Indicators³



Corruption Perception Index⁴



- Source: World Economic Forum – The Global Competitiveness Report 2019;
- Source: World Bank – Doing Business 2020 Report;
- Source: World Bank – The Worldwide Governance Indicators 2021 Update;
- Source: Transparency International – Corruption Perceptions Index 2021 Report



Fitch Ratings

BBB / Stable

June 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."

S&P Global Ratings

BBB / Negative

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."

Moody's

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."



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."



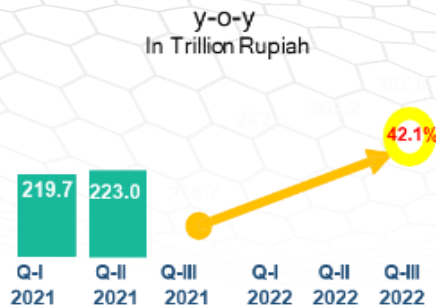
BBB+ / Stable

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."

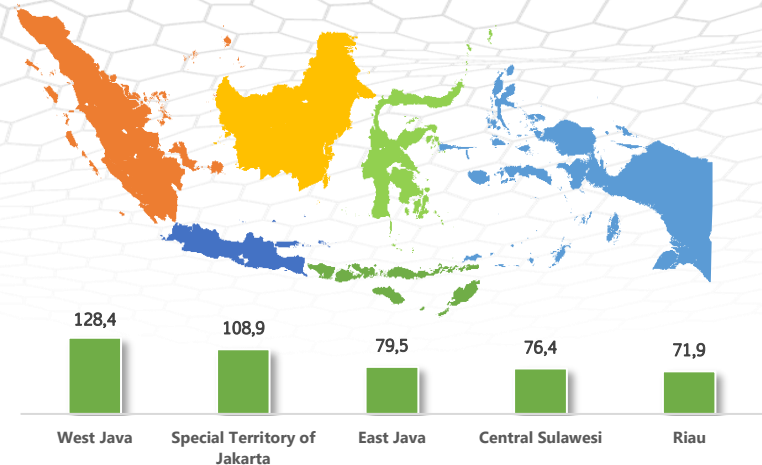


Investment Growth

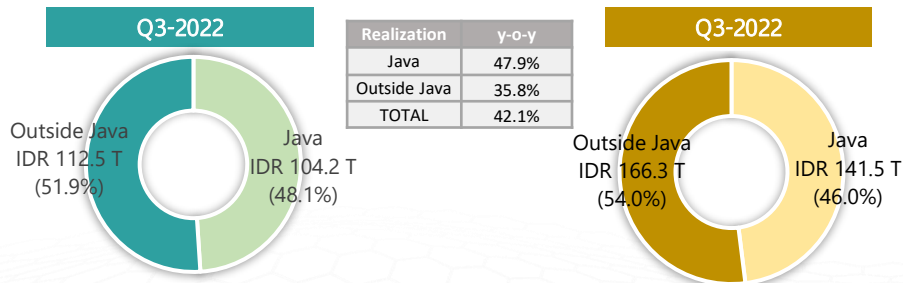


Q-III 2022		TARGET **	ACHIEVEMENT ***
Y-o-Y	Q-o-Q	2022	
22.5%	-0.05%	572.4	72.2%
63.6%	3.5%	627.6	76.4%
42.1%	1.9%	1,200.0	74.4%
JANUARY – SEPTEMBER 2022 Y-O-Y		Indonesian Labor Absorption Q III 2021 : 288,687 Indonesian Labor Absorption Q III 2022 : 325,575 (12.8% y-o-y)	
26.1%			
44.5%			
35.3%			

Investment Realization by Geography (IDR trillion)



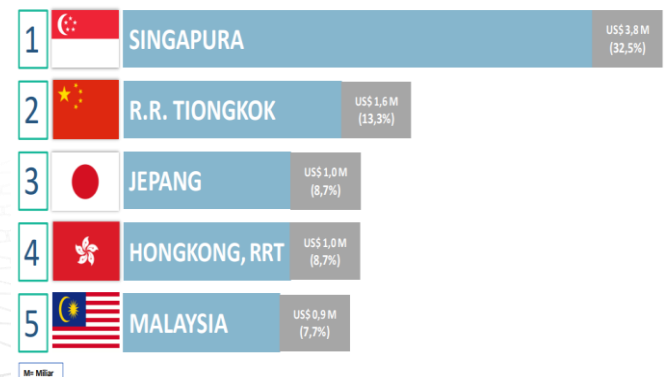
Investment Realization by Spatial



Investment Realization by Sector (IDR billion)



Top 5 Investors by Country (USD billion)



Source: Investment Ministry/BKPM (processed)

Improving investment quality to promote inclusive and sustainable economic growth. So Indonesia has designed direction of investment for the year 2020 to 2024.

Direction of Investment Policy: Quality Investment 2020-2024



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



Business Licensing



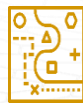
Employment



SME and Cooperatives



Research and Innovation



Land Acquisition



Economic Zones



Ease of Doing Business



Government Investment & National Strategic Project (PSN)



Public Administration



Imposition of Sanctions

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

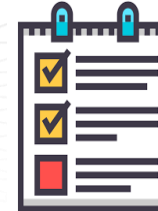
Ease of Doing Business



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



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Jumping Stone Tradition, Nias

WHY INVEST IN NORTH SUMATRA?

NORTH SUMATRA is one of Indonesian economic proponent with economic growth above national's historically and frequently. With GRDP per capita of IDR 56.64 million/person in 2021, 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 2,074,855.91 ton in 2021 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 Q3-2022
4.97% (yoy)
One of the biggest contributors by economic comparison in Sumatra Island

HDI 2022
72.71
Categorized as high

Inflation
-0.13% (mtm)
Nov 2022

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 (June 2022)
US\$ 1.08 billion
Decreased 6.27% than Sept 2022



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



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.

GOVERNOR: H. Edy Rahmayadi
VICE GOVERNOR: Musa Rajekshah
CAPITAL CITY: Medan
REGENCIES / CITIES: 25 Regencies & 8 Cities



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



Low Minimum Wage Rate
At \$177 per month our wage rate is cheaper than several countries in ASEAN.

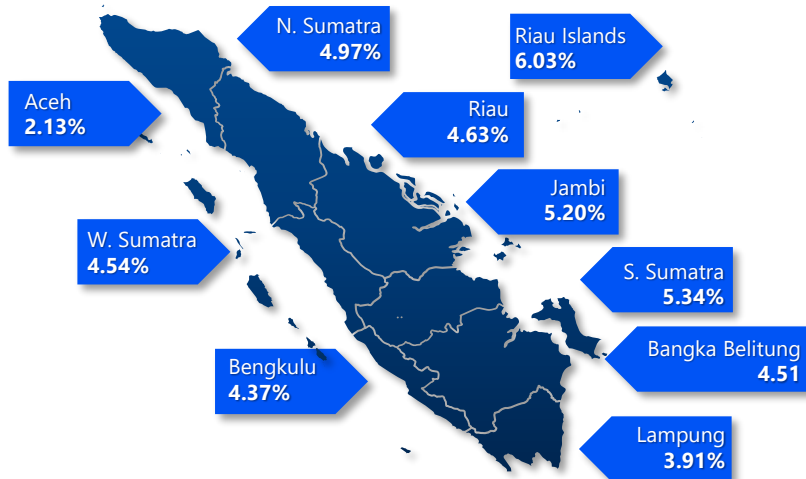


6 Ports are available to facilitate new business in North Sumatra.

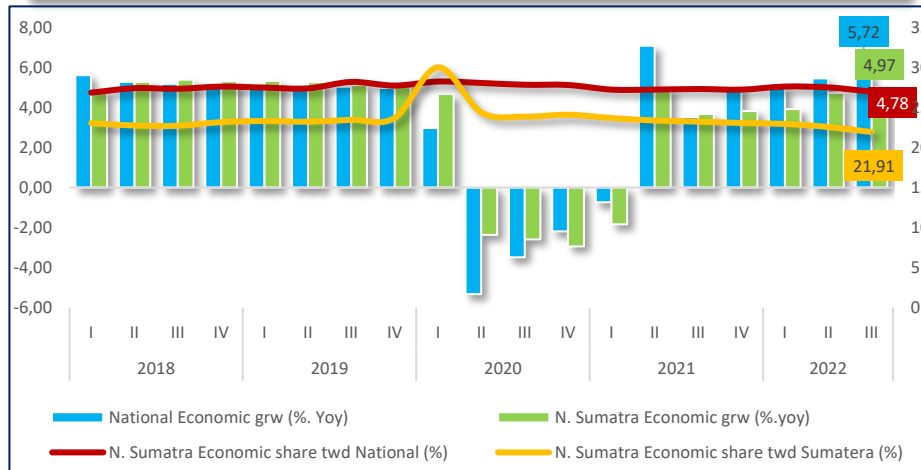


7 Airports which are consisting of 2 international airports & the rest service for domestic flights.

Sumatra Economic Growth



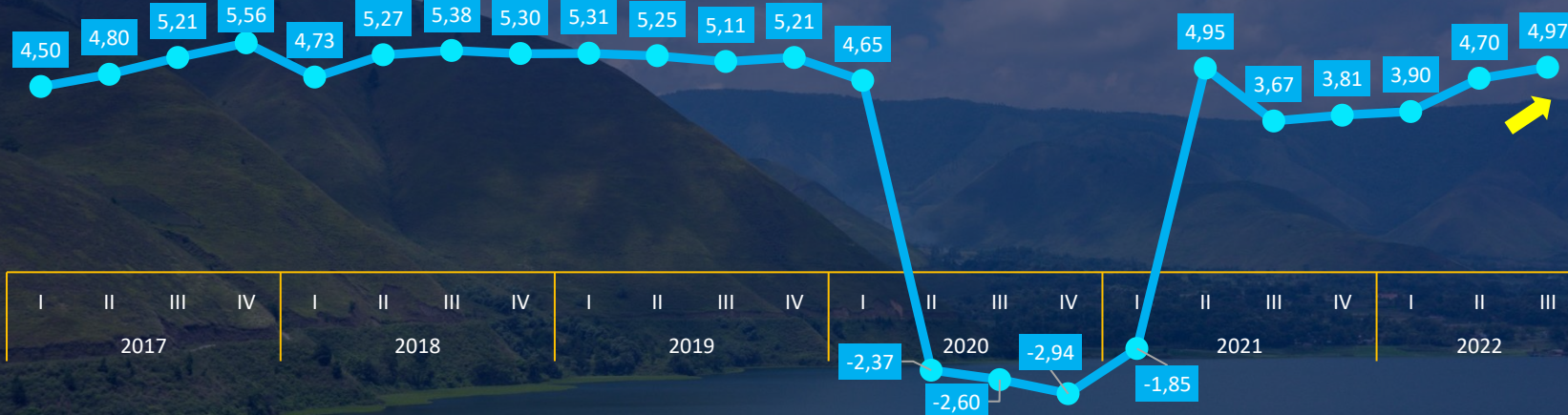
NORTH SUMATRA, NATIONAL ECONOMIC GROWTH AND NORTH SUMATRA GDRP SHARE TOWARD SUMATRA & NATIONAL



- The economic recovery trend in North Sumatra continues, as reflected by the achievement of economic growth in the third quarter of 2022 which increased by 4.97% (yoy) and also higher than the previous period of 4.70% (yoy). Amidst the dynamics of the global economy which shows a slowing trend, North Sumatra's export performance is still the main economic driving force in the reporting quarter. This is also supported by strong domestic demand, especially investment, in line with the ongoing acceleration of the development of various strategic projects.
- The continued economic strength in North Sumatra is reflected in several recent economic indicators. Trade and business activities continue to increase, as reflected by the increase in the Real Sales Index. High mobility is also reflected in the development of air freight passengers that continue to increase. On the other hand, high inflation expectations risk restraining public consumption activities. Export performance is predicted to be slightly restrained in line with moderated prices of major commodities. Meanwhile, Bank Indonesia's liaison results confirmed an increase in export demand, while domestic demand tended to decline amid rising raw material costs.
- The economy of North Sumatra in 2022 is predicted to grow higher than in 2021 with a projected range of 4.1%-4.9% (yoy). The recovery of mobility and the improvement of purchasing power will encourage public consumption. High prices of major commodities in the first semester and the continuation of the National Economic Recovery (NER) program are also predicted to boost North Sumatra's economic growth in 2022 higher than the previous year. Nevertheless, the continuation of geopolitical conflicts that risk continuing supply chain and demand disruptions from trading partner countries as well as global economic developments marked by high inflation are risks that can restrain further growth.

Source: BPS, processed

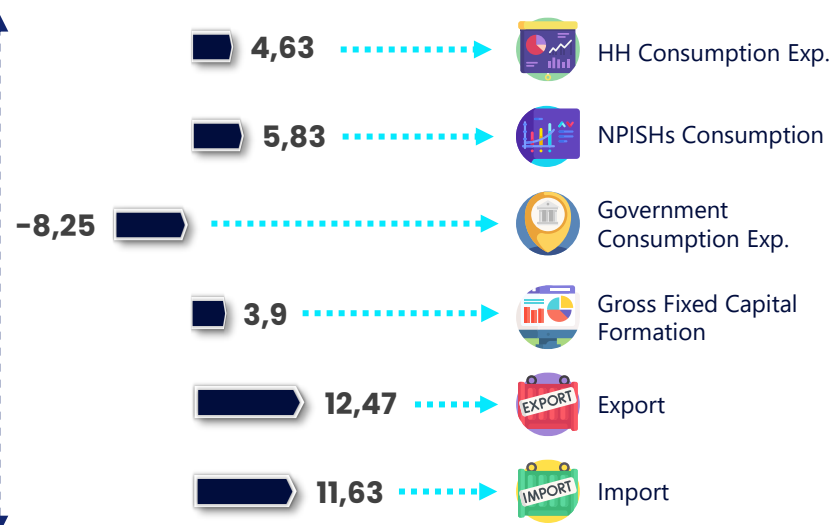
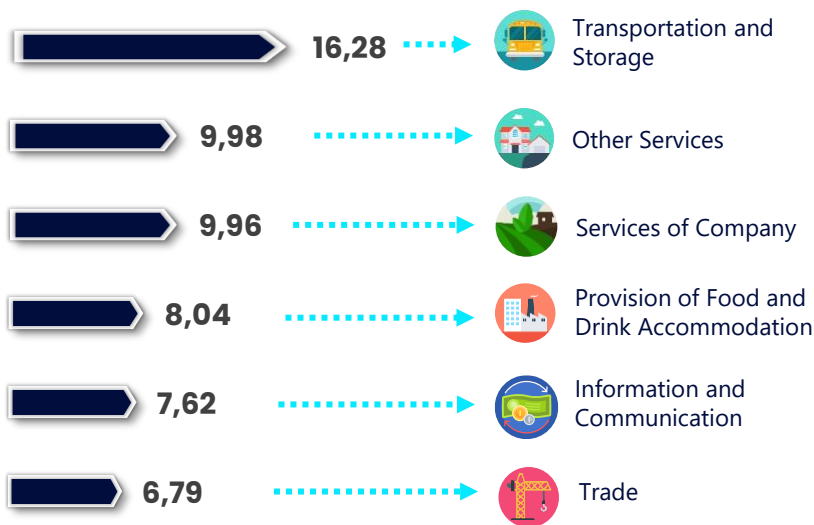
North Sumatra's economic is growing higher and positively. The growth is supported by improvements in almost all economic sectors, both in terms of industrial origin and expenditure including of handling the pandemic which is getting better, thus encouraging the optimization of household spending, the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



GRDP Growth (Industrial Origin, yoy)

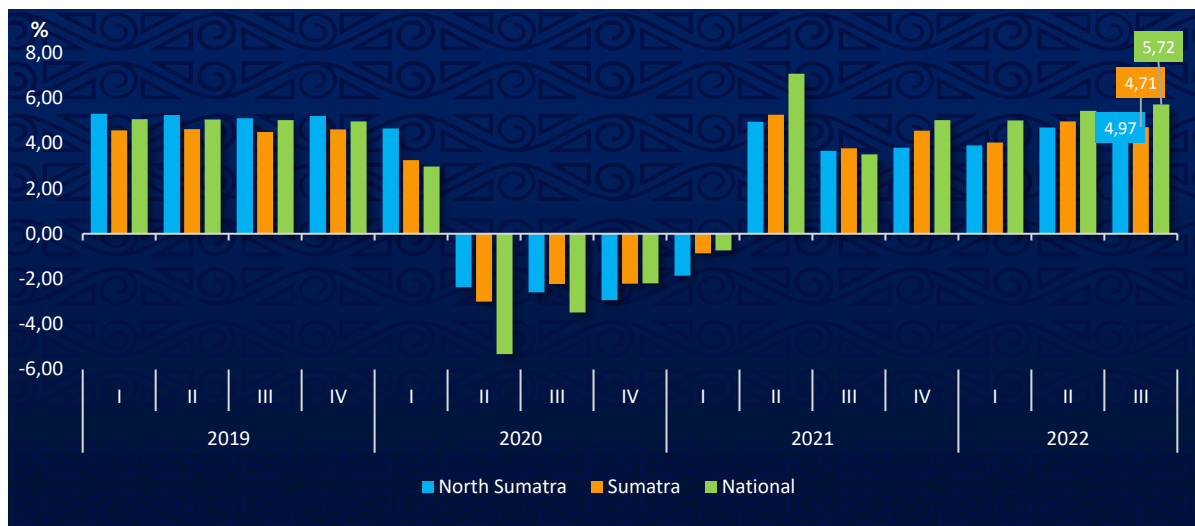
← Q3 2022 →

GRDP Growth (Expenditure, yoy)



Source: BPS, processed

Economic Growth of Indonesia, Sumatra and North Sumatra



Source: BPS, processed

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.



**Financing g.
(%; yoy)**

Oct 2022

8.4%

Nominal Oct 2022 : IDR 256 Trillion
Nominal Oct 2021 : IDR 237 Trillion



**Bank Deposit
Account (%; yoy)**

Oct 2022

4.6%

Nominal Oct 2022 : IDR 303 Trillion
Nominal Oct 2021 : IDR 290 Trillion



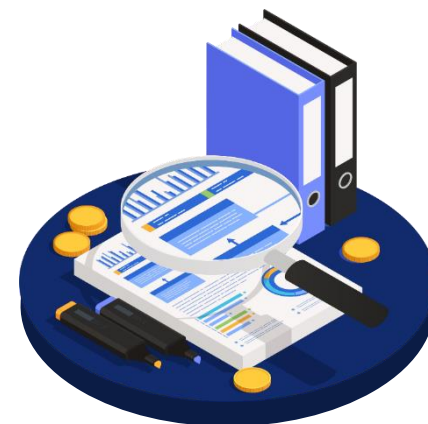
NPL (%)

Oct 2022

2.4%

Nominal Oct 2022: IDR 6 Trillion
Nominal Oct 2021: IDR 7 Trillion

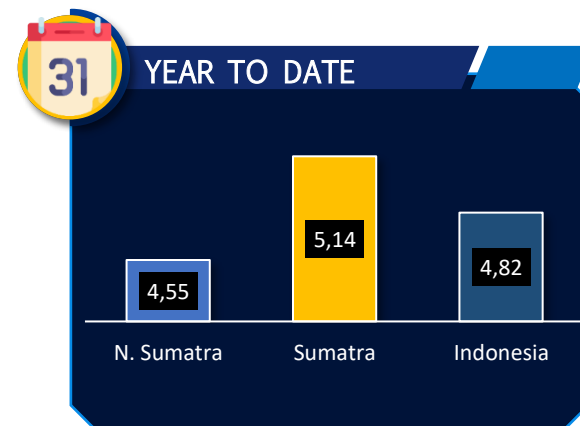
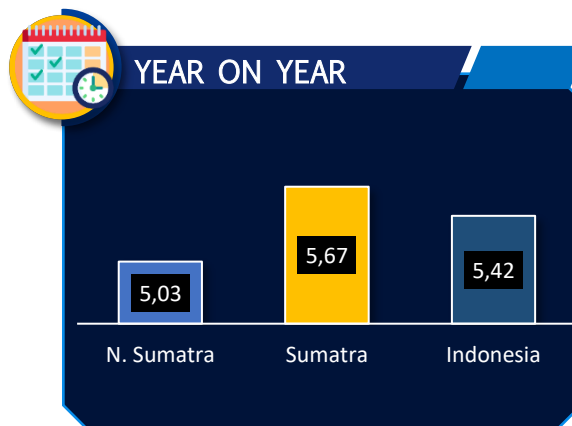
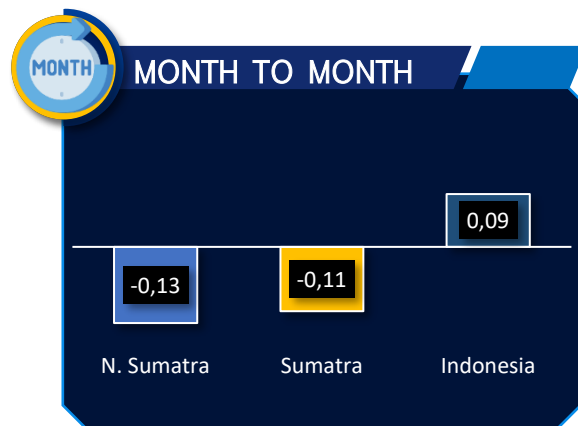
Source: Bank Indonesia



North Sumatra Financial System Overview



In November 2022, North Sumatra again recorded deflation of -0.13% (mtm), after recording deflation of -0.51% (mtm) in October. Continued deflation in North Sumatra is in contrast to the national inflation of 0.09% (mtm). Based on its components, deflation in November 2022 was primarily attributable to volatile foods, which recorded a deflationary contribution of -0.18% (mtm). Core Inflation recorded 0.05% (mtm) inflation, and administered prices were observed to be stable with inflation at 0.00% (mtm). Deflation in volatile foods was primarily attributable to lower prices of red chilies and shallots with deflationary contributions of -0.15% (mtm) and -0.09% (mtm) respectively. This condition is mainly caused by the increasing supply of red chili due to abundant harvests in the mountain area (Tanah Karo) and the influx of shallot supply from Java Island. 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 Tim Pengendalian Inflasi Daerah (TPID) of North Sumatra.

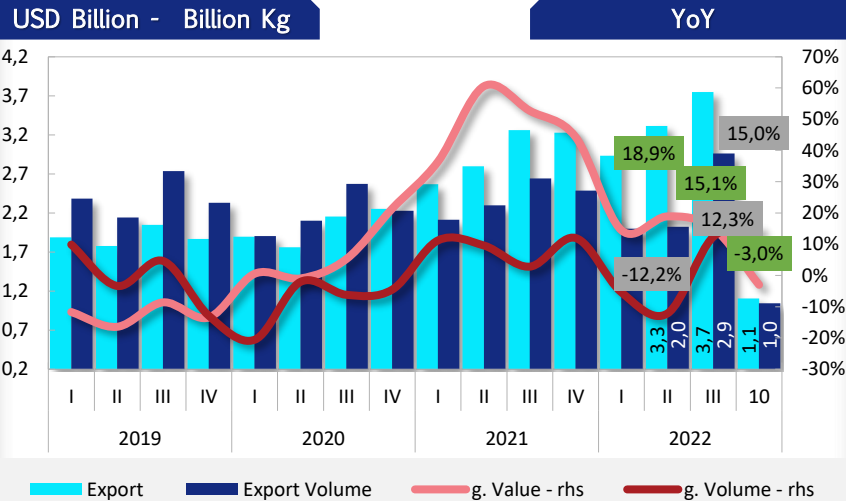


Source: BPS, processed



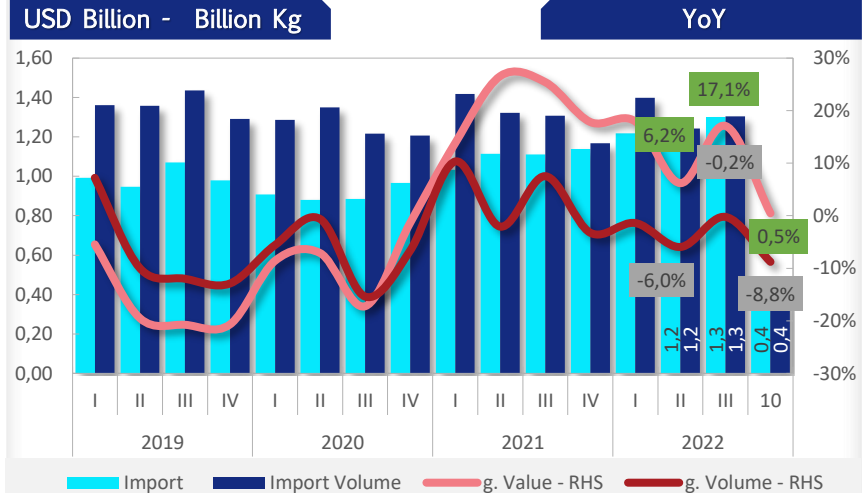
Adjacent to the world trade route, North Sumatra maintains its trade competitiveness among peer countries. The export volume of North Sumatra is moving limited. This is reflected in the decrease in the average purchasing managers' index as a result of geopolitical conflicts.

EXPORT

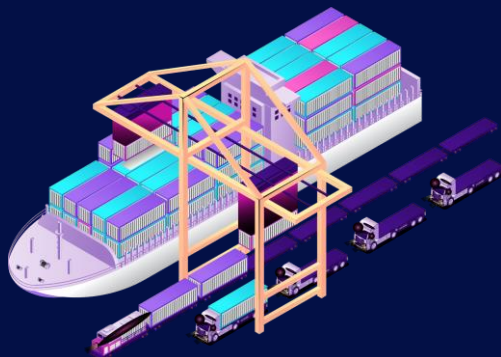


Source: Bea Cukai, proceed

IMPORT



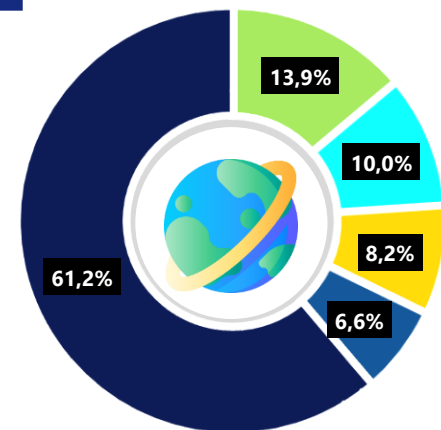
Source: Bea Cukai, proceed



Export Shares Based on Countries

USD Billion - Billion Kg

- Tiongkok
- USA
- Euro Area
- India
- Negara Lainnya



Source: Bea Cukai, proceed

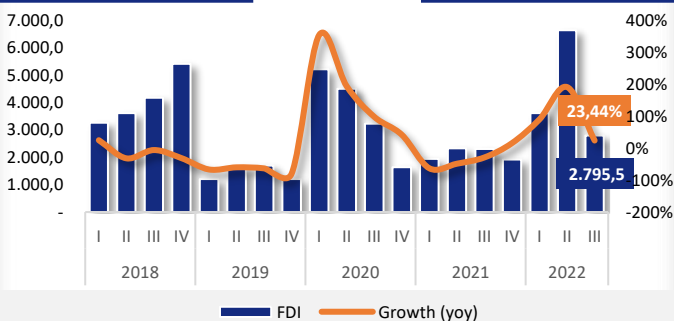


North Sumatra's investment in the third quarter of 2022 accelerated positively better than the previous quarter as much of IDR12.43 trillion or grew 80.05% (yoy). This realization was supported by the high interest of Domestic Direct Investment (DDI) in investing in the transportation, warehousing and telecommunications sectors amounting to IDR6.75 trillion or 70% of the total investment of North Sumatra. Meanwhile, Foreign Direct Investment (FDI) was driven by the electricity, gas and water sector of USD78.63 million or 40%. Based on the realization of FDI, South Tapanuli Regency achieved the largest realization of IDR1,046.66 billion while Tebing Tinggi City is the largest investment realization of DDI of IDR 6,642.48 billion.

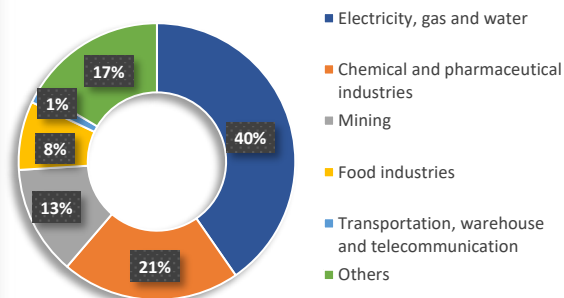
FDI GROWTH 2018 – Q3 2022

USD Million

YoY

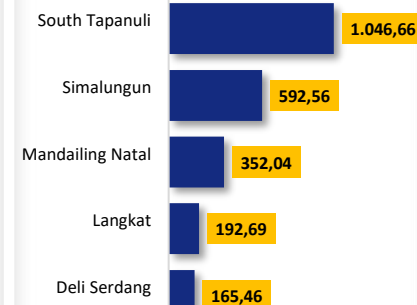


TOP 5 FDI BY SECTOR



US\$ Million

TOP 5 FDI BY LOCATION

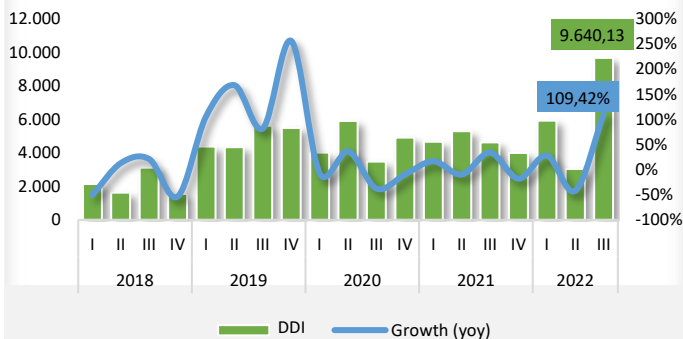


IDR Billion

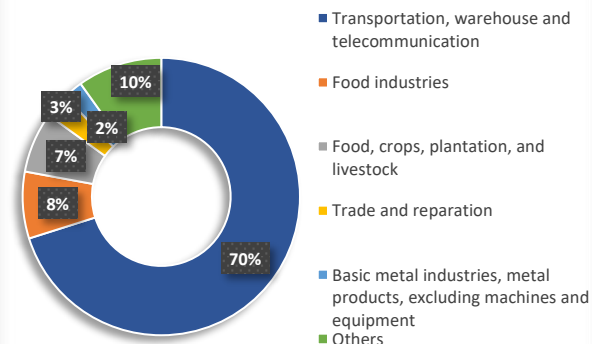
DDI GROWTH 2018 – Q3 2022

IDR Billion

YoY

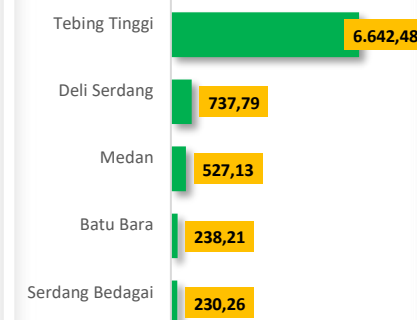


TOP 5 DDI BY SECTOR



IDR Billion

TOP 5 DDI BY LOCATION



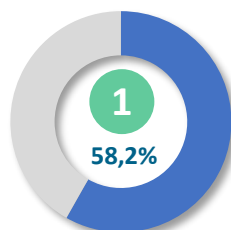
IDR Billion

Source: Investment Ministry/BKPM

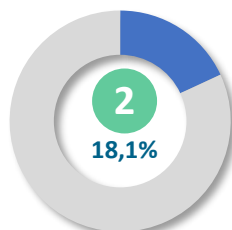


This also increases the achievement of North Sumatra investment realization towards investment target by Central Government to **64.91% or equivalent to IDR31.61 trillion from IDR48.70 trillion**. This achievement was also supported by the realization of North Sumatra investment based on countries dominated by Singapore (USD113.51 million, 58.20%), the Netherlands (USD35.29 million, 18.10%), Malaysia (USD17.84 million, 9.20%), the British Virgin Islands (USD10.77 million, 5.50%), and Hong Kong (USD5.85 million, 3%).

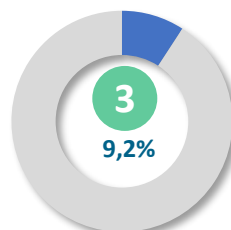
FDI IN Q3 OF 2022 BY COUNTRY



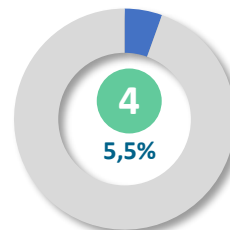
Singapore



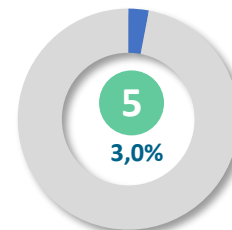
Netherlands



Malaysia

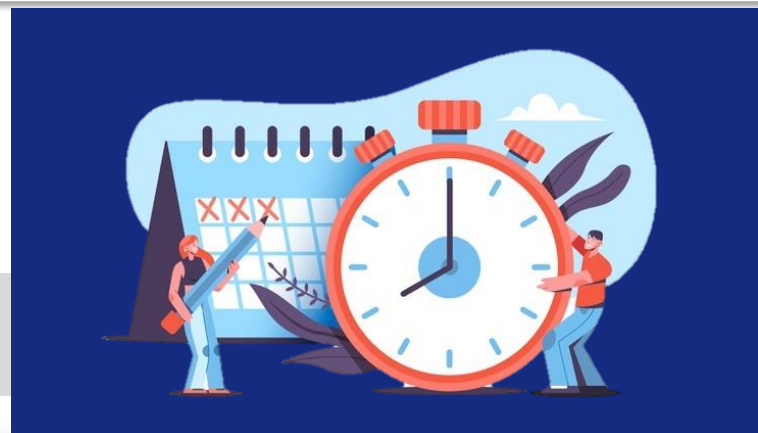
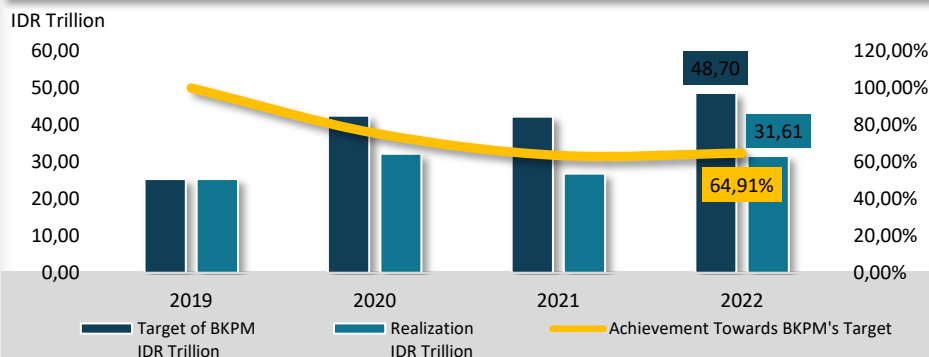


British Virgin Islands



Hong Kong

USD Million	113,51	35,29	17,84	10,77	5,85
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Source: Investment Ministry/BKPM



Vision of North Sumatra:

Making North Sumatra Developed, Safe and Dignity

01 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.

02 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.

03 Dignity in Education

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

04 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.

05 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

Source: BAPPEDA of North Sumatra



NORTH SUMATRA DEVELOPMENT PRIORITY PROGRAMS 2019-2023

Source: BAPPEDA of North Sumatra

01



Increasing Access to Education

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

02



Increasing Public Health

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

03



Increasing Employment Opportunities

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

04



Increasing of Agriculture Sector

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

Increasing Tourism Competitiveness



05

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

Increasing Bureaucratic Reform



06

Realized through good governance through established development priorities

Increasing Social Society & Sports



07

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

Environmentally Infrastructure Development



08

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



BANK INDONESIA
BANK SENTRAL REPUBLIK INDONESIA



Kuala Tanjung Sea Port, Batu Bara Regency

INVESTMENT PROJECTS



Lake Toba, Ajibata, Toba Regency



TOBA CALDERA RESORT



Lake Toba, Ajibata, Toba Regency



Lake Toba, Ajibata, Toba Regency



Lake Toba, Ajibata, Toba Regency

Ajibata District, Toba Regency, North Sumatera

Location



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

Land



Tourism Attractions, Agro-Tourism, Hospitality & Property,

Sectors



Total Infrastructure; Landscape Feature; Office and Supporting Building; Public Facility IDR 26 Trillion or equal to USD 1.81 Billion (Excluding PPN)

Investment Value



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

Business's Scheme



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

Projects to Offer



Managed by Lake Toba Tourism Authority

Project Status



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

Financial Indicator



- 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)

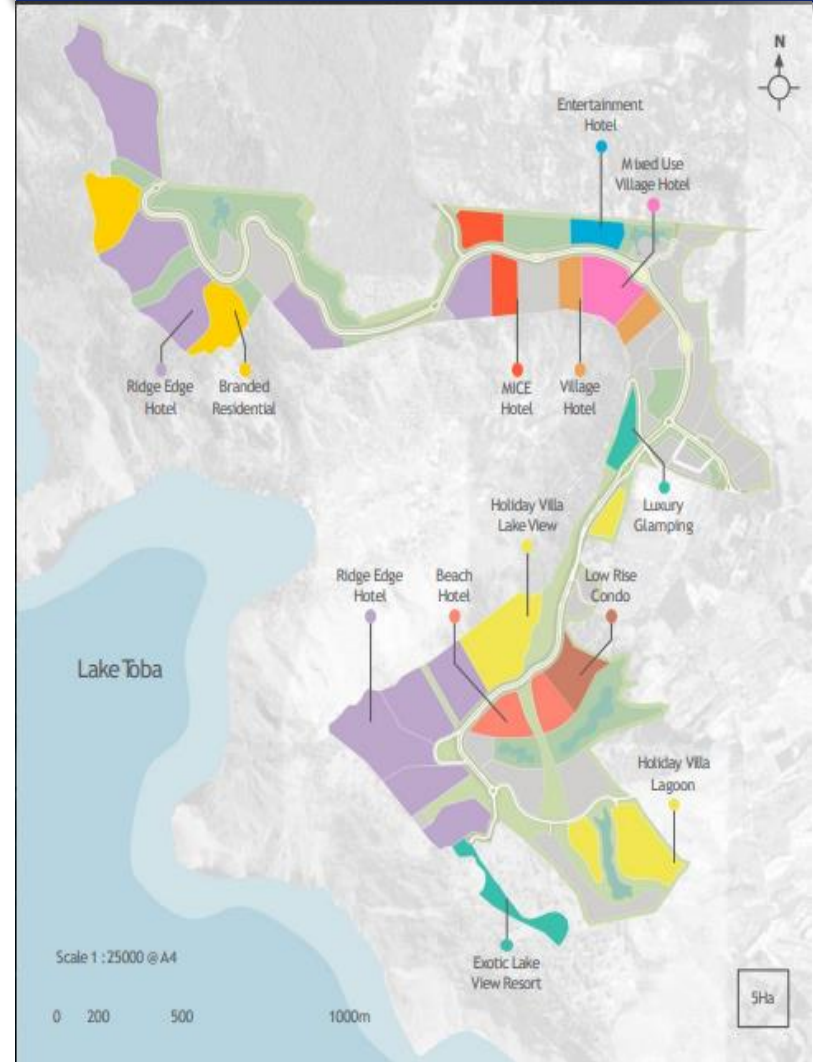
Key Project Highlights



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

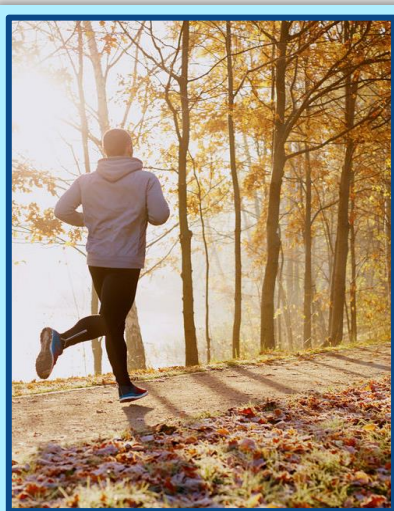
- Lake Toba is one of the five **super priority destinations** assigned by the Government because of its beauty of nature.
- The largest volcanic lake in the world and **the largest lake in the Southeast Asia**.
- **One out of ten deepest lakes in the world**, reaching around 500 meters deep.
- The distinctive 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



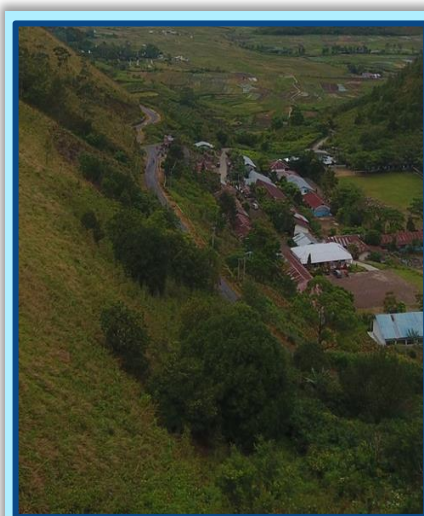
-  **Name of Project** : International Five-star Hotel & Luxury Resort
-  **Managed By** : Lake Toba Tourism Authority
-  **Sector** : Property Development
-  **Business Scheme:**
 - Joint Operation / Land-lease agreement (30+15 years)
 - Rate starts from USD 1 / m2 / year
 - Other agreeable cooperation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







Brief Project Profile - COMMERCIAL FACILITIES



-  **Name of Project** : Supporting Amenities
 - 3 lots of outdoor adventure / entertainment
 - International MICE Facility
-  **Managed By** : Lake Toba Tourism Authority
-  **Sector** : Commercial & Facility Development
-  **Business Scheme:**
 - Joint Operation / Land-lease agreement (30+15 years)
 - Rate starts from USD 1 / m2 / year
 - Other agreeable cooperation form
-  **Key Project Highlight** :
 - Located in Toba Caldera Resort of total 386,72 Ha
 - 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:**
 - 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:**
 - Joint Operation / Land-lease agreement (30+15 years)
 - Rate starts from USD 1 / m2 / year
 - Revenue sharing
 - Other agreeable cooperation form
-  **Key Project Highlight** : Located in 386,5 Ha Sibisa Integrated Resort
-  **Investment Size** : Total Investment for Basic Infrastructure Development IDR 1.6 Trillion (equals to USD 118.5 Million) including road infrastructure, street furniture & landscape, etc
-  **Investment Size** :
 - Electrical, ICT and Gas Network IDR 145 Billion (equals to USD 10.8 Million)
 - Clean Water Network IDR 154 Billion (equals to USD 11.4 Million)
 - Wastewater Network IDR 251 Billion (equals to USD 18.6 Million)

*subject to further study



Lake Toba, Ajibata, Toba Regency

CONTACT FOR DETAIL



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20153



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www.laketoba.travel / northsumatrainvest.id



otorita.danautoba



otorita.danautoba



Otorita Danau Toba



Sei Mangkei SEZ, Bosar Maligas, Simalungun Regency

Activate Windows
Go to Settings to activate Windows

2

SEI MANGKEI SPECIAL ECONOMIC ZONE



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	<ul style="list-style-type: none"> • Palm Oil & Downstream Industries • Rubber & Downstream Industries
	Total Area / Land Status	1933,80 Ha/ Land Management Rights		Project Status	<ul style="list-style-type: none"> • Infrastructure availability. • Government provisions and support. • Direct investment is allowed to construct and own buildings or other structures on the land (max. 30 years and extendable for another 20 years).
	Mode of Offer	Financing and Direct Investment		Existing tenants	6 companies already established and 5 companies more (ongoing operation)
	IRR	15%			

Available Land Scheme



Land



Capacity **1.933 Ha**



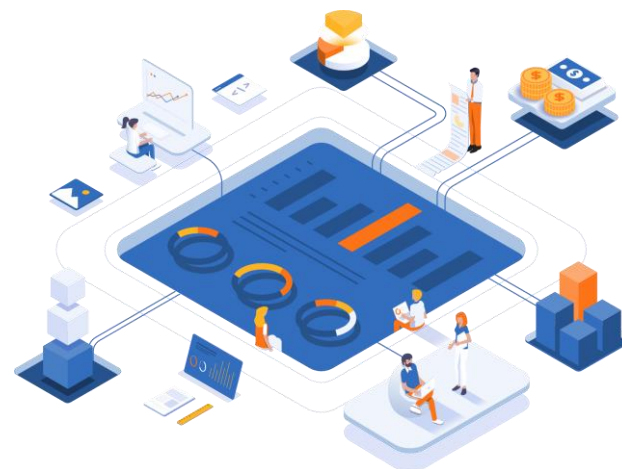
Utilized **166,84 Ha**

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)





BANK INDONESIA
BANK SENTRAL REPUBLIK INDONESIA



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



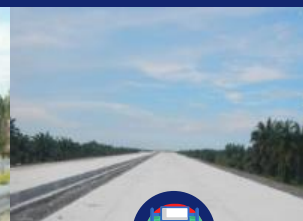
Access to Sei Mangkei SEZ



Railway



International Airport

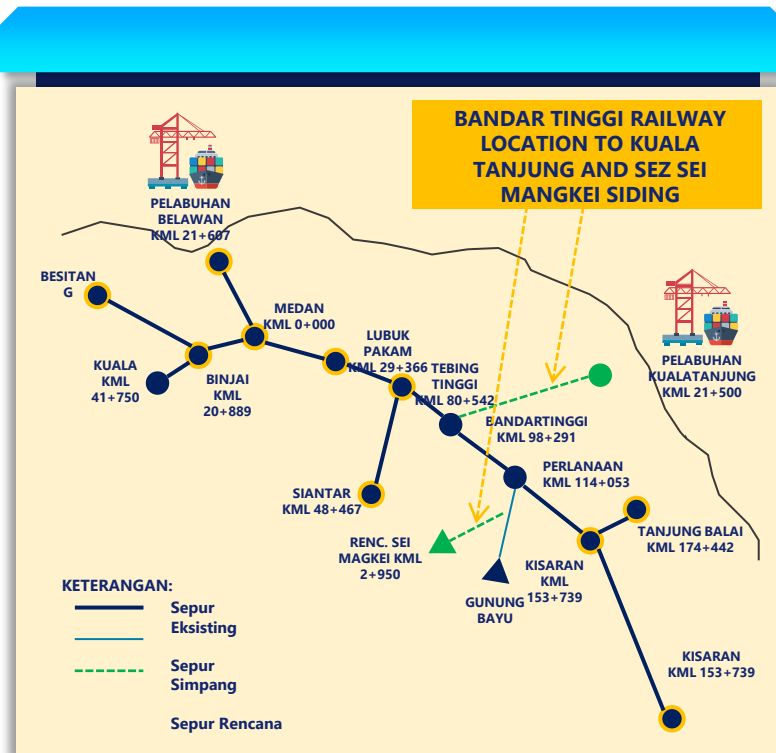


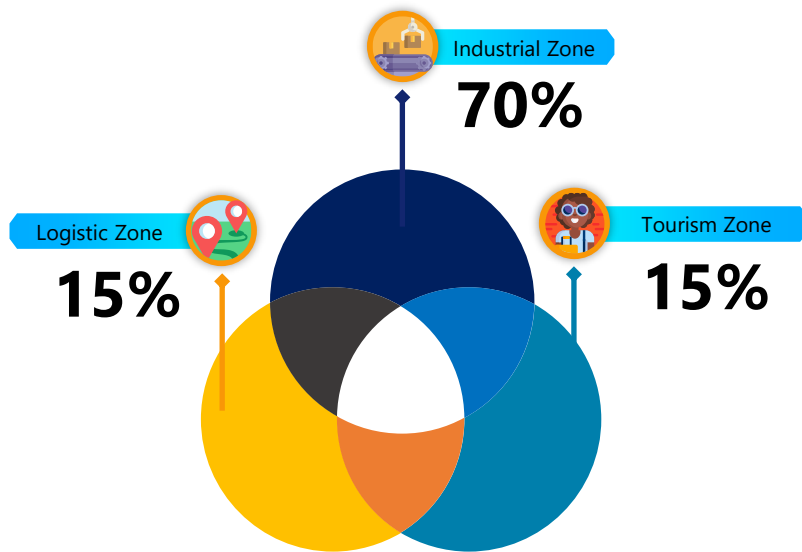
Highway:

- ▶ Medan – Tebing Tinggi
- ▶ Tebing Tinggi – Kisan
- ▶ Tebing Tinggi – Pematangsiantar



Kuala Tanjung Port





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.

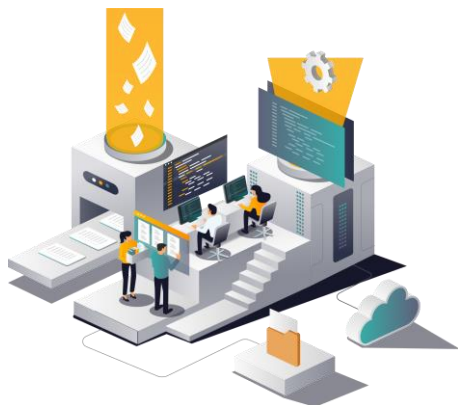
PKO Derivative Product

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.





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:

► **8.62%**

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



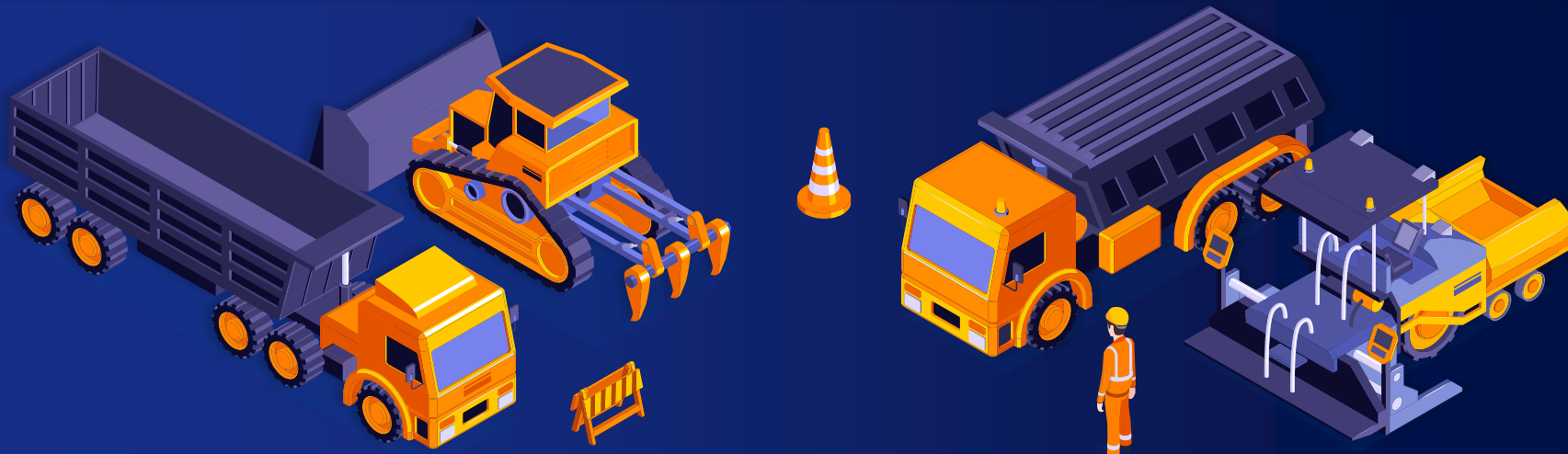
ELECTRICAL INSTALLATIONS



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:

1. TAX BREAKS
2. FREE EXPORT AND IMPORT TAX
3. CONVENIENT IN LICENSING
4. 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 \geq 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



Sei Mangkei SEZ, Bosar Maligas, Simalungun Regency

CONTACT FOR DETAIL



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



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PT Kawasan Industri Nusantara



Kuala Tanjung Sea Port, Sei Suka, Batu Bara Regency

3

KUALA TANJUNG INDUSTRIAL ESTATE



Kuala Tanjung Sea Port, Sei Suka, Batu Bara Regency



Location

Sei Suka Sub-District, Batubara Regency



Investment Value

IDR 28.87 Trillion or equal to USD 2.01 Billion



Total Area / Land Status

±3400 Ha



Mode of Offer

Direct Investment



Project Owner

PT. Pelindo I



Project Developer

PT. Prima Pengembangan Kawasan



Main Industries

Industrial Estate



Financial Indicator

IRR 12%, NPV IDR336 trillion with Payback Period 14 years



Project Status

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

PROJECT DESCRIPTION:

➤ Kuala Tanjung Port is designated as international hub in western Indonesia as accordance in Presidential Decree of Republic Indonesia No.26/2012, and has been designated as National Strategic Project.

➤ Integrated Industrial Estate Kuala Tanjung has several advantages such as strategic location, located in Malacca Strait, vast area to accommodate large scale industries, access to deep sea port that can accommodate largest ship size, and utilization of basic infrastructure and facilities collaboratively.

➤ As the gateway to Sumatra, Kuala Tanjung will increase regional economic hotspots by lowering logistic costs and increasing efficiency.

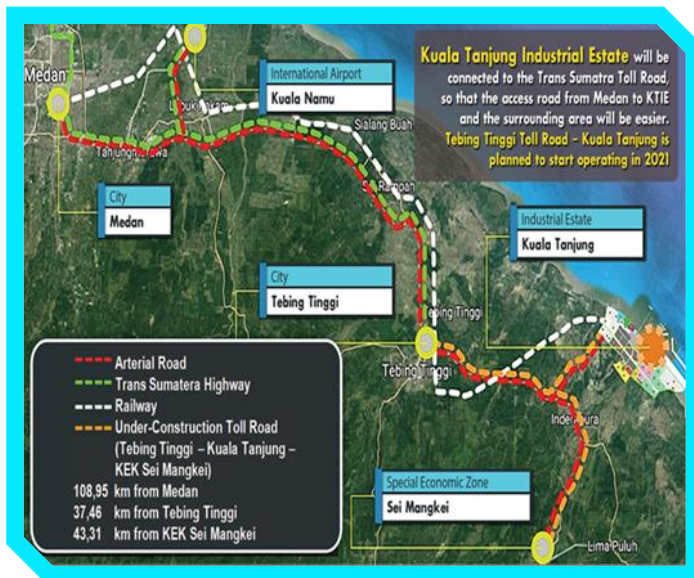
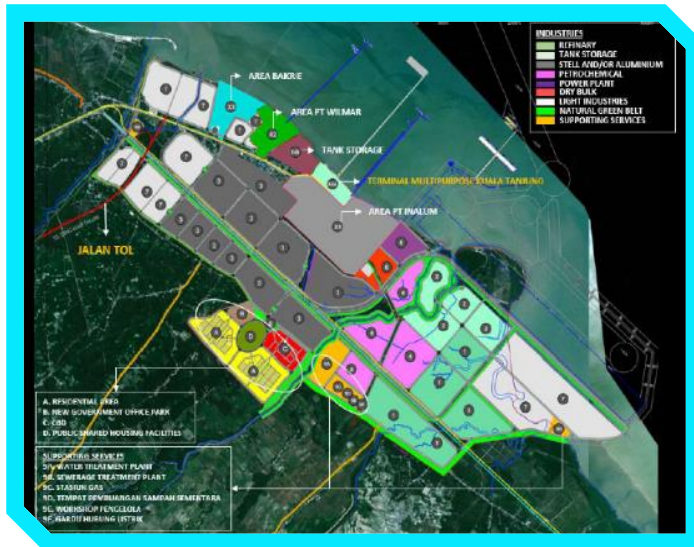
➤ Regional development is divided into 4 phases:

- ➊ Multipurpose Terminal Development (2015 – 2019)
- ➋ Industrial Estate Development (2015 – 2030)
- ➌ International Hub Development (2030 – 2040)
- ➍ 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 Mallaca Straits
- It has natural water depth up to 23 mLWS
- 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



Anchor Tenant





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

Anchor Tenant





3. FOOD and BEVERAGES

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





4. CEMENT



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

**Potential
Anchor Tenant**

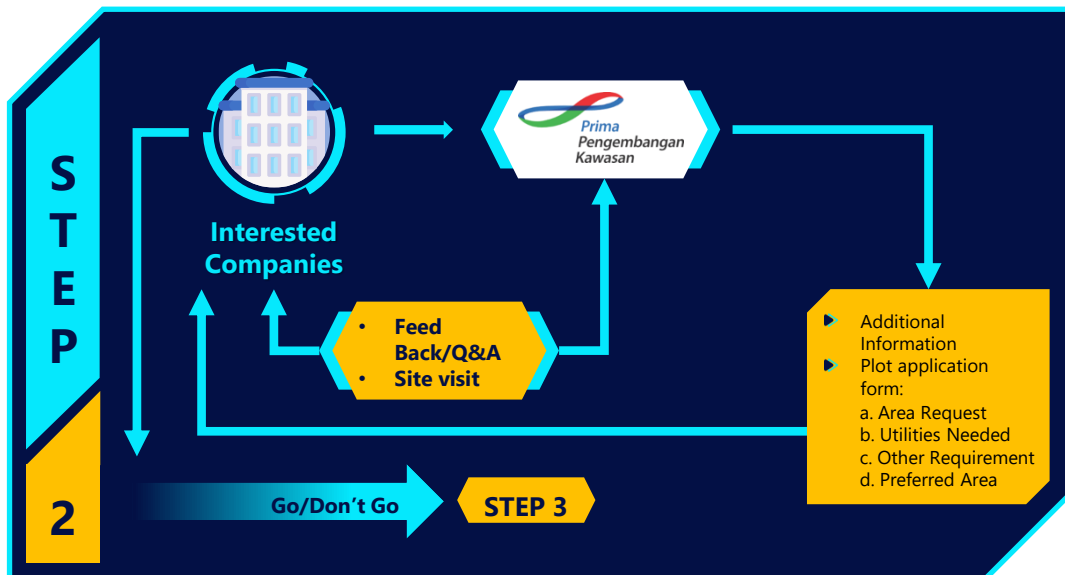
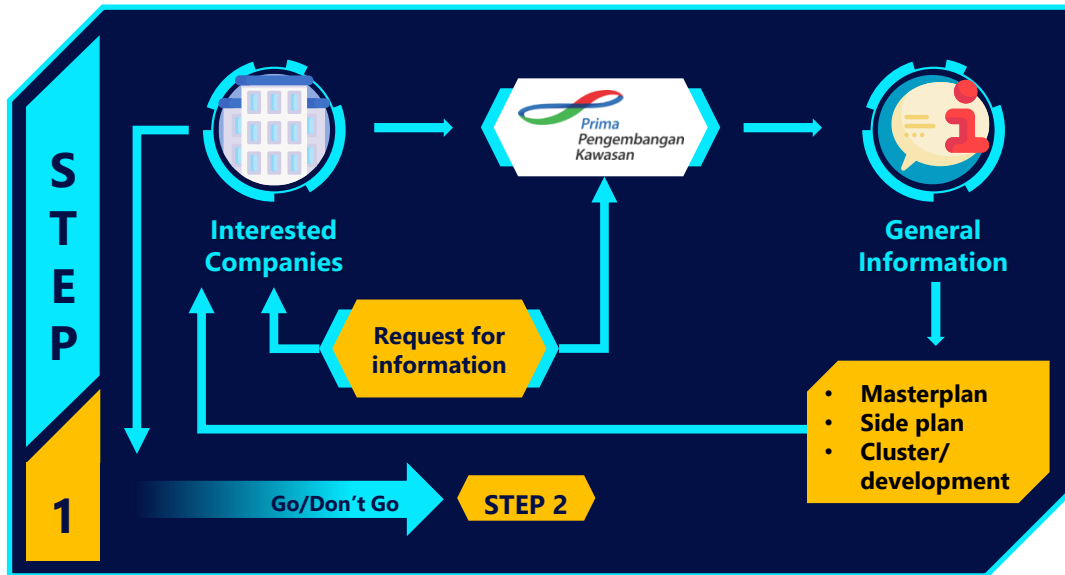


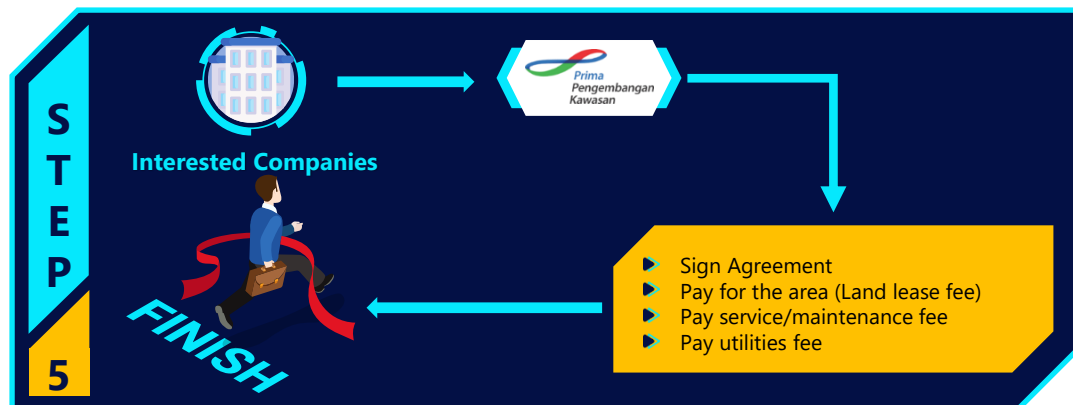
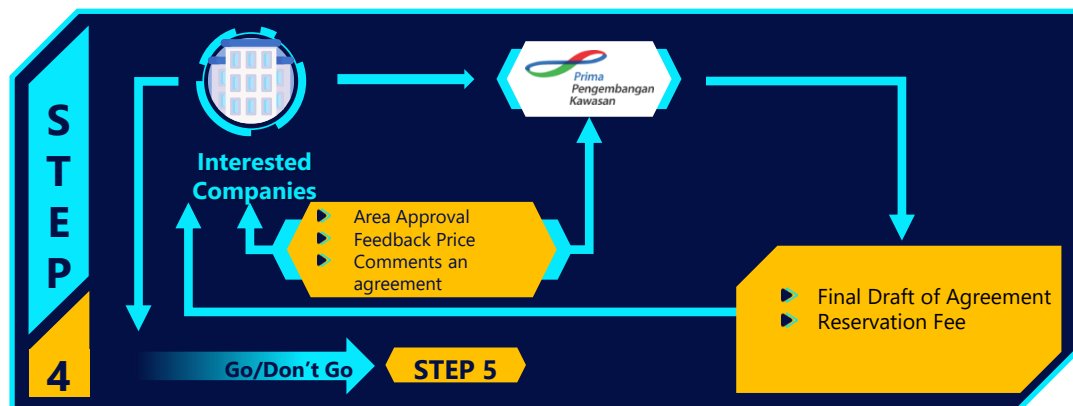
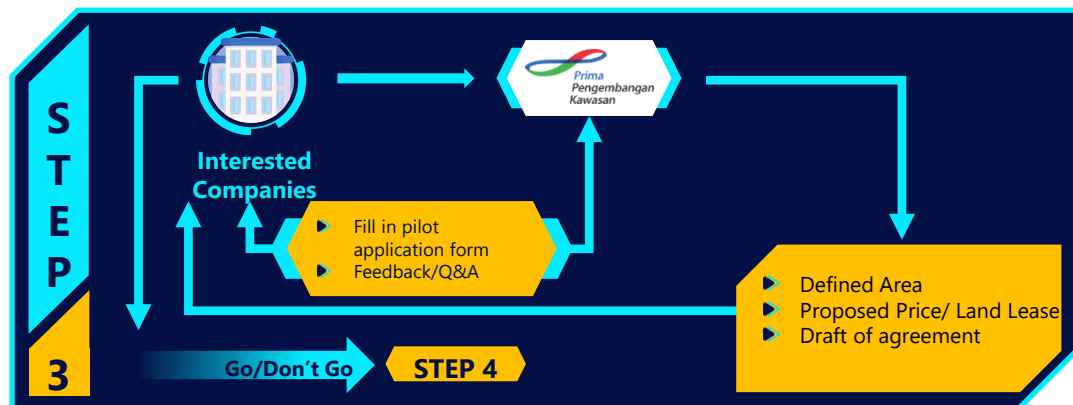


5. RUBBER PRODUCTS

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









Kuala Tanjung Sea Port, Sei Suka, Batu Bara Regency

CONTACT FOR DETAIL



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pelindo1



Pelindo 1



PT. PELINDO I (PERSERO)



Pelindo 1



Medan Industrial Estate, Deli Serdang Regency



MEDAN INDUSTRIAL ESTATE



Medan Industrial Estate, Deli Serdang Regency



Location

Pulau Batam Street Medan Industrial Estate Area



Investment Value

IDR 359 Billion or equal to USD 25 Million



Land

11.8 Ha and already clear by using its own land



Sectors

Infrastructure and and manufacturing



Mode of Offer

Direct Investment, Regional Budget, and State Budget



Project Status

- Medan Industrial Estate is the most modern industry in North Sumatra
- With more than 500 tenants are already exist will become the best place for investment
- Concession period 20 years

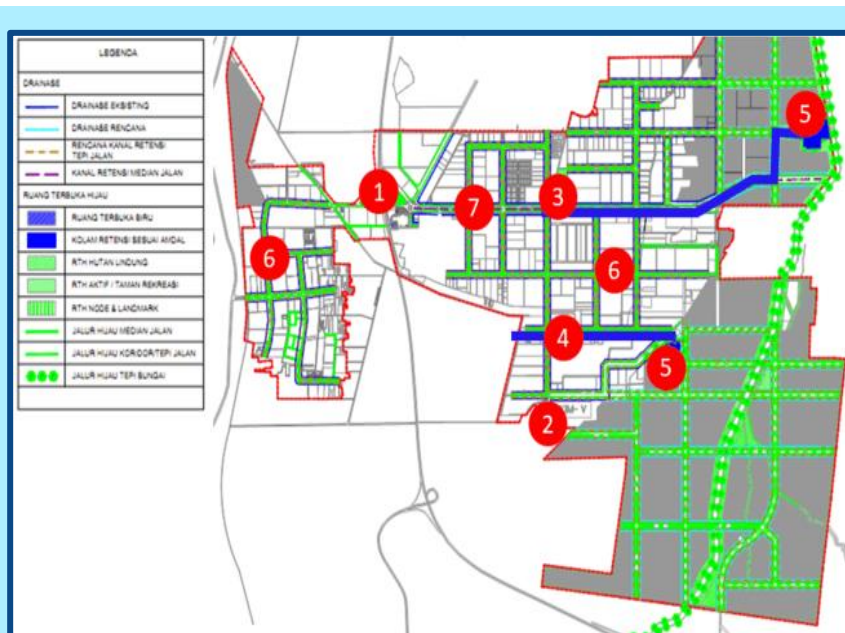


Project Owner

PT Medan Industrial Estate Company

Source: PT. Medan Industrial Estate Company

A. INTERNAL FLOOD CONTROL SYSTEM



Investment Value

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)

RTH AKTIF TAMAN TOL



HUTAN LINDUNG



TAMAN REKREASI



TEROWONGAN AIR & POMPA PENDORONG



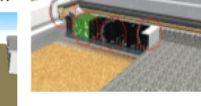
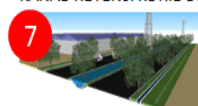
KOLAM RETENSI



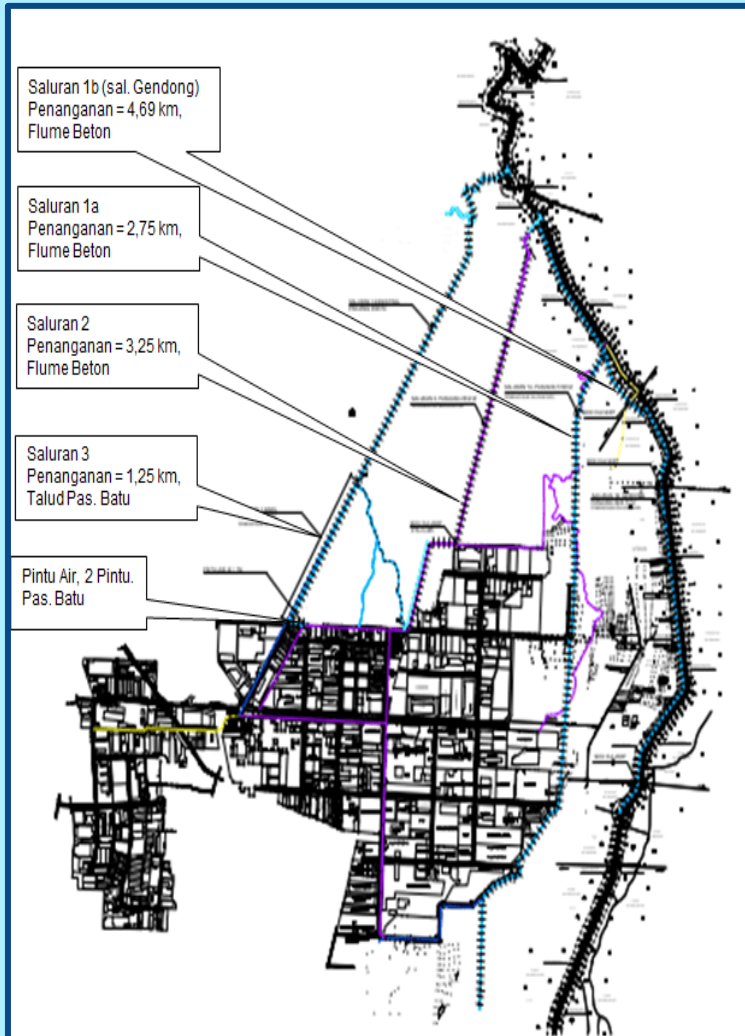
KANAL RETENSI



KANAL RETENSI KORIDOR



B. SECONDARY & PRIMARY OF EXTERNAL DRAINAGE NETWORK FOR FLOOD CONTROL



Investment Value

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



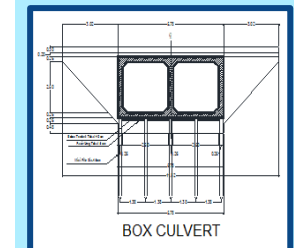
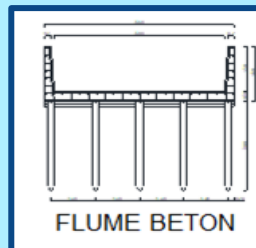
Location

In Medan Industrial Estate area at
Pulau Batam Street



Land Allocation

It is scattered because according to its
pipe and track plan



C. OFFICE TOWER



Hotel & Mice



Deskripsi :
 Opsi Komersialisasi
 Sistem Sewa
Market
 Petrusalkaan, 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,
 Paten, Inkuiri, Ketersakerjaan, 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 Kikasan & Investasi, Pengual
 Produk F&B, Kesehatan, Kocandikan,
 Pakuan, UMKM, 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



CONTACT FOR DETAIL



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[ptkawasanindustrimedan](#)



PT. KAWASAN INDUSTRI MEDAN



PT. Kawasan Industri Medan



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara



SPORT CENTER



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara



Location

Sena Village, Batang Kuis, Deli Serdang Regency



Investment Value

IDR 10 Trillion or equal to USD 698.08 Million



Land

300 Ha/ Land Management Rights



Business's Scheme

Regional Government Budget, National Budget, Financing, Direct Investment, and other possibility



Project Owner

Dinas Pemuda dan Olahraga Provinsi Sumatera Utara



Project Status

- Sports Center's Masterplan has completed in 2019;
- Land acquisition and settlement process have done in 2020;
- Construction for area borders, gateway, security posts start in 2020;
- Early construction for Athletes' Homestead and Martial Art Stadium will be built in 2021;
- DED Construction of 6 Venues in process starts in 2020 and the rest of 15 venues in 2021 with sourced regional budget.

Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara



Investment Value



Budget Year Plan



Source of Funds / Funding Scheme



Location



Integration of



Challenges



Land Allocation



Expected Endorsement

IDR 2.74 Trillion

2020 s/d 2023 (*Multiyears*)

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

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

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

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

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

- Building area 12 ha
- Land area 6.55 ha

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

MAIN FOOTBALL STADIUM DEVELOPMENT

A



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

B

**ISTORA BUILDING
DEVELOPMENT**



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara



**Investment
Needs**



**Budget Year
Plan**



**Source of Funds /
Funding Scheme**



Location



Integration of



Land Allocation



**Expected
Endorsement**

IDR 333.67 Billion

2020 s/d 2023 (*Multiyears*)

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

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

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

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

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



Investment Needs

IDR 574.76 Billion



Budget Year Plan

2020 s/d 2023 (*Multiyears*)



Source of Funds / Funding Scheme

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



Location

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

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



Integration of

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



Land Allocation

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

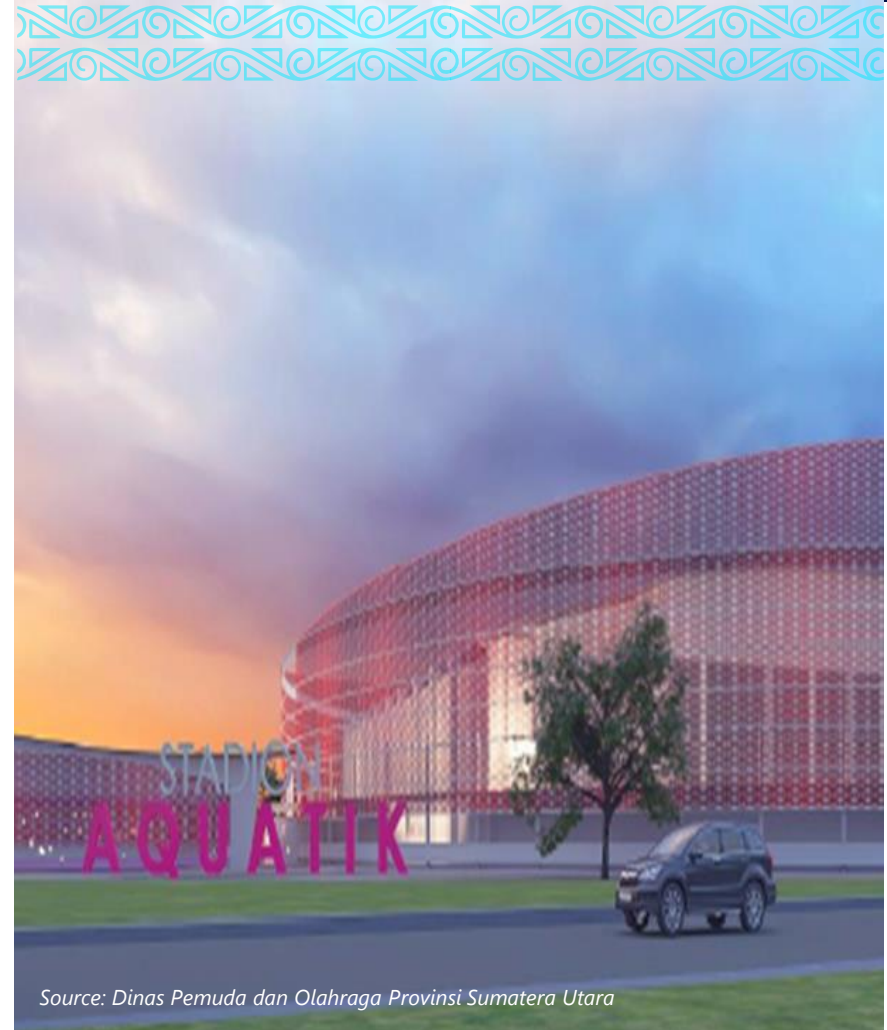


Expected Endorsement

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

AQUATIC BUILDING DEVELOPMENT

C



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara

D

**VOLLEY BUILDING
DEVELOPMENT**



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara



**Investment
Needs**



**Budget Year
Plan**



**Source of Funds /
Funding Scheme**



Location



Integration of



Land Allocation



**Expected
Endorsement**

IDR 148.22 Billion

2020 s/d 2023 (*Multiyears*)

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

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

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

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

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



Investment Needs



Budget Year Plan



Source of Funds / Funding Scheme



Location



Integration of



Land Allocation



Expected Endorsement

IDR 19.03 Billion

2020 s/d 2023 (*Multiyears*)

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

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

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

- Building area 0.13 ha
- Land area 1.66 ha

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

VELODROME BUILDING DEVELOPMENT

E



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara

F

BOWLING AND SQUASH BUILDING DEVELOPMENT



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara



Investment Needs



Budget Year Plan



Source of Funds / Funding Scheme



Location



Integration of



Land Allocation



Expected Endorsement

IDR 83.96 Billion (Bowling)

IDR 89.24 Billion (Squash)

2020 s/d 2023 (*Multiyears*)

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

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

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

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

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



Investment Needs

IDR 207.88 Billion

ATHLETIC STADIUM DEVELOPMENT

G



Budget Year Plan

2020 s/d 2023 (*Multiyears*)



Source of Funds / Funding Scheme

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



Location

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

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



Integration of

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



Land Allocation

- Building area 0.4 ha
- Land area 6.48 ha



Expected Endorsement

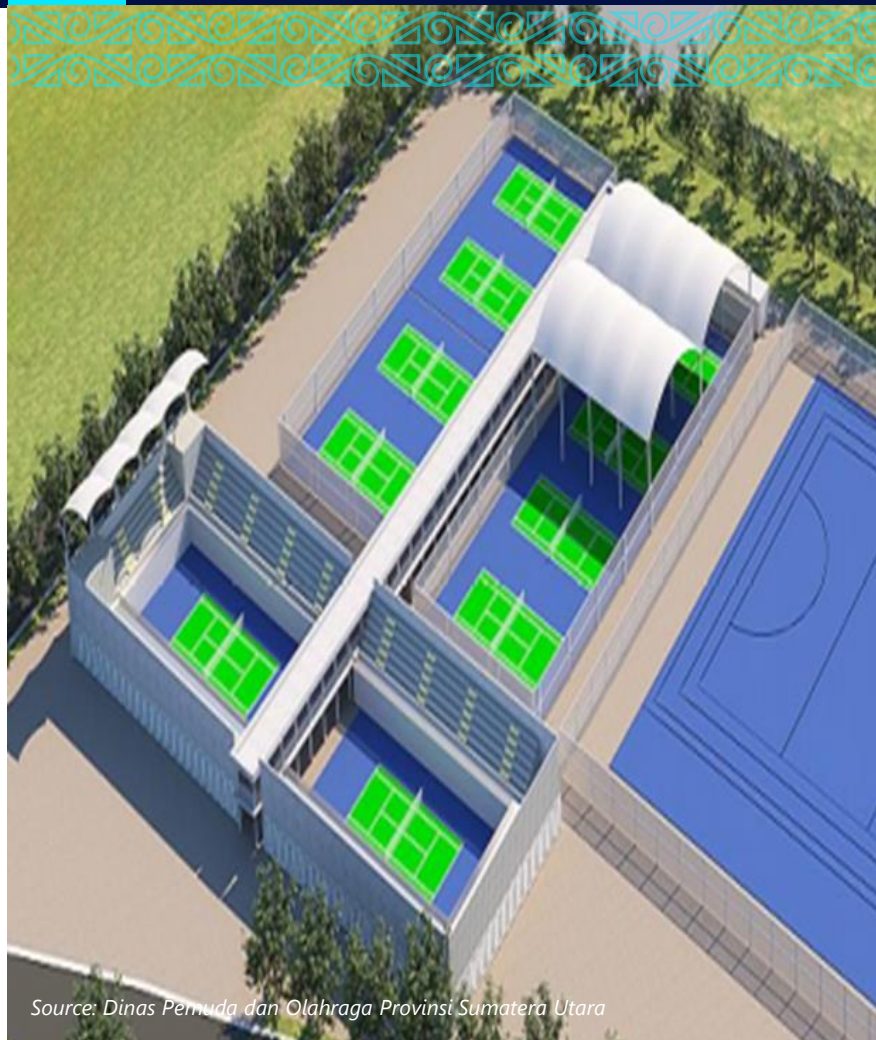
Financial support from third parties (PPP, investors, and stakeholders mechanism)



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara

H

TENNIS COURT DEVELOPMENT



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara



Investment Needs



Budget Year Plan



Source of Funds / Funding Scheme



Location



Integration of



Land Allocation



Expected Endorsement

IDR 188.32 Billion

2020 s/d 2023 (*Multiyears*)

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

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

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

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

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



Investment Needs

IDR 108.74 Billion

BADMINTON BUILDING DEVELOPMENT



Budget Year Plan

2020 s/d 2023 (*Multiyears*)



Source of Funds / Funding Scheme

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



Location

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

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



Integration of

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



Land Allocation

- Building area 0.5 ha
- Land area 1.65 ha



Expected Endorsement

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



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara



J

MARTIAL ART DEVELOPMENT



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara



Investment Needs



Budget Year Plan



Source of Funds / Funding Scheme



Location



Integration of



Land Allocation



Expected Endorsement

IDR 100.32 Billion

2020 s/d 2023 (*Multiyears*)

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

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

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

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

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



Investment Needs



Budget Year Plan



Source of Funds / Funding Scheme



Location



Integration of



Land Allocation



Expected Endorsement

IDR 74.93 Billion

2020 s/d 2023 (*Multiyears*)

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

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

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

- Building area 0.41 ha
- Land area 4.41 ha

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

BASEBALL COURT BUILDING DEVELOPMENT

K



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara

L

SOFTBALL COURT DEVELOPMENT



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara



Investment Needs



Budget Year Plan



Source of Funds / Funding Scheme



Location



Integration of



Land Allocation



Expected Endorsement

IDR 33.36 Billion

2020 s/d 2023 (*Multiyears*)

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

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

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

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

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



Investment Needs



Budget Year Plan



Source of Funds / Funding Scheme



Location



Integration of



Land Allocation



Expected Endorsement

IDR 33.10 Billion

2020 s/d 2023 (*Multiyears*)

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

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

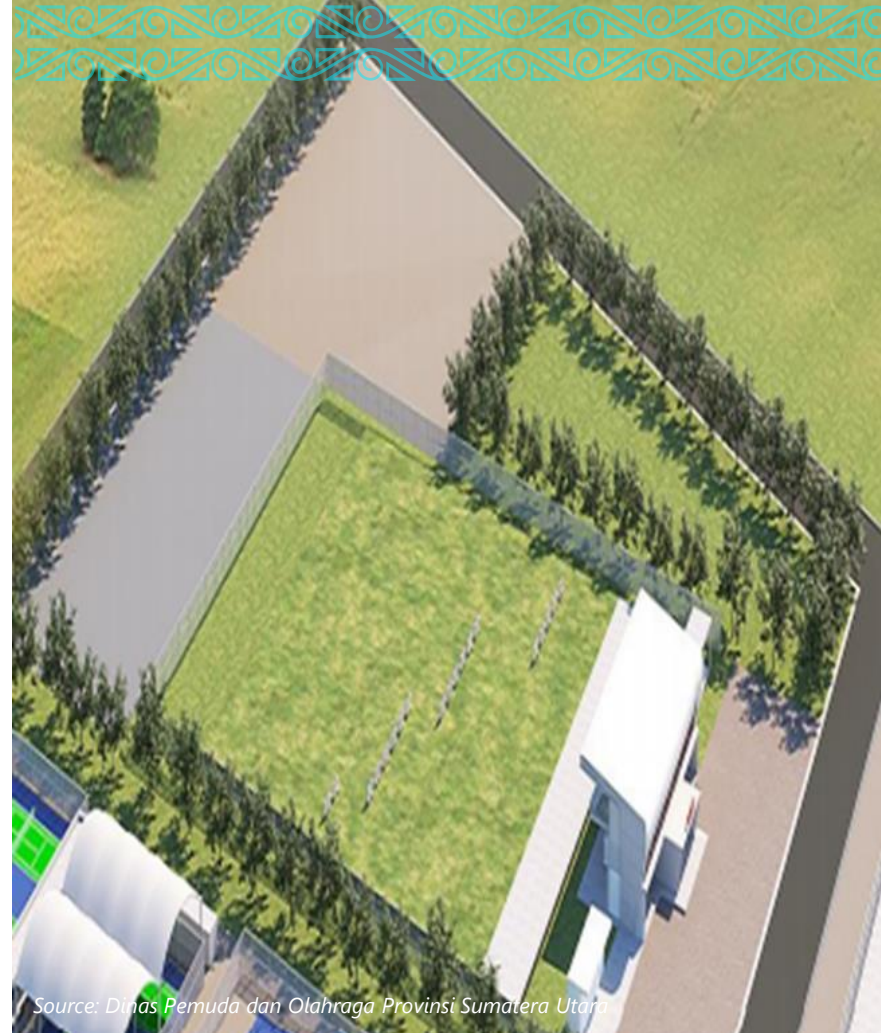
Preparations to support the holding of PON XXI in 2024 and SEA GAMES in 2025 as well as the 2032 Olympics

- Building area 0.08 ha
- Land area 3.32 ha

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

ARCHERY COURT DEVELOPMENT

M



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara

N

BASKETBALL BUILDING DEVELOPMENT



Investment Needs



Budget Year Plan



Source of Funds / Funding Scheme



Location



Integration of



Land Allocation



Expected Endorsement

IDR 136.63 Billion

2020 s/d 2023 (*Multiyears*)

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

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

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

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

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



Investment Needs



Budget Year Plan



Source of Funds / Funding Scheme



Location



Integration of



Land Allocation



Expected Endorsement

IDR 284.54 Billion

2020 s/d 2023 (*Multiyears*)

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

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

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

Land area 2.3 ha

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

EQUESTRIAN COURT DEVELOPMENT

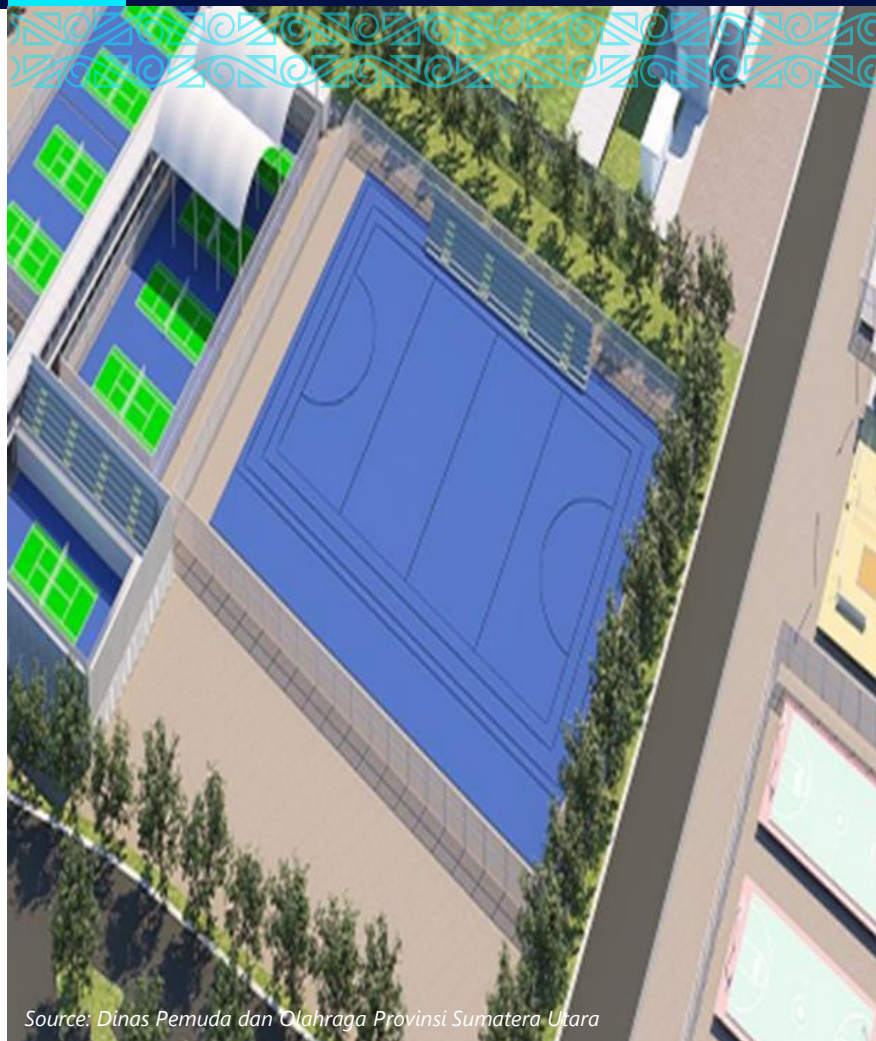
0



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara

P

HOCKEY INDOOR & OUTDOOR DEVELOPMENT



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara



Investment Needs



Budget Year Plan



Source of Funds / Funding Scheme



Location



Integration of



Land Allocation



Expected Endorsement

IDR 100.57 Billion

(Indoor)

IDR 16.49 Billion

(Outdoor)

2020 s/d 2023 (*Multiyears*)

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

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

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

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

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



Investment Needs



Budget Year Plan



Source of Funds / Funding Scheme



Location



Integration of



Land Allocation



Expected Endorsement

IDR 16.52 Billion

2020 s/d 2023 (*Multiyears*)

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

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

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

Land area 0.42 ha

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

BMX TRACK DEVELOPMENT

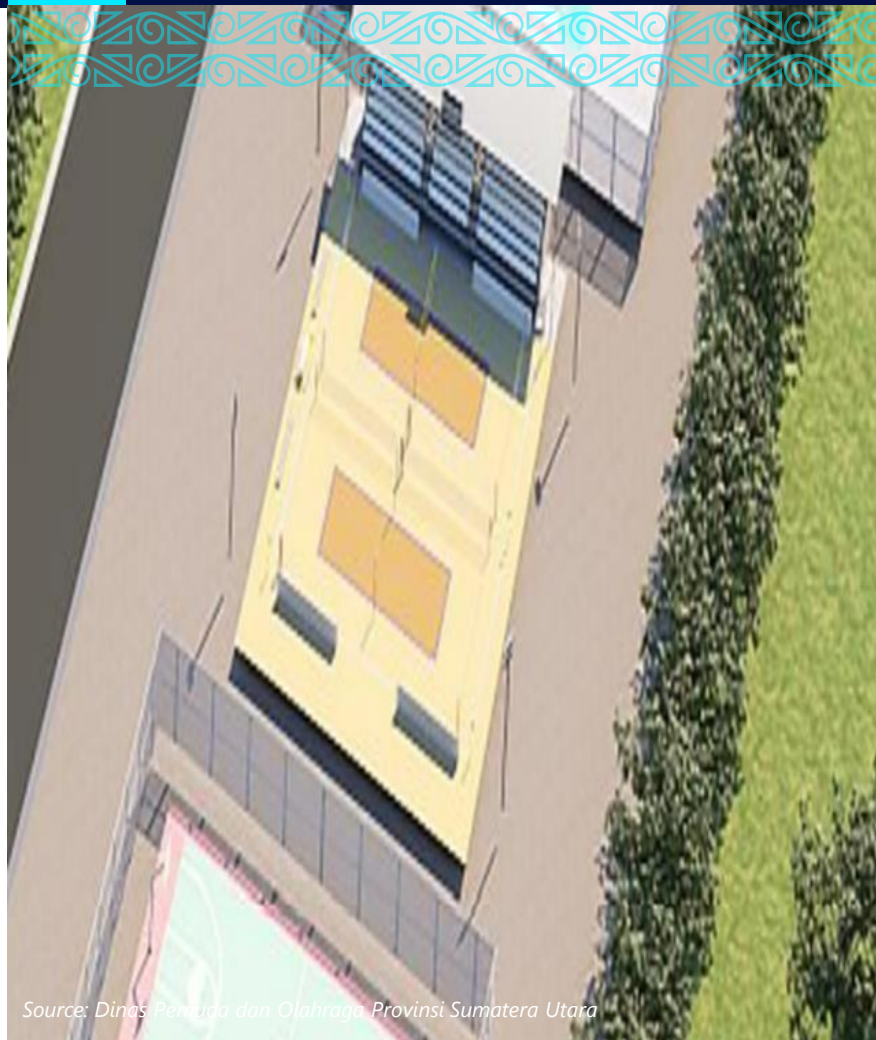
Q



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara

R

PETANQUE COURT DEVELOPMENT



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara



Investment Needs



Budget Year Plan



Source of Funds / Funding Scheme



Location



Integration of



Land Allocation



Expected Endorsement

IDR 14.72 Billion

2020 s/d 2023 (*Multiyears*)

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

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

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

Land area 0.08 ha

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



**Investment
Needs**

IDR 1.15 Trillion

ATHLETES' HOMESTEAD DEVELOPMENT (Male and Female)

S



**Budget Year
Plan**

2020 s/d 2023 (*Multiyears*)



**Source of Funds /
Funding Scheme**

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



Location

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

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



Integration of

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



Land Allocation

- Building area 5 ha
- Land area 6.3 ha



**Expected
Endorsement**

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



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara

T

COMMERCIAL AREA DEVELOPMENT (International Hospital)



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara



**Investment
Needs**



**Budget Year
Plan**



**Source of Funds /
Funding Scheme**



Location



Integration of



Land Allocation



**Expected
Endorsement**

IDR 1.81 Trillion

2020 s/d 2023 (*Multiyears*)

Stakeholders, investors, third parties

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

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

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

10 ha

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



Investment Needs



Budget Year Plan



Source of Funds / Funding Scheme



Location



Integration of



Land Allocation



Expected Endorsement

IDR 433.75 Billion

2020 s/d 2023 (*Multiyears*)

Stakeholders, investors, third parties

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

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

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

99.19 ha

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

COMMERCIAL AREA DEVELOPMENT (Office Center Development)

U



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara

V

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



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara



**Investment
Needs**



**Budget Year
Plan**



**Source of Funds /
Funding Scheme**



Location



Integration of



Land Allocation



**Expected
Endorsement**

IDR 323.47 Billion

2020 s/d 2023 (*Multiyears*)

Stakeholders, investors, third parties

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

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

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

99.19 ha

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



Investment Needs



Budget Year Plan



Source of Funds / Funding Scheme



Location



Integration of



Land Allocation



Expected Endorsement

IDR 524.76 Billion

2020 s/d 2023 (*Multiyears*)

Stakeholders, investors, third parties

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

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

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

99.19 ha

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

COMMERCIAL AREA DEVELOPMENT (Hotel Development)

W



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara

X

COMMERCIAL AREA DEVELOPMENT (Entertainment Development)



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara



**Investment
Needs**



**Budget Year
Plan**



**Source of Funds /
Funding Scheme**



Location



Integration of



Land Allocation



**Expected
Endorsement**

IDR 854.86 Billion

2020 s/d 2023 (*Multiyears*)

Stakeholders, investors, third parties

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

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

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

99.19 ha

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



Investment Needs



Budget Year Plan



Source of Funds / Funding Scheme



Location



Venues



Integration of



Land Allocation



Expected Endorsement

IDR 11.34 Trillion

2020 s/d 2023 (*Multiyears*)

Stakeholders, investors, third parties

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

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

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

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

99.19 ha

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

COMMERCIAL AREA DEVELOPMENT (Business & Entertainment Center with unsolicited scheme)

Y



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara



Source: Dinas Pemuda dan Olahraga Provinsi Sumatera Utara

CONTACT FOR DETAIL



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disporaprovsu



Disporasu Channel



Source: Dinas Perumahan dan Kawasan Permukiman, Provinsi Sumatera Utara

6

MIXED USE RENTAL APARTMENT

PROJECT DESCRIPTION:

- Railway has become essential to offset the mobility of communities from one area to another as it will drive economic growth. Employment of labor in SEZ Sei Mangkei has reached 1800 labors and has the opportunity to keep increasing considering this area is the fifth biggest investment location in Indonesia. However, 45% of the labors still lives in rental houses while 35% of them lives in dormitories. This issue is the background to initiate integrated flat project.
- The Apartment in Sei Mangkei SEZ is not only targeting for labors (both domestic and foreign workers), but also low-income communities in the areas of Simalungun, Batubara, and Asahan.
- With convenience access of both highway and railway, integrated apartment in Sei Mangkei will be a prospective project.
- This project aims to increase accessibilities especially to national tourism strategic area of Lake Toba..
- Siantar-Parapat train track is an addition of existing railway lane in North Sumatra that crosses Langkat Districts, Medan City, and Rantau Parapat (Labuhanbatu Districts).

Perdagangan II Village, Bandar, Simalungun Regency

Location



IDR 1.13 Trillion or equal to USD 79.16 Million

Investment Value



Regional Gov't budget: IDR 53,78 Billion
National budget: IDR 193,01 Billion
PPP: IDR 965,5 Billion

Financing



Governor of North Sumatra

Project Owner



Dinas Perumahan dan Kawasan Permukiman Provinsi Sumatera Utara

Project Developer



Land 3.33 Ha which consist Building Apartment and Commercial Area

Main Activities



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

Project Scope



20 years and exclude 2 years for construction

Contract Period



IRR 11.14%, NPV IDR 59,022 Billion with Payback Period as long 8 years

Financial Indicator



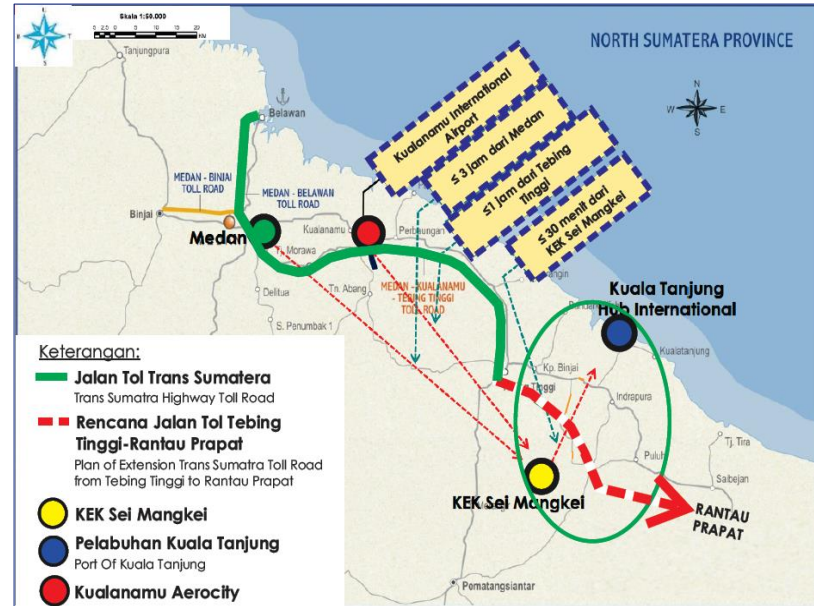
- OBC and FBC completed in 2020
- 1st market sounding has been done in June 2020

Project Status



Source: Dinas Perumahan dan Kawasan Permukiman Provinsi Sumatera Utara

Construction Planning (siteplan)



Building Details :



Consisted of
3 towers (672 unit)



1 tower capacity : 224 unit

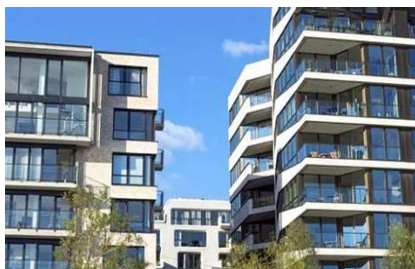


Number of floors: 18



14 residential floors and 4 parking floors

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



Facilities:

1. Apartment

- Total Floor: 16
- Ground Floor-5th floor: room, rooftopth floor: various facilities,
- 7th – 16th floor: room, rooftop
- Studio Type Room (tipe 44): 77 unit
- Family Room (tipe 80): 55 unit

3. COMMERCIAL UNIT/ HYPERMART

Total Floor: 4
1st – 3rd floor: Hypermart and other retail store
4th floor: service

2. HOTEL

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

4. SWIMMING POOL



3. Gas station of $\pm 875 \text{ m}^2$



Source: Dinas Perumahan dan Kawasan Permukiman Provinsi Sumatera Utara

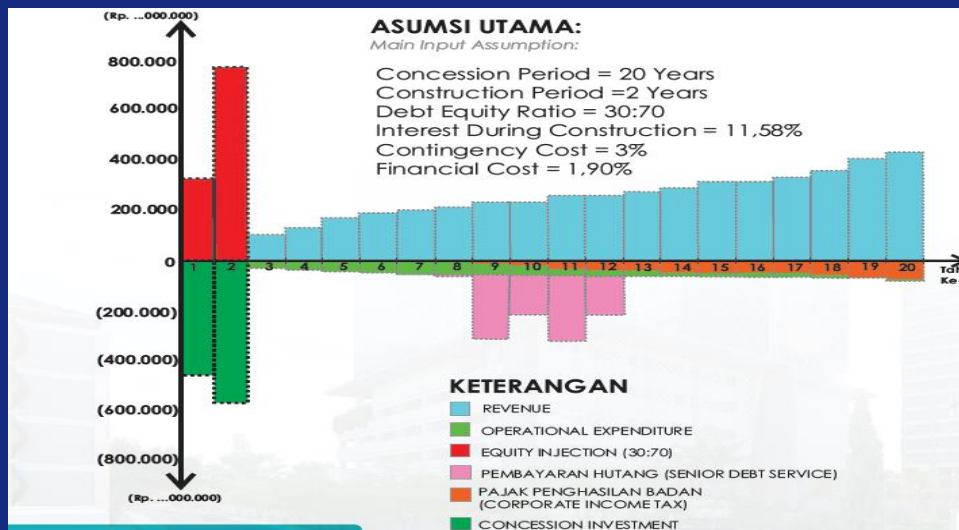
1. Playground area of $\pm 1050 \text{ m}^2$



2. Mosque area of $\pm 550 \text{ m}^2$



Financial Summary



CAPEX

Rp1,134 Trillion



OPEX

Rp1,014 Trillion

*During cooperation period



IRR/WACC

11,14%/10,336%



NPV

RP59,022 Billion



PAYBACK PERIOD

8 years 7 months

CRITERIA

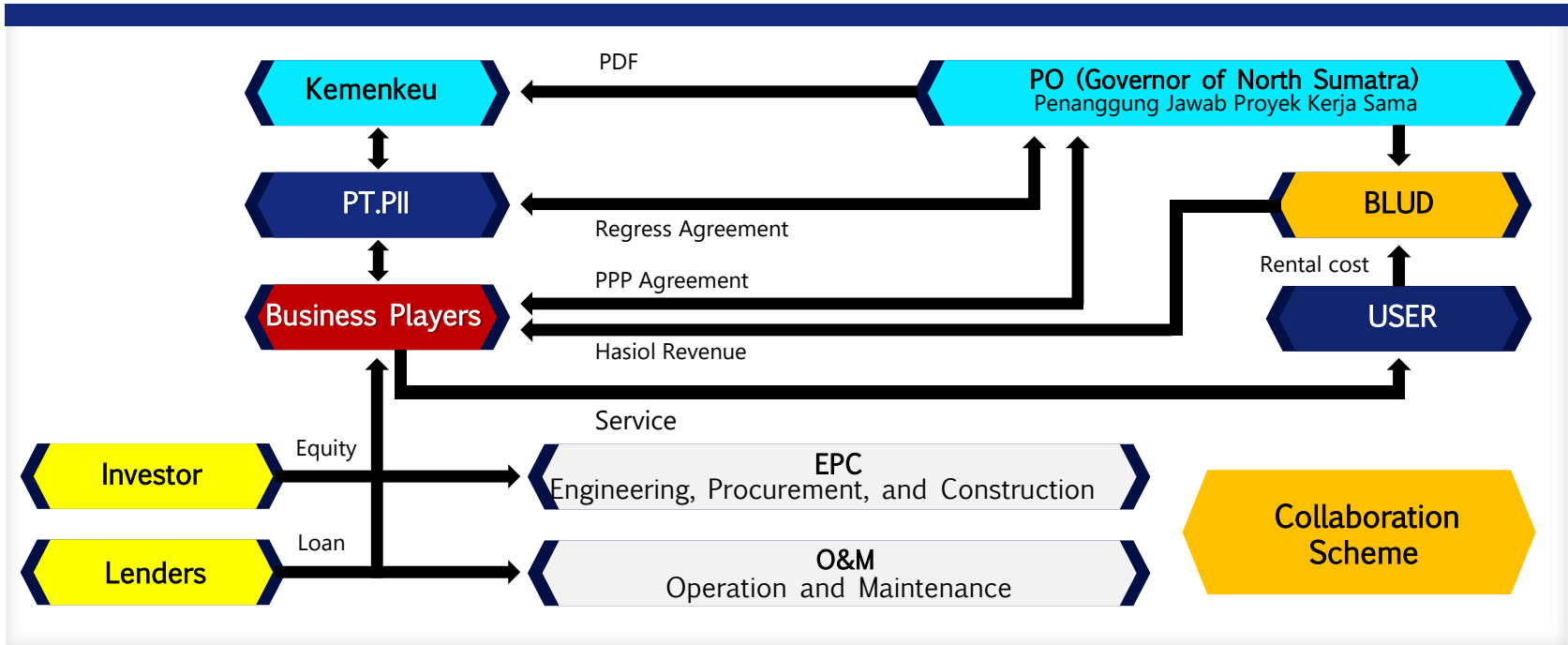
- > Debt Equity Ratio
- > Interest during construction
- > Contingency cost
- > Financial Cost
- > CAPEX
- > OPEX
- > IRR / WACC
- > NPV
- > Payback Period

NOTES

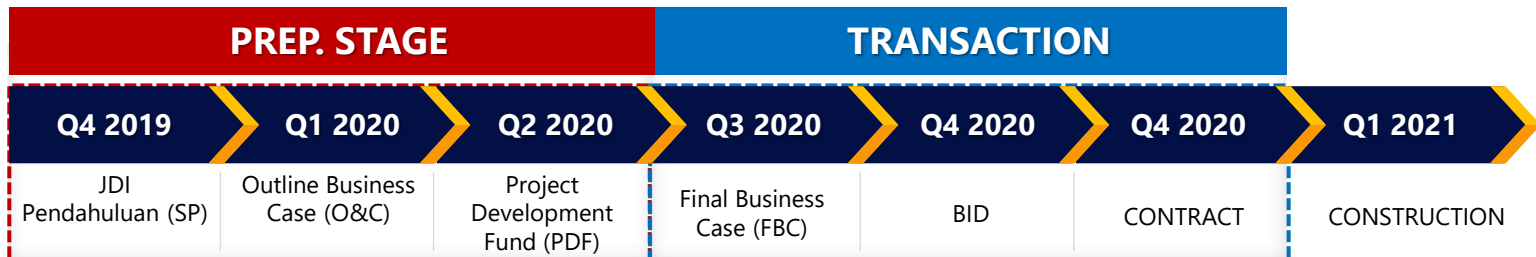
- > 30 : 70
- > 11,58%
- > 3%
- > 1,90%
- > IDR 1.134 Trillion
- > IDR 1.014 Trillion
- > 11,14% / 10,36%
- > IDR 59.022 Billion
- > 8 years and 7 months



Partnership Scheme



Project Timeline



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



PPP PROCESS BY PROJECT OWNER



PPP PROCESS BY MINISTRY OF FINANCE



Source: Dinas Perumahan dan Kawasan Permukiman Provinsi Sumatera Utara

CONTACT FOR DETAIL



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Kualanamu International Airport, Deli Serdang Regency



AIRPORT CITY



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



Land

135 Ha



Concession Period

Divided per each projects with BOT period up to 32 years



Equity IRR

Divided per each projects



Project Owner

PT Angkasa Pura II and PT Angkasa Pura Aviati



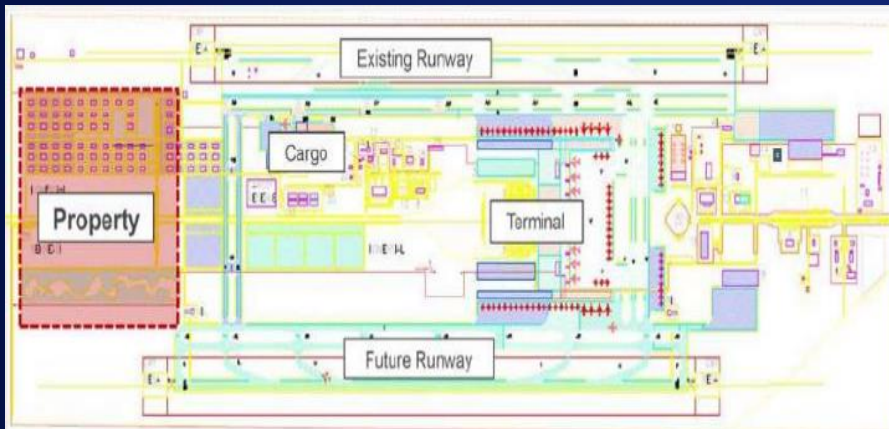
Business's Scheme

Direct Investment



Project Status

- Feasibility completed in 2020.
- Market sounding of auction in August 2021.



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

A

HOTEL MARKET

HOSPITAL

B

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



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



C

THEME PARK

RETAIL

D

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

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



E

GOLF PARK

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

12.23% and 13.80%

NPV and BCR

IDR 72.815.809 million and 1.04

Payback Period

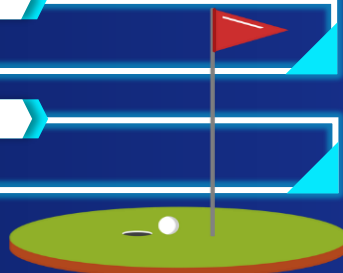
12 years



View from the Kualanamu Airport

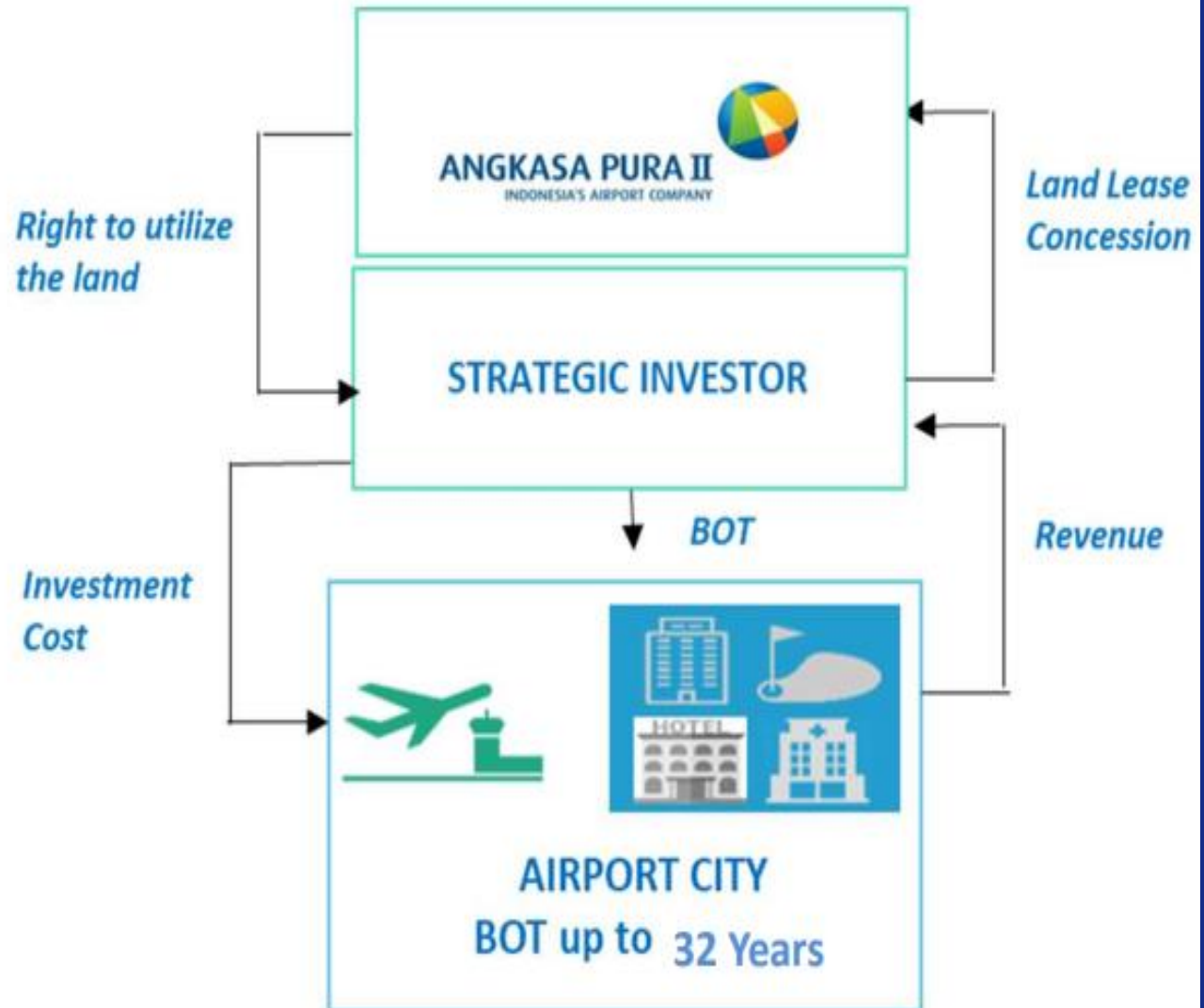


View to the Kualanamu Airport












TRANSACTION SCHEME FOR PROJECTS ABOVE

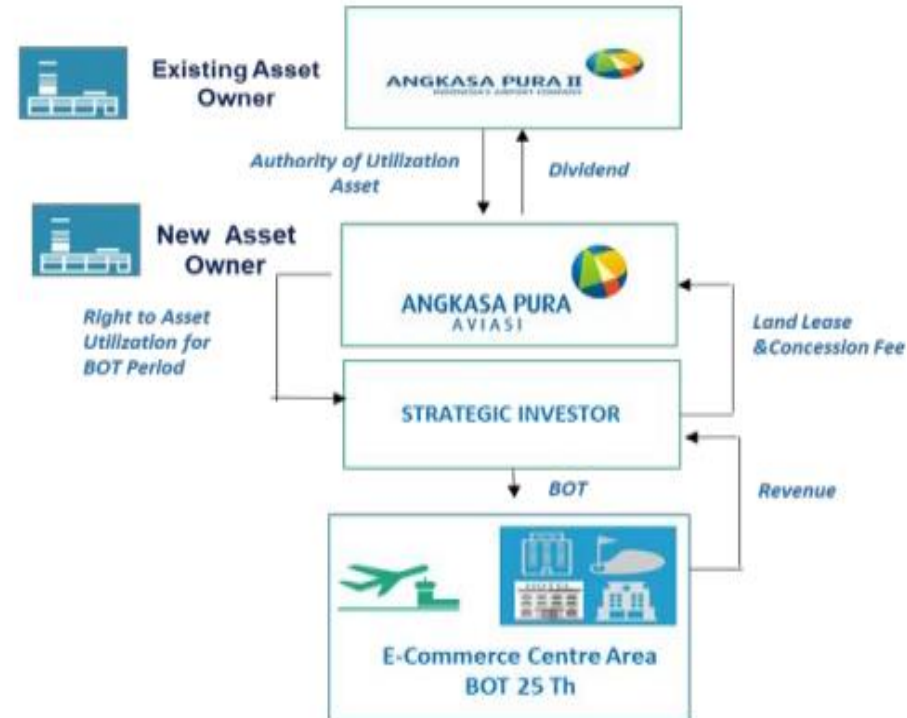


F

E-COMMERCE CENTER WAREHOUSE

TRANSACTION SCHEME

	Location
	Jalan Bandara Kualanamu, Deli Serdang
	Investment Value
	IDR 100 Billion
	Land
	2 Ha
	Business's Scheme
	Stakeholders, investor, third parties
	NPV and IRR
	IDR 52 billion and 20%
	Concession
	25 years
	Payback Period
	7 years



- 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.

G

INTEGRATED COMMERCIAL AREA – FACTORY OUTLET & MICE

Location

Jalan Bandara Kualanamu, Deli Serdang

Investment Value

IDR 834 Billion

Land

20 Ha

Business's Scheme

Stakeholders, investor, third parties

NPV and IRR

IDR 196 billion and 20%

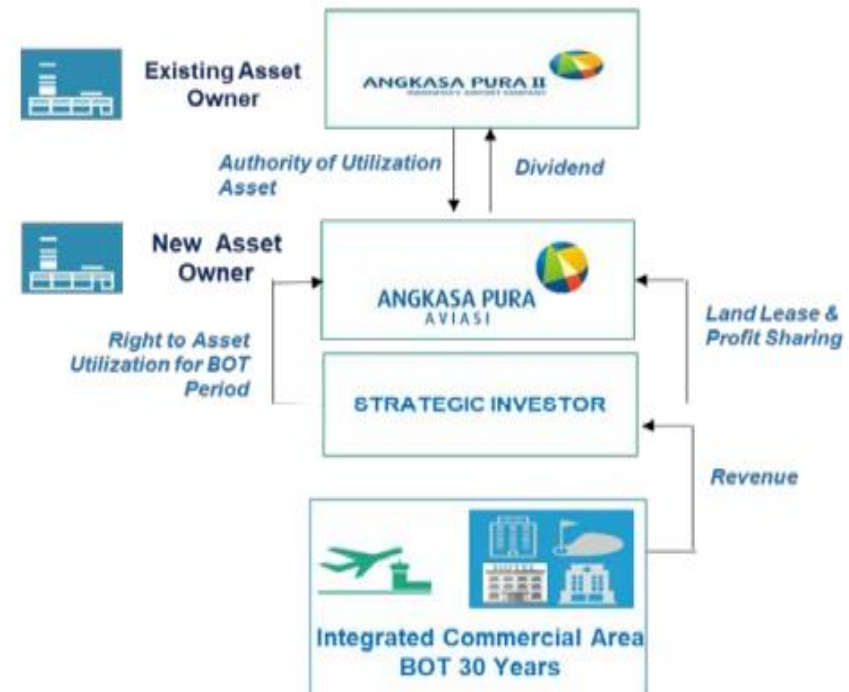
Concession

30 years

Payback Period

8 years

TRANSACTION SCHEME



- 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

CONTACT FOR DETAIL



Jalan Bandara Kualanamu, Deli Serdang



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138 / 0878-8743-4864



LIGHT RAIL TRANSIT MEBIDANG



Location

Medan – Binjai – Deli Serdang (MEBIDANG) Regency



Track Distance

41.3 Km



Capacity

4.473.996 people/year



Concession Period

11.63 %



Equity IRR

11.63 %



OBJECTIVE

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



TARGET

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



SCOPE OF PROJECT

- Infrastructure Construction, Maintenance and Operation **41,3 Km**



OUTPUT

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



Government Contracting Agency (GCA)

Medan – Binjai – Deli Serdang (MEBIDANG) Regency



Return of Investment Mechanism

Availability payment



Investment Value

- LRT : IDR 20,3 Trillion
- Capsule Metro : IDR 10,8 Trillion



Business's Scheme

Public Private Partnership and Economic Development Partnership Facility



Project Status

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



Source: Dinas Perhubungan Provinsi Sumatera Utara

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

Binjai City

Population (lives)
273.892



Population (lives/Km2)
4.627,34



Total Area (Km2)
59,19



Road Length (Km)
369,63



Medan City

Population (lives)
2.264.145



Population (lives/Km2)
8.543,94



Total Area (Km2)
265



Road Length (Km)
3.317,05



Karo Regency (Dolat Rakyat District, Merdeka District, Berastagi District, Barusjahe District)

Population (lives)
102.010



Population (lives/Km2)
2.547,23



Total Area (Km2)
234,96



Road Length (Km)
214,55



Total Mebidangro

Population (lives)
4.795.672



Population (lives/Km2)
16.680,12



Total Area (Km2)
2.800,83



Road Length (Km)
7.718,81



Deli Serdang Regency

Population (lives)
2.155.625



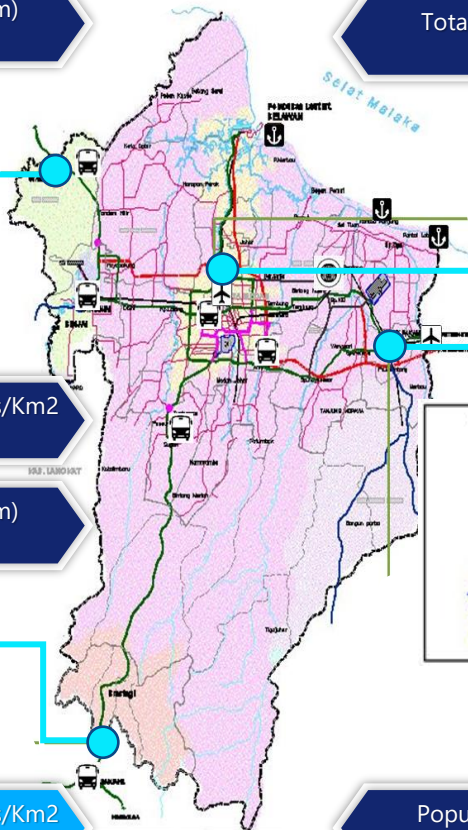
Population (lives/Km2)
961,61



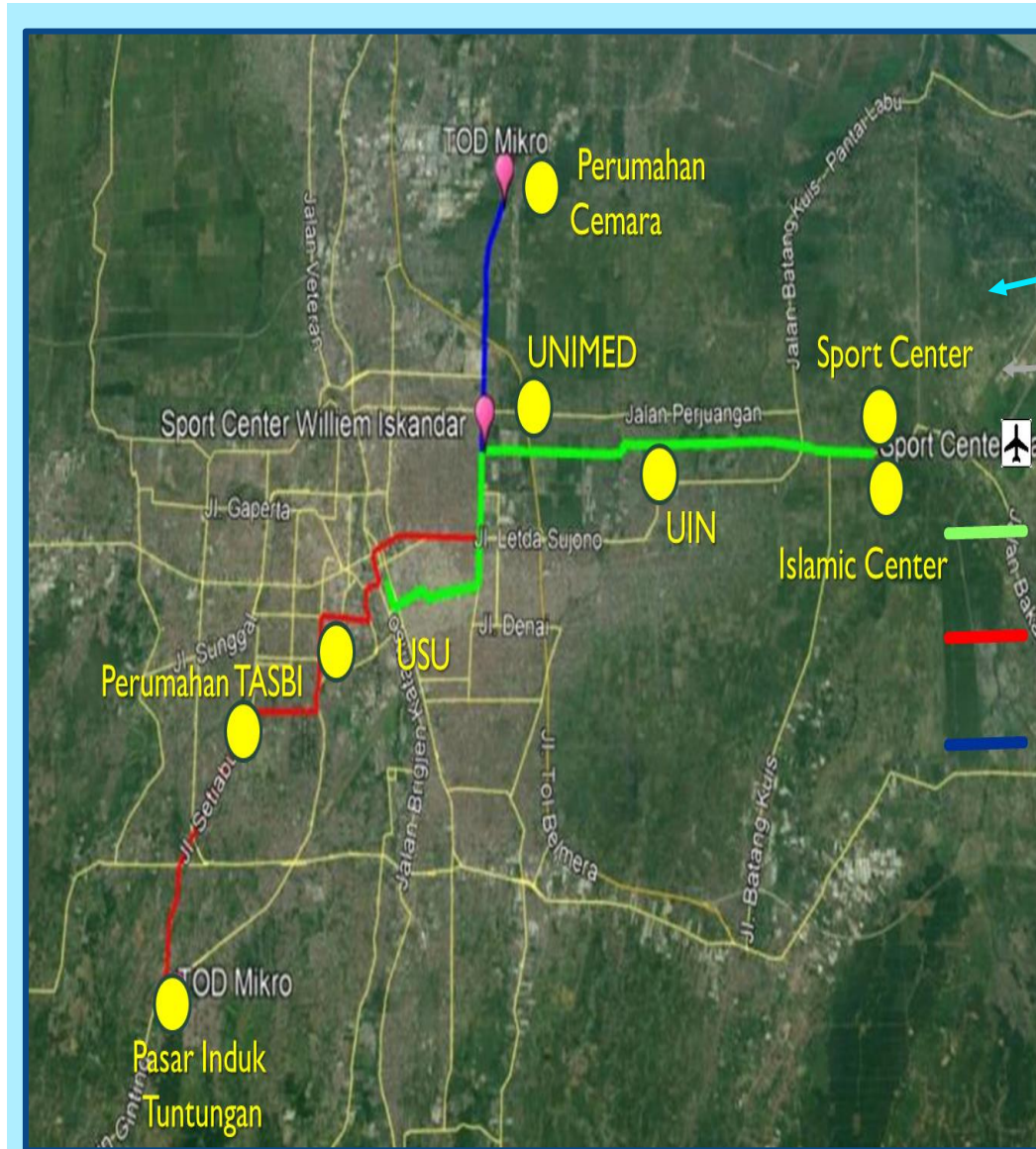
Total Area (Km2)
2.241,68



Road Length (Km)
3.817,58



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



Corridor 1 : Stasiun Medan – Sport Centre Batang Kuis

Length : 20.072 km



Corridor 2 : Aksara – Pasar Lau Cih

Length : 17.211 km

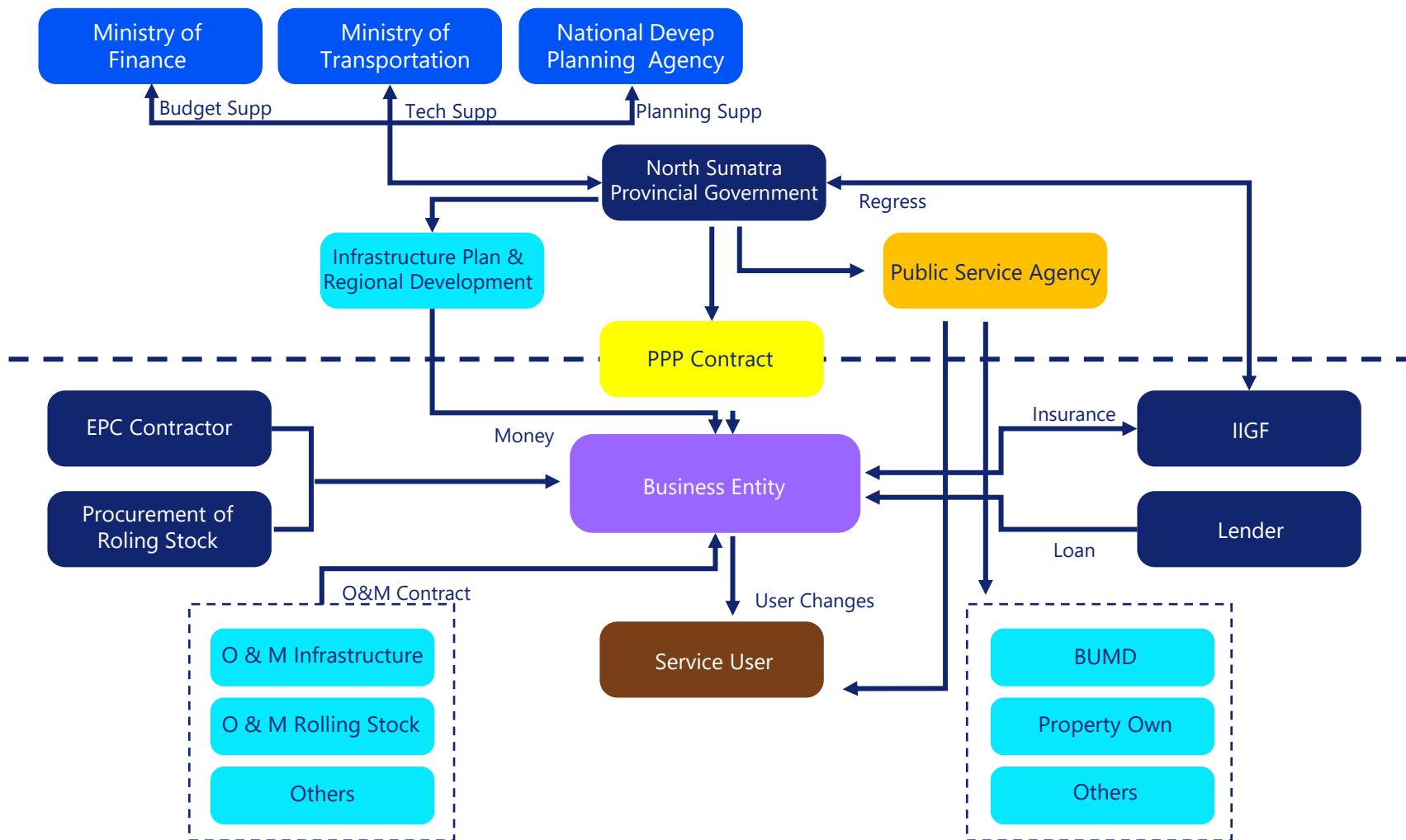


Corridor 3 : Stasiun Pancing – Stasiun Cemara

Length : 3.37 km



Total Length : 41.3 km



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

TIMELINE

2019 Q4
OBC

2020 Q1
FBC

2020 Q3
PQ

2021 Q1
RFP

2021 Q3
Sign Contract

2021 Q4
Financial Close

2021 Q1 - 2023 Q4
Construction

2024 Q1
Operation

Financial Profile

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



Total Project Funding:
IDR 20.303.779.125.670

Description

Price

Qty

Unit

IDR Amount

Rolling Stock	IDR 24.400.800.000	20	unit	IDR 488.016.000.000
Track per km	IDR 400.000.000.000	41,3	km	IDR 6.520.000.000.000
Station	IDR 20.000.000.000	17	unit	IDR 340.000.000.000
Depot	IDR 66.831.925.670	1	unit	IDR 66.831.925.670
Operation Facilities	IDR 2.931.200.000	1	unit	IDR 52.931.200.000
Total				IDR 17.467.779.125.670

Additional Capital

Amount

Pre Operational Cost	IDR 210.635.769.000
Interest During Construction	IDR 55.607.843.000
Working Capital	IDR 2.569.756.388.000
Total	IDR 2.836.000.000.000

Availability studies and documents :

- FS of LRT Medan City (2018) facilitated by the Ministry of Finance of Indonesia
- OBC MEBIDANG Railway Project (2019) facilitated by the Ministry of Transportation of Indonesia

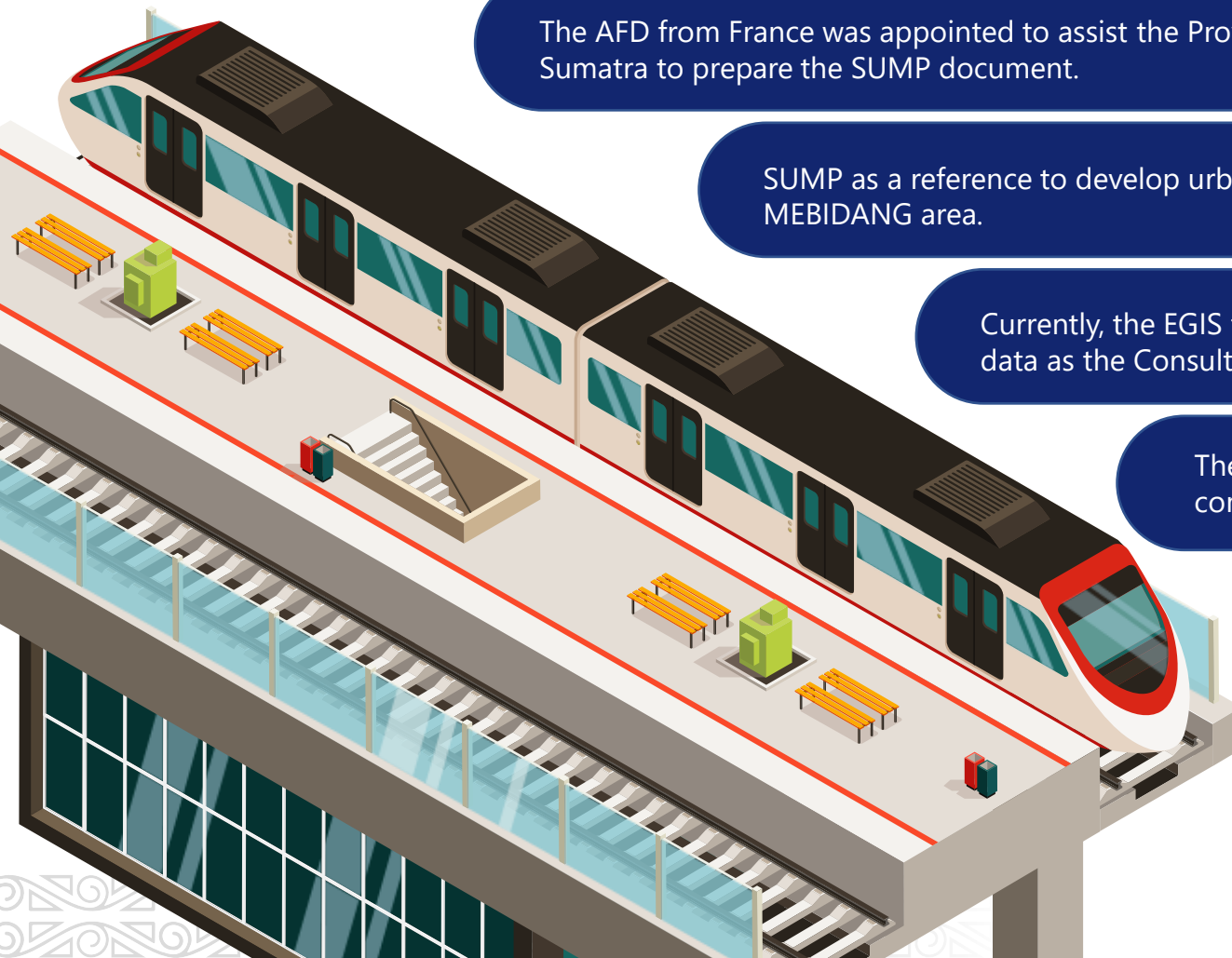
Accordance to BAPPENAS directives, the Provincial Government required to have a Sustainable Urban Mobility Plan (SUMP) as the basis for developing MEBIDANG urban mobility.

The AFD from France was appointed to assist the Provincial Government of North Sumatra to prepare the SUMP document.

SUMP as a reference to develop urban mass transportation in MEBIDANG area.

Currently, the EGIS team from France is still collecting data as the Consultant of this project.

The document is targeted to be completed in September 2021.





CONTACT FOR DETAIL



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



agustinuspanjaitan@gmail.com



+62 812 6067 538



dishub.sumutprov.go.id / northsumatrainvest.id



dishubsu



Source: Dinas Perhubungan Provinsi Sumatera Utara

9

SIANTAR PARAPAT RAILWAY

Source: Dinas Perhubungan Provinsi Sumatera Utara



Location

Pematangsiantar City – Parapat (Simalungun)



Track Length

64.7 Km (Divided into 3 segment)



Capacity

4.473.996 people/year



Contract Period

20 years



Investment Value

IDR 12,1 Trillion



IRR

14 %



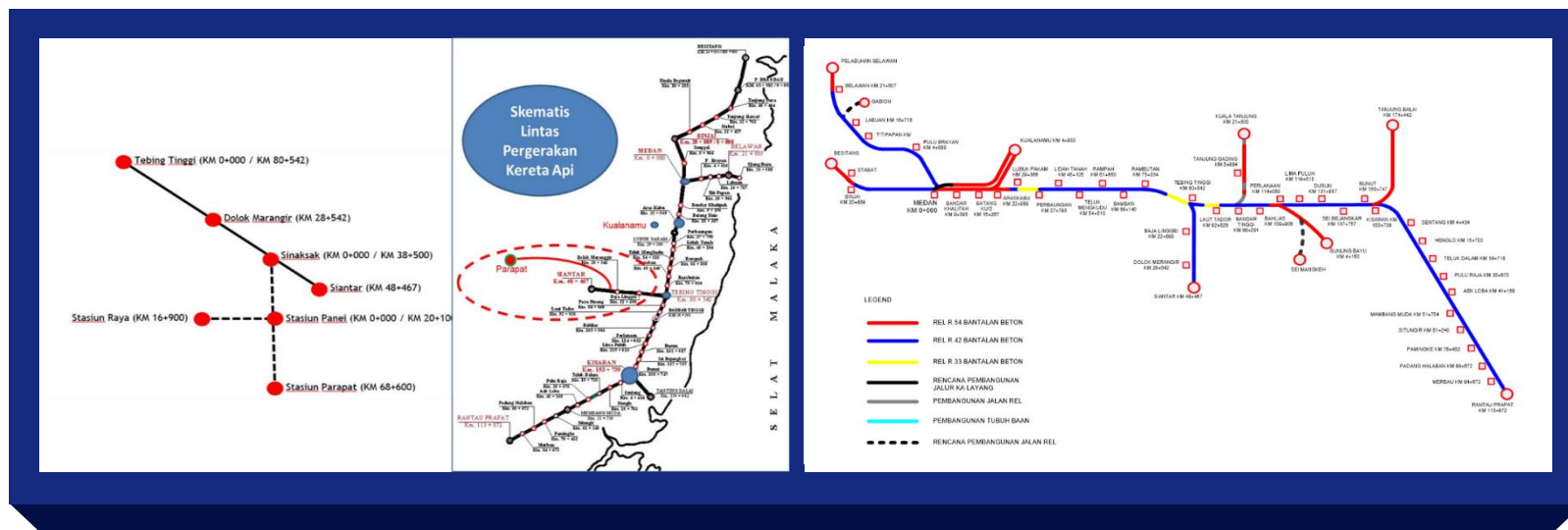
Project Status

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

PROJECT DESCRIPTION:

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

Source: Dinas Perhubungan Provinsi Sumatera Utara



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

- 01** Siantar Martoba – Jorlang Hataran (26.5 km)
- 02** Jorlang Hataran – Girsang S. Bolon (27.5 km)
- 03** Girsang S. Bolon – Parapat (10.7 km)

Financial Feasibility



- 01** Total CAPEX: IDR 12.1 Trillion
- 02** OPEX: IDR 120.6 Billion/year
- 03** Availability Payment: IDR 1,057 Billion/year (concession period: 20 years)
- 04** IRR: 14%

Timeline

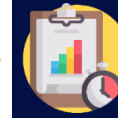
2016



Feasibility

Conducted by the Ministry of Transportation

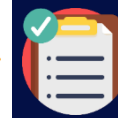
2017



Outline Business Case

Conducted by the Ministry of Transportation

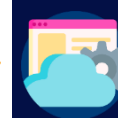
2018



Survey Investigation Design

Conducted by the Ministry of Transportation

2019



Detail Engineering Design

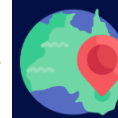
Conducted by the Ministry of Transportation

2021



Environmental Impact Assessment

2021-
2022



Land Acquisition and Resettlement Action Plan

2023-
2024



Construction and Rolling Stock



Source: Dinas Perhubungan Provinsi Sumatera Utara

CONTACT FOR DETAIL



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dishubsu



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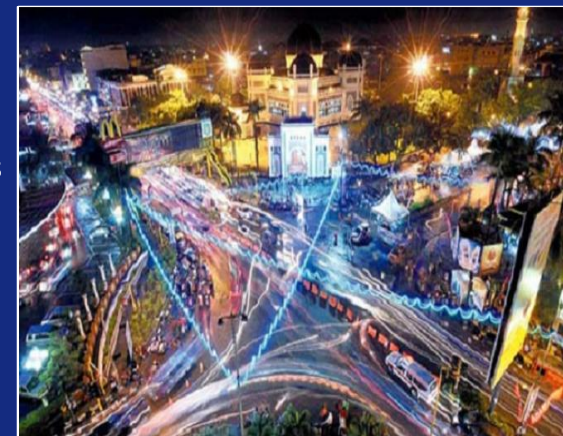
INVESTMENT

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.

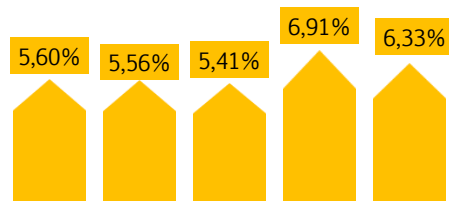
Besides that, due to its strategic location which is supported by world trade route, makes investment and trading flows are accelerated in North Sumatra.



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

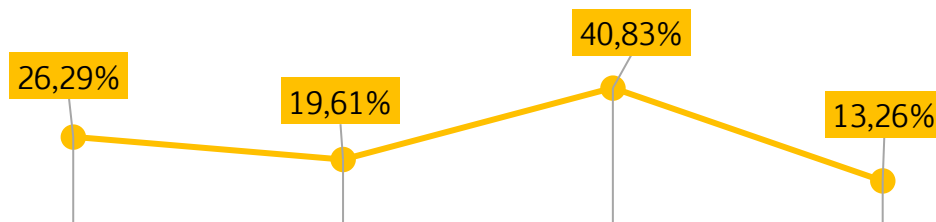


2017 2018 2019 2020 2021

EMPLOYMENT RATE (AUG 2022)

69.54%

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



Primary School

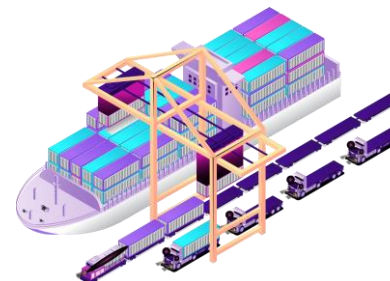
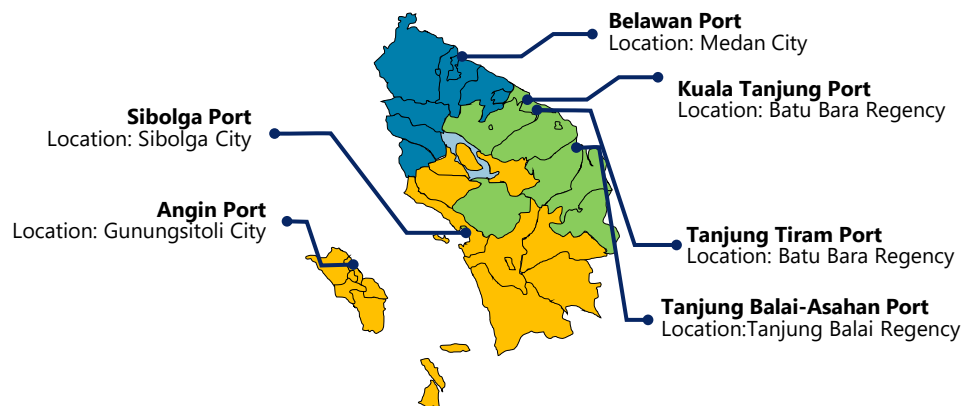
Junior High School

Senior High School

University

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

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

Hospital

179 Unit

Maternity Hospital

19 Unit

Polyclinic

813 Unit

Public Health Center

624 Unit

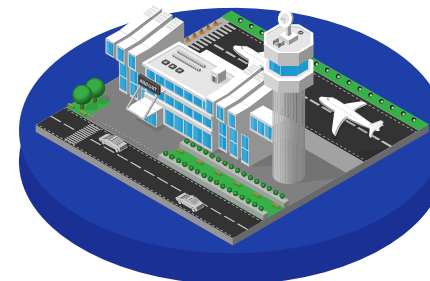
Supporting Public Health Center

1.822 Unit

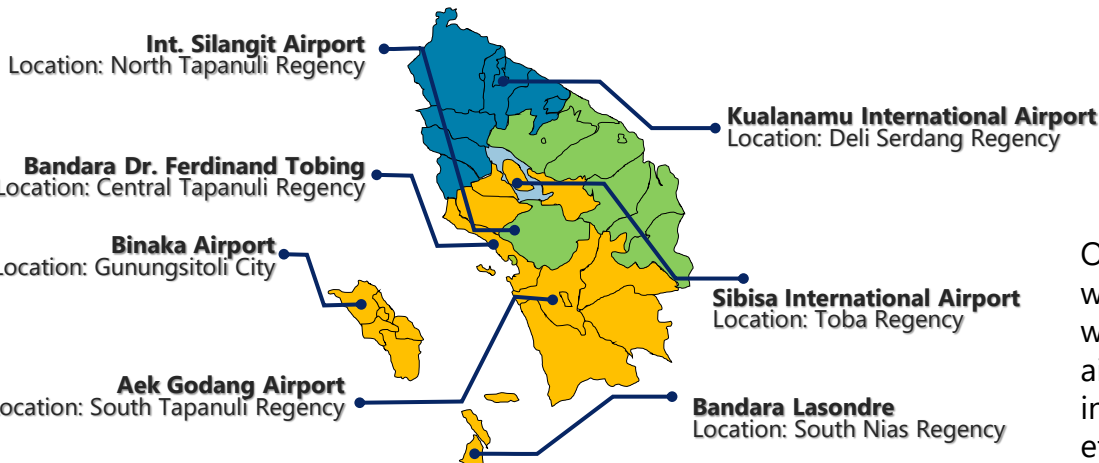


Source: BPS, proceed

III. Airport



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.

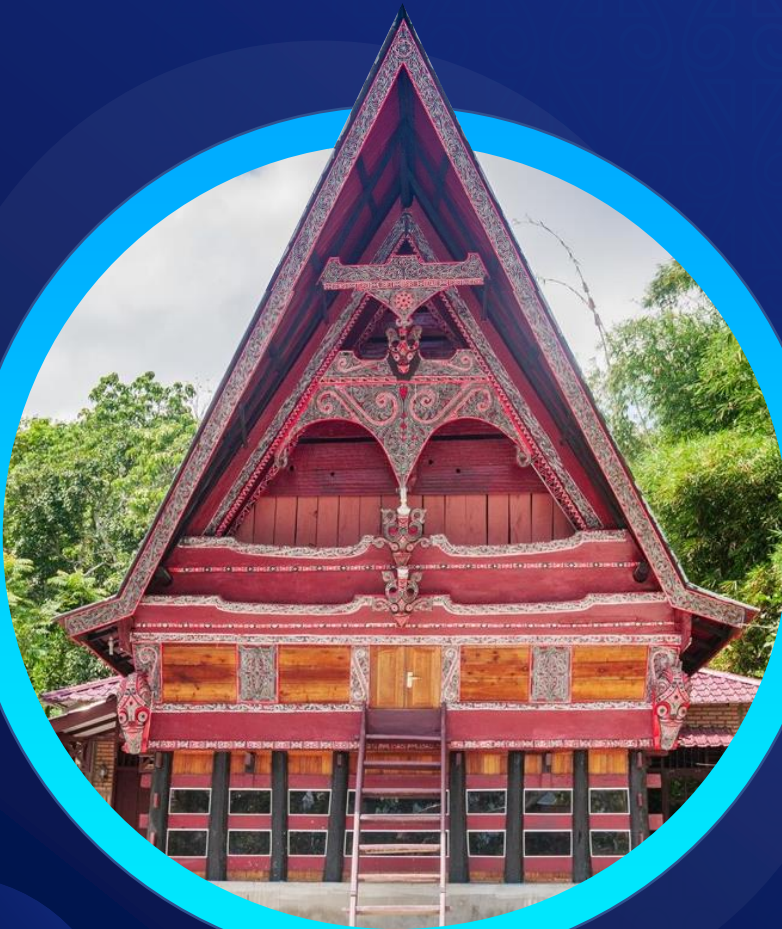


Province	Highway length (km)	Close Causeway	Central Causeway	West Causeway	Non Causeway	Connector Causeway	Bridge (unit)	Bridge (m)
		(km)	(km)	(km)	(km)	(km)		
North Sumatra	2.632,22	581,97	501,28	419,39	386,18	743,39	914	24.214

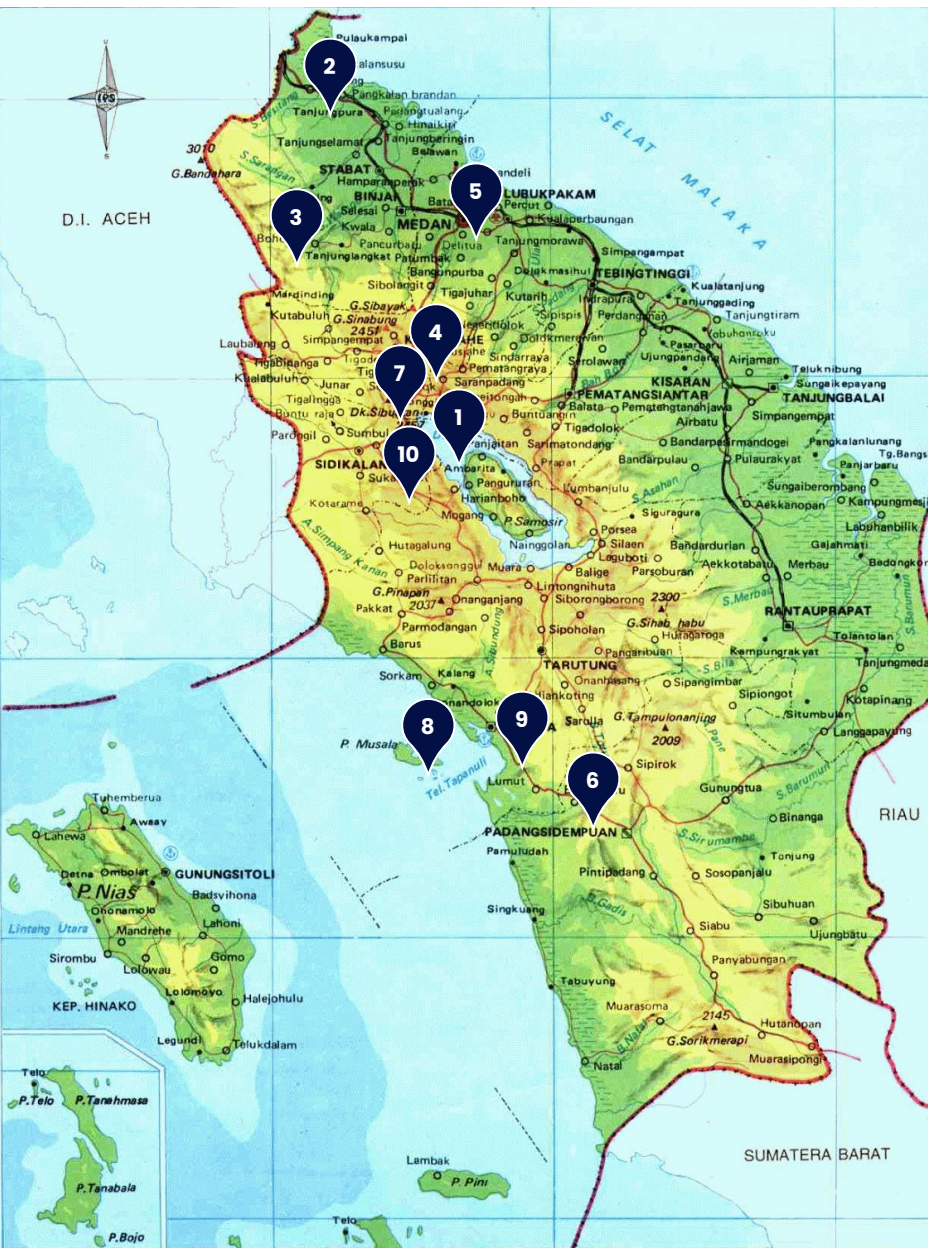
Sumber: Balai Besar Pelaksana Jalan Nasional II Medan



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TOURISM SITE



Super Priority **Tourism Site**



Lake Toba & Resort
Samosir Regency

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



Parapat, Toba Regency

The Largest Volcanic Lake in The World



- 71,4 km away from the Silangit International Airport
- 1 – 2 hours from the Kualanamu International Airport
- 3 - 4 hours from Medan City by using public transportation / personal vehicle



Offers you:

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



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



Source: laketoba.travel



Batang Serangan, Langkat Regency



The Hidden Paradise in North Sumatra



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



Offers you:

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



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

Source: gunungleuser.or.id



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



Offers you:

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



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



Source: gunungleuser.or.id



Berastagi, Karo Regency

The Beauty and Cultural Experiences are Providing Here



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



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

Source: wisatasumatera.wordpress.com



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

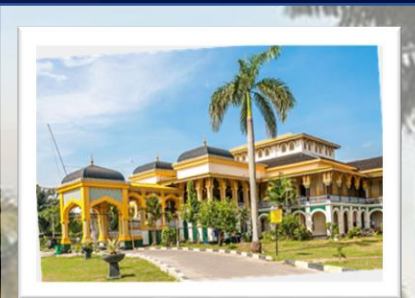


Offers you:

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



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



Source: datawisata.com



Muara Batang Toru, South Tapanuli Regency



The Home for Turtles



- 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



Offers you:

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



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

Source: akhirmh.blogspot.com



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



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



Source: tamansimalem.com



Tapian Nauli, Central Tapanuli Regency



The King Kong Island



- 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



Offers you:

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



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

Source: disbudpar.sumutprov.go.id



Sibolga City

The Exotic Island



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

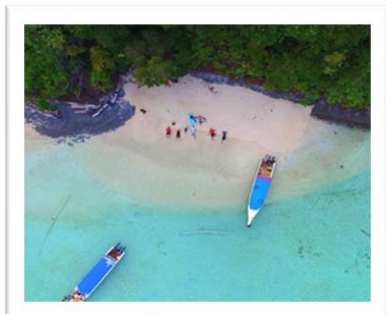
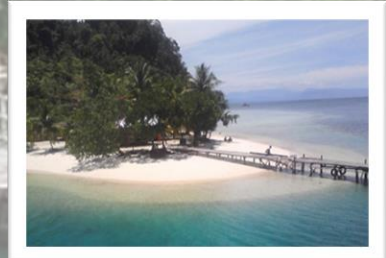


Offers you:

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



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



Source: pariwisatasumut.net



Source: laketoba.travel



Dairi Regency



Where Nature meets culture



- 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



Offers you:

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



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



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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

 [galleryulos_sianipar](https://www.instagram.com/galleryulos_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)

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.

COFFEE

▶▶▶ **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 Coffee
 green beans and roasted beans, and powder

✉ imamsyukrisyah@gmail.com

☎ 082160550726

📷 [Kopi Cimbang Sinabung](#)

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

OTHER PRODUCT



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



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



NATA DE COCO SAPO DURIN

Palm Sugar

Nata De Coco

✉ desridatokenta@gmail.com

☎ 08116502012

📷 Sapodurin



ZACK KREZZ

Palm Sugar

Potato chips
Banana crackers
Cassava chips
Tempe Chips
Crispy mushroom

✉ jack_bang77@yahoo.com

☎ 085296661433

📷 Zack Krezz



POP CORN BRONTAK

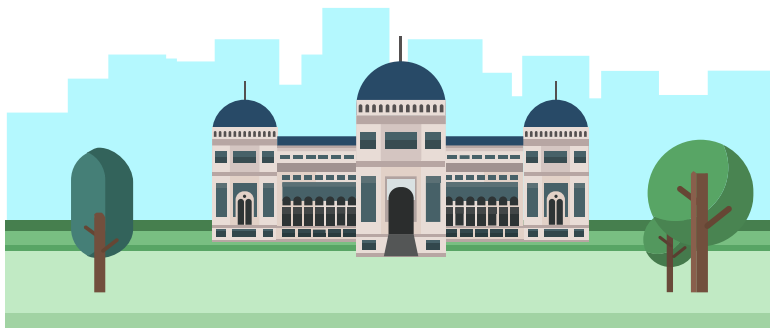
Palm Sugar

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

✉ rizkymiftahur15@gmail.com

☎ 081388054676

📷 popcornbrontak





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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"

- ➊ Base metal upstream industry (steel or non-steel) with or without its integrated derivative
- ➋ Oil and natural gas refinery industry with or without its integrated derivative
- ➌ Coal, natural gas, or crude oil based petrochemical industry with or without its integrated derivative
- ➍ Organic-based chemical industry obtained from Agriculture, plantation, or forestry with or without its integrated derivative
- ➎ Inorganic-based chemical industry with or without its integrated derivative
- ➏ Pharmaceutical main raw materials industry with or without its integrated derivative
- ➐ Irradiation, electromedical, or electrotherapy equipment manufacturing industry
- ➑ Electronics or telematics main components manufacturing industry such as semiconductor wafer, backlight for Liquid Crystal Display (LCD), electrical driver, or display
- ➒ Machineries and machineries components manufacturing industry
- ➓ Robotics components manufacturing industry to support machinery manufacturing industry
- ➔ Power plants main components machinery manufacturing industry
- ➕ Vehicles and vehicles main components manufacturing industry
- ➖ Ships main components manufacturing industry
- ➗ Trains main components manufacturing industry
- ➘ Aeroplane main components manufacturing and aerospace supporting activities industry
- ➙ Agriculture, plantation, or forestry based pulp production industry with or without its derivative
- ➚ Economic Infrastructure
- ➛ Digital economy including data processing, hosting, and other related activities



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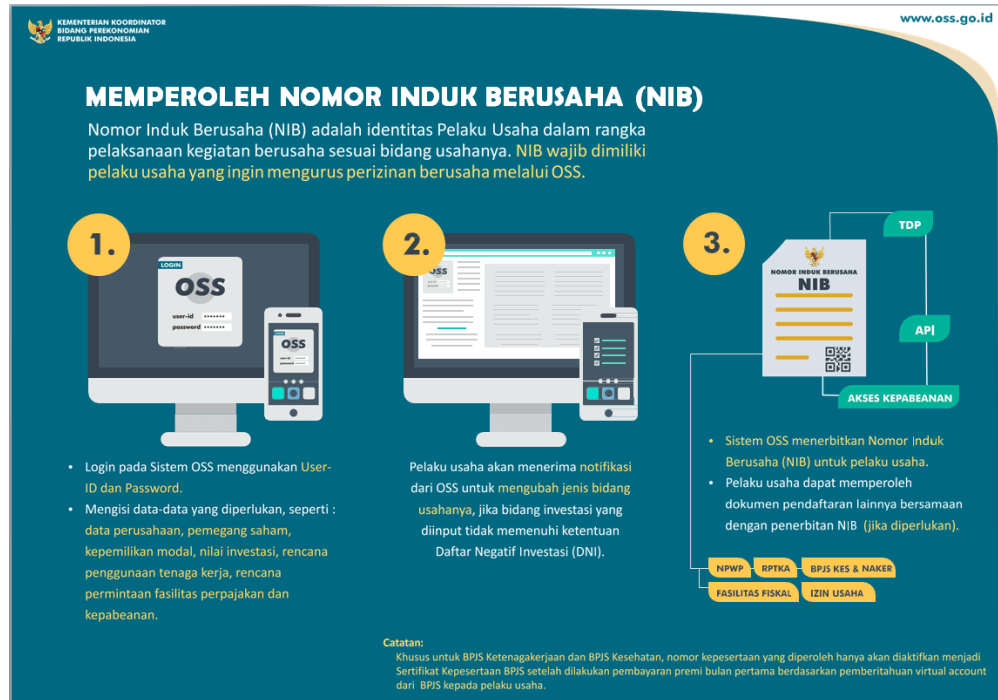


HOW TO INVEST IN NORTH SUMATRA

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.



CONTACT US



Investor Relation

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Bank Indonesia Representative Office of North Sumatra



ikhsan_fauzy@bi.go.id



+62857-5949-5104



Investment Promotion Affairs

Renata Butarbutar

Regional One-stop Investment and Licensing Board



renatabutarbutar@gmail.com



+62813-6111-6407



Economic, Maritime, and Resources Affairs

Rahmad Ziady

Regional Development and Planning Board



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+62823-6411-6083



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NSI SECRETARIAT

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Representative
Office of North Sumatra

Jl. Balai Kota No.4, Kesawan,
Medan, North Sumatra 20236