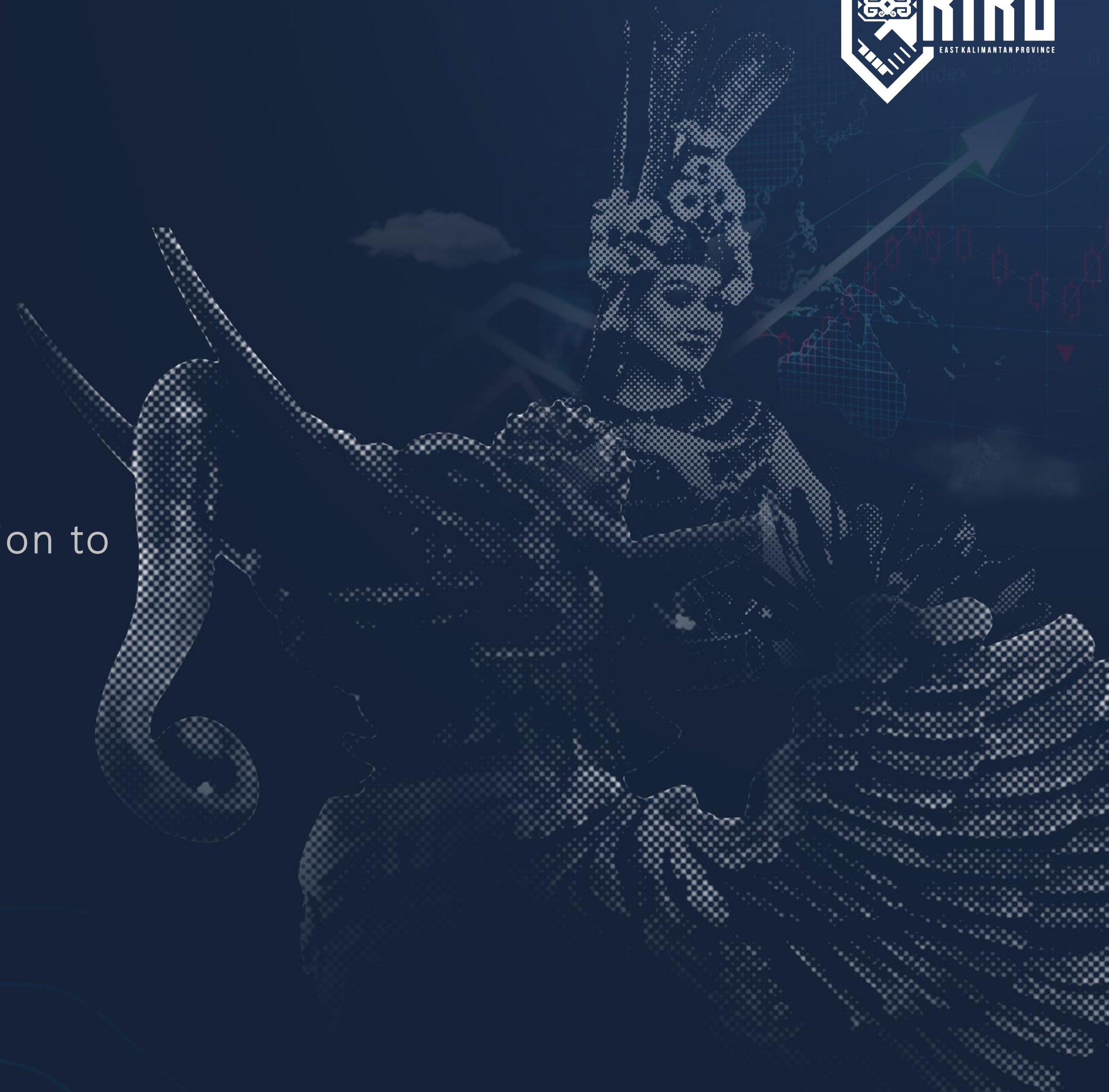




# EAST A Kalimantan

Strengthening Synergy and Coordination to  
Maintain Stability and  
Revive Economic Growth in  
East Kalimantan

March 2024







**BANK INDONESIA**  
BANK SENTRAL REPUBLIK INDONESIA

# Foreword

East Kalimantan is one of Indonesia's most attractive regions for both local and foreign investment with a resource boom in the early 21<sup>st</sup> century. Coal and gold mining as well as the oil and natural gas extraction with oil refineries increased the local economy. Not limited to being wealthy of natural resources, East Kalimantan is a very dynamic, socially rich and diverse region collaboratively establishing East Kalimantan's social structure and foundation of economy. East Kalimantan is concern to develop sustainable-ecological friendly to ensure the economy running high and provide prosperity to its people by building new industries, diversifying into productive sectors such as tourism and trade. The efforts need a lot of fund resources from investment and exports.

In order to pursue the noble purpose above and maintain good business climate as well as positive perception towards East Kalimantan, **Regional Investor Relation Unit or RIRU** was established in 2015 as an engine of collaboration between Regional Government (Province and 10 Districts) and Bank Indonesia together with stakeholders. RIRU will take a role in integrating East Kalimantan resources and power to encourage Investment, Trade, Tourism and Industry sectors' performance and reinforce regional competitiveness globally, therefore achieve a high and inclusive economic growth. RIRU East Kalimantan takes a role as one-stop information center for investors, buyers or tourists who are taking interest to collaborate with East Kalimantan,

This presentation book is a regularly-updated source of information about the recent economic development in Indonesia and East Kalimantan as well as investment opportunities, top tourism destinations and ready-to-offer projects crucial for business decision making. Hopefully, this presentation book could be a reliable source for business society attracted to invest/trade/establish industry in East Kalimantan.



**Dr. Drs. Akmal Malik, M.Si.**

Acting Governor of East  
Kalimantan



**Budi Widihartanto**

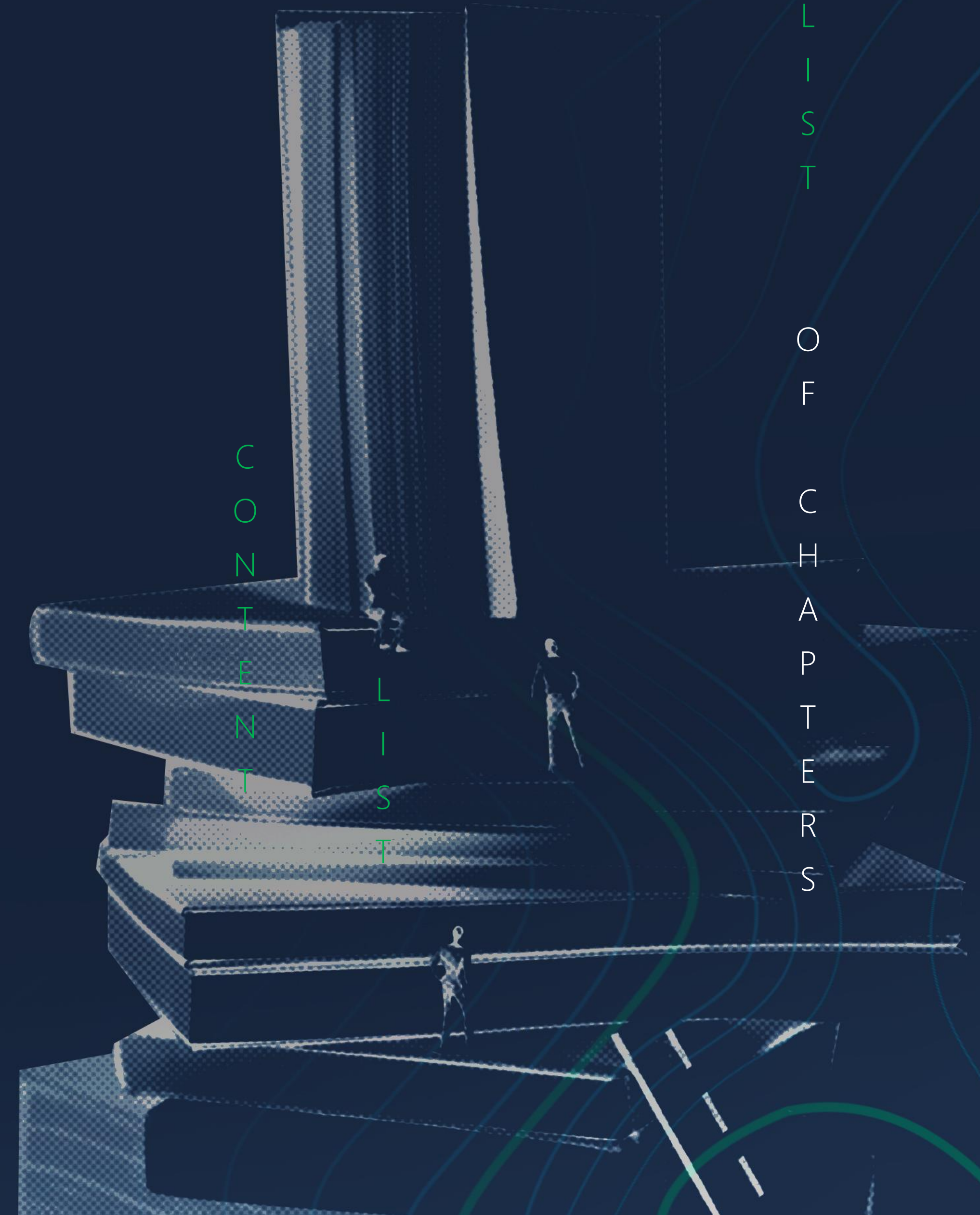
Head of Bank Indonesia  
Representative Office for  
East Kalimantan

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# List Of Chapters

- 1** | Indonesia Macroeconomic Performance and Policy Updates
- 2** | East Kalimantan Economic Review and Infrastructure Availability
- 3** | Investment in East Kalimantan
- 4** | Trade, Tourism, Industry and Investment Opportunities in East Kalimantan





# Chapters 1

## Indonesia Macroeconomic Performance and Policy Updates

EAST ASIAN ECONOMY

BUILDING

ECONOMY

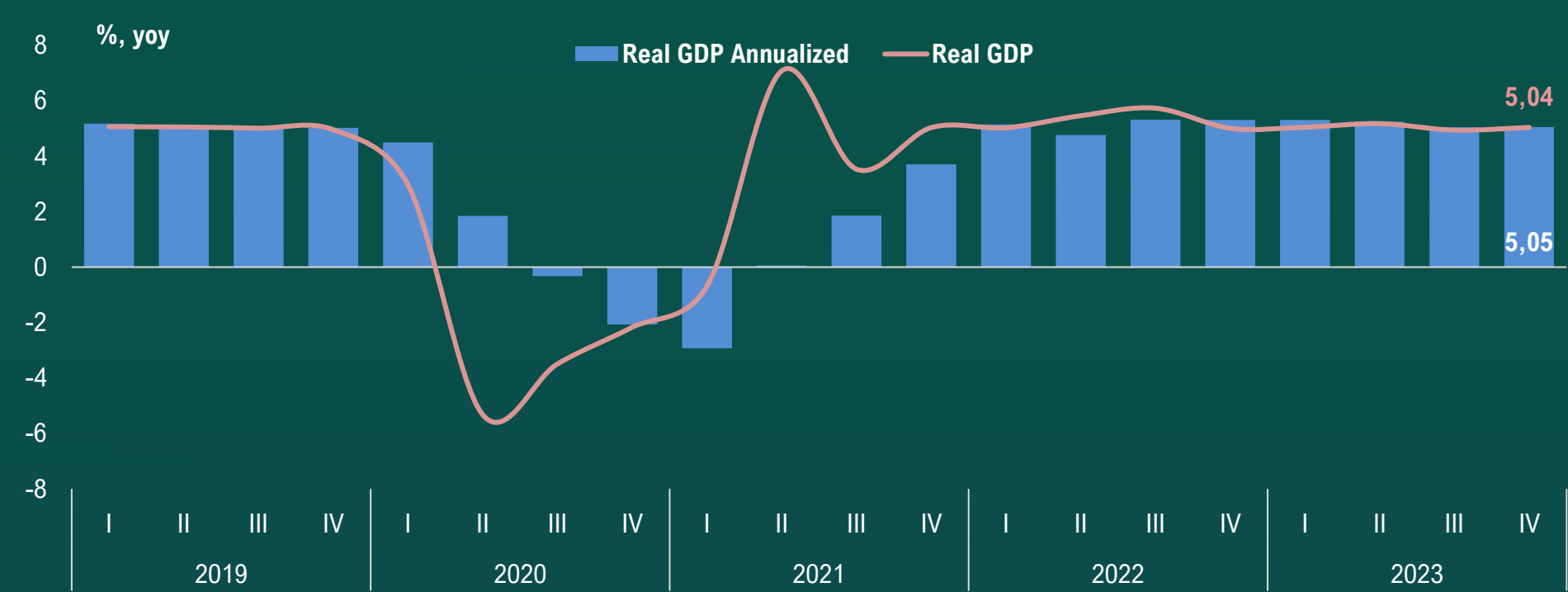
DIVERSIFICATION

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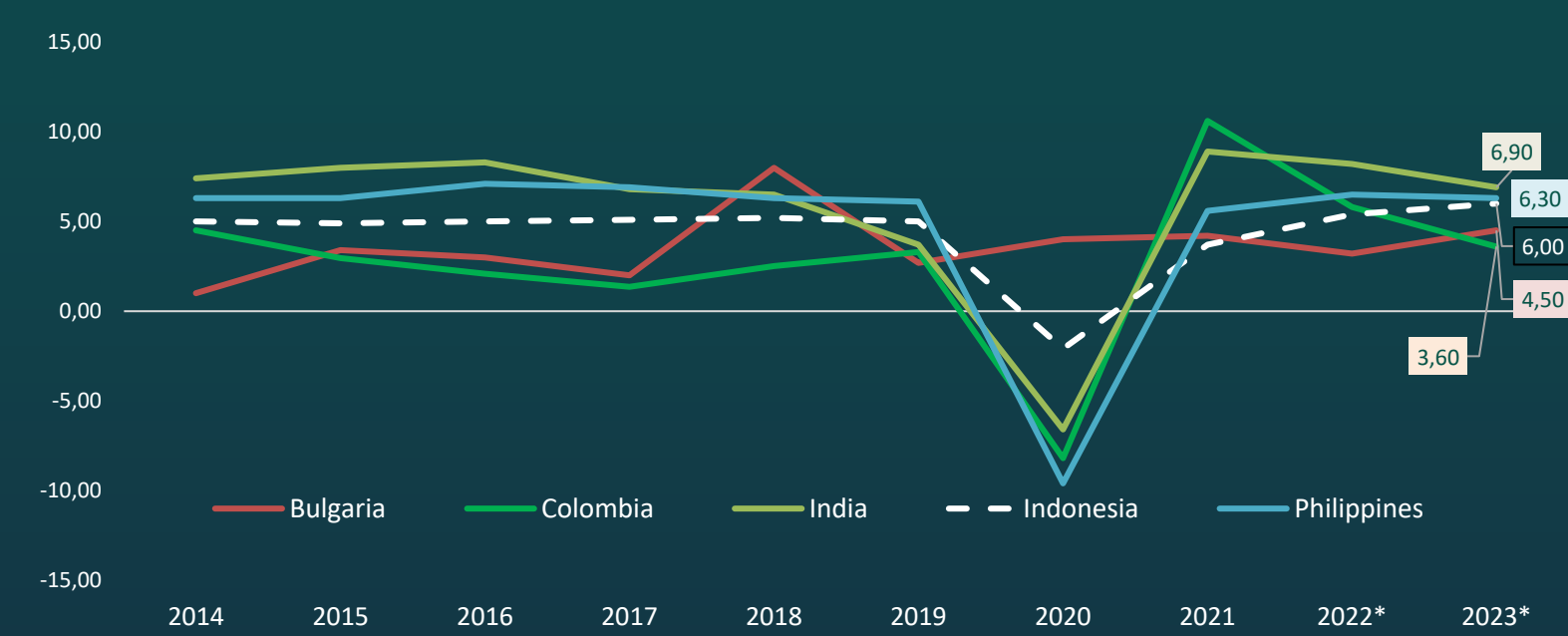


# INDONESIA'S ECONOMIC GROWTH REMAIN STRONG

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



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



1. Source: Central Bureau of Statistics of Indonesia (BPS), \*\* Including non-profit household consumption  
 2. Source: World Economic Outlook Database – Sep 2023; \* indicates estimated figure

\*) Consensus Forecast number will be given later

Amidst increasing global uncertainty, Indonesia’s economic performance remain solid and resilient to global spillover. Indonesia’s economy grew by 5,04 % (yoy) in the fourth quarter of 2023, after recorded a 4,54% (yoy) growth in the third quarter of 2023, supported by solid domestic demand. Sound performance recorded across all economic sectors, particularly the manufacturing industry, transportation and logistics, accommodation and food service activities as well as wholesale and retail trade. Overall, therefore, robust economic growth was recorded in 2023 at 5.05% (yoy).

Spatially, the highest economic growth was recorded in the regions of Sulawesi Maluku-Papua (Sulampua), followed by Kalimantan, Java, Bali-Nusa Tenggara (Balinusra), and Sumatera. Robust economic growth is expected to persist in the first quarter of 2024, as reflected in a number of early indicators, such as consumer confidence, income expectations and the Manufacturing Purchasing Managers Index (PMI). Overall, economic growth in 2024 in the 4.7-5.5% range, supported by domestic demand, primarily in the form of ongoing consumption growth, including the positive impact of the general election and increasing investment, particularly building investment, in line with current PSN development, encompassing the new capital city (IKN).

### 2024 Growth Projection \*)

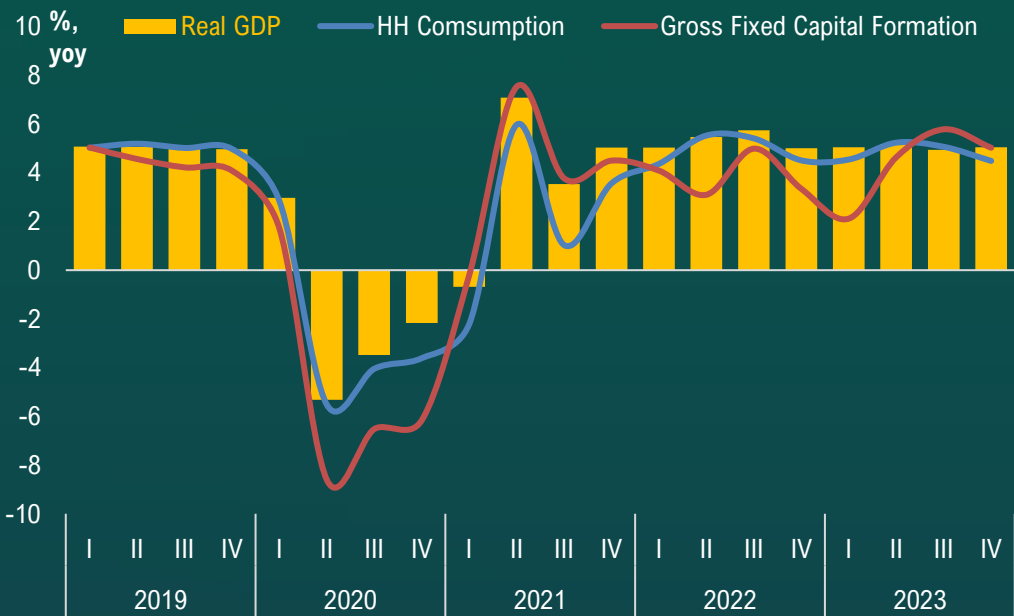
Institutions	GDP growth
2024 Budget	5.2
Bank Indonesia	4.7-5.5
Consensus Forecast (January 2024)	4.9
World Bank (GEP, January 2024)	4.9
IMF (WEO, October 2023)	5.0
ADB (Asian Development Outlook, December 2023)	5.0



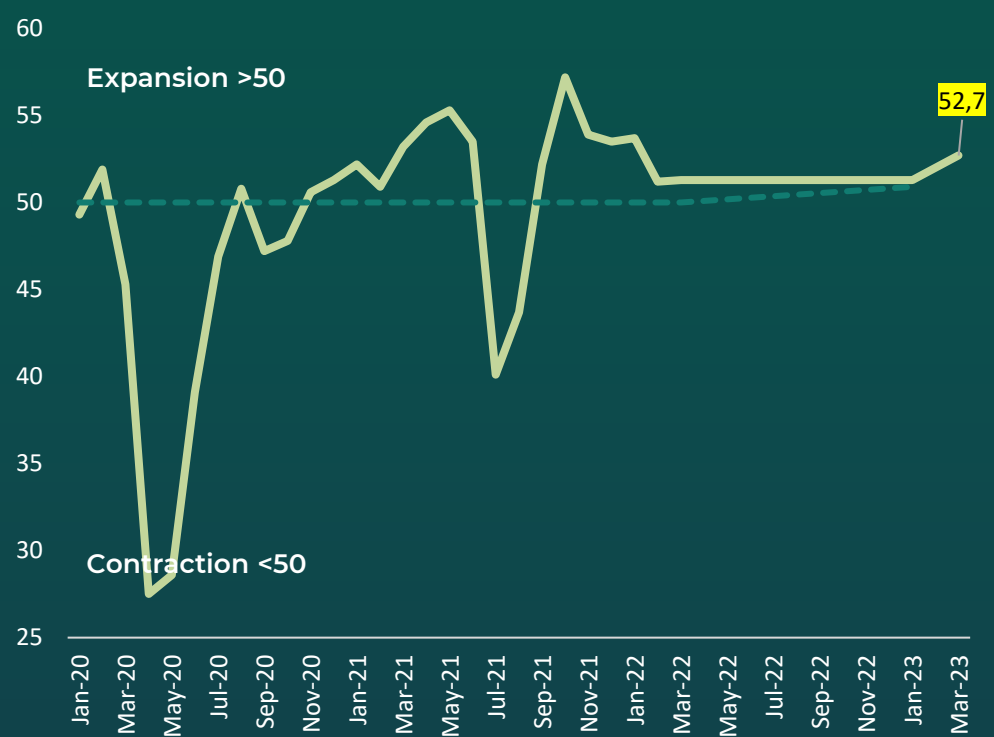
# Macroeconomic and External Indicators

## Indonesia's Economic Improvement Trend Continues...

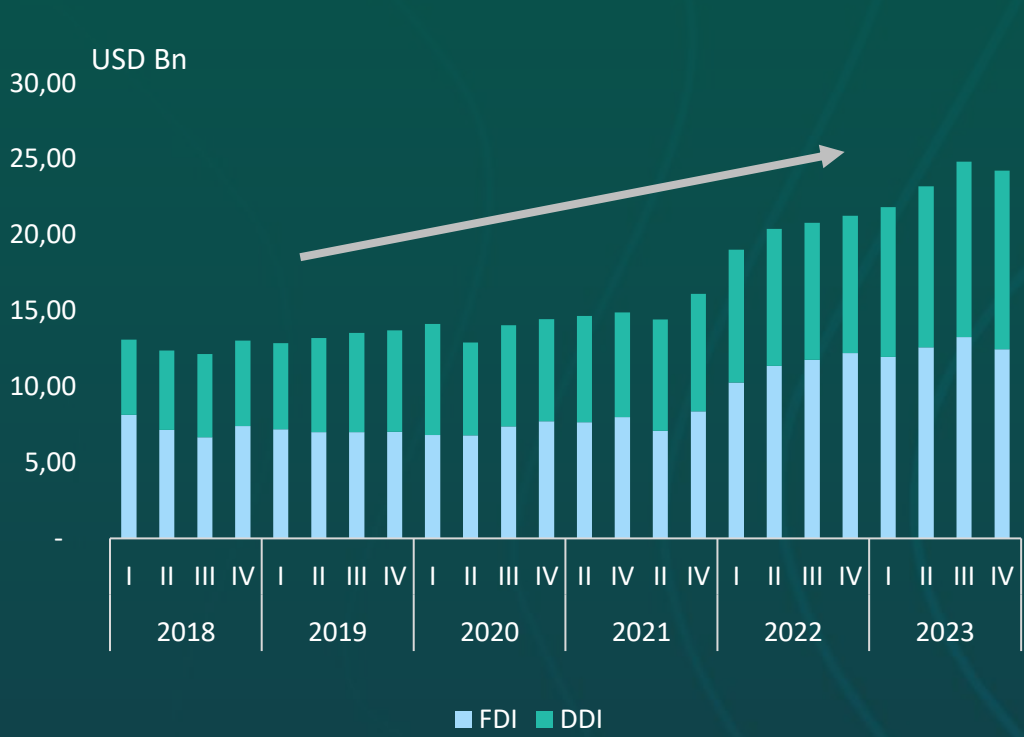
Resilient GDP Growth along with sustainable consumptions and investments



Favorable S&P Global PMI Manufacturing Index



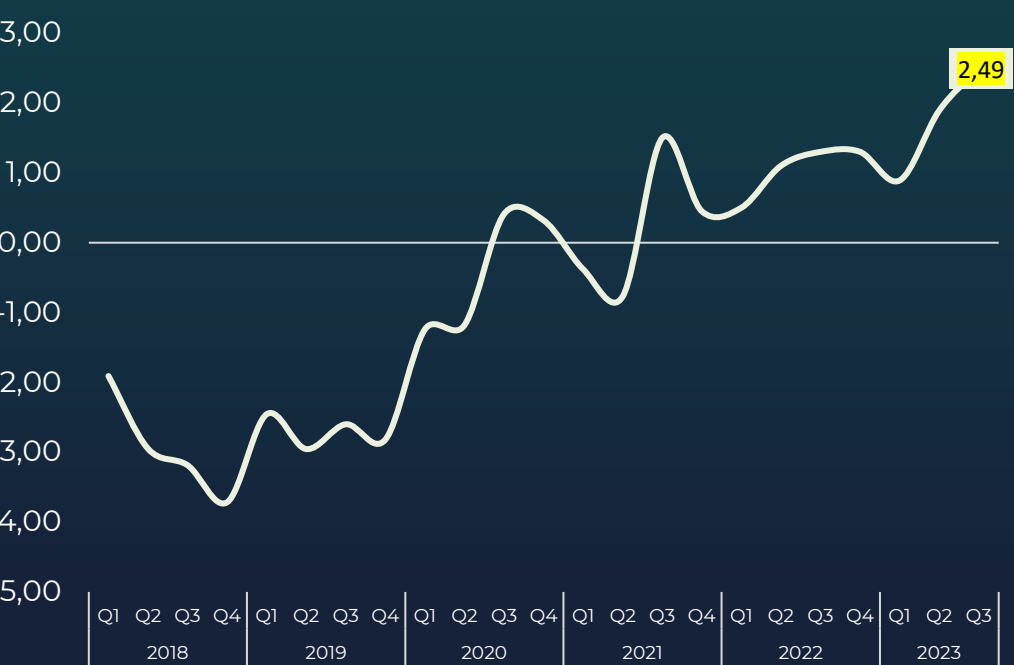
Increasing value of Foreign and Domestic Direct Investment



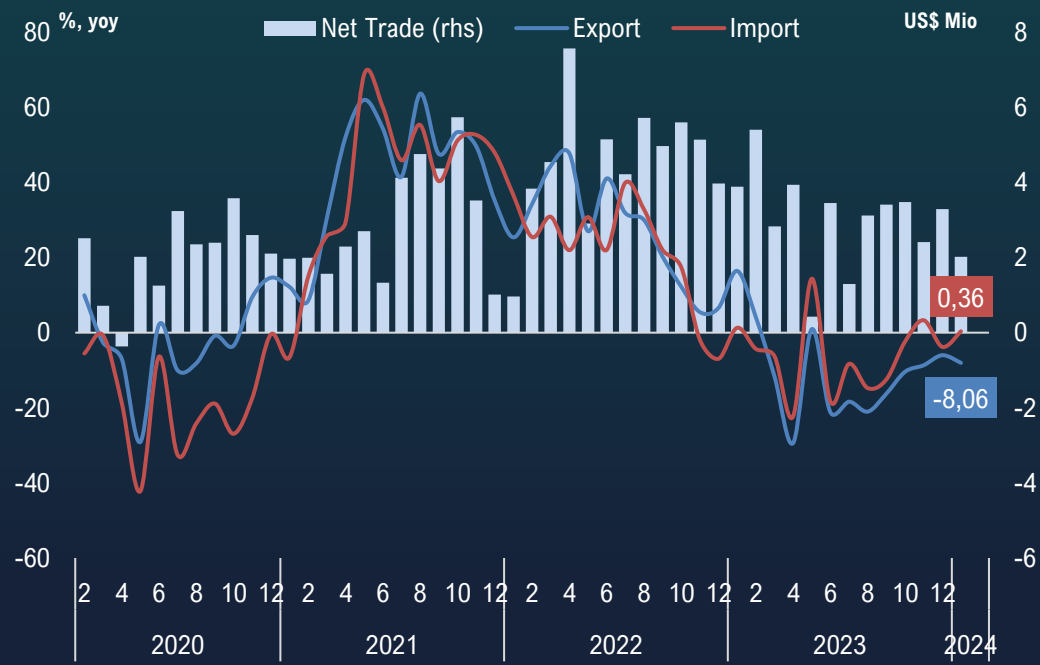
Consumer and Retail Index Remain Optimist



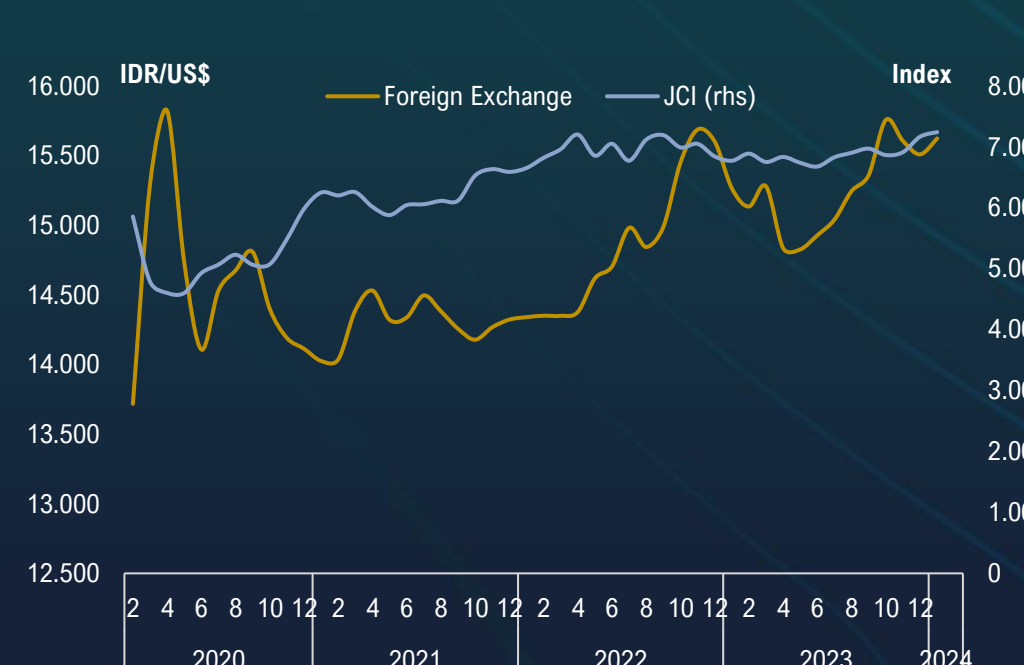
CURRENT ACCOUNT of GDP (%)



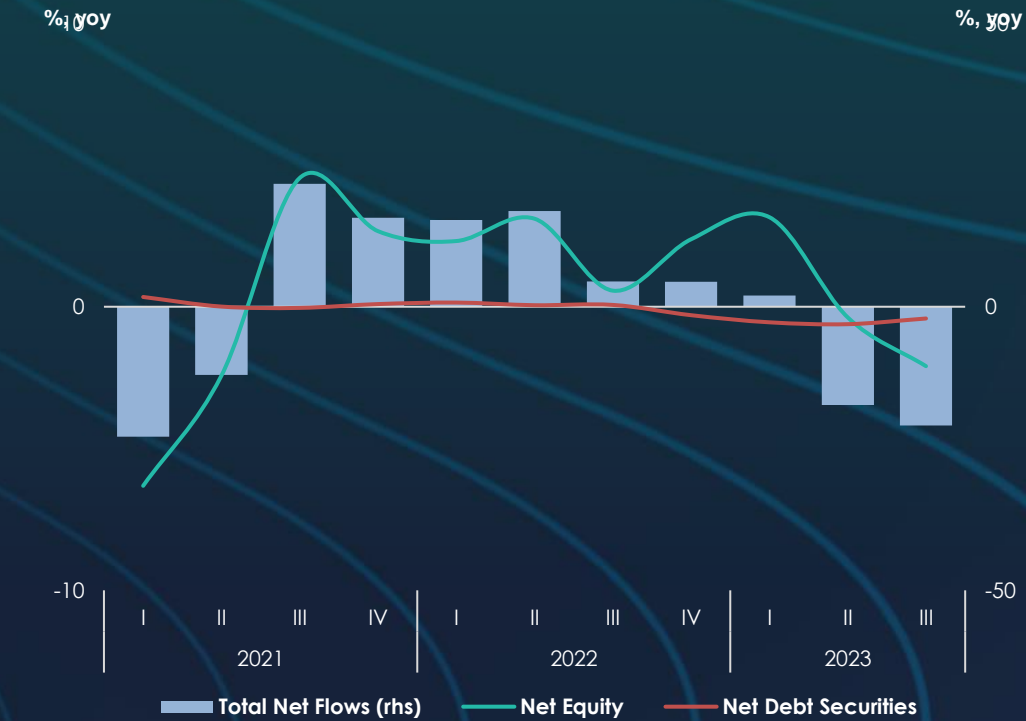
Amidst global demand slowdown, Indonesia net trade remain positive



Relatively FX stability with promising financial market potential



NET CAPITAL FLOW (% yoy)





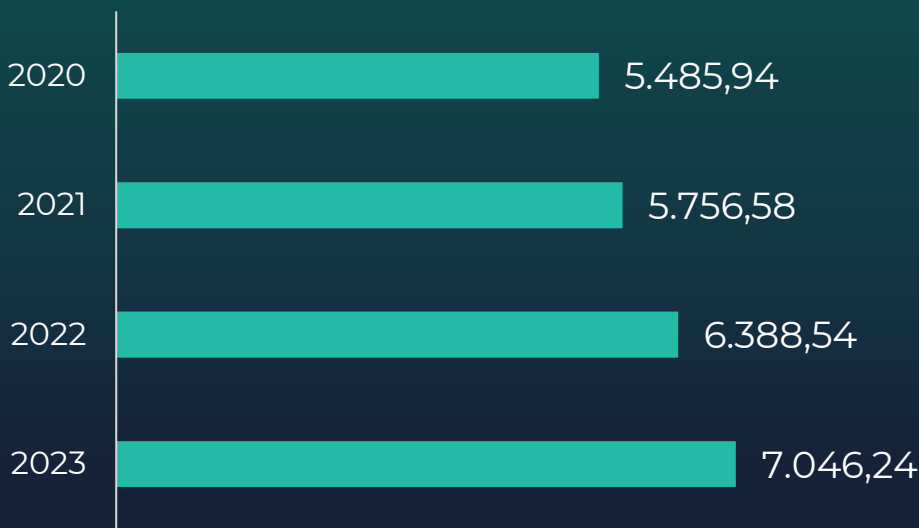
INFLATION RATE (%)

Inflation controlled within the target range



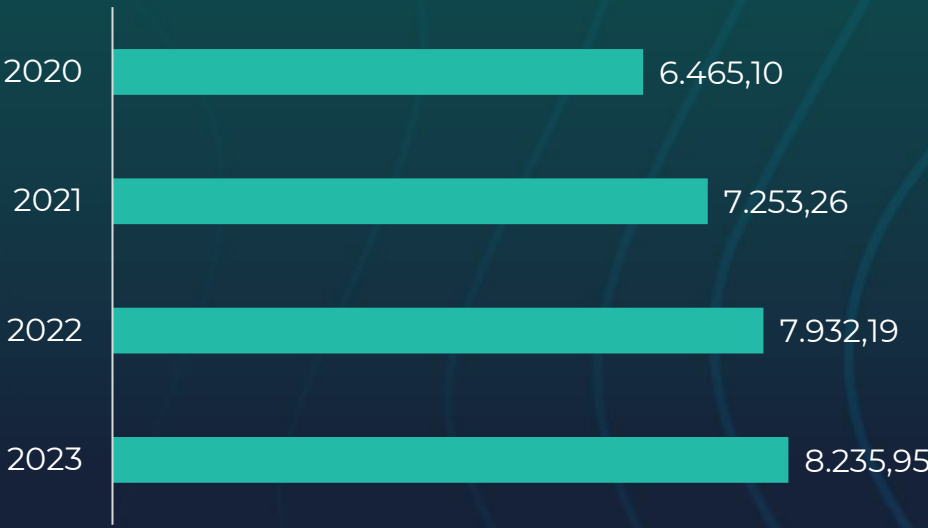
LOAN (USD trillion)

Since 2020, National Loan Value (based in project location) is increasing



THIRD PARTIES FUND (USD trillion)

Since 2020, National TPF Value is also increasing



NON PERFORMING LOAN/NPL (%)

NPL level (gross) is below the maximum threshold of 5%



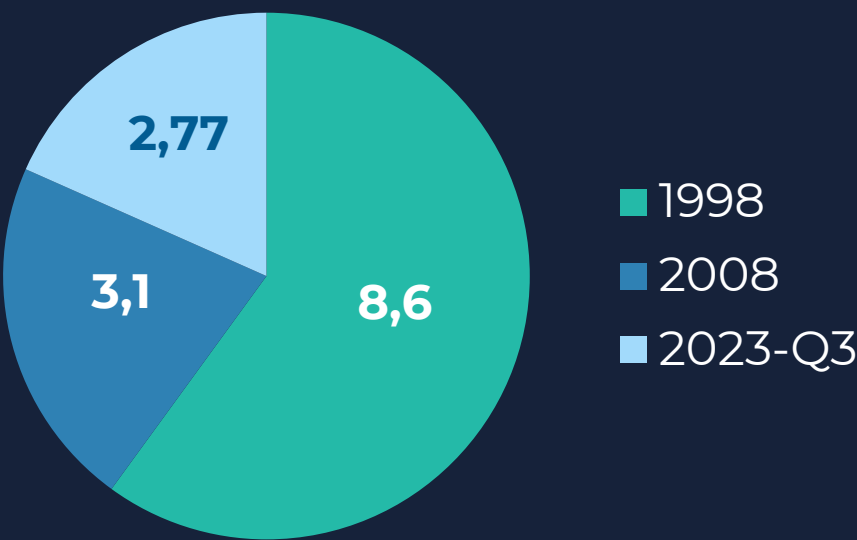
MORE LIQUID MARKET (%)

Overnight interbank money market rate is relatively lower



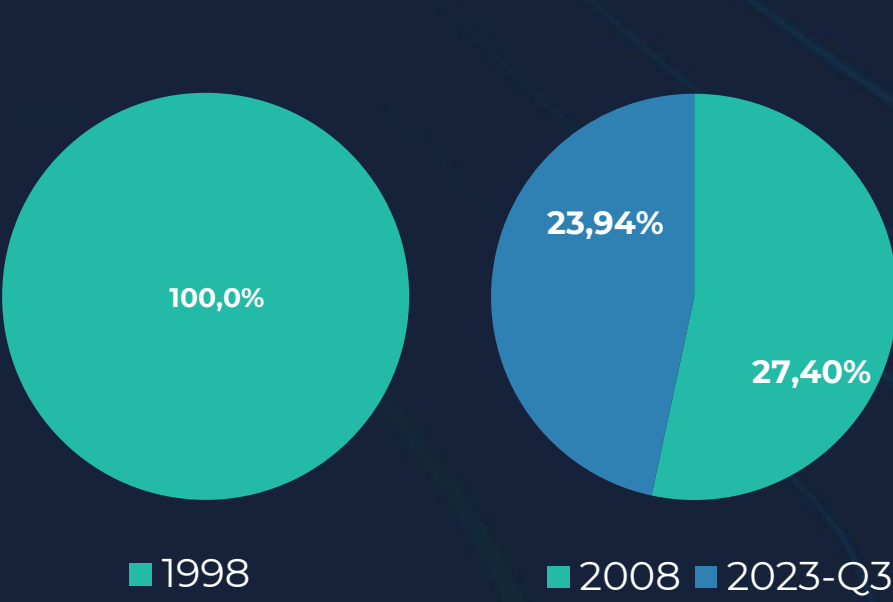
EXTERNAL DEBT (PUBLIC & PRIVATE) TO FX RESERVE RATIO

Significantly Lower Than 1998 Crisis



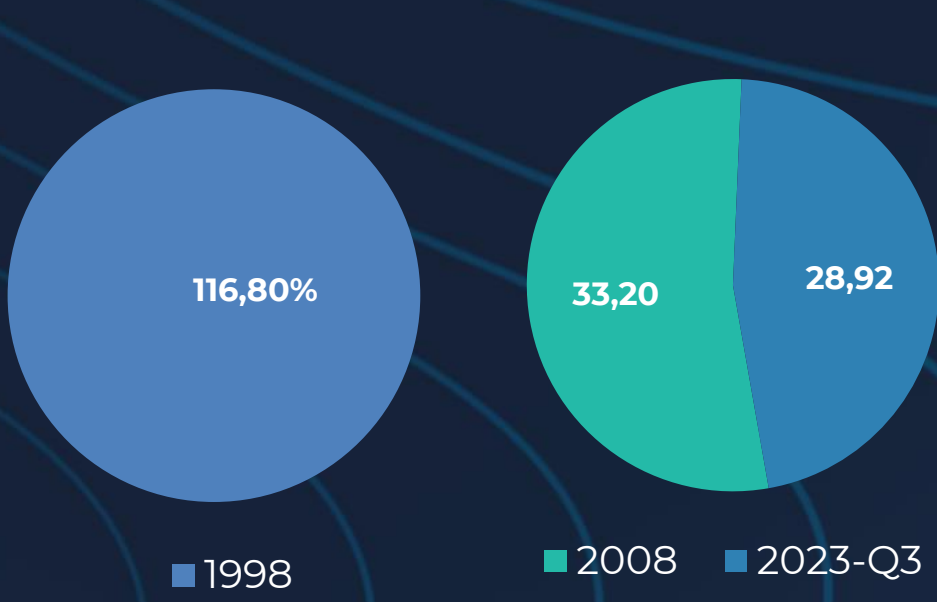
GOVERNMENT DEBT/GDP

Consistently Well-Maintained



EXTERNAL DEBT/GDP

Slightly lower than 2008 and significantly lower than 1998





# Investment Policy Direction 2020 - 2024

Improving Investment Quality to Promote Inclusive and Sustainable Economic Growth



## Improving the Investment Ecosystem:

Changes in the licensing process and expansion of business fields for investment will be a game changer in accelerating investment and opening new jobs

In principle, all business fields are open to investment, except for business fields that are declared closed for investment or activities that the Central Government can only carry out. Investment value for PMA > IDR 10 billion excluding the value of land and buildings. However, to encourage technology based startups in the SEZ, the investment value of PMA can be <= IDR 10 billion, excluding the value of land and buildings

## Fiscal Incentives

Tax Allowances

Tax Holidays

Inv. Allowances

Custom Incentives

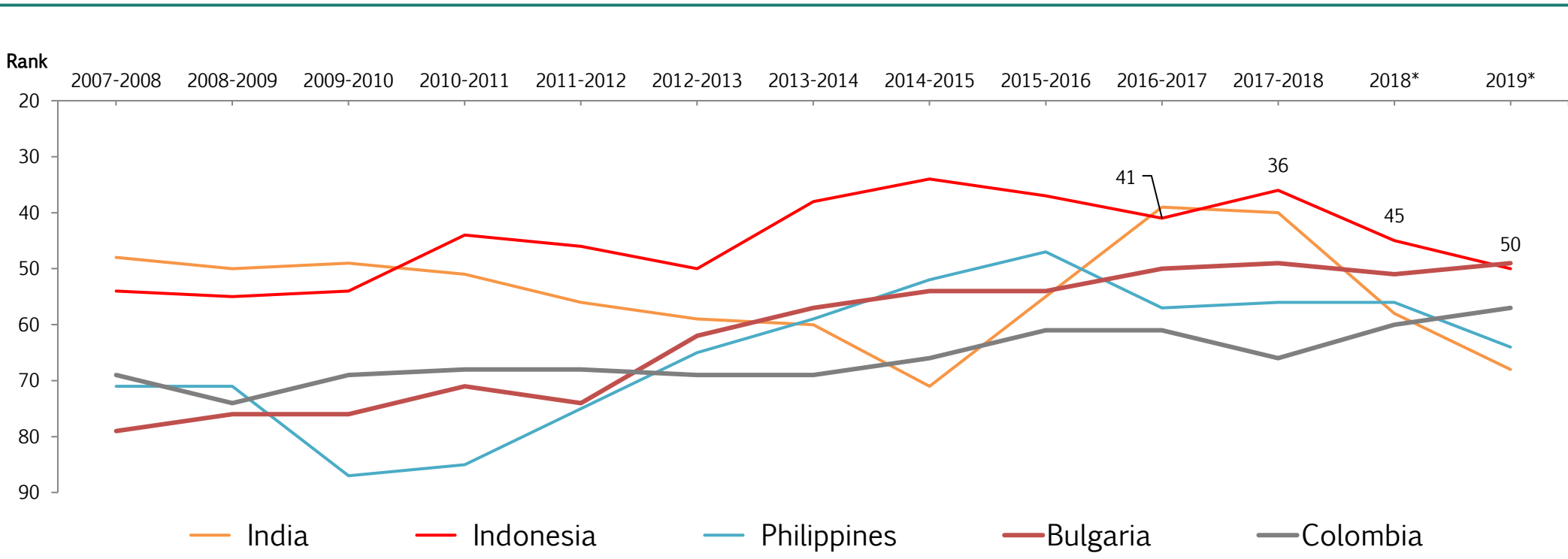
Source: Strategic Planning of Ministry of Investment / BKPM (Renstra) 2020-2024



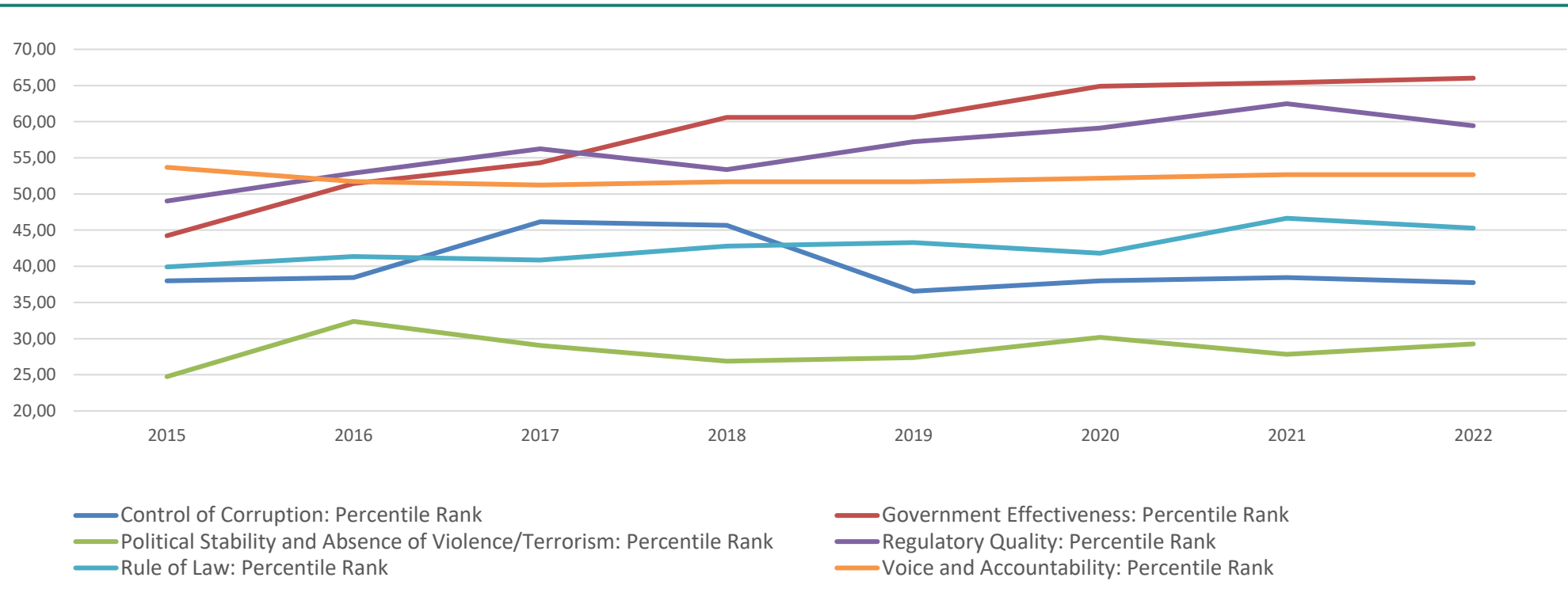
# Improving Global Perception

Indonesia commits to maintain good credit rating scores. It is keen to provide better business climate by improving governance quality and abilities to increase competitiveness as well as taking hard measures to eradicate corruption in public sector.

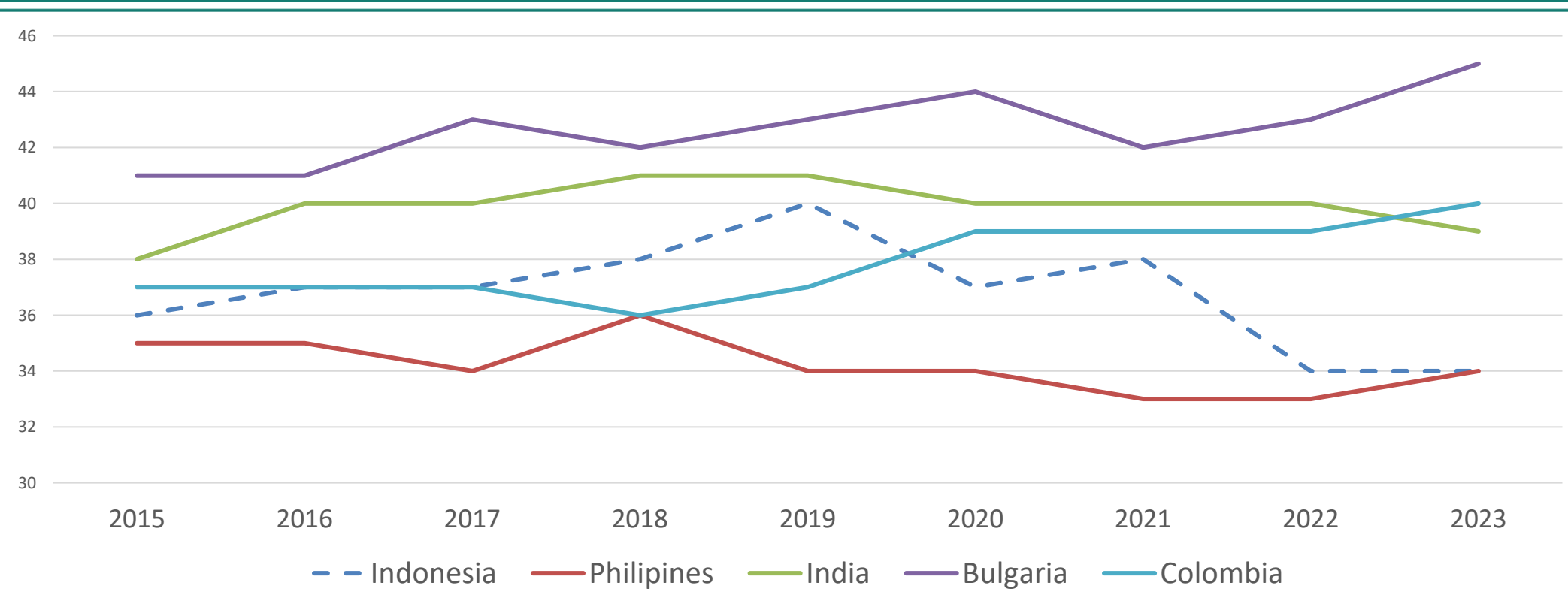
GLOBAL COMPETITIVENESS INDEX



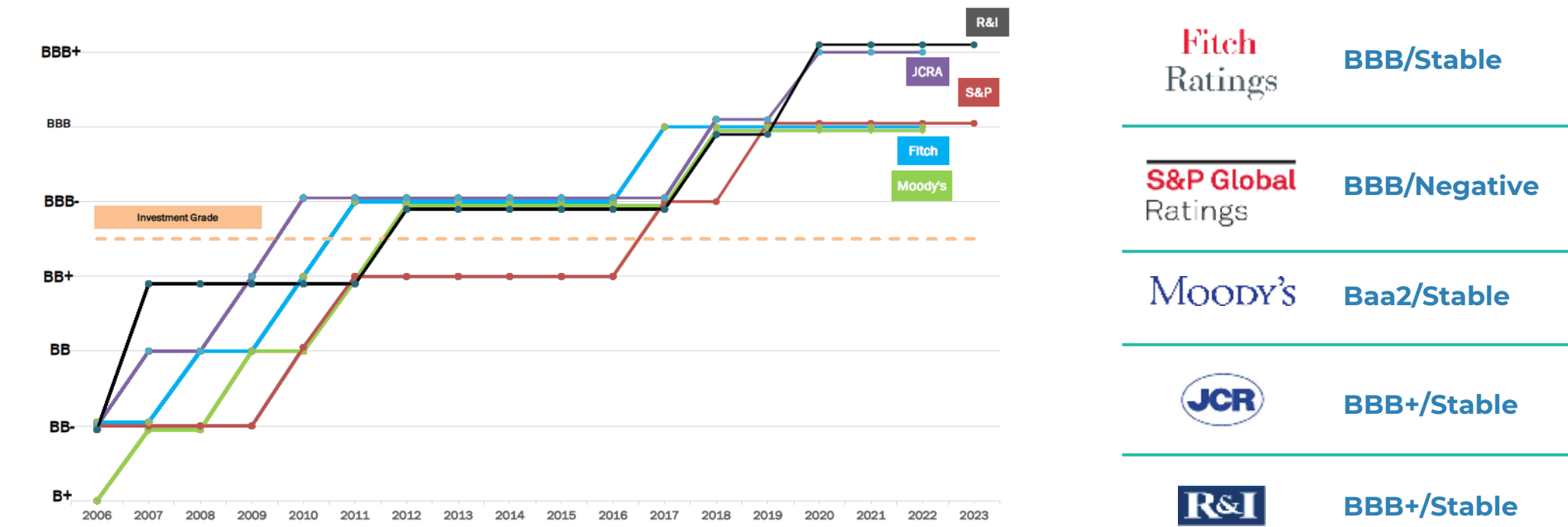
WORLDWIDE GOVERNANCE INDICATORS



CORRUPTION PERCEPTION INDEX



WELL MAINTAINED INDONESIA'S FOREIGN CREDIT RATING AMIDST ECONOMIC RECOVERY

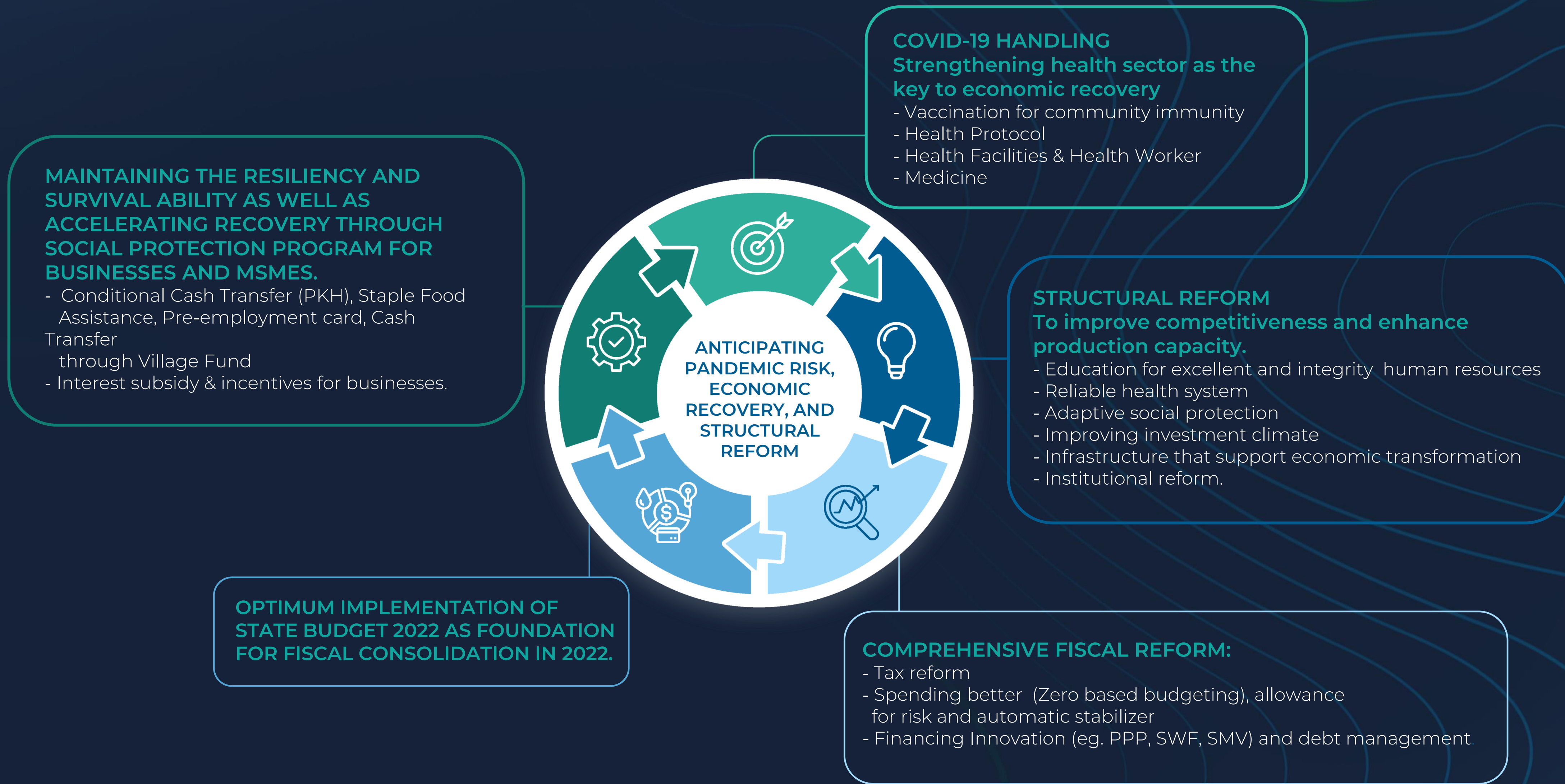


1. Source: World Economic Forum – The Global Competitiveness Report 2019; 2. Source: World Bank – The Worldwide Governance Indicators 2022 Update; 3. Source: Transparency International – Corruption Perceptions Index 2022 Report



# Fiscal Policy Direction

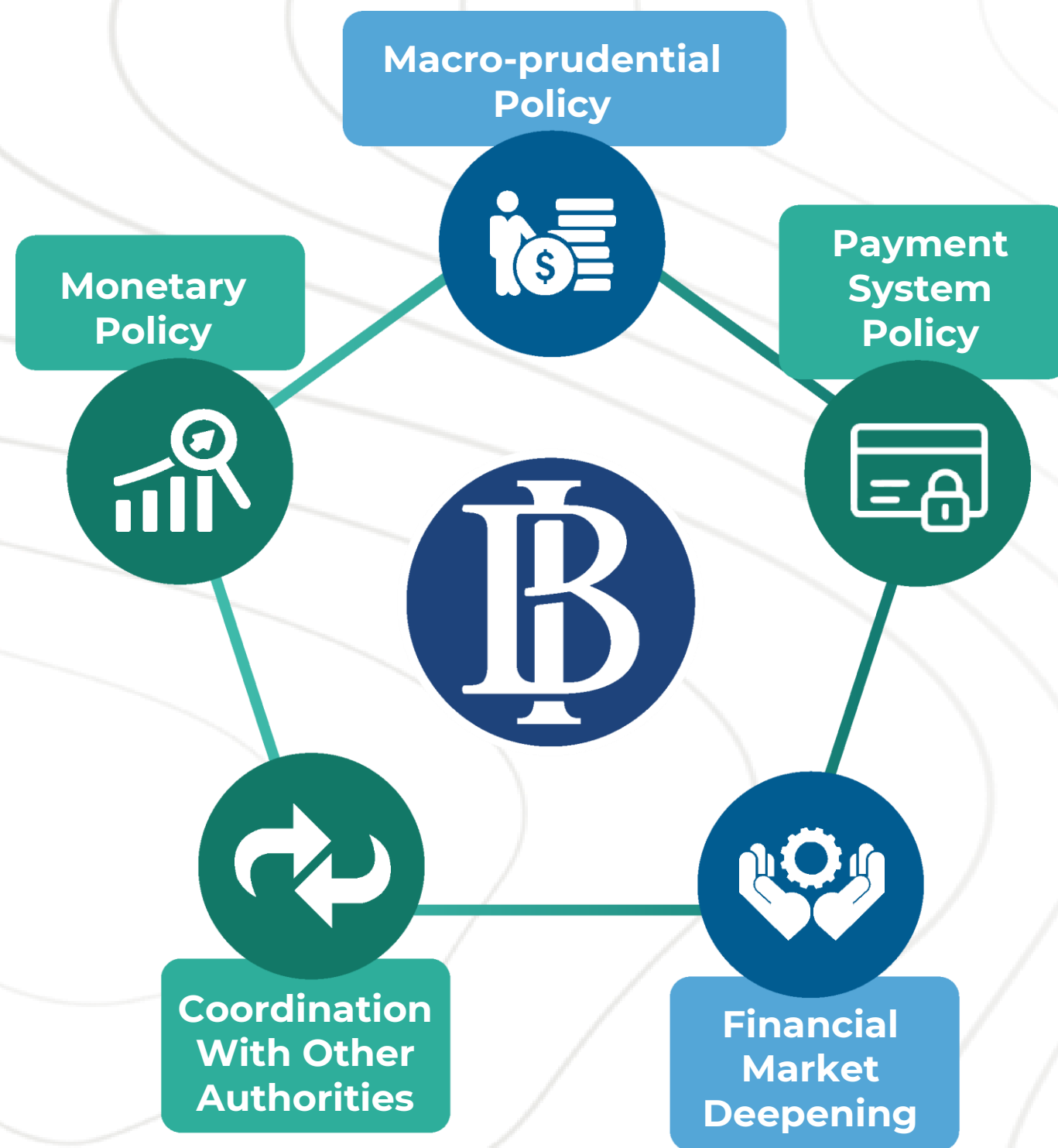
Maintaining the right balance between anticipating pandemic risk, accelerating economic recovery, and supporting structural reform





# Bank Indonesia's Policy Mix

## Synergy Maintaining Stability and Strengthening National Economic Recovery



### Macro-prudential Policy

**Strengthening** the accommodative macroprudential policy stance in 2022 to revive bank lending to the corporate sector and drive the national economic recovery, while maintaining financial system stability

**Offering** incentives for banks disbursing financing to priority sectors and inclusive financing and/or banks achieving the Macroprudential Inclusive Financing Ratio (RPIM) target in the form of a 100bps reduction in the daily reserve requirement, effective 1st March 2022

**Strengthening** implementation of the RPIM, primarily through bank commitment to the RPIM target, based on the expertise and business models available

**Accommodative** macroprudential policy stance by:

- Relaxing the Loan / Financing-to-Value (LTV / FTV) ratio on housing loans / financing
- Relaxing down payment requirements on automotive loans / financing
- Holding the countercyclical buffer (CCB) at 0% Macroprudential Intermediation Ratio (MIR) in the 84-94% range
- Macroprudential Liquidity Buffer (MLB) at 6% with 6% repo flexibility, and the Sharia Macroprudential Liquidity Buffer (SMLB) at 4.5% with repo flexibility at 4.5%
- Relaxing credit card policy

### Payment System Policy

**Accelerating** payment system digitalization to stimulate economic recovery and implementation of the Indonesia Payment System Blueprint 2025

**Strengthening** and expanding digitalization through social programs,, e-payment for Government

**Increasing** the number of participants, expand services and garner greater acceptance of BI-FAST for more efficient transactions between banks and members of the public

**Extending** cross-border QRIS by among others, accelerating implementation, piloting local currency settlement (LCS) with other Asian countries and organizing National QRIS Week to achieve the target of 15 million new users

### Coordination With Other Authorities

**Controlling** inflation through Inflation Control Team in national and regional level and accelerating implementation of the National Movement for Food Inflation Control (GNPIP)

**Supporting** the State Budget through SBN purchases in the primary market in line with Act No. 2/2021, while maintaining macroeconomic stability

**Supporting** national economic recovery program in cooperation with the MOF

**Strengthening** coordination with the Government and related authorities to revive bank intermediation function

**Strengthening** policy coordination with the Government and Financial System Stability Committee to maintain macroeconomic and financial system stability

### Monetary Policy

**Maintaining** stability of monetary policy

**Increasing** Policy rate increase as a front-loaded , pre-emptive and forward-looking measure to lower inflation expectations, which are currently overshooting and return core inflation to the 3.0%+1% target range earlier, specifically in the first half of 2023

**Strengthening** Rupiah stabilization policy as part of the measures to control inflation, primarily imported inflation

**Continuing** to buy/sell SBN in the secondary market to strengthen transmission of the BI7DRR by increasing the attractiveness of SBN yields for foreign portfolio investment inflows to strengthen exchange rate stabilization measures

**Accelerating** liquidity policy normalization by incrementally raising Rupiah reserve requirements to 9% on 1st September 2022

### Financial Market Deepening

**Strengthening** money market deepening by expanding underlying DNDF to boost liquidity and reinforce JISDOR as a reference for exchange rate setting in the forex market

**Accelerating** infrastructure development, including Electronic Trading Platforms (ETP) as well as a Central Counterparty (CCP)

**Developing** Money Market Development Blueprint 2025

**Promoting** inclusive and green economy and finance



# 2024 State Budget Priority Sector



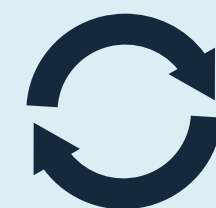
## EDUCATION (IDR 660.8 Trillion)

- Increase the skills and professionalism of the teachers
- Accelerate the rehabilitation of education facilities
- Strengthening vocational education through quality standardization and developing research and innovation
- Increase the synergy of Central Government, Local Government, and Line Ministries



## HEALTH (IDR 186.4 Trillion)

- Increase the effectiveness of insurance for maternal health (*Jampersal*) and make it integrated into JKN program
- Strengthen the reforms of national health system
- Continue the efforts to lower the stunting incidence



## SOCIAL PROTECTION (IDR 493.5 Trillion)

- Continue to develop the Unified Database (DTKS) and synergizing with other relevant data
- Support the social protection reforms
- Support the program of insurance scheme from losing job
- Develop the scheme of Adaptive Social Protection

## GOALS

- Boost competitiveness and people's well being
- Support the economic recovery and structural reforms



## INFRASTRUCTURE (IDR422.7 T)

- Support the basic service infrastructure
- Enhance the productivity (connectivity and mobility)
- Providing the energy and food infrastructure
- Equal provision and access to infrastructure and ICT



## FOOD SECURITY (IDR108.8 Trillion)

- Improve the food access and coverage
- Increase the productivity and revenue of the farmers and fisherman
- Pengembangan Kawasan Sentra Produksi Pangan (Food Estate)



# Chapters **2**

East Kalimantan  
Economic Review and  
Infrastructure  
Availability

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Primary Natural  
Resource Producer

East Kalimantan has abundant natural resources comprise of coal, palm oil, gas, and forest products which significantly contribute to the national economy.



Moving Towards Diverse  
Economy

To enhance commodity economic value and achieve sustainable growth, the government provides incentives and economic zones with adequate infrastructure to encourage openings of downstream business from the region's best commodities and create new line of industry.



The Indonesia's  
New Capital City

Appointed to be the location of the country's new capital city megaproject brings optimistic future for the region. The development will open tremendous business opportunity and new market.



Stable Inflation (2023-Q4)

3.46% yoy

Second Highest GRDP  
Per Capita in Indonesia  
(2022)

USD 16.051,85

Fourth Highest Human  
Development Index  
(HDI) in Indonesia (2023)

78.20

Largest Economy  
In Kalimantan  
(2023-Q4)

48.38% of Kalimantan  
Economy



# EAST KALIMANTAN ECONOMIC OVERVIEW

## Statistic East Kalimantan

CAPITAL CITY: **SAMARINDA CITY**  
REGENCIES/CITIES: **10**

TOTAL AREA: **125,346.92 Km2**  
POPULATION: **3,766,039**

East Kalimantan’s economy has been relying heavily on unsustainable mining and plantation industries. In pursuit of a more sustainable growth, it is reforming gradually towards manufacturing and its derivatives’ industries based on the most competitive commodities available in the region. Tourism plays as an attractive alternative source of income.



GRDP GROWTH  
(2023-Q4) 5.76 (%yoy)  
IDR 207.27 Trillion

3.9% of  
National  
GDP



EXPORT  
(2023-Q4) -31.87 (%yoy)  
US\$ 6.42 Billion

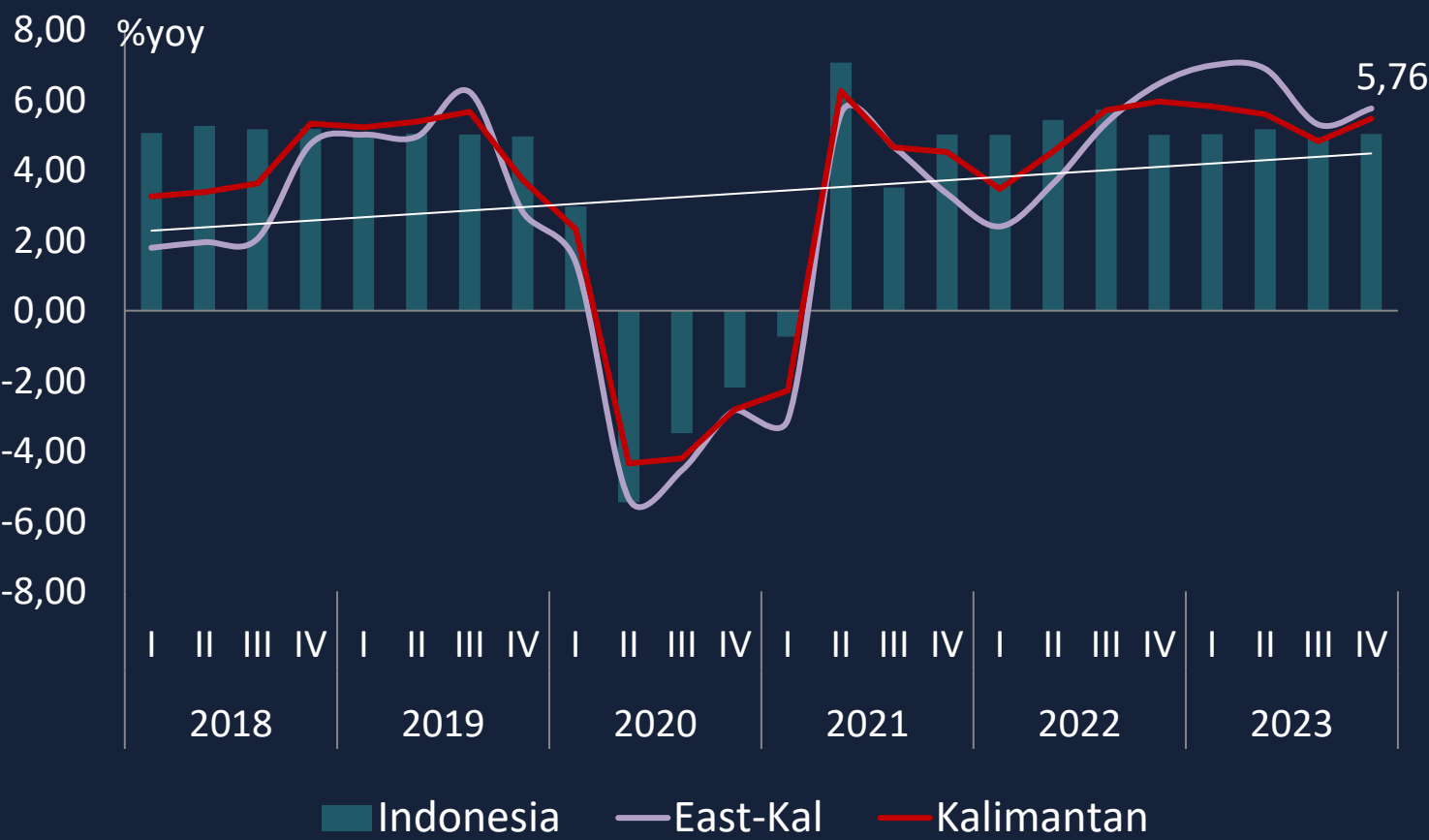
9.65% of  
National  
Export



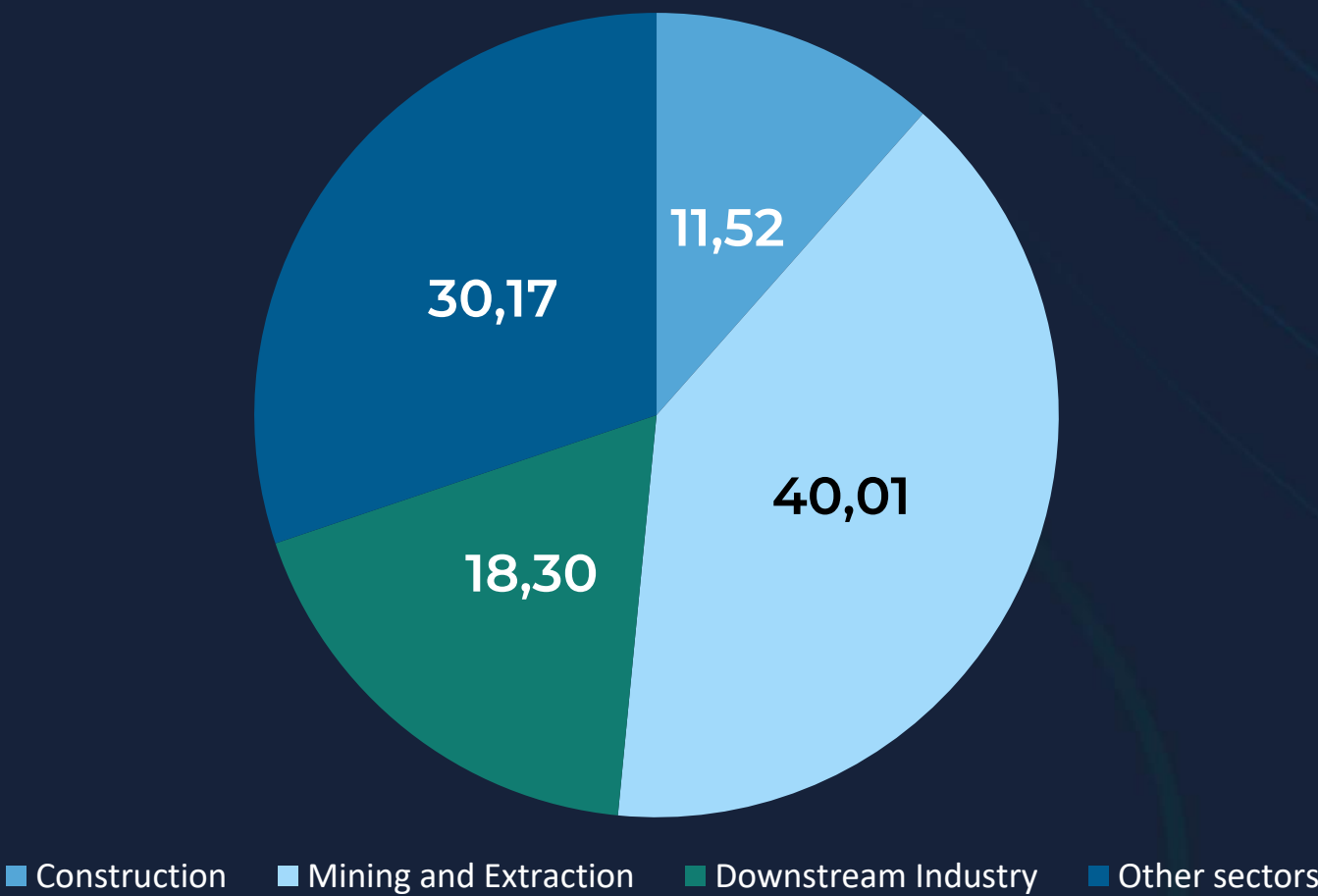
HDI  
78.20  
(2023)

4th in  
Indonesia

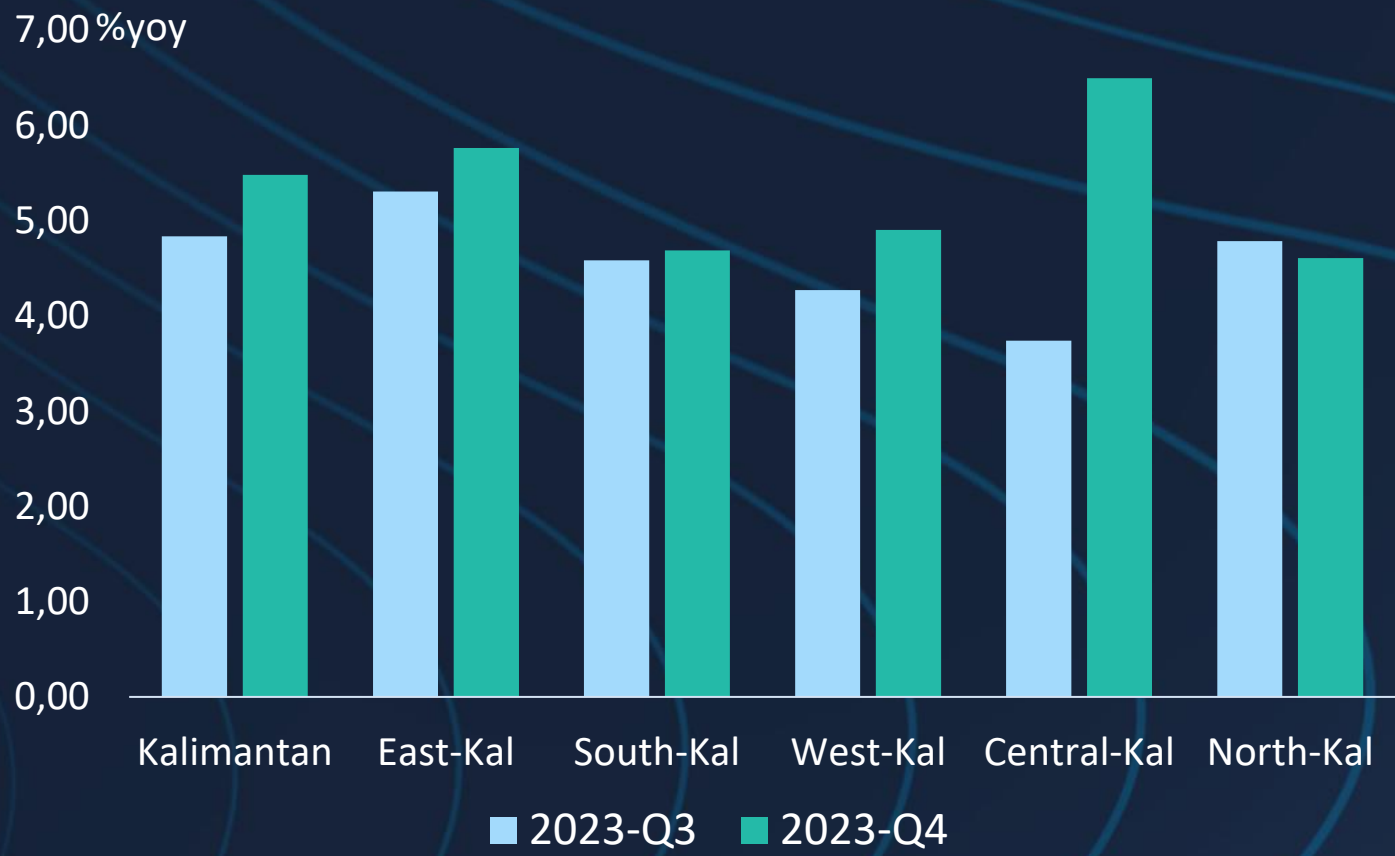
ECONOMIC GROWTH



ECONOMIC CONTRIBUTION



COMPARING PROVINCIAL GRDP





# East Kalimantan's Strategic Development Priorities



Based on East Kalimantan Provincial Government Work Plan for 2025, the goal is to optimize economic diversification, supported by improved regional infrastructure and competitive human resources through 8 (eight) regional development priorities.



**Accelerating growth of non-oil & gas (OG) and non-coal sector, mainly on downstream industry**

**Enhancing human resource competitiveness to promote the employment**

**Enhancing health quality by improving the access to medical services**

**Providing better regional infrastructure to support the development of economy and basic services fulfillment**

**Providing the access for basic needs and expanding social-economy access for vulnerable people**

**Improving the sustainability of living-environment**

**Enhancing the governance of local government to improve public services**

**Strengthening the capacity of the NCC's bordering regions**



# Economic Policy Direction

The Provincial Government of East Kalimantan aims to accelerate economic recovery on three main focuses including Maintaining Stability of Economic Growth at 6%, Achieving Economic Growth of Non-OG & Non-Coal Sector at 9,5-10%, Encouraging Economic Inclusiveness

## TO MAINTAIN STABILITY OF ECONOMIC GROWTH AT 6%

1. Maintaining and improving the regional investment as NCC economic superhub.
2. Controlling inflation rate to maintain purchasing power.
3. Improving government spending quality through increasing public spending.
4. Increasing interregional net-export trade in non-mining commodities.



## TO ACHIEVE ECONOMIC GROWTH OF NON-OG AND NON-COAL SECTOR AT 9,5-10%

1. Strengthening the performance of manufacturing industry, by encouraging productivity for existing industries and encouraging the entry of new industries.
2. Increasing the productivity of agricultural production through intensification of food, horticulture, farming, fisheries, and the extensification of plantations.
3. Promoting construction, trade, transportation, F&B, and tourism sectors by capturing opportunities from the presence of the NCC.
4. Enhancing the infrastructure that supports economic activities.

## ECONOMIC INCLUSIVENESS

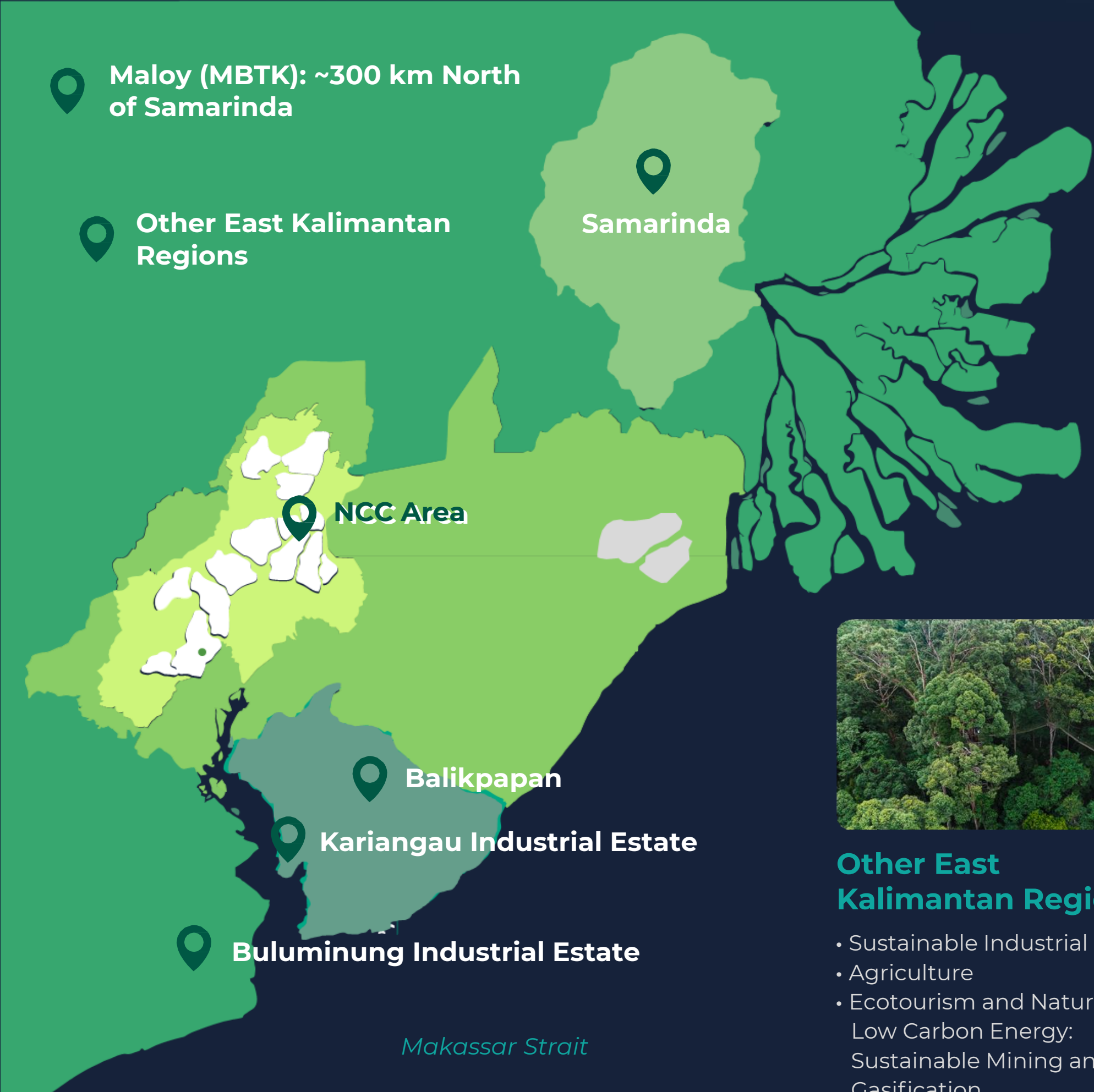
Increasing the economic growth impact on all levels of society, through increasing community access to local economic activities, increasing the value for superior products, encouraging the growth of labor-intensive sectors, and preparing competent human resources to compete in the labor market.





# The New Capital City (IKN) Areal Planning

Area-based Distribution for Economic and Industrial Sectors in IKN and the surrounding areas



### NCC (Nusantara) within 56,000 Ha

- R&D and Innovation Center for Low Carbon Energy
- Ecotourism, City Tourism, MICE Tourism, Medical and Wellness Tourism
- Integrated Pharmaceutical R&D Center
- 21st Century Education



### Kariangau Industrial Estate\*

- Chemical materials: Petrochemical
- Sustainable Manufacturing: Solar PV and E2W
- Integrated Pharmaceuticals: Generic API and Biosimilars



### Buluminung Industrial Estate \*

- Sustainable Industrial Agriculture: Plant Based Protein, Herbal Extract, Herbal Products and Nutritionals
- Base Chemicals and Chemical Products: Oleochemical



### Other East Kalimantan Regions

- Sustainable Industrial Agriculture
- Ecotourism and Nature Tourism
- Low Carbon Energy: Sustainable Mining and Coal Gasification



### Maloy MBTK

Low Carbon Energy : Biofuels



### Samarinda

Low carbon energy sector : sustainable mining and coal gasification.



### Balikpapan

- Low Carbon Energy
- Integrated Pharmaceuticals: Generic API and Biosimilars

\*the study is on-going

Source: Ministry of National Development Planning (2021)



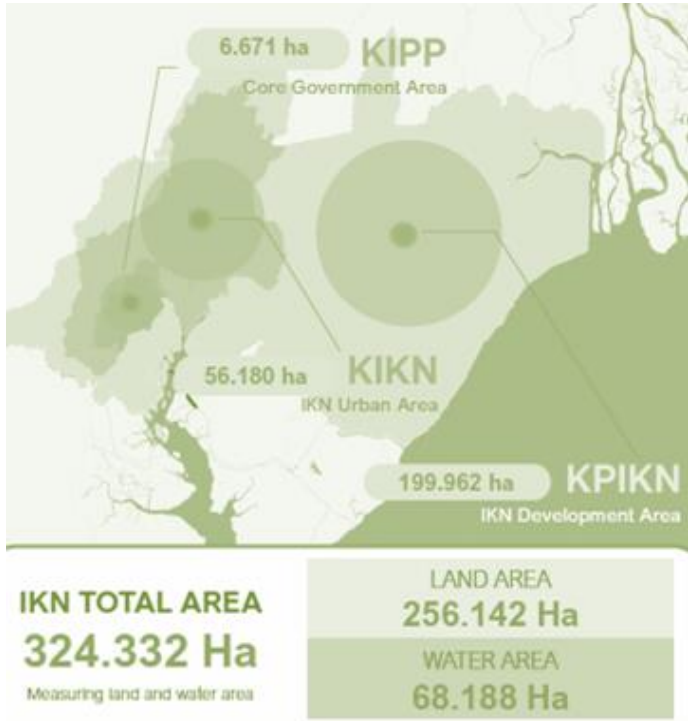






# The New Capital City (IKN) Project

## Nusantara as Center of Economy 2045



### 3 Zones of NCC

Zone	Land size (ha)	Population Target by 2045 (People)	Development
Central Government Area	6,856	±280,000 – 300,000	<ul style="list-style-type: none"><li>- Ease of accessibility.</li><li>- Sustainable design.</li><li>- 82,000 – 100,000 residential units, with estimated occupancy ratio of 3.4 people per residential unit.</li></ul>
New Capital City Area	56,181	1,700,000 – 1,900,000	<ul style="list-style-type: none"><li>- Support the concept of “10 minutes walking” and social connectivity.</li><li>- Designed in harmony with nature with a minimum of 50% green space.</li></ul>
New Capital City Expansion Area	256,142		<ul style="list-style-type: none"><li>- 75% of the area will be planned to be a green open space, of which 65% is a protected area and 10% is for food production.</li><li>- Developed with 100% clean energy.</li></ul>

### Presidential Palace Area



### Ceremonial Plaza



### Basic Design of IKN Landscape



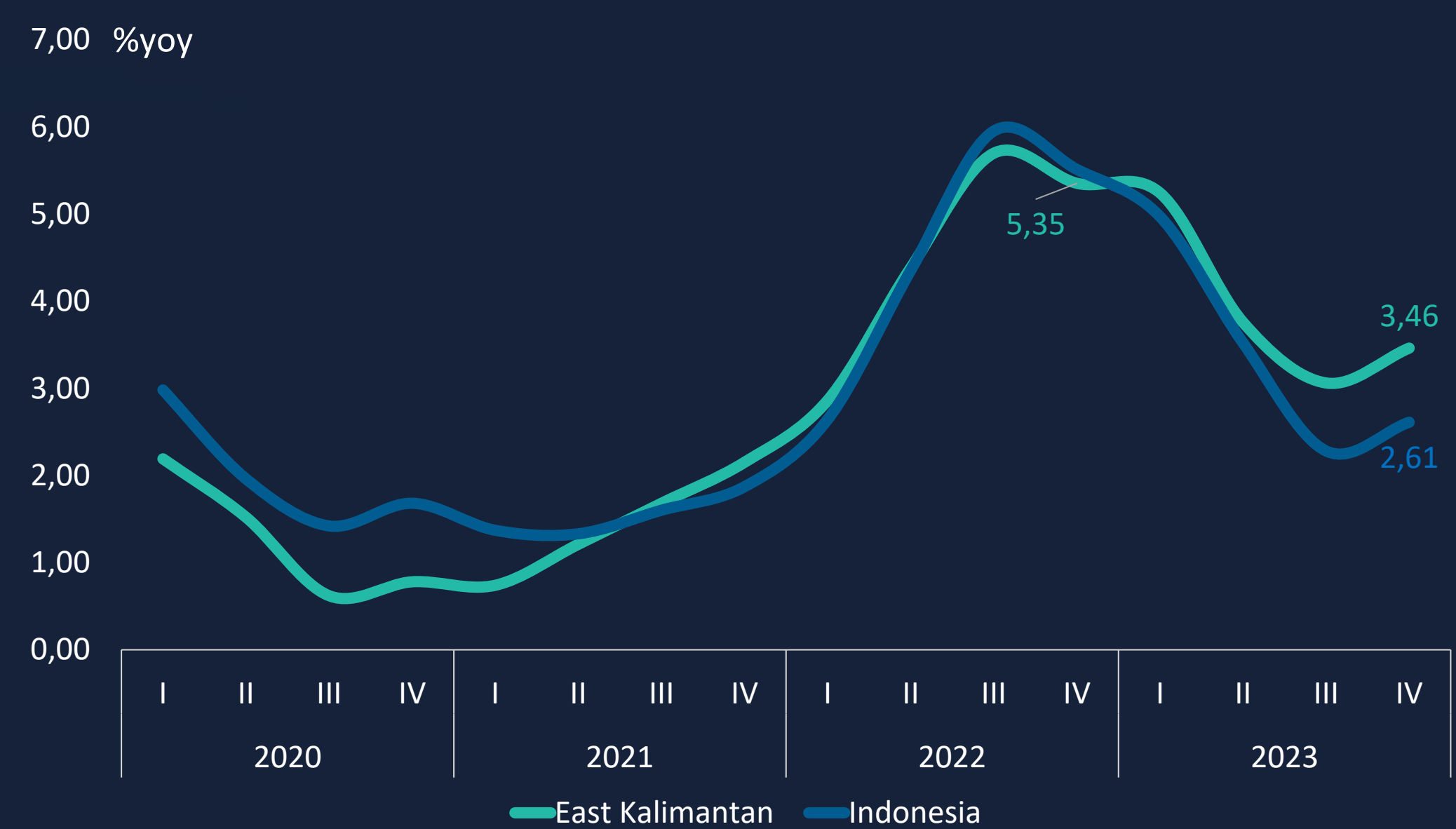


# INFLATION RATE

The aggregate inflation rate of two cities, Samarinda and Balikpapan, East Kalimantan in the fourth quarter of 2023 was recorded at 3.46% (yoy), which is lower than the previous year's rate of 5.35% (yoy). The inflation rate in these cities was slightly higher than the national inflation rate of 2.61% (yoy).

To maintain inflation stability, the Regional Inflation Control Team (TPID) in East Kalimantan, along with all stakeholders, continues to work collaboratively in creating and implementing programs to control inflation and ensure price stability and affordability. At the national level, various efforts are also being optimized through the National Food Inflation Control Movement (GNPIP) program to anticipate the increase in food prices.

■ INFLATION RATE



■ PERIODICAL INFLATION RATE (2023-Q4)

3.46 Quarterly Inflation Rate (%yoy)

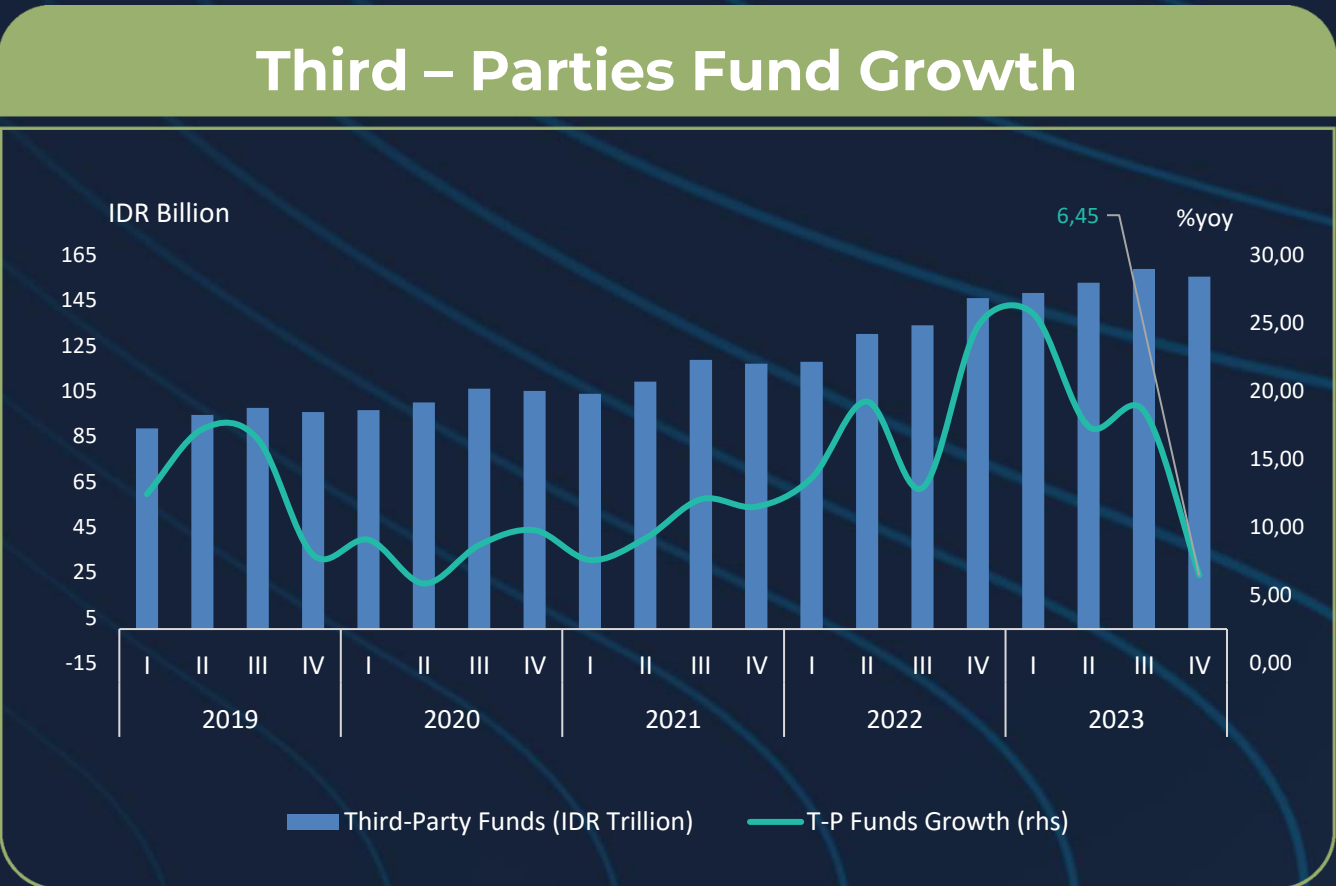
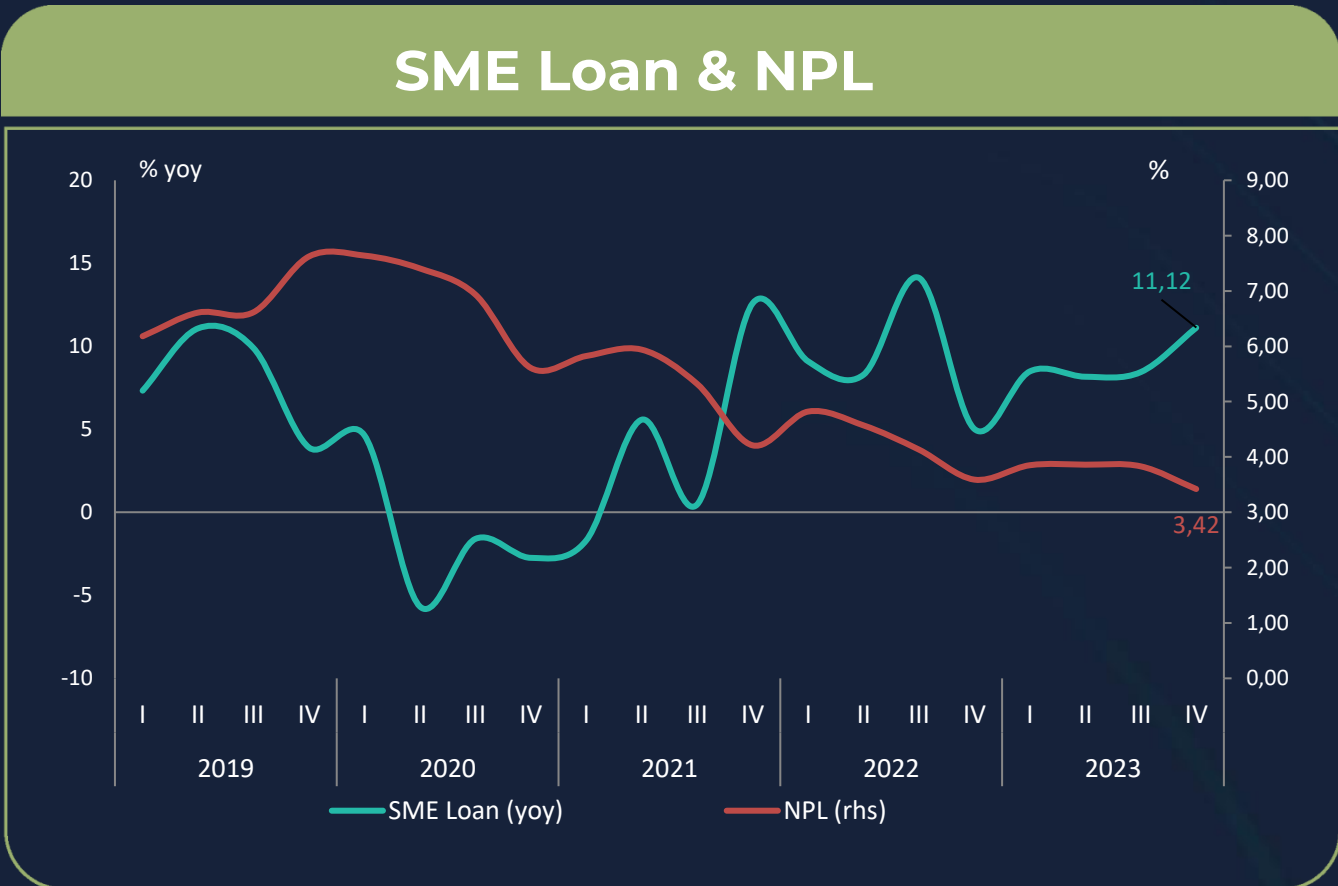
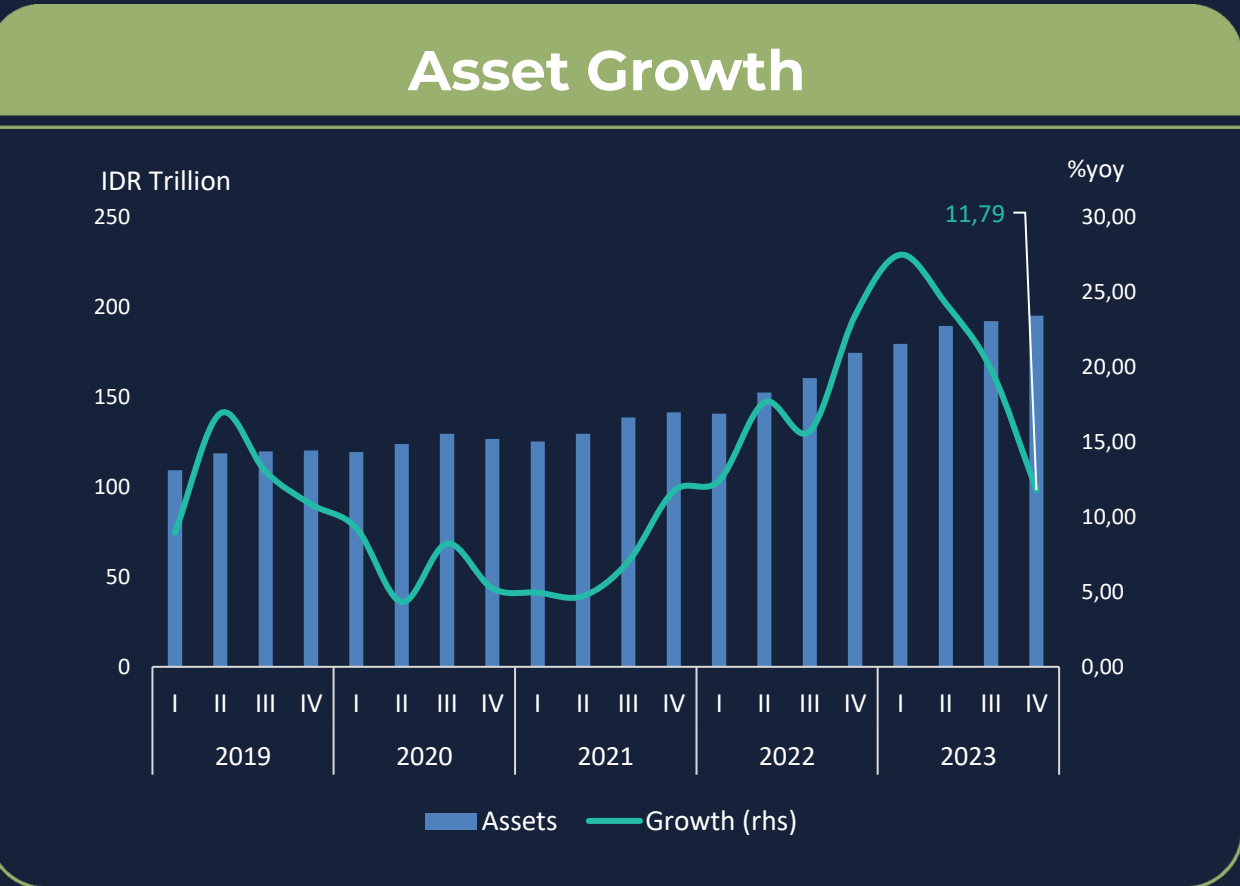
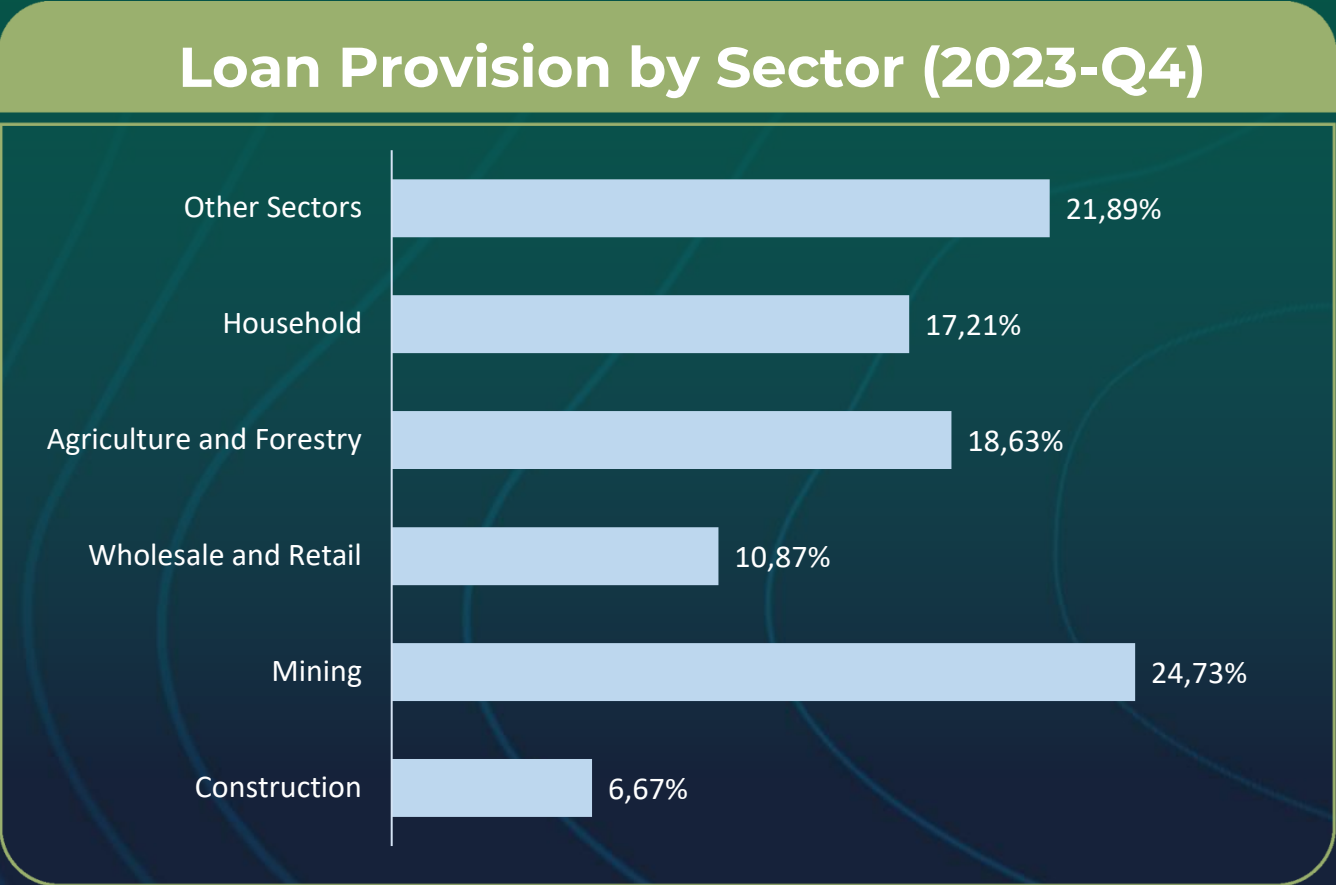
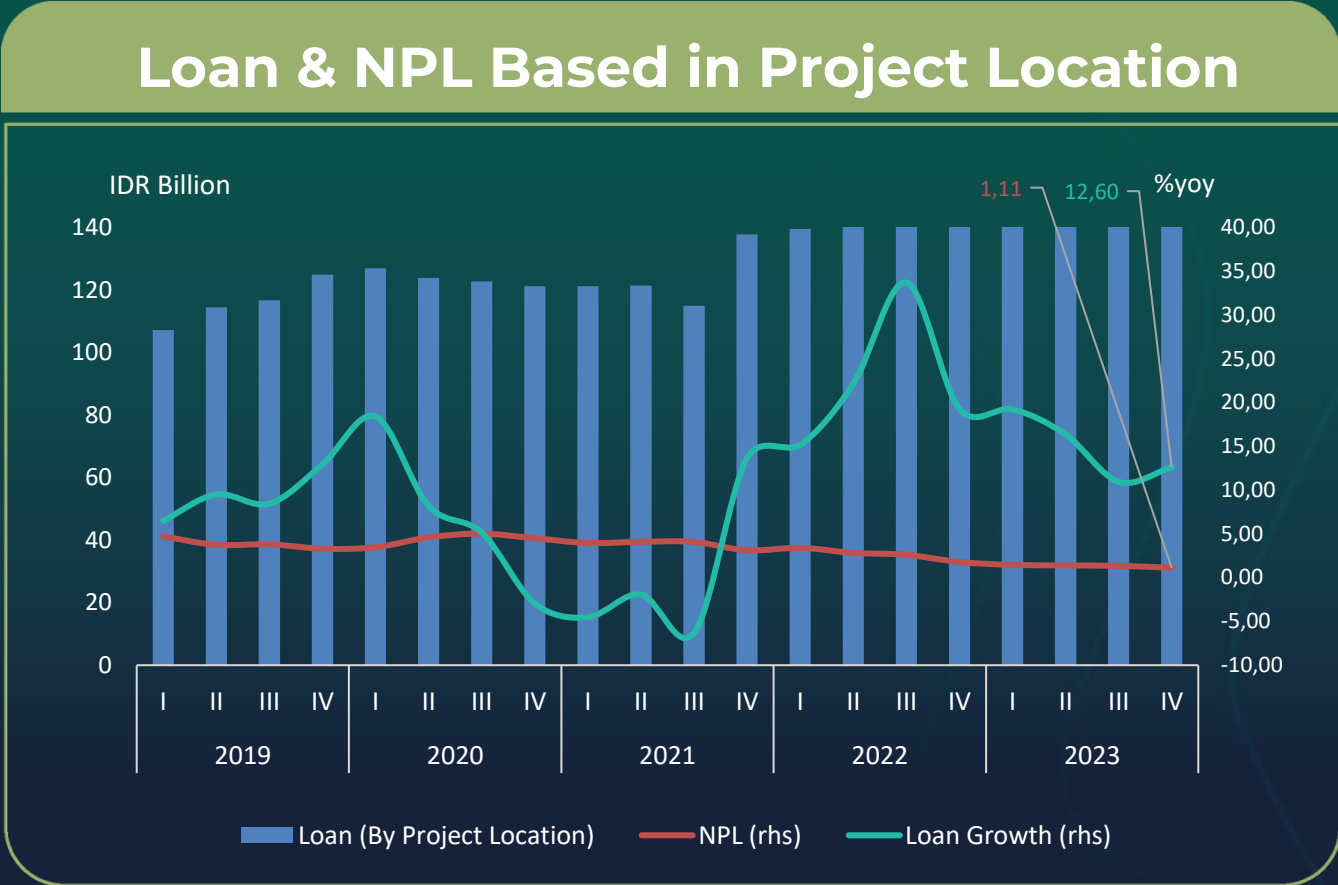
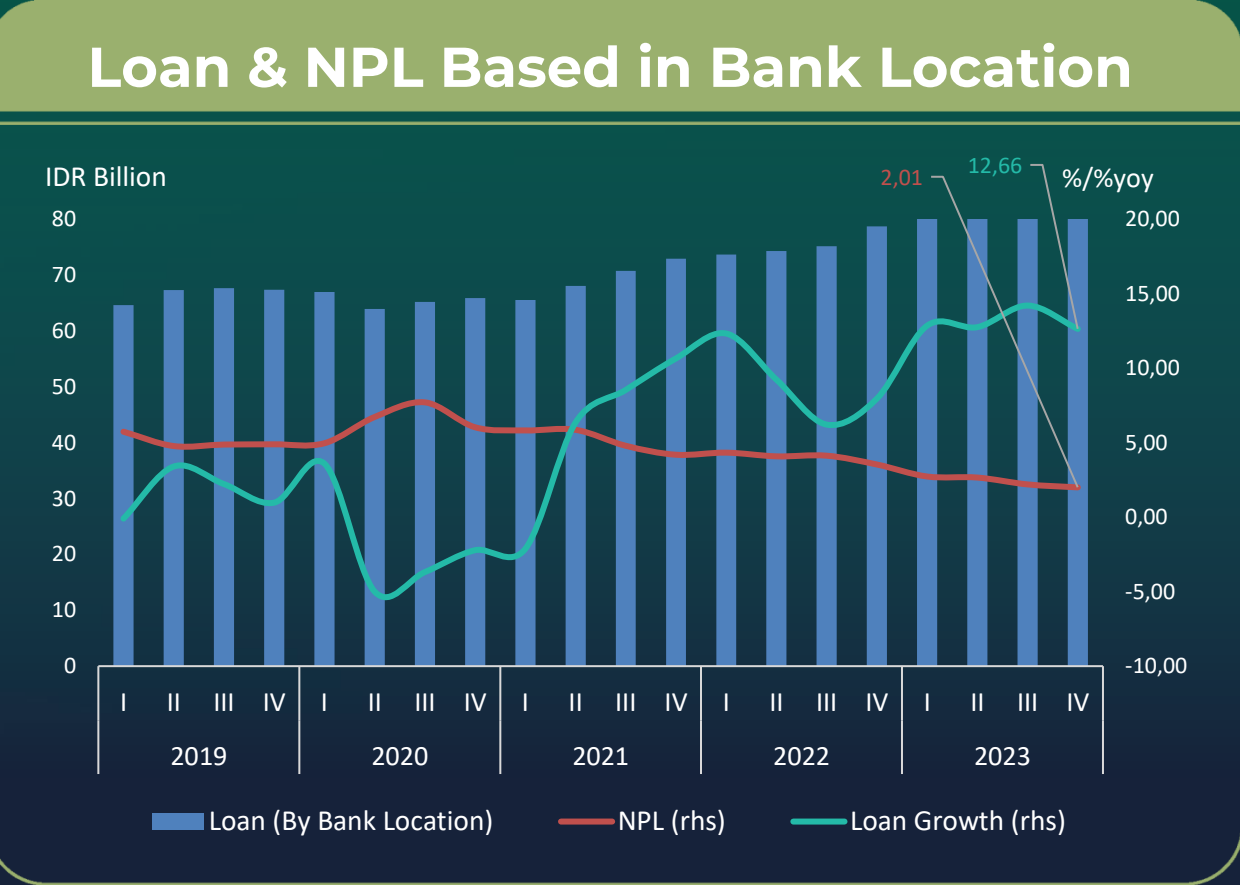
0.39 Monthly Inflation Rate (%mtm)

Higher than previous year period Lower than previous year period



# BANKING SECTOR PERFORMANCE

The performance of the banking sector remained stable in 2023-Q4, as evidenced by the low NPL ratios level. The loan growth rate was recorded at 12.60% (yoy) based on project location, while the third-parties funds recorded at 6.45% (yoy). Additionally, the assets grew by 11.79% (yoy). Moreover, the Mining sector accounted for 24.73% of the total loans, followed by the Agriculture and Forestry sector accounted for 18.63% and other sectors at 21.89% of the total loans.

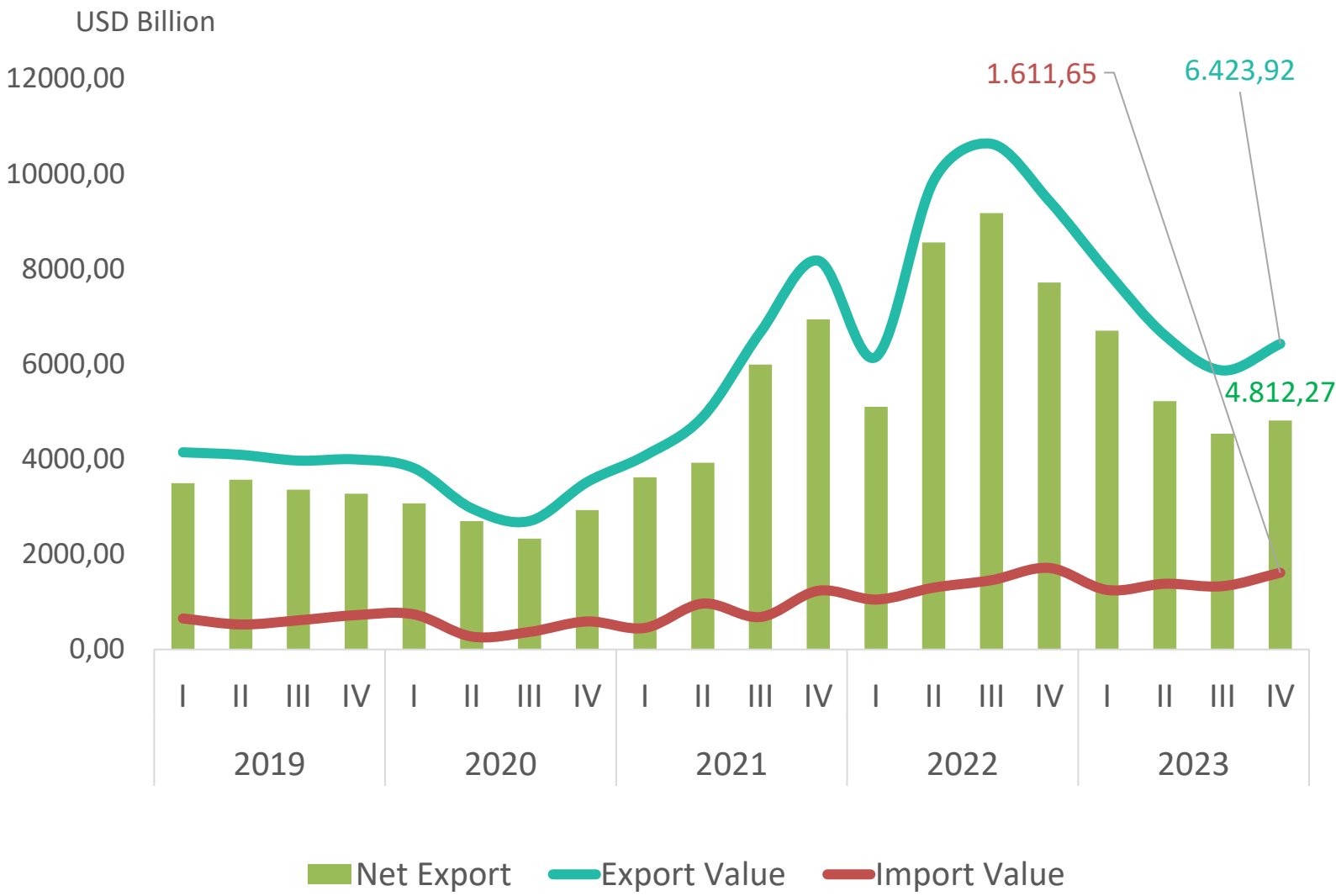




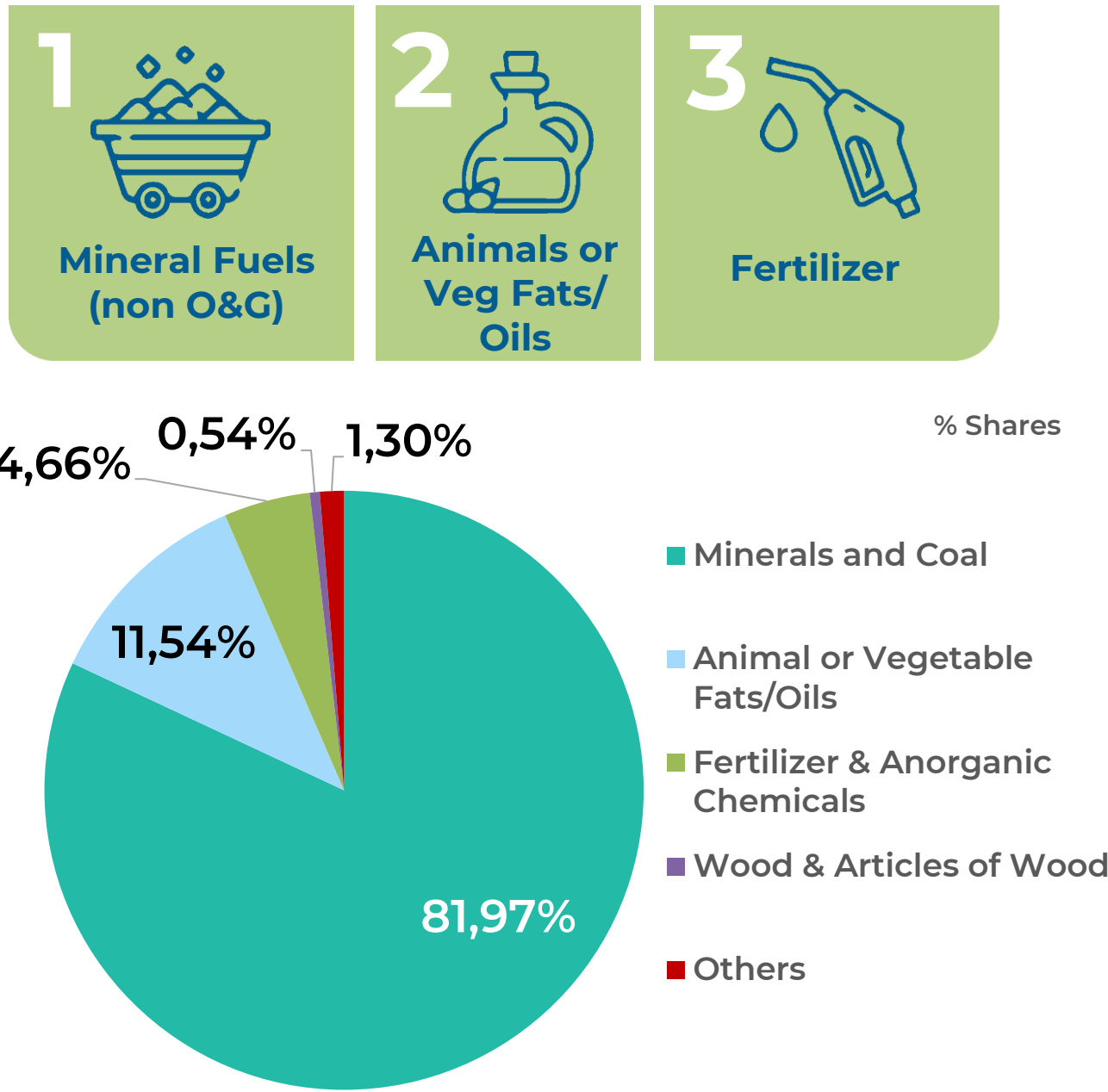
The export value of East Kalimantan in 2023-Q4 has increased compared to previous year period. Non-oil and gas (O&G) commodities, including coal, accounted for 81.17% of the total export value, followed by animals or vegetable fats/oils and fertilizers.

With a net export value estimated at US\$ 4.81 billion in 2023-Q4, East Kalimantan is still exhibiting a promising trend. On the other hand, the top buyers of East Kalimantan's exports were primarily from China (33.10%), India (18.78%), and Philippines (8.53%).

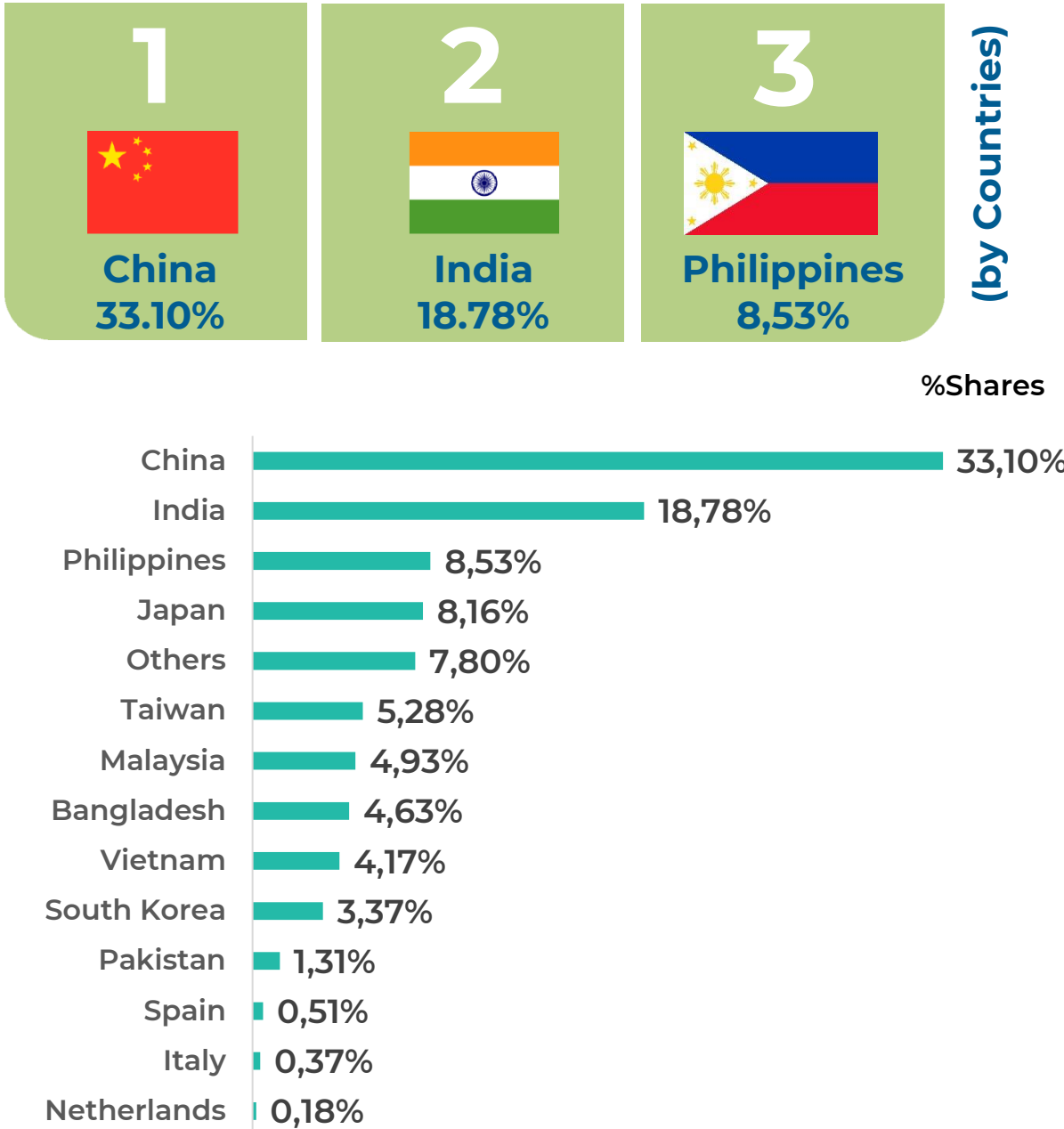
International Trade Performance



Top Export Commodities in 2023-Q4



Top Export Destinations in 2023-Q4



Source: Central Bureau of Statistics of East Kalimantan



# Connectivity

Providing good infrastructure to support connectivity is the main development agenda of central and provincial governments. Connectivity in East Kalimantan is gradually improved and more connected between regions with Kalimantan's first toll road and continuous preservation projects by Government. In addition, Kariangau international cargo terminal and APT Pranoto international airport are already supporting the access of intra and inter region. Thus, business costs are decreasing, more competitive and the global market has become more accessible.

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LAND

Toll Road Balikpapan-Samarinda  
*Operational*

Toll Bridge – Balikpapan Bay  
*Offered for Investment*

Toll Road Samarinda - Bontang  
*Study Phase*

AIR

Balikpapan – SAMS International  
Airport - *Operational*

Samarinda – APT Pranoto International  
Airport - *Operational*

Maratua Island Domestic Airport  
*Operational*

SEA

Palaran (Samarinda) International  
Cargo - *Operational*

Kariangau (Balikpapan) International  
Cargo - *Operational*

SEZ MBTK –International Airport  
*Commissioning Test (Done)*

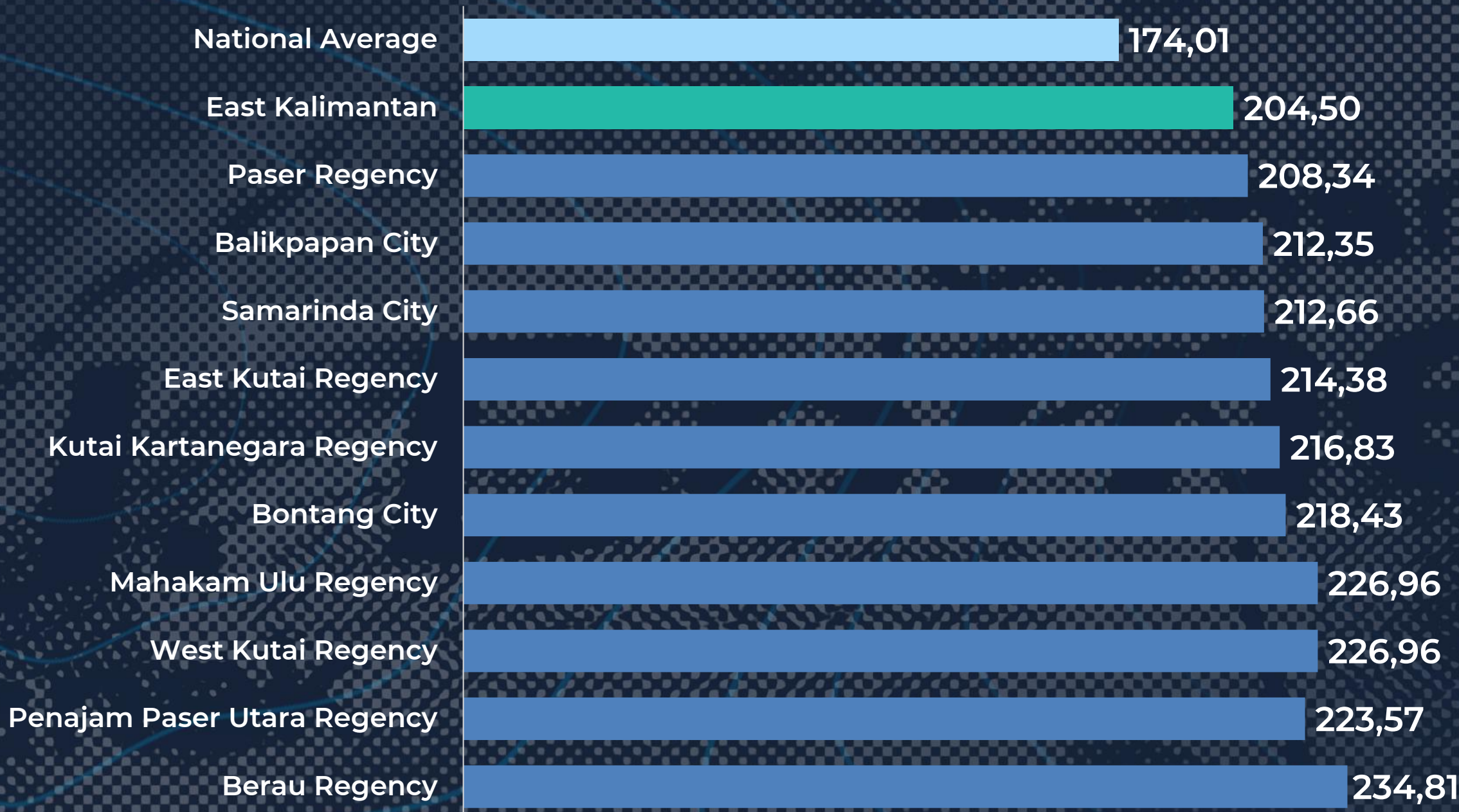


# HUMAN CAPITAL AND MINIMUM WAGE

## MINIMUM WAGE RATE

The average of minimum wage in East Kalimantan in 2024 is IDR 3.360.858 (USD 204.50). This is more competitive compared to other industrial regions such as Jakarta (IDR 5.067.381 or USD 323.69) and Karawang Regency in West Java (IDR 5.257.834 or USD 335.86).

Minimum Wage Rate



\*USD/IDR Exchange Rate per February 28th , 2024: USD 1 = Rp15,655

Source: Department of Manpower and Transmigration of East Kalimantan Provincial Government

And Governor Decree No.100.3.3.2/K.814/2023



## HUMAN RESOURCE

### Universities



**54**  
Higher Education  
Institutions



**11**  
Universities



**6**  
Polytechnic



**20,188**  
Graduates in 2022

### Vocational High School (SMK)



**218**  
Vocational  
High School (SMK)



**4,754**  
Graduates  
In 2022

Source: Ministry of Education, Culture, Research and Technology



# Chapters 3

Investment in  
East Kalimantan

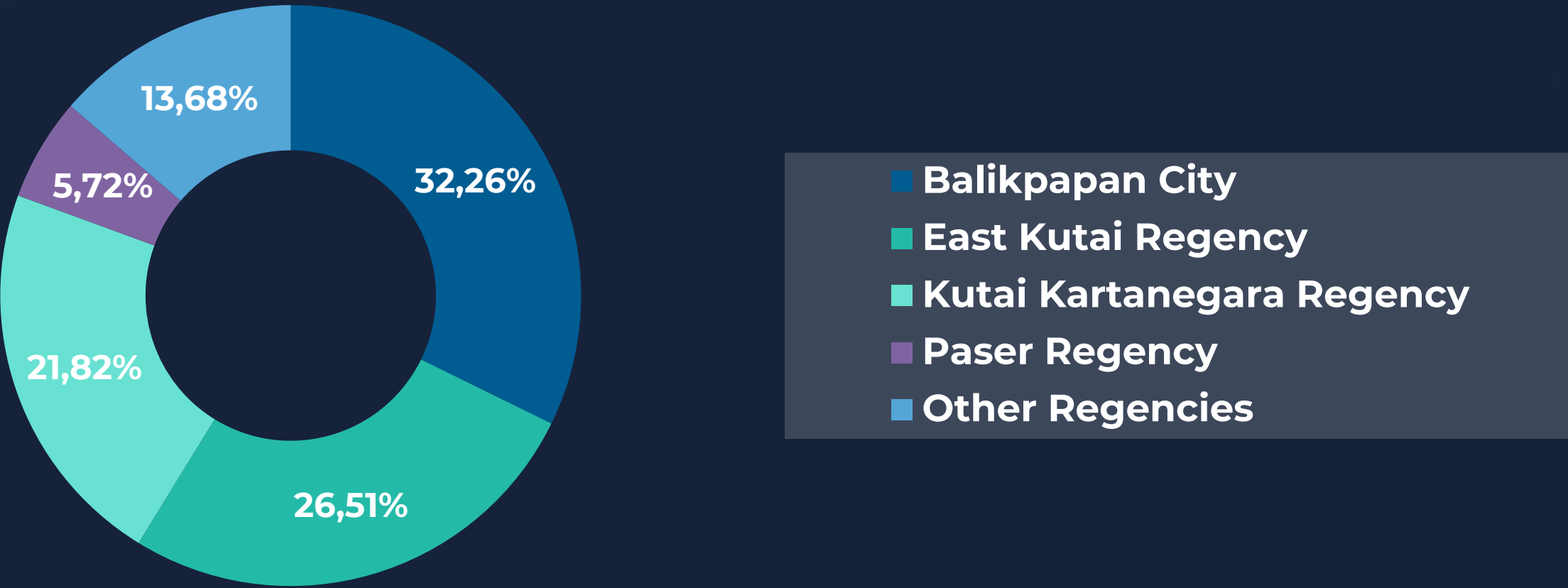




# EAST KALIMANTAN INVESTMENT PERFORMANCE

The capital inflow in Foreign Direct Investment (FDI) in 2023-Q4 was valued at US\$ 414.09 million, which is higher than the same period last year by 3.78% (yoy). The majority of FDI has been invested in Balikpapan City with a value of US\$ 133.59 million. Meanwhile, Domestic Direct Investment (DDI) was recorded at IDR 16.01 trillion, representing a growth of 47.85% (yoy), with the majority of DDI invested in Balikpapan City with a value of IDR 7.63 trillion.

## FDI REALIZATION BY REGION



NATIONAL FDI 2023-Q4  
 RANK 8<sup>TH</sup> OF 38 PROVINCES

NATIONAL DDI Q3 2023-Q4  
 RANK 4<sup>TH</sup> OF 38 PROVINCES

Source: Ministry of Investment & DPMPTSP East Kalimantan Provincial Government

## FDI GROWTH 2018 – 2023-Q4



## DDI GROWTH 2018 – 2023-Q4





# East Kalimantan Investment Realization

In 2023-Q4, majority of foreign investment to East Kalimantan was directed towards Transportation, Warehousing, Communication Sector and Mining Sector. In addition, majority of domestic investment to East Kalimantan was directed towards Based Chemical, Chemical Product, and Pharmaceutical Industry Sector and Mining Sector. In 2023-Q4, FDI projects in East Kalimantan was 461 projects, absorbing 2,406 workers in total. The main country of origin for FDI was Hongkong, accounting for 22.09% of the total, followed by Singapore with 19.88%. On the other hand, East Kalimantan's DDI had 3,254 projects that employed a total of 7,444 workers.

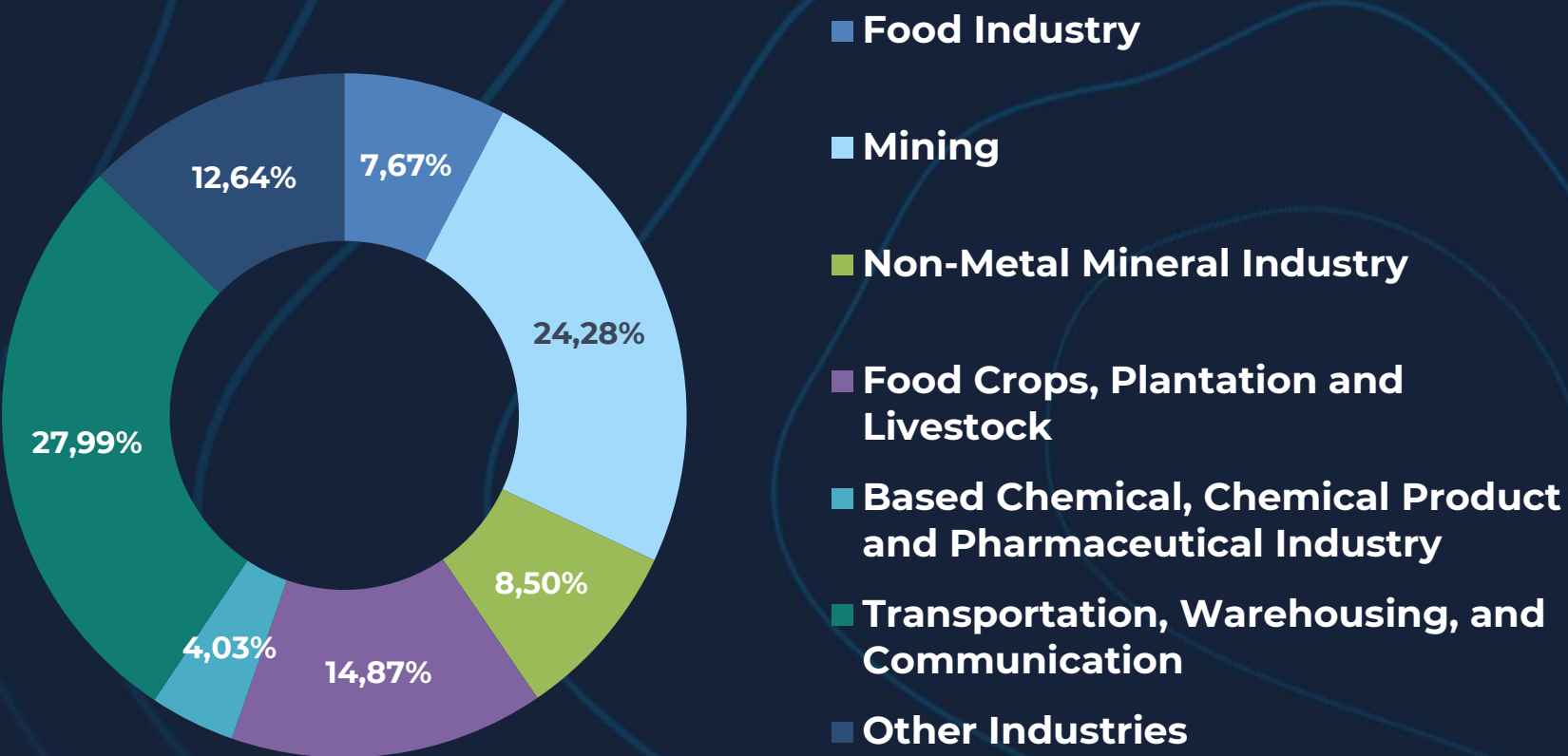
## TOP 5 FDI REALIZATION BY COUNTRIES IN 2023-Q4

Rank	Country of Origin	Investment Value (Share in Total FDI Realization)
1	Hongkong	USD 91.48 Million (22.09%)
2	Singapore	USD 82.33 Million (19.88%)
3	China	USD 69.75 Million (16.85%)
4	United Kingdom	USD 47.95 Million (11.58%)
5	Mauritius	USD 37.94 Million (9.16%)

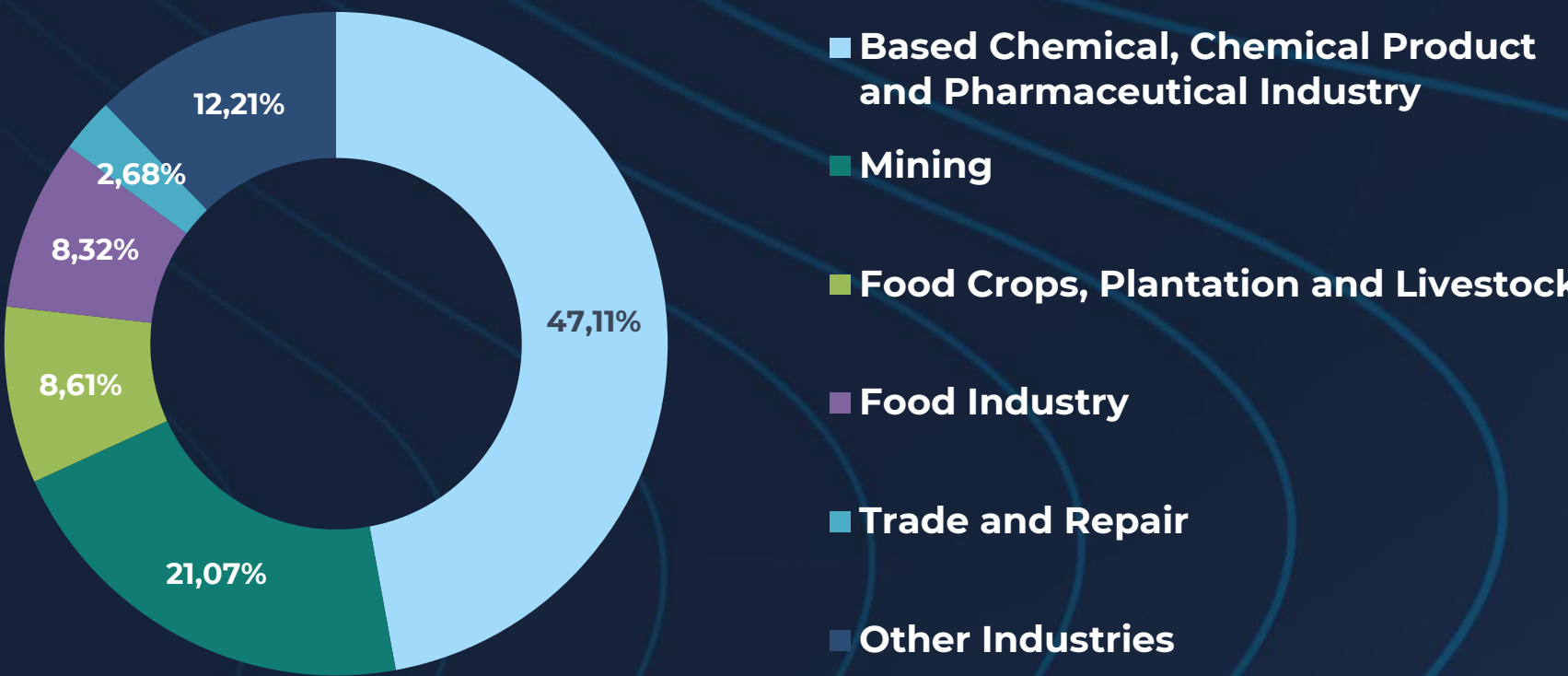
Total FDI Realization	Number of FDI Projects	Labor Absorption
US\$ 414.08 million (2023-Q4)	416 Projects (2023-Q4)	2,406 Workers (FDI) 7,444 Workers (DDI)

Source: Ministry of Investment & DPMPTSP East Kalimantan Provincial Government

## TOP 5 : FDI REALIZATION BY SECTOR



## TOP 5 : DDI REALIZATION BY SECTOR





# Improving Investment Climate : Online Single Submission (OSS) System

OSS is a web-based business licensing system intended to cut the red tape involved in obtaining business permits and integrated between the central government and regional administrations

Environment & Forestry Sector	Electricity Sector	Public Works & Housing Sector	Health Sector	Industry Sector
Marine & Fishery Sector	Medicine & Food Sector	Transportation Sector	Trade Sector	Information & Communication Sector
Other Sectors				

## The Advantage of Using OSS

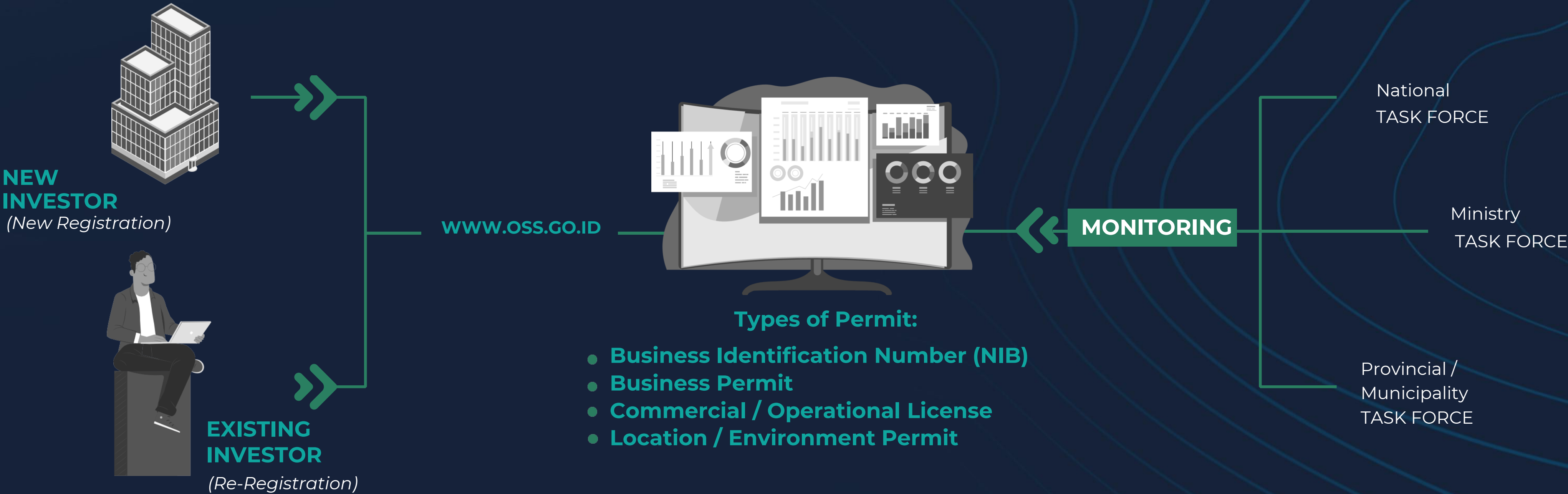
 Business licences can be secured in under an hour	 Standardized business licences are available	 Electronically integrated	 More practical	 Accessible at anytime & anywhere	 The whole licensing process is monitored by the Task Force
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# Online Single Submission - Risk Based Approach (OSS-RBA)

An integrated online system with data sharing : flowchart

Services given by OSS-RBA to investors/businesses are based on 2 groups : small and micro businesses (SMEs) and non-SME. The required licenses will depend on business scale and risk level of the business.





Risk Division		Risk Level			
		Low Risk	Low-Medium Risk	Medium-High Risk	High Risk
Business License (s)		Business Identification Number (NIB)	Business Identification Number (NIB) Standard Certificate	Business Identification Number (NIB) Standard Certificate (Verified by Ministry / Gov. Institution / Regional Government)	Business Identification Number (NIB) Licenses (approved by Ministry / Gov.Institution / Regional Government) Standard Certificate If Necessary



Incentives to Boost Industry Sector

<b>BUSINESS EXPANSION</b> <ul style="list-style-type: none"> <li>• Tax Allowance</li> <li>• Exemption or relief of import duty on capital goods, machinery or equipment</li> <li>• Exemption or relief of import duty on raw materials or auxiliary material</li> <li>• Exemption or suspension of VAT on the import of capital goods or machinery or equipment Depreciation or amortization</li> <li>• Property tax relief</li> <li>• Combine with Online Single Submission (OSS)</li> </ul>	<b>INDUSTRIAL ZONE</b> <ul style="list-style-type: none"> <li>• VAT exemption</li> <li>• Import duty exemption</li> <li>• Tax Allowance and Tax Holiday</li> </ul>	<b>FREE TRADES ZONES &amp; PORTS</b> <p>Exemption of : Import duty, VAT, Luxury Goods Sales Tax (PPnBM), Customs Duty</p>
<b>SPECIAL ECONOMIC ZONE</b> <ul style="list-style-type: none"> <li>• No collection of VAT &amp; luxury goods sales tax</li> <li>• Customs tax exemption</li> <li>• Tax Allowance and Tax Holiday</li> <li>• Suspension of Import Duty</li> <li>• 0% Import Duty</li> </ul>	<b>MICRO, SMALL, MEDIUM ENTERPRISES</b> <p>Decreasing MSMEs Tax from 1% to 0.5% of gross revenue</p>	<b>PIONEER INDUSTRY</b> <p>Tax Holiday of Corporate Income</p>
	<b>E-COMMERCE</b> <p>Sales from customs areas for SEs through the market place will be subject to 0.5% income tax</p> <p>Non-small entrepreneurs/SE: to 0.5% income tax and 1% VAT</p>	

TAX HOLIDAY (MoF Regulation No.13/PMK.010/2021)

	Tax Holiday	Mini Tax Holiday
 <b>Subject</b>	An investment in pioneer industry with a minimum value of IDR 500 bn	An investment in pioneer industry with value between IDR 100 – 500 bn
<b>CTI Reduction</b>	100% Reduction Rate (single rate)	50% Reduction Rate (single rate)
<b>Concession Period</b>	5 Years    IDR 500 Billion - IDR 1Trillion 7 Years    IDR 1 Trillion - IDR 5 Trillion 10 Years   IDR 5 Trillion - IDR 15 Trillion 15 Years   IDR 15 Trillion - IDR 30 20 Years   Trillion IDR > 30 Trillion	5 Years
<b>Transition</b>	50% CIT Reduction for the next 2 years	25% CIT Reduction for the next 2 years
 <b>Industry Group</b>	a. Upstream base metal; b. Oil and gas purifying and / or refining ; c. Petrochemical ; d. Basic inorganic chemical ; e. Organic-based chemical industry sourced from agricultural products, & plantations ; f. Raw material for pharmaceutical industry ; g. Manufacture of irradiated, electromedical or electrotherapy equipment ; h. Manufacture of main components of electronic or telematics equipment ; i. Manufacture of machinery and major components of machinery ; j. Robotics component manufacturing industry that supports machinery industry ; k. Manufacture of main components of electric power generator machinery ; l. Manufacture of motorised vehicles and major components of motorised vehicles ; m. Shipyard ; n. Train and railways manufacturing; o. Manufacture of major components of aircraft and supporting activities of the aerospace industry; p. Agriculture, plantation, or forestry-based processing industries; q. Economic infrastructure; r. Digital economy which includes data processing, hosting, and activities related to it.	



# Investment Incentives

Apply on OSS portal: <https://oss.go.id/>





## Tax Allowance

(Govt. regulation No. 78/2019 - MOF Regulation No. 96/2021)

<div>30% CIT</div> <div>TAX</div>	30% net CIT deduction from investment value in the form tangible fixed capital carried over 6 years period (5% every year)
<div>Accelerated depreciation of tangible fixed assets and accelerated amortization of intangible assets</div>	
<div>10%</div> <div>Income Tax</div>	Imposition of income tax on dividends by 10%
<div>5 to 10 yr</div> <div>Bar Chart</div>	Compensation for losses that occurs between 5 to 10 years
<div>Eligible for 166 business fields and 17 business fields in specific location</div>	

Under certain requirements, such as:  
Investment values, Export-oriented products  
Manpower absorption, Local content  
Project location (particularly outside Java)

## Super Deductible Tax (MoF Regulation No.45 of 2019)

	ON VOCATIONAL EDUCATION	ON R&D	INVESTMENT ALLOWANCE ON LABOR INTENSIVE INDUSTRY																
<div></div> <div>Subject</div>	Corporate taxpayers who provide work practices, internships, and apprenticeships	Corporate taxpayers who carry out certain Research and Development (R&D) activities in Indonesia	Corporate taxpayers who set up a labor intensive industry in Indonesia																
<div></div> <div>Industry Group</div>	Manufacturing, Automotive, Furniture, Shipping, Textile & Garments, Industrial Logistics	The R&D activities to produce new inventions, innovations, new technologies and/or technology transfer to develop competitiveness of national industries	Labor intensive industry (to be elaborated) who has not obtained any fiscal facility from government																
<div></div> <div>Income Tax Reduction Rate</div>	<p>200% REDUCTION RATE, COMPRISE OF:</p> <p>Deduction of gross income tax valued 100% of total expenses for physical lab facilities / workshops, goods and materials used in work practices / apprenticeships, and teaching instructor fees and honorarium or the other like.</p> <p>Additional 100% deduction amounts to the previous point.</p>	<table><tr><td colspan="2">300% REDUCTION RATE, COMPRISE OF :</td></tr><tr><td>STAGES</td><td>RPMK</td></tr><tr><td>REAL COST</td><td>100%</td></tr><tr><td colspan="2">ADDITIONAL</td></tr><tr><td>Commercialisation</td><td>100%</td></tr><tr><td>Registration Of Intellectual Property Rights (IPR) In The Form Of Patents Or Plant Variety Protection Rights (PVT) In The Country</td><td>50%</td></tr><tr><td>Registration of IPR abroad / Product Innovation</td><td>25%</td></tr><tr><td>Collaboration with goverment / private R&amp;D Institutions</td><td>25%</td></tr></table>	300% REDUCTION RATE, COMPRISE OF :		STAGES	RPMK	REAL COST	100%	ADDITIONAL		Commercialisation	100%	Registration Of Intellectual Property Rights (IPR) In The Form Of Patents Or Plant Variety Protection Rights (PVT) In The Country	50%	Registration of IPR abroad / Product Innovation	25%	Collaboration with goverment / private R&D Institutions	25%	Deduction of net income tax valued 60% of total investment for fixed assets including land used for main industrial activities.
300% REDUCTION RATE, COMPRISE OF :																			
STAGES	RPMK																		
REAL COST	100%																		
ADDITIONAL																			
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Registration of IPR abroad / Product Innovation	25%																		
Collaboration with goverment / private R&D Institutions	25%																		
<div></div> <div>Period</div>	<p>The cost of building/physical facilities is charged according to the useful life of the fixed assets.</p> <p>For other fees, it is charged in the year concerned so long as the additional deduction for the net income does not cause a fiscal loss.</p>	<p>Additional deductions from net income are charged for 5 years since the results of R&amp;D are used.</p> <p>When taxpayers have intellectual property as a result of the relevant R&amp;D</p>	The deduction of fixed asset including land used for main industrial activities; charged in certain period.																



# Investment Incentives From Regional Government

## REGIONAL REGULATION NO. 6/2015 INCENTIVE ADMISTRATION AND FACILITATION OF CAPITAL INVESTMENT IN THE REGION



- Incentives:
- ✓ Reduction, relief or release of regional tax
  - ✓ Reduction, relief or release of regional retribution
  - ✓ Facilitation of capital inclusion and/or
  - ✓ Loan interest subsidies in regional bank
- Facilities:
- ✓ Provision of data and information of capital investment in potential sector and partnership opportunity
  - ✓ Provision of facilities and infrastructure
  - Provision of land or location
  - ✓ Provision of technical supports; and/or
  - Acceleration of permission provision

## GOVERNOR REGULATION NO. 53/2019 INCENTIVE ADMISTRATION AND FACILITATION OF CAPITAL INVESTMENT IN MALOY BATUTA TRANS KALIMANTAN SPECIAL ECONOMIC ZONE (KEK MBTK)



- ✓ Incentives of reduction, relief or release of taxes, such as:
  - Vehicle tax (PKB)
  - Vehicle transfer tax (BBN-KB)
  - Surface water tax (PAP)
- ✓ Reduction incentive is given max. 50% of tax principal payable and administrative sanction being determined
- ✓ The reliefs for PKB, BBN-KB and PAP are given for max. 5 months since tax principal payable and administrative sanction being determined.
- ✓ PKB relief is given to vehicles used for operation in SEZ MBTK
- ✓ Incentives are given max. 5 years after business entity starts operationally and commercially in KEK BMTK
 

Facilitation such as:

  - Provision of data and information
  - Provision of facilities and infrastructure
  - Provision of land or location
  - Provision of technical supports; and/or
  - Acceleration of permission provision



# Investment Incentives From Regional Government

## BALIKPAPAN CITY – REGIONAL REGULATION NO. 11/2015 INCENTIVE ADMISTRATION AND FACILITATION OF CAPITAL INVESTMENT



- ✓ Incentives is given to investors who conduct businesses in government prioritized area and/or strategic program.
- ✓ Reduction, relief or release of regional tax
- ✓ Type of Facilities:
  - Provision of data and information
  - Provision of facilities and infrastructure
  - Provision of land or location
  - Provision of technical supports; and/or
  - Acceleration of permission provision

## BONTANG CITY – REGIONAL REGULATION NO. 1/2017 INCENTIVE ADMISTRATION AND FACILITATION OF CAPITAL INVESTMENT



- ✓ Incentives:
  - Reduction, relief or release of regional tax
  - Reduction, relief or release of regional retribution
- ✓ Type of Facilities:
  - Provision of data and information
  - Provision of land or location
  - Provision of technical supports; and/or
  - Acceleration of permission provision

## WEST KUTAI REGENCY – REGIONAL REGULATION NO. 16/2015 INCENTIVE ADMISTRATION AND FACILITATION OF CAPITAL INVESTMENT



- ✓ Incentives:
  - Reduction, relief or release of regional tax
  - Reduction, relief or release of regional retribution
  - Provision of stimulant fund
  - Provision of other capital assistant and incentives
- ✓ Type of Facilities:
  - Provision of data and information
  - Provision of facilities and infrastructure
  - Provision of land or location
  - Provision of technical supports; and/or
  - Acceleration of permission provision

## EAST KUTAI REGENCY – REGIONAL REGULATION NO. 2/2019 INCENTIVE ADMISTRATION AND FACILITATION OF CAPITAL INVESTMENT



- ✓ Incentives:
  - Reduction, relief or release of regional tax
  - Reduction, relief or release of regional retribution
  - Provision of stimulant fund
  - Provision of capital assistant
- ✓ Type of facilities:
  - Provision of data and information
  - Provision of facilities, infrastructure and ;land or location
  - Provision of technical supports,, acceleration of permission provision
  - Provision of training for small-medium investors
  - Provision of investment promotion and capital opportunity



# Chapters **4**

Trade, Tourism, Industry and  
Investment Opportunities  
in East Kalimantan

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# Investment In Energy and Mining Sector

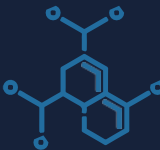
East Kalimantan is one of Indonesia biggest energy powerhouse blessed with rich earth resources from mineral fuels (coal, oil, natural gas, coal-bed methane/CBM), minerals (metal and non-metal) to NRE alternatives (water, bioenergy and solar). East Kalimantan is looking for investors and entrepreneurs to establish industries in converting the commodities into high-value products.

## Opportunities



### Derivative chemicals

Olefins , Acetic Acid, Ammonia, Urea, etc.



### Waste-to-energy POME-based Bioenergy

Biogas facility (i.e. covered lagoon), Microalgae lipid extraction facility



### Coal Gasification



### Glass Industry



### Primary chemicals (Oil & Gas or Coal-based) Methanol, Hydrogen, Syngas

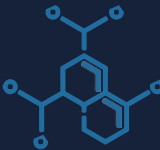


### Bioenergy Power Plant Bioethanol, Biodiesel and Biomass



### Derivative chemicals

Olefins , Acetic Acid, Ammonia, Urea, etc.



### Solar Farm (SF)

Rooftop SF, Coal mine void SF, Solar panel production facility



### Hydroelectric Plant



### Smelter



## Mineral Fuel



Coal: **13,5** billion tons  
(verified reserves by June 2023)



Coal-Bed Methane:  
**108** TSCF (2023)



Oil: **985** MMSTB (2023)

Natural Gas: **46** TSCF (2023)



Uranium:  
**17,861** tons (2023)

## Minerals



Metalic Minerals  
**Gold, Iron, Zinc**



Non-Metallic Minerals and Rocks

· Limestone : **22.4** billion tons  
· Clay : **1.2** billion tons

· Igneous Rock : **63** million tons  
· Quartz Sand : **2.9** billion tons

## New and Renewable Energy

(in study by PLN)



Hydropower **850** MW



Bioenergy **48** MW



Solar Power **0.7** MW

Source: Ministry of Energy and Mineral Resources (KESDM), Nuclear Power Agency (BATAN) DESDM East Kalimantan, State Electricity Enterprise (PLN)







East Kalimantan’s economy was once dominated by Forestry sector in the 20th century then replaced by natural gas and coal presently. The activities before was dominated by logging and timber industry. In order to make forest industry more sustainable yet give substantial income, the province has adopted and developed a long-term phased green economy strategy to optimize forest economy potential. One of them is by carbon trading in exchange of performing several GHG emission reduction programs. East Kalimantan was the first to be approved to receive performance-based Forest Carbon Partnership Facility – Carbon Fund (FCPF-CF) valued at US\$ 110 millions for 2021-2024.

Ministry of Environment and Forestry prepared forest/green economy to be once again the backbone of Indonesia’s Economy. The future of forest utilization will focus on the multi-business forestry that optimizes Non-Timber Forest Products (HHBK/NTFPs) and Environmental Services. More land-based investment and green development are offered by East Kalimantan to supplement the economy.



Timber Production

**Natural Forest**

Round timber : 914,093 m3

Processed timber : 180,575 m3

Plantation Forest : 2,390,168 m3



Land Area

**Forest Area: 8,256,767 Ha**

Limited production forest : 2,881,564 Ha

Fixed production forest : 3,024,576 Ha

Convertible production forest : 120,712 Ha



NTFP Production

**Realization**

2021: 1,246.72 tons

(Rubber sap, corn, timber skin, honey, rattan, etc)



Top Commodity

License for activities for forest utilization

**Protected Forest**



- 1. Area use
- 2. Environmental services
- 3. Non-timber forest products collection

**Production Forest**



- 1. Area use
- 2. Environmental services
- 3. Timber products utilization
- 4. Non-timber forest products utilization
- 5. Timber products collection
- 6. Non-timber forest products collection

Opportunity

Non-Timber Forest Products (NTFPs)

Traditional medicinal herbs, pine/ rubber sap, honey, sago palm, rice, corn, coconut, timber skin, rattan, and other food/raw materials.



Carbon Reduction Program

Forest and land-use management as emission reduction program / Carbon credit.



Social Forestry

A sustainable forest management system in particular forest land that involves rural and indigenous people to improve livelihoods and climate actions.

Social Forestry model in Indonesia			
Model	Form	Period	Target Group
Community Forestry (HKm)	Permit	35 years	Forest user group
Village Forest (HD)	Permit	35 years	Village
Community Plantation Forest (HTR)	Permit	35 years	Community business group
Partnership (Kemitraan)	Agreement	Variable	Forest user group near forest enterprise
Customary Forest (HA)	Recognition	No time limit	Indigenous community

Benefits for investors, corporates and communities

- Increased biodiversity
  - Carbon credit certification
  - Sustainable NTFPs
  - Sustainable wood products
  - Increased growth and profitability
- Improved business resilience by reducing Supply & Demand, regulatory and capital risks
  - Increase customer trust
  - Improved talent attraction and retention

Wood Processing Industries

Pulp and paper, construction materials, tall oils, timber, wood chips, cellulose and other fabricated material.



Municipal Waste Management

Waste processing facility, Medical waste handling facility, Household collection infrastructure and management.





# Investment In Fishery and Maritime Sector

In terms of maritime and fishery sector, East Kalimantan is one of the provinces with greatest potential both capture and aquaculture fisheries. East Kalimantan is located in the side of Makassar strait that plays a role as the rendezvous point for marine populations from Pacific Ocean and Indian Ocean as well as maritime silk road route. In addition, 920-km long Mahakam river is playing a significant role for East Kalimantan people as the source of water as well as source of income for fishermen and aquaculture businesses.

For the last 3 years, fishery and maritime sector had upward contribution to the province’s GRDP. There are plenty of business opportunities especially export-oriented business in the maritime and fishery sector in East Kalimantan, such as land-based aquaculture, tuna processing facility, cold storage, prawn aquaculture and many more. On the other hand, East Kalimantan Province also provides incentives for the marine and fisheries sector through a funding program called the Forest Carbon Partnership Facility-Carbon Fund.

## Top Commodity

Commodity (Aquaculture)	Production in 2023 (tons)
Seaweed ( <i>Gracilaria verrucosa</i> )	54.247
Parrot fish ( <i>Oreochromis niloticus</i> )	39.221
Eurasian Carp ( <i>Cyprinus carpio</i> )	15.599
Milkfish ( <i>Chanos chanos</i> )	14.590
Whiteleg shrimp	17.573
Iridescent shark ( <i>Pangasius Pangasius</i> )	12.346
Giant tiger prawn ( <i>Penaeus monodon</i> )	12.621
Snakehead murrel ( <i>Channa striata</i> )	12.346
Seaweed ( <i>Eucheuma cottonii</i> )	7.070
Giant mud crab ( <i>Scylla serrata</i> )	9.722
Spiny lobster ( <i>Panulirus argus</i> )	34

## Incentives

Forest Cabon Partnership Facility Carbon Fund (FCPF-CF)
Indonesia has signed an Emission Reduction Payment Agreement (ERPA) with the World Bank on 25 November 2020. The payment agreement provides potential incentives for Indonesia, especially East Kalimantan Province, to obtain up to <b>US\$ 110 million from the Carbon Fund as an incentive to reduce 22 million tons</b> of carbon emissions in East Kalimantan in the period of June 2019 to 2024.



## Overview

37.6 million hectares  
Oceanic area

3,925 km  
Coastline length

2.75 million hectares  
Exclusive Economic Zone

US\$ 36 million  
2022 Target for F&M Export Value

Source: Department of Maritime and Fishery  
East Kalimantan

## Opportunity

### Integrated Seaweed Industry

Muara Jawa  
(Kutai Kartanegara),  
Penajam Paser Utara



### Land-based Aquaculture

Bontang  
(Salmon)



### Freezer and Ice Factory

Bontang  
(Tuna, Mackerel, Skipjack)



### Aquaculture

Bontang (Epinephelus);  
Berau (Traditional,  
Floating net); Berau  
(Giant tiger prawn)  
Tanjung tengah (Giant tiger prawn  
nursery)



### Fish Processing Industry

Bontang  
(Tuna, Mackerel, Skipjack)

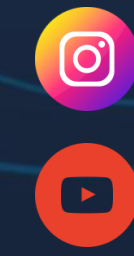


### Food Industry

Samarinda, Balikpapan,  
Bontang  
(Fish chips, shredded,  
Fish cake, Frozen meatball)







East Kalimantan is more than mining and energy industry. It has some cultural and natural tourist's charms captivating the heart of local and international travellers. In East Kalimantan, tourist will find acres of lush jungles full of exotic flora and fauna; fine white sand beaches; diving wonders; and rich culture and hospitable people. Creative economy like arts, design and media are thriving pretty rapidly making more contribution to East Kalimantan's economy.

## East Kalimantan Tourism Area

"Escape to East Borneo, Lost in Paradise"



### Forest Ecotourism

#### Strategic Area

East Kutai, Bontang,  
Kutai Kartanegara,  
Balikpapan, Paser



#### Experience

Hiking/Trekking, Wildlife  
viewing, Voluntourism,  
Zoo, National park,  
Camping, Biodiversity  
tour, Karst caving and  
many more



### Maritime Ecotourism

#### Strategic Area

Mahakam Ulu, Berau,  
Samarinda, Bontang,  
Balikpapan, Kutai  
Kartanegara



#### Experience

Diving, Snorkeling,  
Boat tour, Marine  
wildlife sightseeing,  
Coral conservation,  
Marine wildlife conservation,  
Turtle hatching, and many  
more



### Cultural Ecotourism

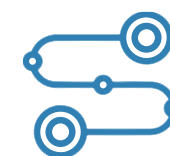
#### Strategic Area

West Kutai, Kutai  
Kartanegara,  
Samarinda



#### Experience

Engagement with  
local tribes, Tribal  
festival, Traditional  
dance, Museum visit,  
and many more



## Opportunity

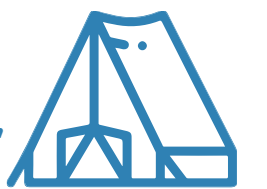
### Ecolodge Accommodation

New Capital City,  
Teluk Sumbang,  
Kaniungan Island



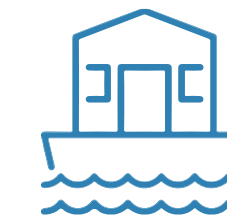
### Glamping Accommodation

Beaches across East Kalimantan,  
Teluk Sumbang, Kaniungan Island,  
Muara Badak beach



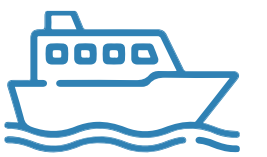
### Tourism Boat: Houseboat (3 or 4 stars facility)

Mahakam river cruise :  
Samarinda – Tenggarong  
– Muara Muntai



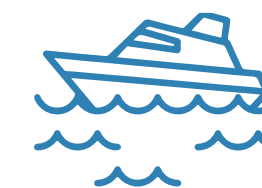
### Tourism Boat : Public Transport

Mahakam river cruise :  
Samarinda (city tour),  
lake cruise in Semayang  
/Melintang / Jempang  
lakes.



### Water Transportation – Water buses / Executive speedboat

Tanjung Redep (Berau) –  
Derawan Archipelago,  
Maratua Island, Kaniungan  
Island/ Teluk Sumbang



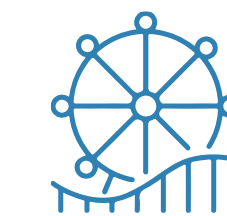
### Thematic Restaurant

New Capital City,  
Maratua Island,  
Samarinda, Balikpapan,  
Tanjung Redep,  
Bontang, Sangatta



### Tourism Spot Management

Kumala  
Island  
(Themepark)



### Thematic Recreational Park

New Capital City





# Wildlife Ecotourism



The Borneo Orangutan Survival Foundation (BOS), the 2,000 hectare sanctuary was created with the aim of providing a safe haven for rehabilitated orangutans and sun bears, whilst also at the same time providing a source of income for local

people. Since 2001, the surrounding area has been planted with more than a million trees covering more than 1,000 different species. With dense forest, the density and diversity of wildlife returned. Meanwhile, 137 bird species and nine primate species have been recorded.



**Kutai Kartanegara, East Kalimantan Samboja Lestari**

Bornean orangutan rescue and rehabilitation centre



The Sangkulirang-Mangkalihat Karst is located in Berau and East Kutai Districts. The tourists will be greeted by ancient relics, caves, palms, bones and teeth of ancient creatures. The 2004 biological expedition by The Nature Conservancy and the Indonesian Institute of Sciences has identified 120 bird species, 200 species

of insects, one giant cockroach, 400 species of flora and 50 species of fish. Moreover, there is also orangutan habitat in Beriun Mountain as the part of Karst area. The site has been nominated in the UNESCO World Heritage Site since May 2015 and suggested to be a Geopark in April 2017.



**Berau and East Kutai, East Kalimantan Sangkulirang-Mangkalihat Karst**

Karstique area, Nominated geopark



With 2.47 m in diameter and 30 m in height, this particular huge Ulin tree is endemic to Kalimantan Island, also known by locals as Iron Timber due to its durability. Kutai National Park extends over an area of 2,000 km2 and

a safe haven for the trees as well as other floral i.e. orchids and fauna such as 10 species of primates, 90 species of mammals and 300 species of birds i.e. orangutan, bekantan (proboscis monkey).



**Berau and East Kutai, East Kalimantan Sangkulirang-Mangkalihat Karst**

Karstique area, Nominated geopark



# Marine Ecotourism



Labuan Cermin is captivating everyone with its crystal-clear tozca water that reflects everything underwater like a mirror (cermin). The lake is a unique lagoon, it contains both brine and freshwater coming from Karst around the area.



**Berau, East Kalimantan  
Labuan Cermin**

Pre-historic cave



Located near from the mainland of East Kalimantan in the district of Berau, the Derawan archipelago comprises 31 islands. The most well known islands among these are Derawan, Maratua, Sangalaki and Kakaban. Derawan is Indonesia's largest nesting site of the rare and endangered giant green turtles and hawksbill turtles, where people can daily watch turtles lay their eggs in the sand or swim to sea with the turtles. The entire marine conservancy region covers a total area of more than 1.27 million hectares. It is the perfect tropical paradise with warm, isolated islands, soft white sand

beaches fringed with waving palm trees, pristine seas that change color from green to deep blue, and an amazing underwater life of giant turtles, dolphins, manta rays, dugongs and barracudas, stingless jellyfish and sometimes, whales. Here, you can find 460 different species of corals, ranking this area as the second biggest corals species after Raja Ampat Islands in West Papua. The Nature Conservancy and international experts team also found more than 870 species of fish, ranging from tiny pygmy seahorses to giant manta rays.



**Berau, East Kalimantan,  
Derawan Archipelago**

Tropical paradise



East Kalimantan has one of the rarest tourism spots. The stingless jellyfish lake that only exist in this archipelago. Four species of jellyfish cross the waters of Kakaban Lake, but unlike their counterparts beyond the coral

wall, the lake-jellies have no natural predators, resulting in the evolution of the species to no longer need their venom as self-defense.



**Berau, Derawan Archipelago, East Kalimantan  
Kakaban Lake in Kakaban Island**

Jellyfish lake





Mahakam river is the most important logistic route to transport people, goods and commodities between upstream and downstream area in East Kalimantan. Touring the city through Mahakam River with boat is an exciting experience to do. The tour takes 3 to 5 hours to visit attractive tourism spots around Samarinda and Kutai Kartanegara.



**Samarinda and Kutai Kartanegara, East Kalimantan Mahakam River Cruise**

River Tour



The Middle Mahakam Area (MMA) comprises Jempang, Melintang and Semayang lakes which is located in a geological depression covering an area approximately 4,000 square kilometre. The area has a high biodiversity potential in terms of breeding and migratory bird species. It also hosts the iconic species of East Kalimantan, the critically endangered Irrawaddy Dolphin (*Orcaella brevirostris*) or called by locals as Pesut, who lives in fresh, brackish and salt water.

Not only enjoying the biodiversity offered by the three lakes, tourists can also explore social and cultural life around the lakes. East Kalimantan government provides water transportation to connect the three lakes with Mahakam river so it is more reachable by Mahakam river cruise.



**Kutai Kartanegara and West Kutai, East Kalimantan Three Lakes Ecotourism (Semayang, Melintang, Jempang)**

Lake ecotourism,  
Wildlife sightseeing



Bukit Bangkirai (Bangkirai Hill) is a 1,500-hectare natural tropical located about 58 kilometres Balikpapan. There are Bangkirai trees (*Shorea laevis*) with 40-50 m in height, 120 bird species and monkeys, 45 kinds of orchids, and etc. Black orchids and other kinds of orchids are endemic to Bukit Bangkirai.

Visitors can also experience walking along in a 64-metre canopy bridge which connects 5 big bangkirai trees 30 m above the ground.



**Kutai Kartanegara, East Kalimantan Bengkirai Hill**

Tropical forest tour



# Cultural Tourism



The Dayak tribes who mostly live in the upstream area of the Mahakam River, East Kalimantan have rich traditions and cultures that are still inherent in their daily lives as a continuation of their ancestral

traditions while living in this world. A culture for Dayak women includes a belief of beautifying herself. They do it with tattoos and elongating the ears.



**Mahakam Ulu and West Kutai, East Kalimantan, Dayak Tribe**

Indigenous people of Borneo



Erau is an heritage ceremony celebrated by the Sultanate of Kutai Kartanegara Ing Martadipura, taking place in the city of Tenggarong, Kutai Kartanegara. It was initiated by the first King around 12th century as a royal celebration. Even though, the reign of Kutai Kingdom ended, the tradition is maintained and preserved in commemoration

Of Tenggarong anniversary. The festival has transformed to be an international event named the Erau International Folk and Art Festival (EIFAF) that highlights Kutai art and culture, as well as art and culture from other regions in Indonesia and other nations.



**Kutai Kartanegara, East Kalimantan Erau Festival**

Art and culture festival



The wonders of Sangkulirang-Mangkalihat Karst are not limited to the imperiled arks of biodiversity, lurking in the limestone caves, human imprint in the form of hundreds prehistoric rock paintings. There are imprints

of the hands of ancient inhabitants and figures of animals. The paintings told the history of migration that has shaped Bornean culture, beliefs, and traditions.



**Berau and East Kutai, East Kalimantan Sangkulirang-Mangkalihat Rock Art**

Prehistoric cave art



In respecting the mother earth for ancestral blessing of rich land and abundant agricultural results, a dance is performed to the earth and ritual request is presented to the Almighty God, known as Hudoq dance. Every year, the Mahakam Ulu Dayak who live in Long Lunuk Village, Long Pahangai Sub-District, held a Hudoq Pekayang. Festival which must be

attended by 11 villages there. Hudoq Pekayang is a form of thanksgiving for planting and harvesting season. Hudoq means mask, Pekayang means to visit each other.



**Mahakam Ulu, East Kalimantan Hudoq Pekayang Festival**

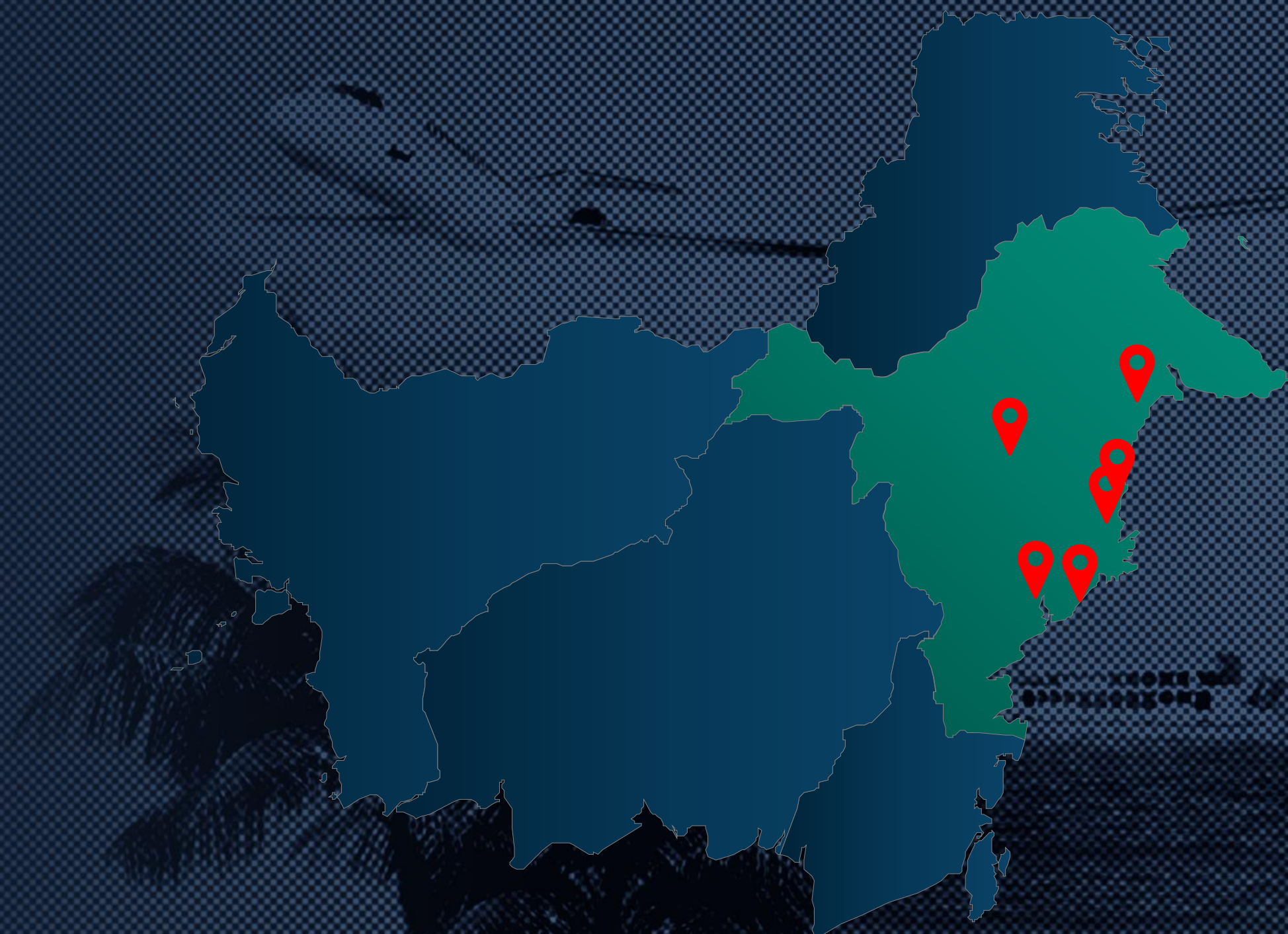
Traditional festival



# 4 Investment Project Ready-to-Offer (IPRO) in East Kalimantan

Opportunity  
6 Project

US\$ 2,931 Bio  
Est. Investment  
Value



No.	Project	Location	Sector	Financing Scheme	Total Area (Ha)	Est. Invest. Value (US\$ Mio)
1	Maloy Batuta Trans Kalimantan	East Kutai Regency	Agriculture	PPP	509,49	2,390.00
2	Kaltim Industrial Estate	Bontang City	Warehousing	B2B/Private	198,04	234.00
3	Balikpapan Waste Management	Balikpapan City	Utility	PPP	43 (with clear area 4,8 Ha)	56.00
4	Palm Oil Downstream Industry of Fatty Acid	Bontang City	Agriculture	Private	48.50	234.00
5	Loading-Unloading Facility of Penajam Port in Buluminung Industrial State	Penajam Paser Utara Regency	Transportation	PPP	17.95	14,8.00
6	Crumb Rubber Factory	West Kutai Regency	Manufacture	PPP/DBMFO	±10.00	2.90



# Special Economic Zone

## Maloy Batuta Trans Kalimantan

### East Kutai Regency



### Project Description

- The first Special Economic Zone (SEZ) in Kalimantan Island located in geostrategic Indonesia’s ALKI 2 route, built to accelerate the development of palm oil derivatives (olein, stearin, glycerol, methyl ester), wood downstream, and logistic industries in East Kalimantan.
- Existing facilities: power supply by state electricity company (PLN) 30 Megawatt, on-site water management system, management telecommunication infrastructure, office buildings and security service, 11,4km on-complexed road, international seaport, industrial waste treatment plant and solid waste.
- Project owner seeking for tenants and investors to establish plants/factories in the industrial complex.

### Project Owner

PT. Maloy Batuta Trans Kalimantan (PT. MBTK) is a Government Owned Enterprise whose share 100% owned by the Government of East Kalimantan. PT. MBTK assigned to manage and develop government asset to enhance regional income which comes from the business in the field of forestry, mining, fisheries, tourism. PT. MBTK located in International Special Economic Zone Maloy Batuta Trans Kalimantan, Kaliorang District, East Kutai Regency, East Kalimantan Province

### Key Investment highlight

Location

**East Kutai Regency, East Kalimantan**

Project Owner

**PT. MBTK**

Kutai Timur, East Kalimantan

Total Area/Land Status

**509,49 Ha** (owned by project owner-No.33SHPL/KEM-ATR/BPN/2018)

Business Scheme

**Business to Business**

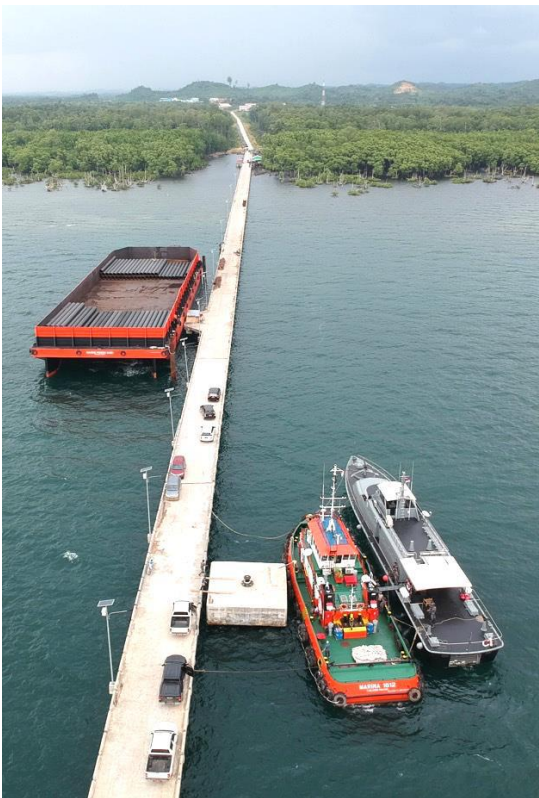
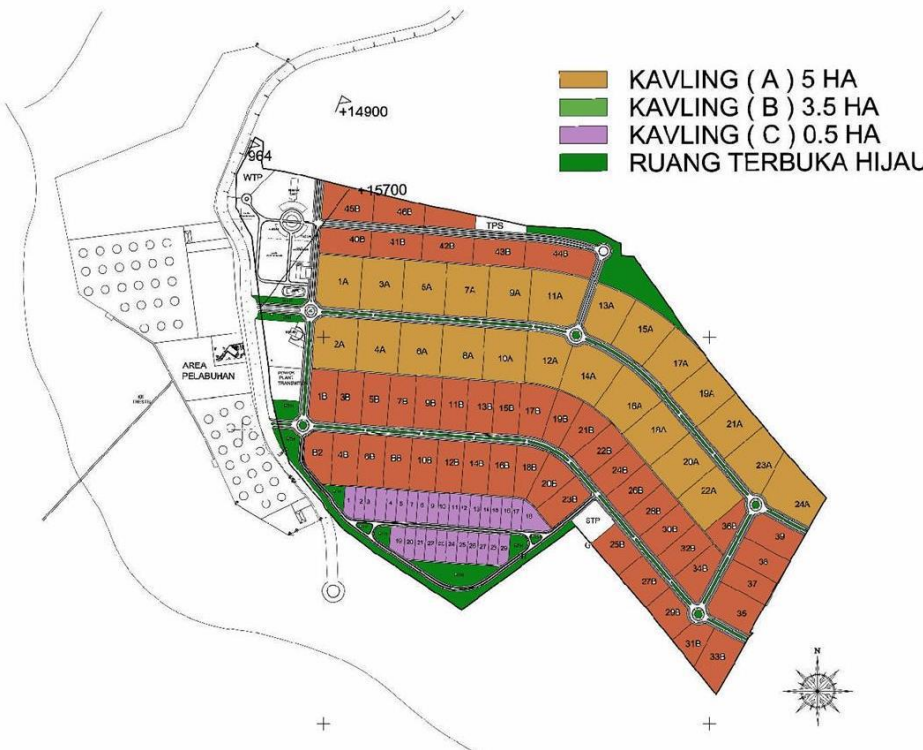
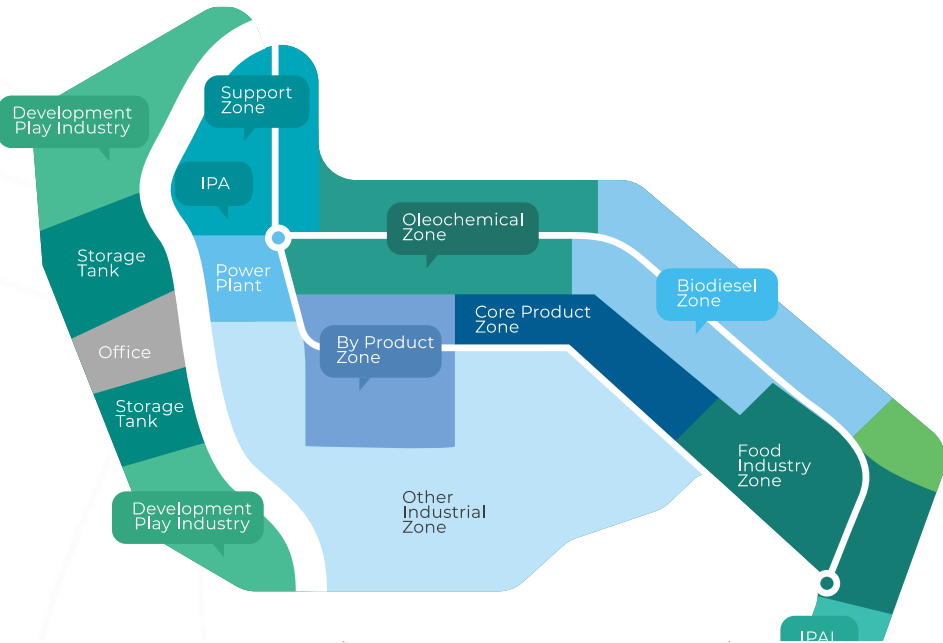
Investment Target

IDR **34.31** Billion or

US\$ **2.39** Billion (2025)

Yearly Rates (Perbup No.16/2021)

**IDR 1,750,-** per sqm for the first 20 years, Grace periods: 4 years



### Infrastructure

- i 11.4 Km On-complex Road
- ii International Seaport
- iii Power Supply By State Electricity Company
- iv (PLN) On-site Water Management System
- v Industrial Waste Treatment Plant and Solid Waste Management
- vi Telecommunication Infrastructure
- vi Office Buildings and Security Service



**Contact Person**  
**Muhammad Ade Himawan (CEO)**

+62 811-3300-774  
- inadm.kekmbtk@gmail.com  
- adminfo@kekmbtk.co.id





### Project Description

- Kaltim Industrial Estate or KIE is an industrial area located in Lok Tuan Village, North Bontang District, Bontang City. PT. Pupuk Kaltim which is the owner of this IP also engaged in procuring industrial land and providing facilities for tenants.
- The IP provides competitive rental rate, waste water and water treatment plant with cap. 15.000 m3/month, electricity, steam, N2 gas, office building, housing complex and natural gas supply & facilities provided by Pertamina Gas.
- The IP has 8 jetty with capacity of 2.000-55.000 DWT and Load-Unload Facility makes this IP fully support future tenants.
- Industry Specialization: coal based industry (coal to syn gas), CPO based industry (fatty acid, fatty amine, bio diesel), smelter industry (nickel), small & middle industry.

### Project Owner

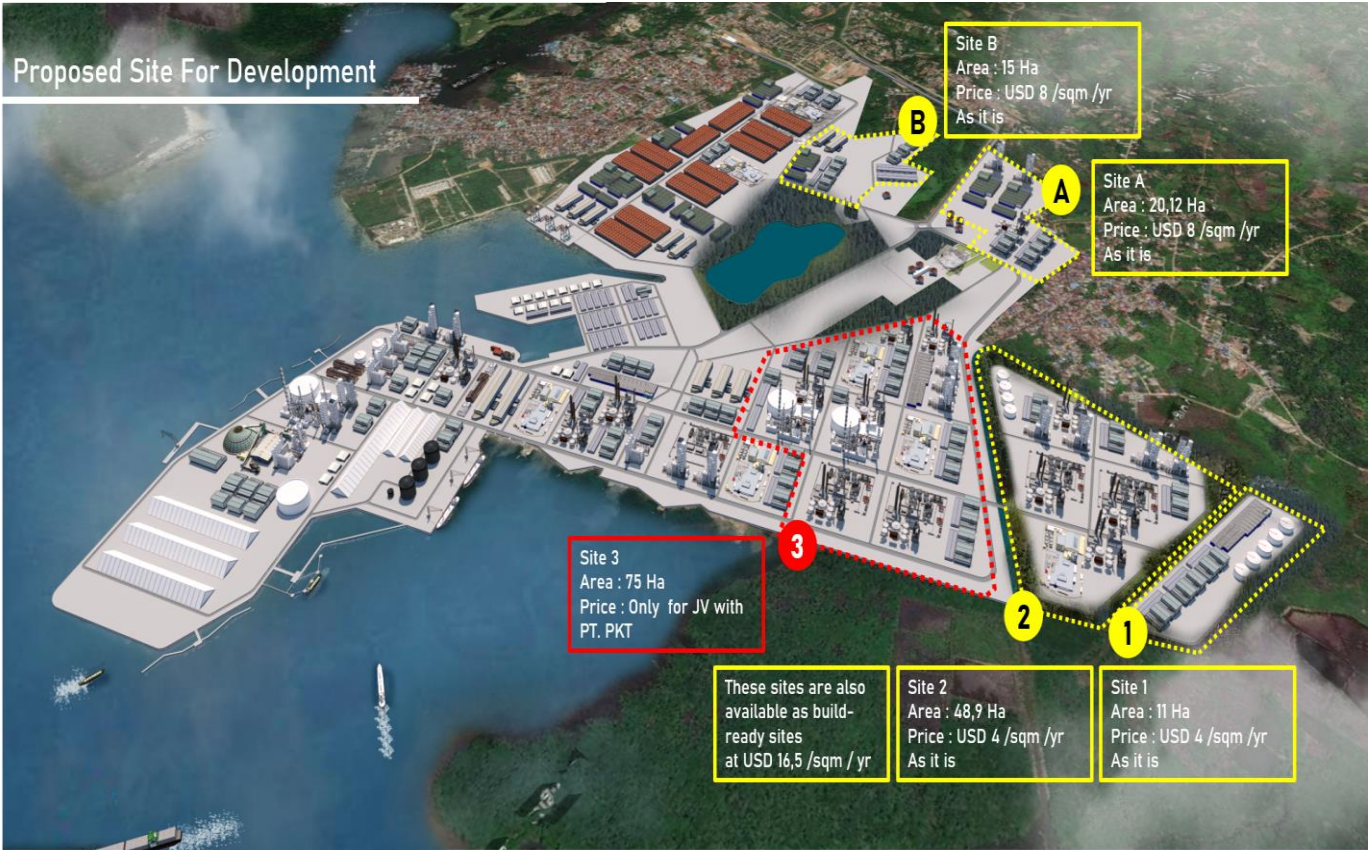
This industrial area is one with the factory area owned by PT Pupuk Kaltim. This industrial area is managed by PT Kaltim Industrial Estate, a subsidiary of PT Pupuk Kaltim.

### Contact Person

**Johan Ardiansyah**

(Head of Division Business & Marketing)

+62 852 5096 9550  
kiepmsr002@gmail.com



### Key Investment highlight

#### Location

**Bontang**  
**East Kalimantan**

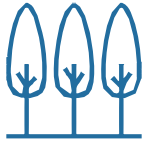


#### Total Area/Land Status

**198.04 Ha**

#### Rates

**\$6-16.5 sqm/year**



#### Project Owner

**Kaltim Industrial Estate**  
Bontang, East Kalimantan



#### Business Scheme

**Business to Business**



### Infrastructure

Waste Water Treatment Cap. 15.000 m3/month  
Electricity Cap. 80 MW  
Nitrogen Cap. 500 Nm3/h (On progress to 1000 Nm3/h)  
Steam Cap. 156 Ton/h  
Portable Water Cap. 550 m3/h  
Demin Water Cap. 2x168 m3/h  
SWRO Cap. 100 m3/h  
Natural Gas Supply and Facilities at KIE Bontang are provide by PT. Pertamina





Project Description

- Balikpapan's waste management initiative is currently centralized at the Manggar Final Waste Management Facility (TPAS Manggar). The total area of TPAS Manggar spans 43 hectares, divided into 7 landfill zones managed by a task force under the Balikpapan Bureau of Environment. With the current clear area estimated at 4.8 hectares, it is allocated for the construction of waste processing facility buildings.
- Thus, Balikpapan is urgently seeking for new technology and better waste management infrastructure by cooperating with investor and waste management tech provider to mitigate increase in waste volume in the future waste volume increase as well as to prolong TPAS Manggar lifetime.
- The scope of PPP including design, build, operate and manage the entire process of Balikpapan city waste management and its supporting infrastucture from loading (consumer), sorting and final waste processing in TPAS Manggar. Ability to find/have offtakers for waste processing products.
- According the current fiscal allocation by Balikpapan government, the tipping fee is estimated between IDR 135,000 to 150,000 per ton of waste. The government could provide access to Viability Gap Fund (VGF) from national budget for maximum 49% of construction cost to enhance project financial feasibility.

Key Investment highlight

Location

Balikpapan City,  
 East Kalimantan



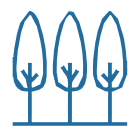
Project Owner

Mayor of Balikpapan  
 Balikpapan City, East Kalimantan



Total Area/Land Status

4,8 Ha clear area allocated for  
 the construction of waste  
 processing facility buildings



Business Scheme

Public Private  
 Partnership Scheme



Est. Investment Value  
 CAPEX is dependent to the option of technology  
 Est. Investment Value : US\$ 12 Million  
 Est. EPC cost range between IDR 323 – 483 Billion  
 Est. O&M cost range between IDR 74 – 97 Billion annual



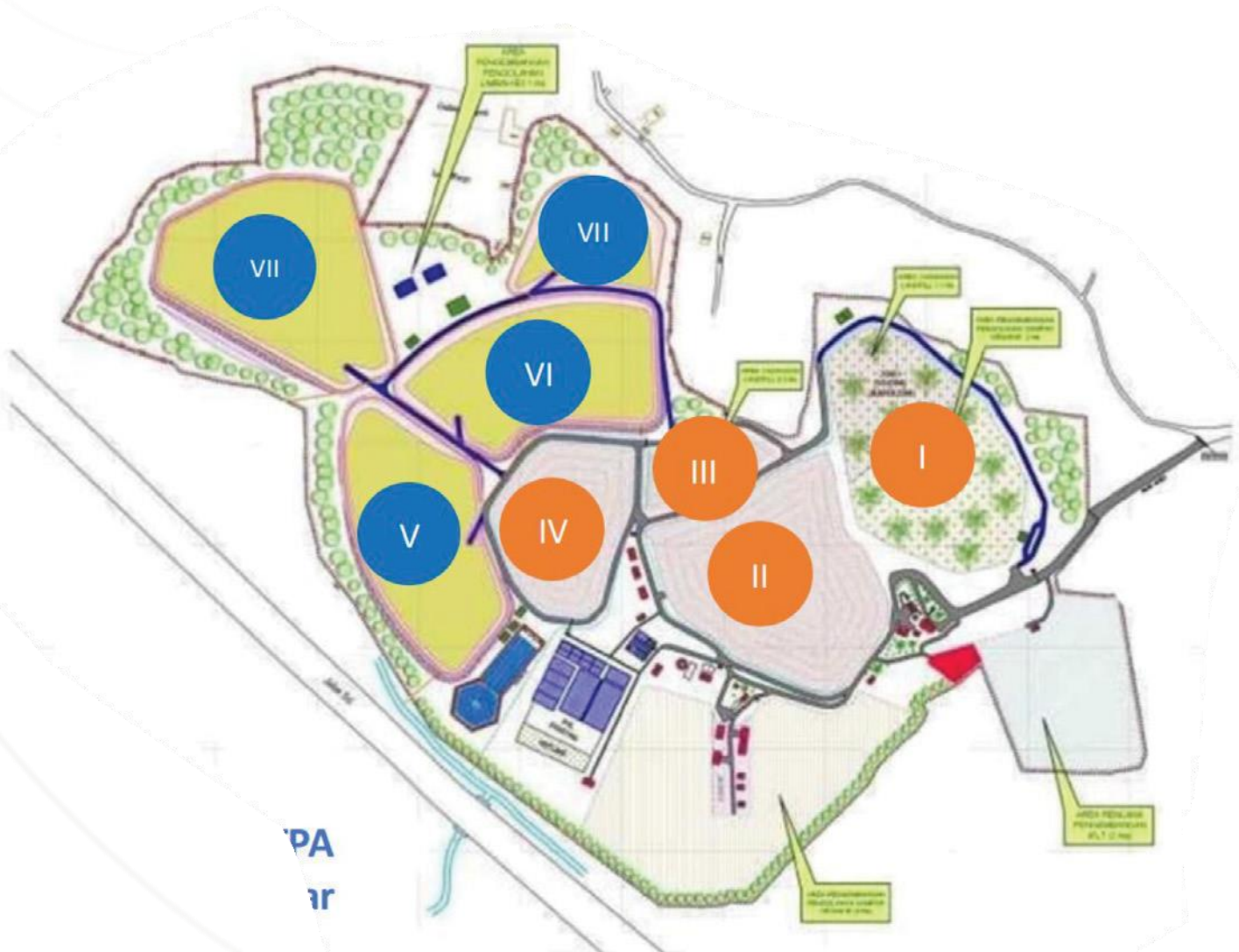
Financial Feasibility

Investment Value: \$56 Million

EIRR : 40.60%

ENPV : IDR 350 Billion

Concession Period : 20 years + 2 years of construction



Project Owner

Balikpapan Enviromental Bureau is a part of Balikpapan Government which responsible in the formulation of technical policies in the environmental sector, protection of natural resources, cleanliness, control of pollution, and environmental damage.

Payment Mechanism

- Availability Payment (AP) based on
- performance Tipping fee
- Rights to sell electricity (PLN) and other residues / by-products



Contact Person

Nusyamsiarni Larose

(Balikpapan Environmental Department Secretary)

+62 812-5069-9475

nusyamsiarni.larose@balikpapan.go.id



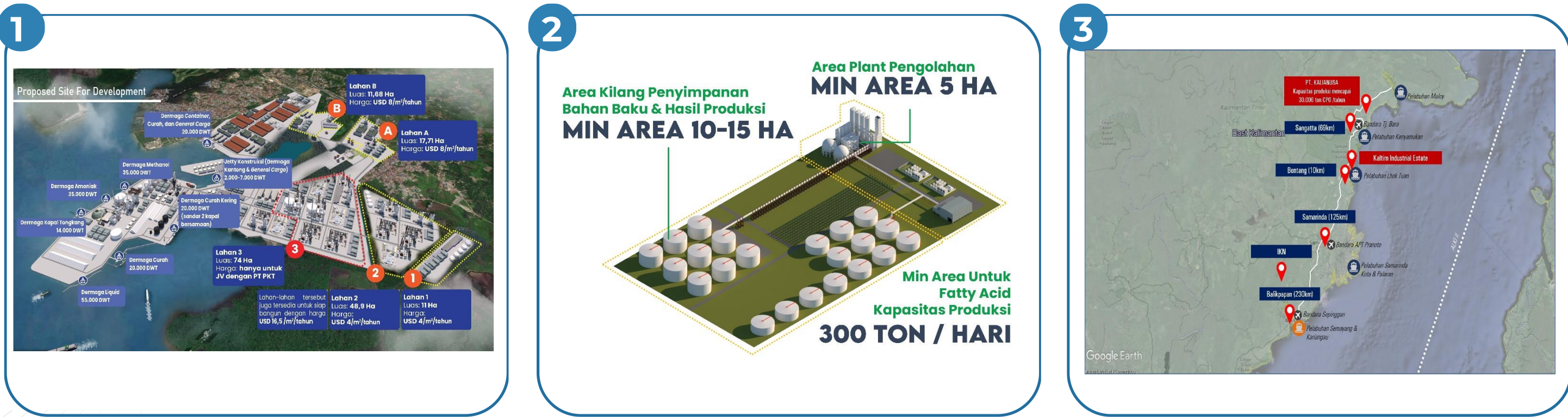


### Project Description

- Downstream oil palm agroindustry in the form of fatty acids (KBLI 20115) is one of the derivatives of oleochemicals that has a great opportunity to be developed in Bontang City, East Kalimantan Province, considering that the province has oil palm plantations covering an area of 1,208,697 ha with a production capacity of CPO 3,8 million tons/year.
- Globally, the world's consumption of fatty acid-based products is currently growing at around 7% per year with production capacity that tends to remain constant over the past few years. The Asian demand is 6.6 million tons/year and the European Union is 1.7 million tons/year, but the fulfillment of the fatty acid needs has only reached 4.5 million tons/year, so there is a market opportunity for fatty acids of 3.8 million tons/year.

### Project Owner

This project owned by PT Pupuk Kaltim was located in Kaltim Industrial Estate area and currently being managed by PT Kaltim Industrial Estate, a subsidiary of PT Pupuk Kaltim.



### Key Investment Highlight

Project Owner  
**PT. Pupuk Kaltim**



- Incentives:
- Tax Allowance – Indonesian Government Regulation Number 79 of 2019 and Regulation of the Minister of Finance of the Republic of Indonesia Number 11/PMK.010/2020
  - Import Facility – Regulation of the Minister of Finance Number 176/PMK.011/2009
  - Super Deduction – Government Regulation no. 45 of 2019



Investment Value  
**\$ 234 Million**



KBLI Code: 20115  
NPV: \$65 Million  
IRR: 14,6 %  
Payback Period: 6 Years 8 Months

Longitude: 117.485  
Latitude: 0.184  
Land Ava.: 48.5 Ha  
WACC : 10.35%



Project Stage

Ready to Offer On Demand Under Licensing



Contact Person  
**Johan Ardiansyah**  
(Head of Division Business & Marketing)



+62 852 5096 9550  
kiepmsr002@gmail.com



# The Development of Loading-Unloading Facility of Penajam Port in Buluminung Industrial State

## Penajam Paser Utara Regency



### Project Description

- Penajam port is already running and profitable. The port is used for loading-unloading of cargo and commodity between Penajam Paser Utara (PPU) and outside region. The project's purpose is to expand the port's services by developing new infrastructure.
- PPU is an important for logistic especially to southern part of East Kalimantan and South Kalimantan, the development of port can ease transport of goods and cut logistical cost.
- The project can serve some companies that have been operating in Buluminung Industrial Estate.
- The project aims to support logistical activities related to the construction of New Capital City in PPU particularly loading-unloading construction materials and staple food.

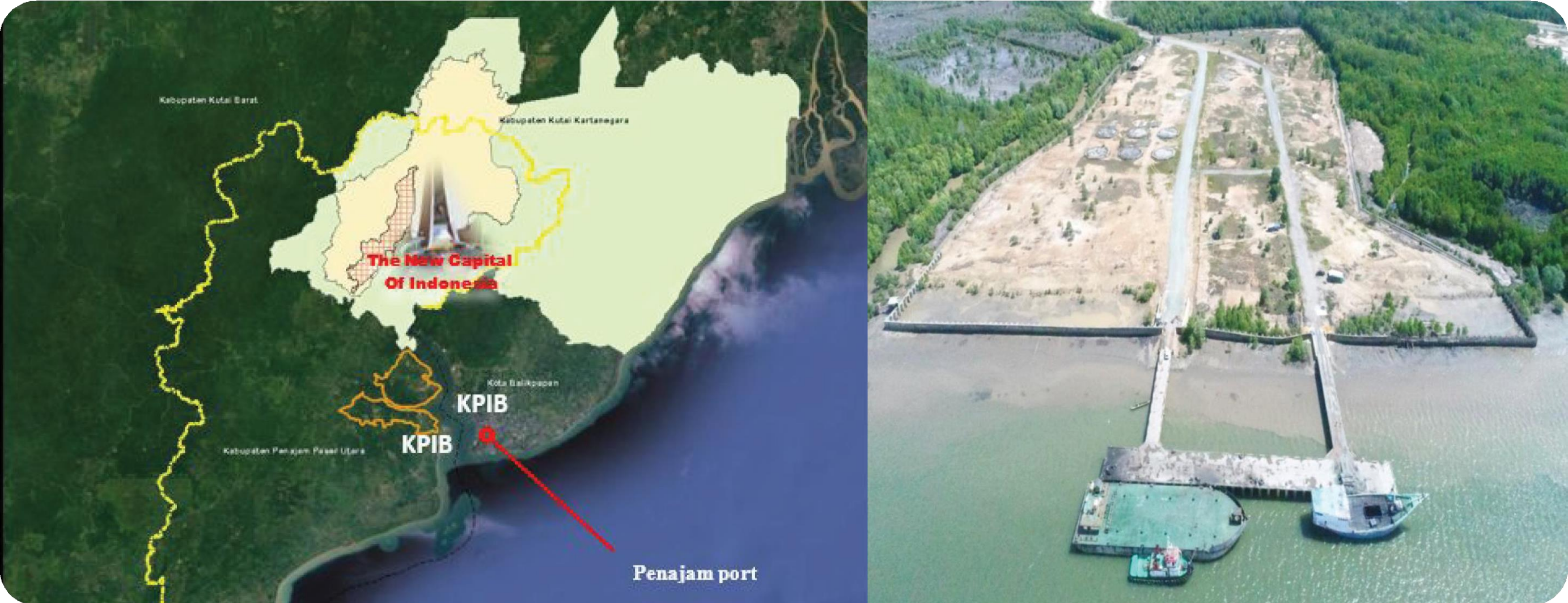
### Project Owner

The Buluminung Penajam port is currently managed by Technical Implementation Unit (UPT) on behalf of PPU Government. The port is going to be handed over to government-owned enterprise for future cooperation with Investors.

**Contact Person**  
**Rahmaniah Muchtar**

(Head of Division, Planning Department)

+62 813-4728-9222   
 tatihangin@gmail.com



### Key Investment highlight

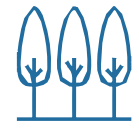
Project Owner  
**Government of Penajam Paser Utara**  
 Buluminung Industrial Estate, Penajam Paser Utara, East Kalimantan



Investment Target  
**US\$ 14.8** Million (2030)



Total Area/Land Status  
**17,95 Ha (Zone A1)**



Business Scheme  
**Public Private Partnership**



Financial Feasibility  
 Concession Period Years  
**IRR 32%, NPV US\$ 32,3 Million,**  
**Payback Period: 4.3 years**







### Project Description

- The crumb rubber factory project aims to provide price security and bring added-value to West Kutai rubber in farmer level. Currently, rubber is one of the top commodities.
- The investment project offered is the construction of a crumb rubber factory to produce SIR 20/SIR 10 products. The production capacity is 10,000 tons/year or ± 30 tons/day under the Design, Build, Finance, Maintenance and Operate (DBFMO) scheme.
- The project location is in West Kutai Regency (the second largest regency in East Kalimantan), to be precise at the Sendawar Regional Activity Center (PKW). This land is suitable for the designation of a center of economic and industrial growth in accordance with the Regional Regulation of West Kutai Regency No. 32/2013 concerning Spatial and Regional Planning for 2011-2031. The status of the land is community property (1 party) with an area of ± 10Ha.

### Project Owner

The project is offered by West Kutai Government and coordinated by Planning Department. Investors is expected to construct, operate and absorb raw rubber from local derivative products.

### Proposed Location



### Key Investment highlight

Project Owner

**Government of West Kutai**

Muara Barong village, Melak Ilir ward, Melak District, West Kutai, East Kalimantan

Est. Investment Value

**CAPEX US\$ 2.95 Million**

(with capacity assumption of 140.000 tpy)

Land Requisite and Status

**± 10 Ha** (owned by public)

Land procurement can be provided by West Kutai Government under agreement according to applied regulations.

Business Scheme

**Public Private Partnership**

Design – Build – Finance – Maintain – Operate (DBFMO)

Financial Feasibility (Prefeasibility Study)

**Economic lifetime 20 years;**

**NPV \$1.1 million; WACC 12%**

**IRR 16,.53%; Payback Period: 7,6 years**

**Contact Person**

**FX Indrajaya**

(Head of Sub-Division, Investment Department)

+62 822-5200-0345    indrajaya62@yahoo.com





UD. Deli Koffie Indonesia

Green bean, Roasted  
bean Grinded Coffee

✉ didinhamid@gmail.co  
☎ m+62 811 373 984



PT. Sekatup Sari Indonesia

Gaharu (Agarwood) Tea Bag,  
Gaharu Cinamon Tea bag

✉ sekatup.sariindoensia@gmail.com  
☎ +62 812 90 999 809  
🌐 www.tehgaharu.com



Ibib Food

Spiced Fish Crackers  
(Amplang), Shredded Tuna

✉ lln4waty@yahoo.com  
☎ +62 813 5046 2849  
@ @ibibfood



CV. Azra Sentosa Jaya

Crab meat snack

✉ kampoengtimoer@gmail.com  
☎ +62 81 348 601 451  
@ @kampoengtimoer.id





Manika Kaltim

Manik (Traditional beads) Handicrafts: bags, Accessories, Home Decor
 

✉

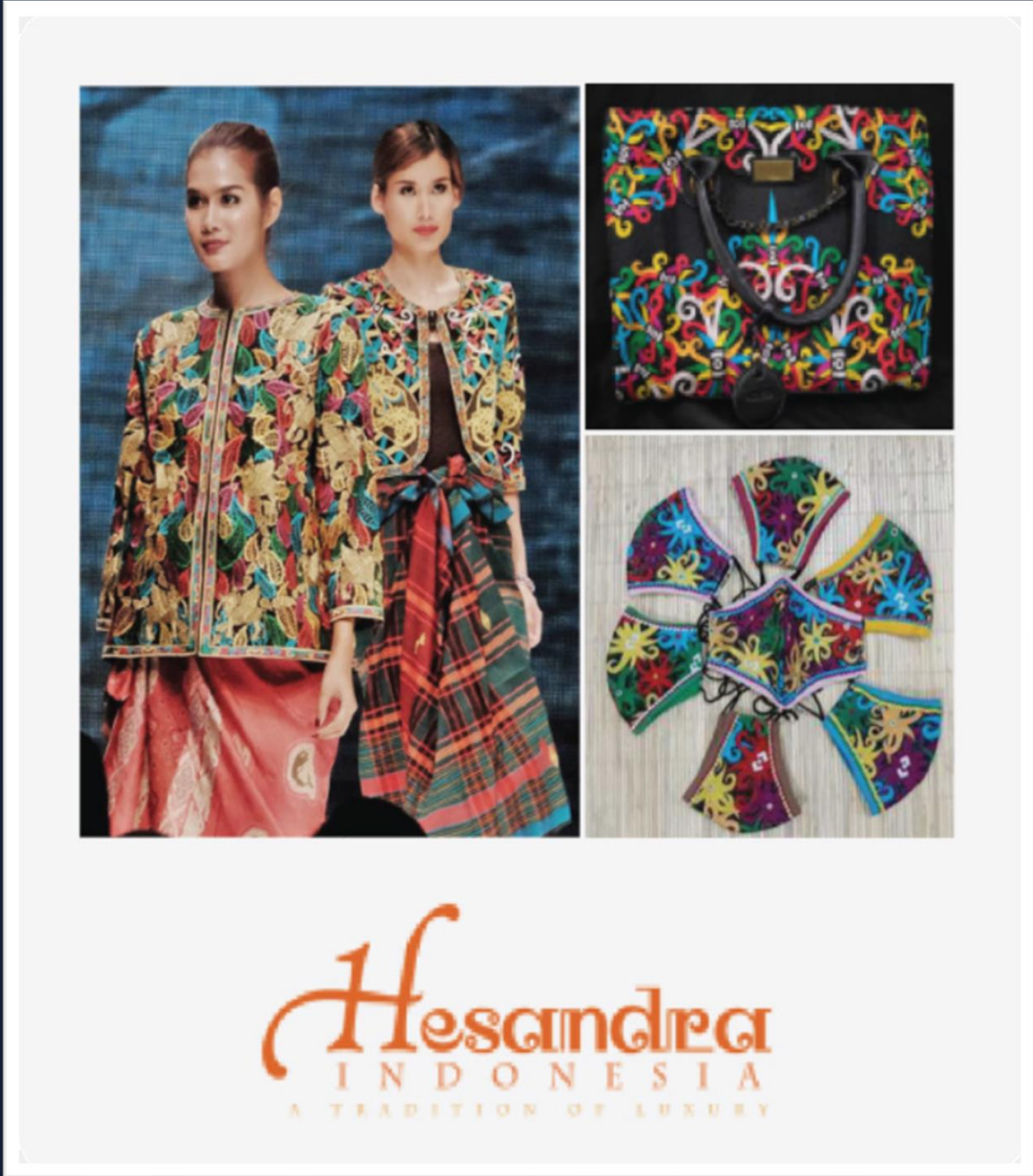
manikakaltim@gmail.com

☎

+62 8524 6959 395

📱

@manika\_kaltim



Hesandra Indonesia

Kalimantan Batik Clothing, Bags & Accessories
 

✉

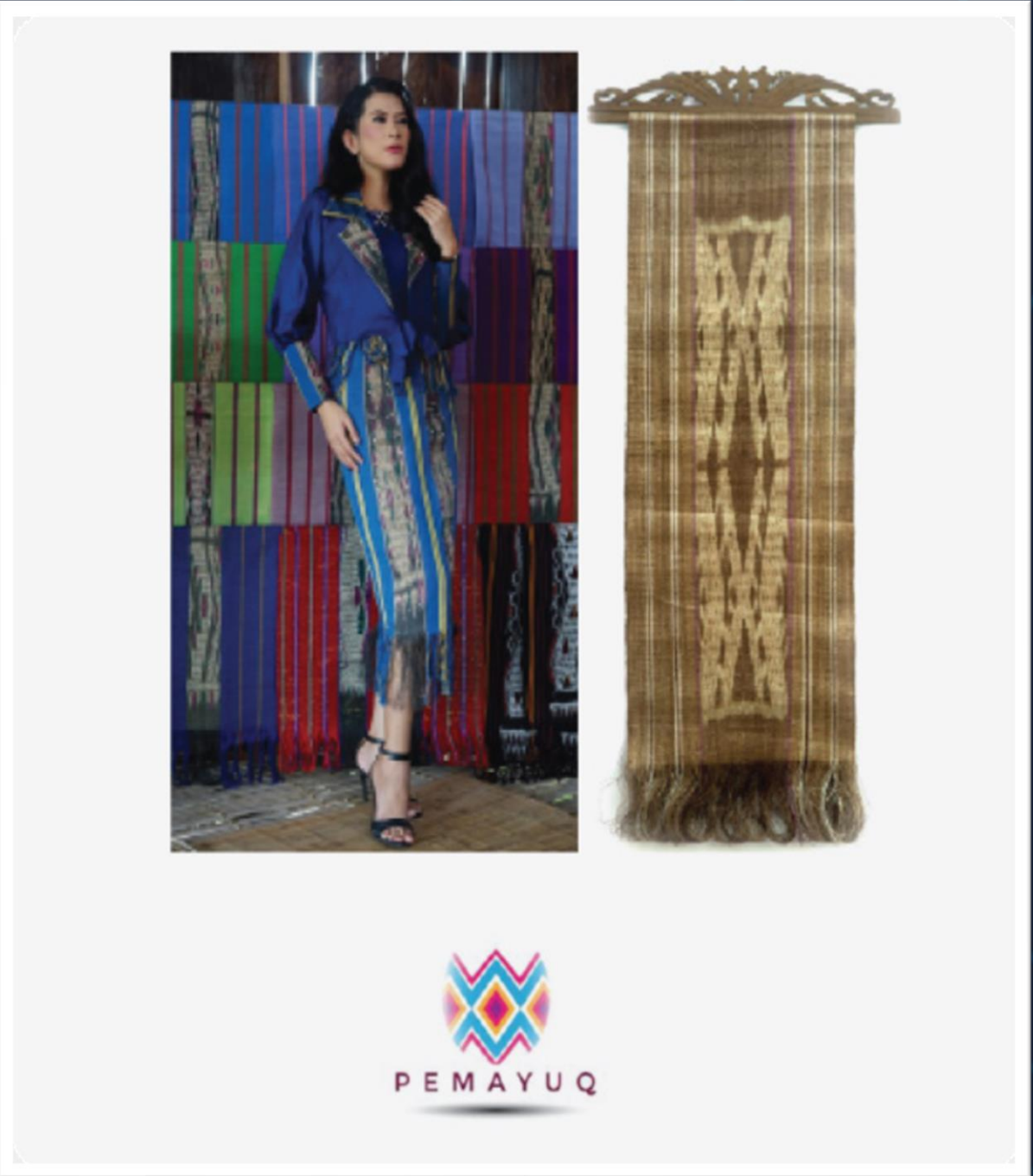
business@hesandra.com

☎

+62 87 810 628 391

📱

@hesandra\_indonesia



Pemayuq By Pokant Takaq

Traditional ulap Doyo (Dayak Art) Woven Fabric
 

✉

hamidahpokanttakaq@gmail.com

☎

+62 85 246 949 403

📱

@doyomunaq1



Bahalap Handicraft

Handmade beaded necklace and bracelets using native borneo gems
 

✉

bahalaphandicraft@gmail.com

☎

+62 82 154 204 849

📱

@bahalap\_handicraft\_





CV. Multi Sarana Jaya

Dried Eucheema Cottonii  
 Seaweed  
 ✉ info@multisaranajaya.com  
 ☎ +6281 255 055 38  
 🌐 www.multisaranajaya.co.id



King Madu Borneo

Yellow Honey and Black Honey  
 ✉ kingmaduborneo@gmail.com  
 ☎ +62 852 5700 1434



CV. Perintis Mitra Mandiri Sukses

Coco peat, Coconut fiber, rope, etc.  
 ✉ pmms.coconut@yahoo.com  
 ☎ +628 525 030 8060



For more inquiries and investment or trade opportunities, please contact :



**Bank Indonesia Representative Office for East Kalimantan Jl.  
Gajah Mada No.1 Samarinda, East Kalimantan, Indonesia**

Phone : +62 541 732644

Fax : +62 541 741022

**Person in Charge :**

Mrs. N.M. Mirnayanti J.S. (+62 811-1833-884 / mirnayanti@bi.go.id)

Mr. Bagoes Fikri H.E.S (+62 857 6664 5550 / bagoes\_fikri@bi.go.id)



**Regional Board of Investment and Integrated Licensing  
(DPMPTSP) East Kalimantan Province**

**Jl. Basuki Rahmat No. 56, Samarinda, East Kalimantan, Indonesia**

Phone : +62 541 743235

**Person in Charge :**

Mr. Puguh Harjanto (+62 822 5484 8579 / puguh369@gmail.com)

Mrs. Riawati (+62 811 5595 559)