

### **Foreword**

East Kalimantan is one of Indonesia's most attractive regions for both local and foreign investment with a resource boom in the early 21st 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 sustainableecological 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.

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 to 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 the East Kalimantan province.



Dr. H. Rudy Mas'ud, S.E., M.E Governor of East Kalimantan



**Budi Widihartanto**Head of Bank Indonesia Representative
Office for East Kalimantan

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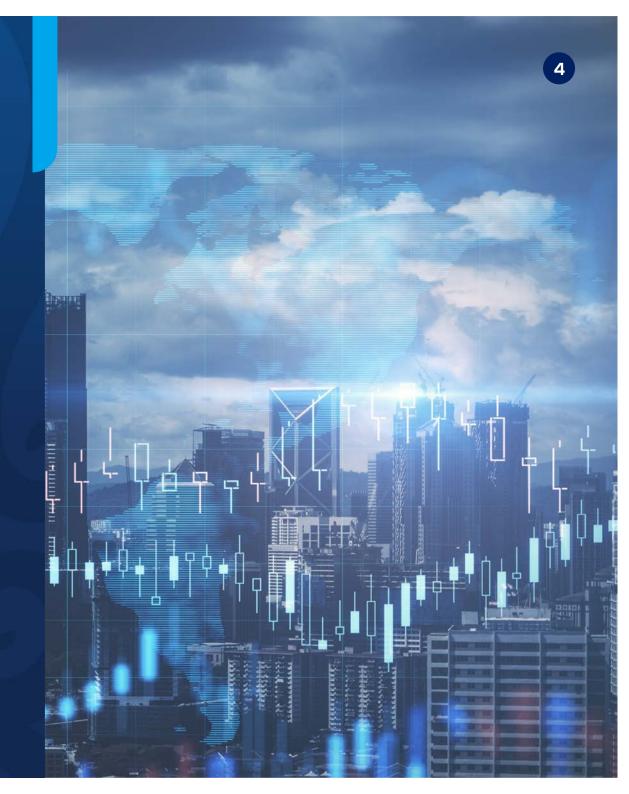
East Kalimantan Economic Review and Infrastructure Availability

Investment in East Kalimantan

Trade, Tourism, Industry and Investment Opportunities in East Kalimantan

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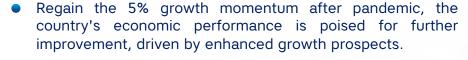
Indonesia Macroeconomic Performance and Policy Updates



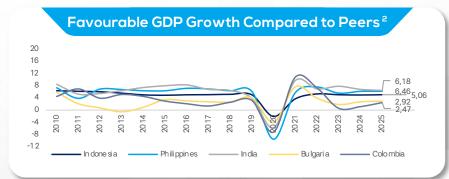
## **National Economic Development**

#### Indonesia's economic growth remains solid and resilient, supported by domestic demand

 Despite challenging global developments, Indonesia's economic recovery momentum persists, driven by robust domestic demand.







<sup>1</sup> Source: Central Bureau of Statistics of Indonesia (BPS), \*\* Including non-profit household consumption <sup>2</sup> Source: World Economic Outlook Database – October 2024; \* indicates estimated figure

Indonesia's economic growth remains well maintained amid increased uncertainty in global financial markets. Indonesia's economic growth in the third quarter of 2024 grew by 4.95% (yoy), after the previous quarter recorded 5.05% (yoy). From a sectoral perspective, all sectors showed positive performance in the third quarter of 2024. The manufacturing sector, as the main contributor, also performed well in line with sustained domestic and global demand. The accommodation and food & beverage sector, along with the transportation and warehousing sectors, experienced positive growth due to increased mobility driven by national and international events.

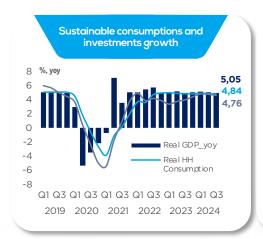
Spatially, the structure of the Indonesian economy in the third quarter of 2024 showed that the province group on Java Island was still dominant with a contribution to GDP, followed by Sumatera, Kalimantan, Sulawesi, Bali - Nusa Tenggara, and Maluku - Papua. In the fourth quarter of 2024, economic growth is projected to remain solid, supported by government consumption given greater spending towards the end of the year. Overall, economic growth in 2024 is projected to be in the 4.7-5.5% range before accelerating in 2025.

Institutions	GDP growth
2024 Budget	5.2
Bank Indonesia	4.7-5.5
Consensus Forecast (Nov 2024)	5.0
IMF (WEO, October 2023)	5.0
ADB (Asian Development Outlook, September 2024)	5.0

### **Macroeconomic and External Indicators**

#### Promising growth prospects and strong external resilience

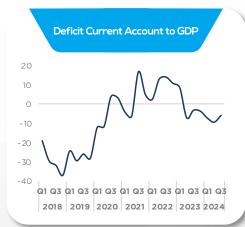
Indonesia's promising growth prospects continued with economic recovery momentum, along with strong external resilience and sound balance of payments



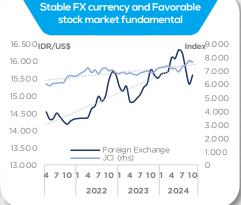










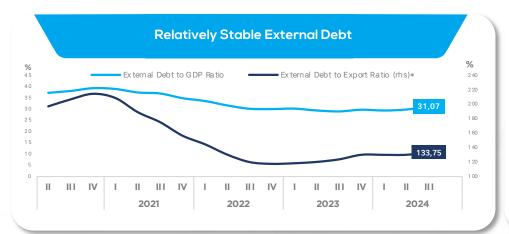


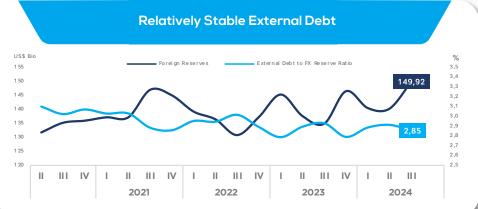


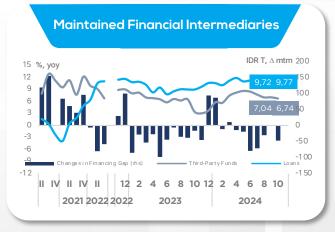
## **Financial System Indicators**

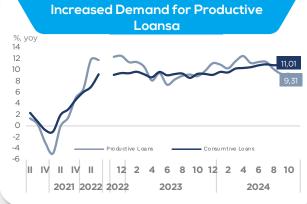
#### Strong external resilience supported by adequate reserves and sound financial intermediation

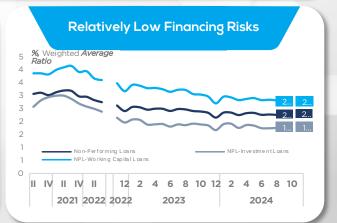
- Despite global economic challenges, Indonesia still maintained adequate foreign reserve to cover external debt.
- Bank loans and third-party funds continue to grow, driven by increased demand for productive loans under relatively low financing risk.











## **Investment Policy Direction 2020 - 2024**

Improving investment quality to promote inclusive and sustainable economic growth



Optimizing the use of natural resources and domestic production



**Job Creation/Labor Intensive** 



**Increase Productivity** 



**Environmental and Social Equality** (ESG)



Transfer of Knowledge and Technology



Improve Competitiveness and Market Access



**Export Oriented and Import Substitution** 

#### 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  $\leq$  IDR 10 billion, excluding the value of land and buildings

#### **Fiscal Incentives**

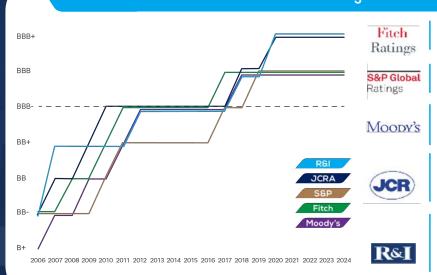
- Tax Allowances
- Tax Holidays
- Inv. Allowances
- Custom Incentives

## **Improving Global Perception**

#### Indonesia Commits To Maintain Good Credit Rating Scores

It intends 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.

#### Affirmation on Indonesia's Sovereign Credit Rating Amid Global Economy Uncertainties and Election Year



#### BBB/Stable

Indonesia's economic growth prospects will remain solid, external resilience and the government's debt burden will be maintained, supported by a credible monetary and fiscal policy framework.

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#### Baa2/Stable

Indonesia's credit profile is supported by continued economic resiliency, backed by structural factors such as abundant natural resources and strong demographics, supporting stable and robust GDP growth, as well as by good policy credibility.

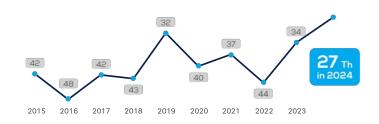
#### BBB+/Stable

The ratings mainly reflect the country's solid domestic demand-led economic growth potential, restrained public debt and resilience to external shocks supported by accumulation of foreign exchange reserves. JCR holds that the debt will gradually decrease as the fiscal balance improves mainly increased revenue from economic growth and higher commodity prices.

#### **BBB+/Positive**

R&I retains a high opinion of the Joko Widodo administration's prudent fiscal and monetary policies as well as the course of action it has taken to tackle the challenge coming from the structural issues facing the economy. The rating will be upgraded if R&I sees a sure sign that the new president will inherit the policy stance sought by the current administration and that the firm performance of the Indonesian economy and the improvement in fiscal position will be sustained under the new administration.

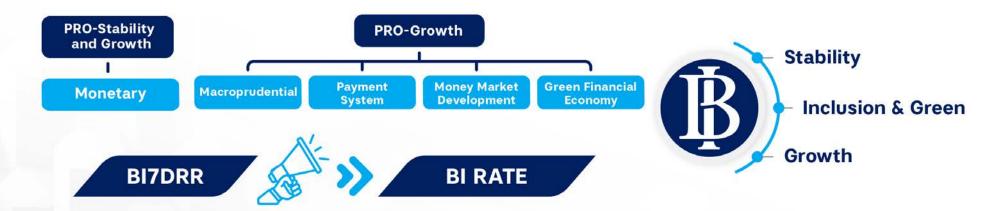
#### Improved Global Competitiveness Ranking, Boosted by its High Score in Business Efficiency, Government Efficiency, and Economic Performance



No.	Country	2019	2020	2021	2022	2023	2024
1.	South Korea	28	23	23	27	28	20
2.	Indonesia	32	40	37	44	34	27
3.	Japan	30	34	31	34	35	38
4.	India	43	43	43	37	40	39
5.	Philippines	46	45	52	48	52	52
6.	Mexico	50	53	55	55	56	56
7	Brazil	59	56	57	59	60	62

## Bank Indonesia's Policy Mix: January 2025

#### Maintaining Stability, Reviving Sustainable Growth



The Bank Indonesia Board of Governors agreed on 14-15th January 2025 to lower the BI-Rate by 25 bps to 5.75%, while also lowering the Deposit Facility (DF) rate and Lending Facility (LF) rate by 25bps to 5.00% and 6.50%, respectively.

The decision is consistent with low projected inflation in 2025 and 2026 within the 2.5±1% target corridor, maintaining the rupiah exchange rate in line with economic fundamentals to control inflation within the target range and the need

5.75%

Hold The BI Rate at Strengthening the pro-market monetary operations (MO) strategy to maintain foreign capital inflows to enhance monetary policy effectiveness in terms of Rupiah stabilization by:

- Optimizing Bank Indonesia Rupiah Securities (SRBI), Bank Indonesia Foreign Exchange Securities (SVBI) & Bank Indonesia Foreign Exchange Sukuk (SUVBI) as pro-market instruments.
- Strengthening the interest rate structure of monetary instruments to attract portfolio inflows to domestic financial assets.
- Strengthening strategies to maintain competitive term-repo and forex swap transactions.
- Strengthening the function of Primary Dealers (PD) to increase SRBI transactions in the secondary market and repurchase agreement (repo) transactions between market players.

Stabilizing the Rupiah through foreign exchange market intervention with a focus on spot and Domestic Non-Deliverable Forward (DNDF) transactions, as well as government securities (SBN) in the secondary market.

Strengthening prime lending rate (PLR) transparency policy with a focus on interest rates by Macroprudential Liquidity Incentive policy (KLM) priority sectors.

Strengthening the literacy and education of QRIS users and merchants, particularly at the main travel destinations for tourists, to strengthen the acceptance of cross-border QRIS payments.

Extending the current fees for the National Clearing System (SKNBI) and credit card policy until 30st June 2025 as follows:

- National Clearing System fees of Rp1 for banks and up to Rp2,900 for bank customers.
- Minimum payment policy for credit cardholders of 5% of the outstanding balance and late payment penalties of 1% of the outstanding balance up to a maximum of Rp100,000.

## **State Budget Priority Sector 2025**

Maintaining Sustainability of the Priority Budget to Support the Development Agenda



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



**EDUCATION** 

IDR 724.3 T (Shares: 20%)



 Increasing access and quality of education i.e., PIP, KIP College, BOS, BOP PAUD, scholarships (LPDP)

- Providing nutritious food for school children, renovating schools and developing superior schools
- Strengthening links & matches with the job market (vocational & certification)



HEALTH

IDR 186.4 T IDR 218.5 T (Shares: 6%)



- Promotive & preventive efforts, accelerating the reduction of stunting and TB cases
- Construction of quality hospitals, free health checks and effectiveness of the JKN program
- Strengthening technology & pharmaceutical independence
- Strengthening a reliable health system



SOCIAL PROTECTION

IDR 493.5 T IDR 503.2 T (Shares: 14%)



- Continuing social security al. PKH, Basic Food Cards, PIP, College KIP
- Synergy and integration of social protection program
- Strengthening social security throughout life
- Strengthening graduation from poverty i.e., Social protection based on empowerment





- Development of agricultural infrastructure such as irrigation networks and dams
- Construction of integrated superior schools;
- Supporting infrastructure to support economic transformation (e.g., connectivity, food, energy, downstreaming



FOOD SECURITY

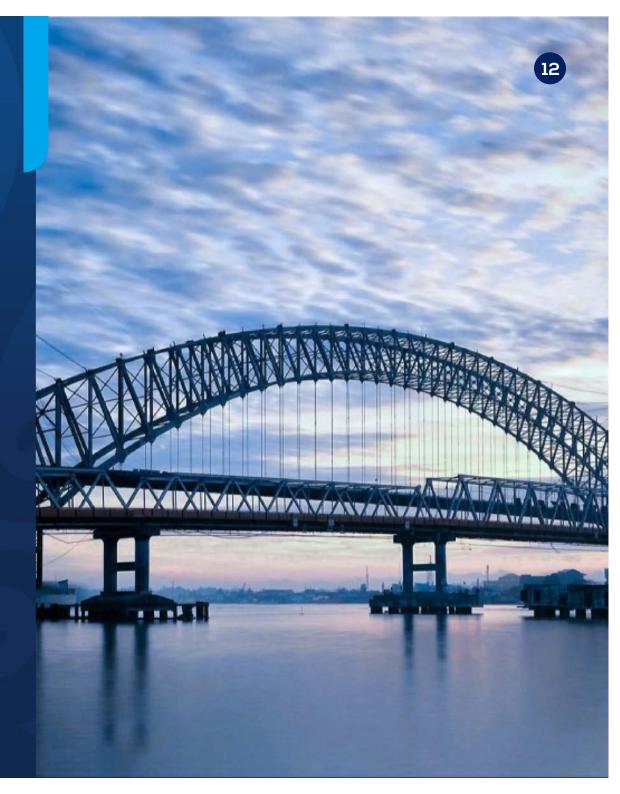
IDR 108.8 T IDR 139.4 T (Shares: 3,8%)



- Intensification & extensification agricultural land, strengthening of agricultural infrastructure and infrastructure (e.g., dams and irrigation)
- Food storage & increasing access to financing for farmers
- Strengthening national food reserves (food availability and affordability)

02.

East Kalimantan Economic Review and Infrastructure Availability



## East Kalimantan: A Snapshot



#### **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 (2025-Q1)

1.36%

Second Highest **GRDP Per Capita** in Indonesia (2024)\* ÚSĎ 13,389.37

**Fourth Highest Human Development Index** (HDI) in Indonesia (2024)

78,83

Largest Economy in Kalimantan (2025-Q1) 46.99% of Kalimantan Economy

### **East Kalimantan Economic Overview**

#### Statistic East Kalimantan

•	Capital City	Samarinda City
•	Regencies/cities	10
•	Total Area	127,346.92 km2
•	Population	4,045,858

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 (2025-Q1) 4.08 (%yoy) IDR 221.57 Trillion

4.43% of National GDP



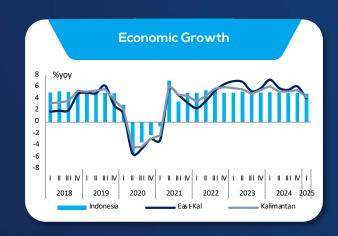
EXPORT (2025-Q1) -12.3 (%yoy) USD 5.19 Billion

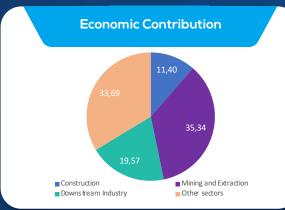
7.39% of National Export

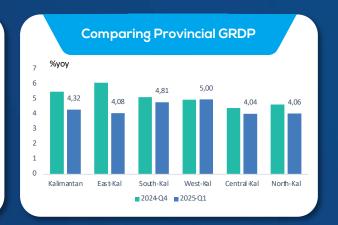


HDI (2024) 78.83

3rd in Indonesia







## 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.





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

Source: Regional Planning Agency of East Kalimantan Provincial Government

## **Economic Policy Direction**



Main Focuses to accelerate economy recovery

## To maintain stability of **ECONOMIC GROWTH AT 6%**

- 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.

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 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, farming horticulture, 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.

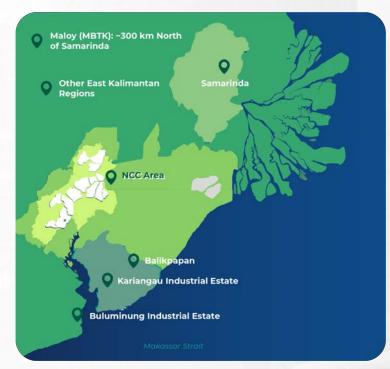
#### **ECONOMIC INCLUSIVENESS**

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.

Source: Regional Planning Agency of East Kalimantan Provincial Government



## The New Capital City (IKN) Areal Planning





Other East Kalimantan Regions

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



### 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



#### 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



## The Progress of New Capital City "Nusantara" Project

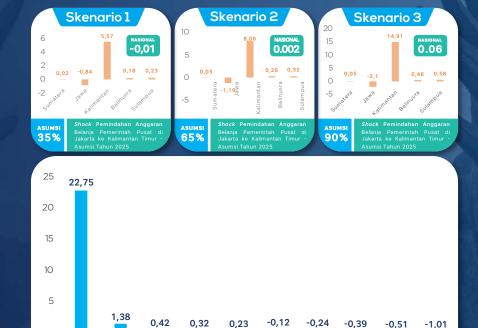
In 2025, infrastructure development of the New National Capital City "Nusantara" is still on going. The government continues to prioritize the construction of essential facilities such as roads, government buildings, dan housing to support the planned relocation of administrative functions.

#### **Investment Groundbreaking In IKN**

Until 2024, there are 8 phases of investment groundbreaking in IKN, with the total investment worth of Rp58,2T



## Impact of IKN Relocation on Regional-National Economic Performance and Employment



#### **BI Study: Impact on Economic Performance**

Kaltim

Kaltara

The simulation results of the Computable General Equilibrium (CGE) model show that in all scenarios, the economic performance of all islands except Java experiences improvement compared to the baseline. Cumulatively, the more extensive the relocation of the National Digital Economy (IKN) is carried out, the potential for higher national economic growth compared to the baseline growth.



## Overall, The Phase 1 (2022–2024) Development of The New Capital City "Nusantara" has been

Completed

**Presidential Palace Area** 





**Presidential Palace & Ceremony Field** 



**Physical Progress** 100.00%

**State Secretariat Building** 



**Physical Progress** 100.00%

**President Office** 



**Physical Progress** 100.00%

Balang Island Bridge (Short Side)





**Project value** Rp471.39 B **Financing Resource** 

**100% APBN** 

**Physical Progress** 100.00%

#### Toll Road for IKN access













**Physical Progress** 

#### **Ministry House**





36 Unit



**Completion Target** 



**Physical Progress** 100.00%



#### Sepaku – Semoi Dam







Location SEPAKU, PPU



**Financing Resource APBN** 



**Physical Progress** 

- The dam will later serve the water treatment installation in the core area of central government (KIPP) and also Balikpapan City. Apart from that, the dam is also used to control floods, especially in downstream areas.
- The dam has a total volume capacity of 16.17 million m3 with a length of 450 meters and a dam height of 25 meters.

Sepaku-Semoi Dam is projected to become a source of electricity using floating solar power plants with a capacity of 100 megawatts (MW)

#### Nusantara Hotel





**Number of Rooms** 191 units



**Project value Rp 20T** 

#### Civil Servant Flat





**47 Tower** 



**Completion Target November 2024** 



### The Development of New Capital City "Nusantara" will Continue Rapidly in 2025

2025 Investment Plan in New Capital City "Nusantara"

By 2025, the new capital city Nusantara has secured a total investment value of approximately Rp 7.17 trillion through the signing of 16









A total of 16 Letters of Interest (Lols) have been received from 16 prospective investors, with an



Supermarket modern



PT Solusi Harapan Nusantara **Pusat Kuliner** 



**PT Puri Persada** 

Lampung

Perkantoran

PT Berkah **Bersinar Abadi** Hotel dan Restaurant



Universitas Negeri Surabaya Pendidikan



PT Kreasibeton Mixed use (Perkantoran swasta, apartemen, dan



**PT Brantas Abipraya** 



Perkantoran



PT Sentra Unggul

**Nusantara** 

Pendidikan dan

logistik

**PT Makmur Berkah** Hotel **Hotel Bintang 5** 



**AIS**Land PT Australia

**Independent School** (AIS) Nusantara Sekolah berstandar internasional





CITADEL



Kawasan Campuran **PT Perintis Pondasi Teknotama** 

Perkantoran, showroom, dan Infrastruktur SPKLU











PT. HUTAMA KARYA (PERSERO) Sumber Mitra Java





PT Balikpapan **Ready Mix** Restoran, Fasilitas

olahraga, dan play ground

**PT Perintis Power** Investment

Kawasan Campuran

diantaranya Komersial,

apartemen, dan perkantoran

lavananan finansial

Indonesia

Investment Potential Based on Letters of Interest in 2025

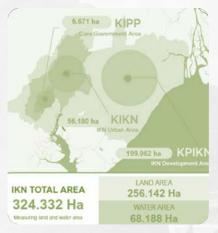
estimated investment value reaching Rp 28.3 trillion



## The New Capital City (IKN) Project

Nusantara As Center of economy 2045





**3** Zones of NCC

Zone	Zone Land Size (Ha)		Development		
Central Government Area	6,856	+- 280,000- 300,000	● Ease of accessibility. ● Sustainable design. ● 82,000 – 100,000 residential units, with estimated occupancy ratio of 3.4 people per residential unit.		
New Capital City Area	56,181		<ul> <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	1,700,000- 1,900,000	<ul> <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** 



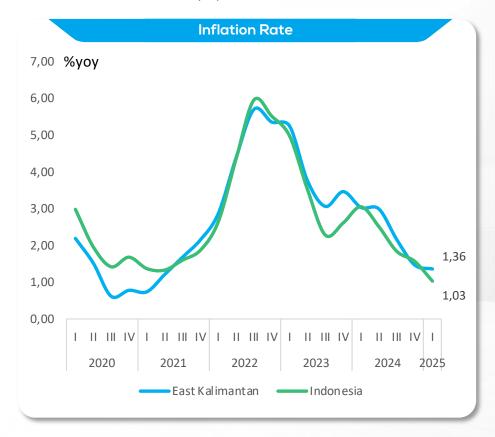
**Ceremonial Plaza** 



**Basic Design of IKN Landscape** 

### **Inflation Rate**

The inflation rate of East Kalimantan in the first quarter of 2025 was recorded at 1.36% (yoy), which is lower than the previous quarter of 1.47% (yoy). In addition, the inflation rate of East Kalimantan was higher than the national inflation rate of 1.03% (yoy).



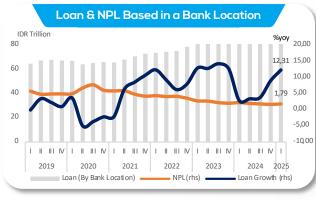
To maintain inflation stability, the Regional Inflation Control Team (TPID) in East Kalimantan, along with all stakeholders, continues to work collaboratively in creating and implementing programs to control inflation and ensure price stability and affordability. At the national level, various efforts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

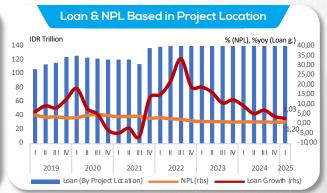


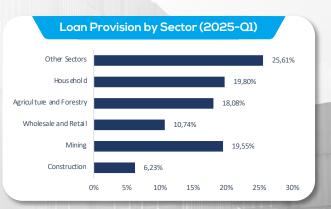
## **Banking Sector Performance**

The performance of the banking sector remained stable in 2025-Q1, as evidenced by the low NPL ratios level. The loan growth rate was recorded at 3.03% (yoy) based on project location, while the third-party funds recorded at 3.43% (yoy).

Additionally, the assets grew by 1.60% (yoy). Moreover, the Mining sector accounted for 19.55% of the total loans, followed by the Agriculture and Forestry sector accounted for 18.08%.

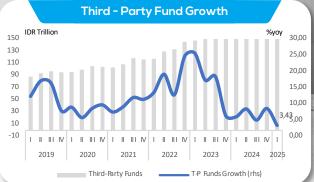










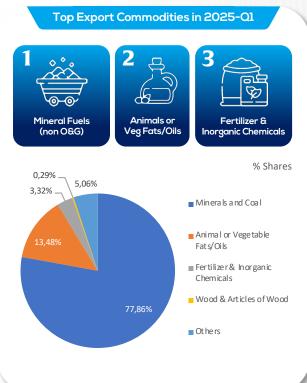


### **International Trade Performance**

Amidst the global uncertainty, the export value in East Kalimantan is steadily recovered. Non-oil and gas (O&G) commodities, including minerals and coal, accounted for 77.86% of the total export value, followed by animals or vegetable fats/oils, and fertilizers & inorganic chemicals.

With an export value estimated at USD5.19 billion in 2025-Q1, East Kalimantan is still exhibiting a promising trend. On the other hand, the top buyers of East Kalimantan's exports were primarily from China (33.29%), India (16.01%), and Philippines (8.53%).







Source: Central Bureau of Statistics of East Kalimantan; Directorate General of Customs and Excise

## 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.

#### **Connectivity Map** Air Land Sea KALIMANTAN UTAR MALAYSIA Toll Road Balikpapan-Samarinda Balikpapan - SAMS International Palaran (Samarinda) International Operational Airport - Operational Cargo - Operational Toll Bridge - Balikpapan Bay Samarinda - APT Pranoto International Karingau (Balikpapan) International Offered for Investment Airport - Operational Cargo - Operational : Main Trade and Tourism Ports 938.85 km Total Road Length Toll Road Samarinda - Bontang Maratua Island Domestic Airport SEZ MBTK -International Airport Study Phase Operational Commissioning Test (Done)

Source: Transportation Service Agency & Public Works and Housing Agency of East Kalimantan Provincial Government

## **Human Capital And Minimum Wage**

The average of minimum wage in East Kalimantan in 2025 is IDR 3.579.313,77 (USD 217.84). This is more competitive compared to other industrial regions such as Jakarta (IDR 5.396.760 or USD 328.45) and Karawang Regency in West Java (IDR 5.599.593 or USD 340.79).





#### Vocational High School (SMK)



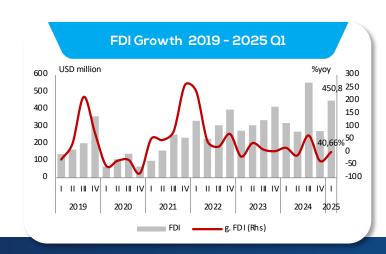
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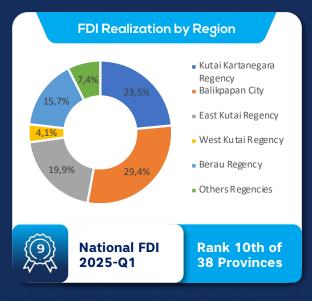
Graduates (2023/2024)

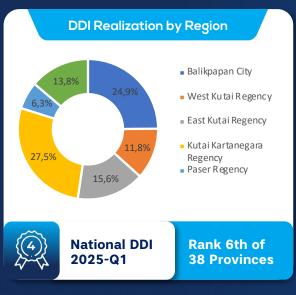


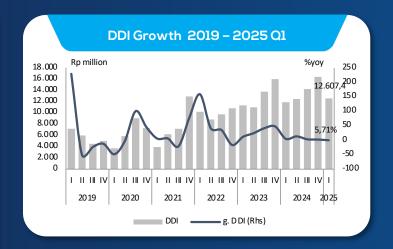
## **East Kalimantan Investment Performance**

The capital inflow in Foreign Direct Investment (FDI) in 2025-Q1 was valued at USD 450.8 million, which is higher than the same period last year by 40,66% (yoy). The majority of FDI has been invested in Balikpapan City with a value of USD 132.60 million. Meanwhile, Domestic Direct Investment (DDI) was recorded at IDR 12.60 trillion, representing a growth of 5,71% (yoy) from the same period of previous year, with the majority of DDI invested in Kutai Kartanegara Regency with a value of IDR 3.47 trillion.









Source: Ministry of Investment & DPMPTSP East Kalimantan Provincial Government

## **East Kalimantan Investment Realization**

In 2025-Q1, majority of both foreign and domestic investment to East Kalimantan was directed towards Mining sector. In 2025-Q1, FDI projects in East Kalimantan was 875 projects, absorbing 2,945 workers in total. The main country of origin for FDI was Singapore, accounting for 36.19% of the total, followed by Mauritius with 20.12%. On the other hand, East Kalimantan's DDI had 7,458 projects that employed a total of 20,281 workers.

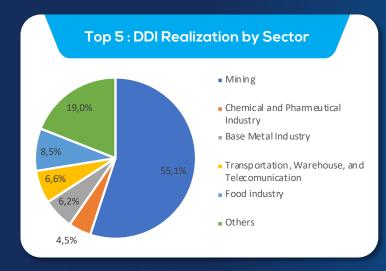
Top 5 FDI Realization by Countries in 2025-Q1

Rank	Country of Origin	Investment Value (Share in Total FDI Realization)
1	Singapore	USD 163.13 Million (36.19%)
2	Mauritius	USD 90.72 Million (20.12%)
3	China	USD 47.97 Million (10.64%)
4	India	USD 43.65 Million (9.68%)
5	England	USD 39.80 Million (8.83%)



Source: Ministry of Investment & DPMPTSP East Kalimantan Provincial Government





## 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



#### The Advantage of Using OSS



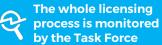
Business licences can be secured in under an hour







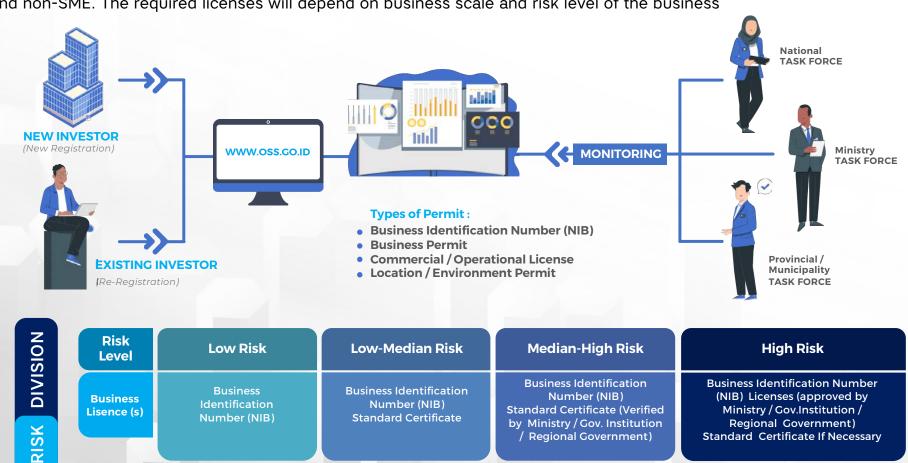




## Online Single Submission - Risk Based Approach (OSS-RBA)

#### 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



### **Investment Incentives**

Tax Holiday (MoF Regulation No.13/PMK.010/2020)

**Tax Holiday** 

An investment in pioneer industry

with a minimum value of IDR 500 bn

100% Reduction Rate (single rate)

10 Years IDR 5 Trillion - IDR 15 Trillion

20 Years IDR > 30 Trillion

15 Years IDR 15 Trillion - IDR 30 Trillion

50% CIT Reduction

for the next 2 years

IDR 500 Billion - IDR 1Trillion

IDR 1 Trillion - IDR 5 Trillion

#### **Incentives to Boost Industry Sector**

#### **BUSINESS EXPANSION**

- Tax Allowance
- Exemption or relief of import duty on capital goods, machinery or equipment
- Exemption or relief of import duty on raw materials or auxiliary material
- Exemption or suspension of VAT on the import of capital goods or machinery or equipment Depreciation or amortization
- Property tax relief
- Combine with Online Single Submission (OSS)

SPECIAL ECONOMIC ZONE

No collection of VAT & luxury

Customs tax exemption

#### **INDUSTRIAL ZONE**

- VAT exemption
- Import duty exemption
- Tax Allowance and Tax Holiday

#### **FREE TRADES ZONES & PORTS**

Exemption of: Import duty. VAT. Luxurv Goods Sales Tax (PPnBM). **Customs Duty** 

#### MICRO. SMALL. **MEDIUM ENTERPRISES**

Decreasing MSMEs Tax from 1% to 0.5% of aross revenue

#### **PIONEER**

Tax Holiday of Corporate Income

#### **INDUSTRY**

Sales from customs areas for SEs through the market

Non-small entrepreneurs/SE: to 0.5% income tax and 1%

# ransition

Subject

Reduction

5 Years

7 Years

Concession

#### An investment in pioneer industry with value between IDR 100 - 500 bn

**Mini Tax Holiday** 

50% Reduction Rate (single rate)

#### **5** Years

25% CIT Reduction for the next 2 years

#### **E-COMMERCE**

place will be subject to 0.5% income tax

VAT

- 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; I. 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.

## Group ndustry

#### Tax Allowance and Tax Holidav Suspension of Import Duty

0% Import Duty

goods sales tax

## **Investment Incentives**

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

#### **Tax Allowance**

(Govt. regulation No. 78/2019 - MOF Regulation No. 96/2020)

**30%** CIT **□** 

30% net CIT deductionfrom investment value in the form tangible fixed capital carried over 6 years period (5% every year).



Accelerated depreciation of tangible fixed assets and accelerated amortization intangible assets

10%

Imposition of income tax on dividends by 10%



Compensation for losses that occurs between 5 to 10 years.



Eligible for 166 business fields and 17 business fields in specific location

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	
Subject	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	
Industry Group	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	
Income Tax Reduction Rate	200% REDUCTION RATE, COMPRISE OF:  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.  Additional 100% deduction amounts to the previous point.	300% REDUCTION RATE, COMPRISE OF: STACES RPMK REAL COST 100% ADDITIONAL Commercialisasion 100% Registration Of Intellectual 50% Property Rights (IPR) In The Form Of Patents Or Plant Variety Protection Rights (PVT) In The Country Registration of IPR abroad / 25% Product Innovation Collaboration with 25% goverment / private R&D Institutions	Deduction of net income tax valued 60% of total investment for fixed assets including land used for main industrial activities.	
Period	The cost of building/physical facilities is charged according to the useful life of the fixed assets.  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.	Additional deductions from net income are charged for 5 years since the results of R&D are used.  When taxpayers have intellectual property as a result of the relevant R&D	The deduction of fixed asset including land used for main industrial activities; charged in certain period.	

## Investment Incentives From Regional Government

Incentive Administration and Facilitation Of Capital Investment In The Region













#### Incentive

Reduction, relief or release of regional tax

Reduction, relief or release of regional retribution

Facilitation of capital inclusion

Loan interest subsidies in regional bank

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

Provision of training for small-medium investors

Provision of investment promotion & capital opportunity

Acceleration of permission provision

East Kalimantan Province Regional Regulation No. 6/2015	SEZ MBTK Governor Regulation No. 53/2019	Balikpapan City Regional Regulation No. 11/2015	Bontang City Regional Regulation No. 1/2017	West Kutai Regency Regional Regulation No. 16/2015	East Kutai Regency Regional Regulation No. 2/2019
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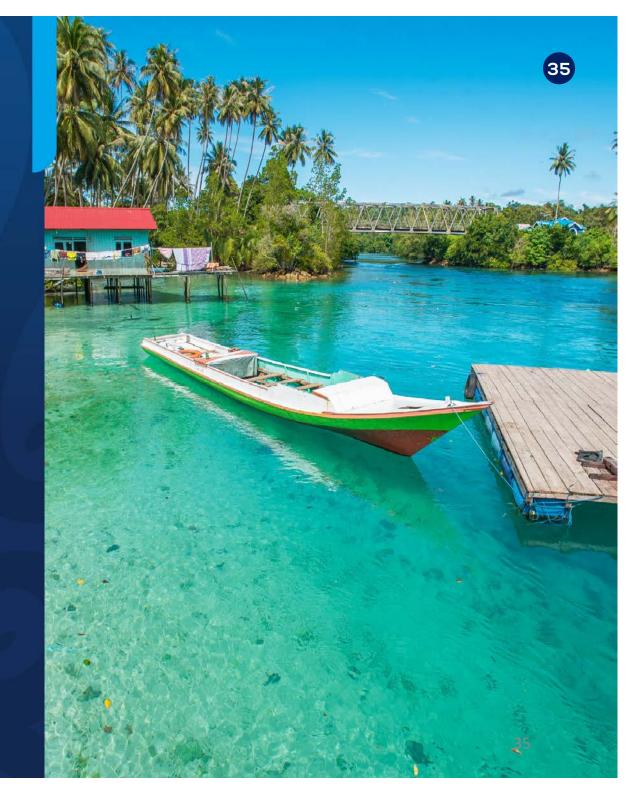
<sup>\*)</sup> Maloy Batuta Trans Kalimantan Special Economic Zone: Reduction incentive is given max. 50% of tax principal payable and administrative sanction being determined.

The reliefs applied for Vehicle tax (PKB), Vehicle transfer tax (BBN-KB), and Surface water tax (PAP) are given for max. 5 months since tax principal payable and administrative sanction being determined. For 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.

<sup>\*\*)</sup> Incentives is given to investors who conduct businesses in government prioritized area and/or strategic program

04.

Trade, Tourism,
Industry and
Investment
Opportunities in
East Kalimantan

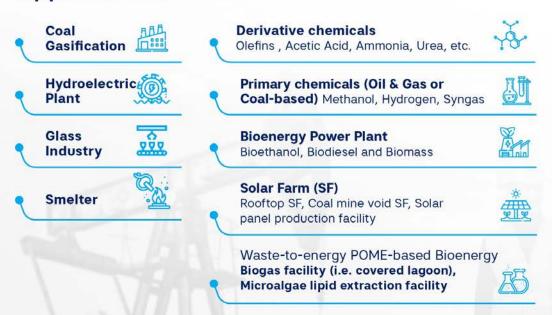


#### INVESTMENT IN

## **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**









# **Plantation Sector**

Plantation sector is one of the main sectors that drives East Kalimantan economy. In 2023, it accounted for 4.94% of the GRDP excluding CPO industry. The government pushes plantation and its derivatives industry to substitute mining and extraction sector as the biggest economic contributor due to its renewable sources. East Kalimantan is encouraging businesses to adopt and comply to sustainable practices (ISPO, RSPO standards) to protect environment and ecology.



3.2 million hectares

Dedicated plantation area
based on spatial plan.



**739 thousand hectares**Available plantation area for new license.

# Productivity

Commodity	Land Area (Hectares)	Productivity (Tons/Ha)		
Palm oil	1.473.772	16.197		
Rubber	115.717	1.519		
Cocoa	7.630	391		
Coconut	19.624	595		
Pepper	7.729	999		
Coffee	1.330	293		
Palm Sugar	1.132	1.092		

# **Top Commoditiy**



# **Opportunities**



# **Forestry and Environmental Sector**

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.

# Production

#### Timber

#### **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)

Source: Department of Environmental Services in East Kalimantan

## **Top Commoditiy**

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

# **Social Forestry**

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

Model	Form	Periode	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 & profitability

Improved business resilience by reducing Supply & Demand, regulatory and capital risks Increase customer trust Improved talent attraction

& retention

## 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.



#### **Wood Processing Industries**

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



#### Carbon Reduction Program

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



#### Municipal Waste Management

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



# **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.



#### 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

# **Top Commodity**

Commodity (Aquaculture)	Production in 2024 (tons)	Commodity (Aquaculture)	Production in 2024 (tons)
Seaweed (Gracilaria verrucosa)	24.487	Giant tiger prawn (Penaeus monodon)	12.784
Parrot fish (Oreochromis niloticus)	23.633	Snakehead murrel (Channa striata)	11.970
Eurasian Carp (Cyprinus carpio)	18.451	Seaweed (Eucheuma cottonii)	5.964
Milkfish (Chanos chanos) Whiteleg shrimp	17.517 16.490	Giant mud crab (Scylla serrata)	4.130
Iridescent shark (Pangasius Pangasius)	13,430	Spiny lobster (Panulirus argus)	16

Source: Department of Fishery and Maritime in East Kalimantan

## **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 US\$ 110 million from the Carbon Fund as an incentive to reduce 22 million tons of carbon emissions in East Kalimantan in the period of June 2019 to 2024.

# Opportunity

Integrated Seaweed Industry Muara Jawa (Kutai Kartanegara), Penaiam Paser Utara

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

Land-based Aquaculture Bontang (Salmon)

## Sall.

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

Fish Processing Industry
Bontana (Tuna.

Bontang (Tuna, Mackerel, Skipjack)



Freezer and Ice Factory Bontang (Tuna, Mackarel, Skipjack)



# **Tourism & Creative Economy Sector**

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







@paradiseoftheeast @kaltim.kreatif



Paradise Of The East

## Opportunity

#### Ecolodge Accommodation

New Capital City, Teluk Sumbang, Kanjungan Island



# Water Transportation - Water buses / Executive speedboat

Tanjung Redep (Berau) -Derawan Archipelago, Maratua Island, Kanjungan Island/ Teluk Sumbang



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

Mahakam river cruise : Samarinda – Tenggarong -Muara Muntai



#### Tourism Spot Management

Kumala Island (Themepark)



#### Glamping Accommodation

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



#### Tourism Boat : Public Transport

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



#### Thematic Restaurant

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



#### Thematic Recreational Park

New Capital City



Source: Bureau of Tourism East Kalimantan

# Wildlife Ecotourism



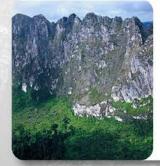
# **Orang Utan**

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 & Rehabilitation Centre



# The Sangkulirang-Mangkalihat Karst

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



# 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 Lake**

Living its name, 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.





# **Derawan Archipelago Marine Park**

Located just away from the mainland of East Kalimantan in the district of Berau, the Derawan archipelago comprises 31 islands, most well known among these are the islands of 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 no less 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 second only to the Raja Ampat Islands in West Papua. The Nature Conservancy and a team of international experts also found more than 870 species of fish here, ranging from tiny pygmy seahorses to giant manta rays.



Tropical paradise



# Kakaban Island, The Jellyfish Lake

East Kalimantan has one of the rarest tourism spots, the stingless jellyfish lake that only exist in one other place on earth. Four species of jellyfish crisscross 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.



Jellyfish lake

# **Ecotourism**



# The Mahakam River

Mahakam river is the most important body of water as an important logistic route to transport people, goods and commodities between upstream and downstream. Touring city through Mahakam River with boat is quite an exciting experience to try. The tour usually take around 3-5 hours and visiting attractive tourism spots around Samarinda and Kutai Kartanegara.



River Tour



## The Lakes Ecotourism

The Middle Mahakam Area (MMA) comprises the lakes Danau Jempang, Danau Melingtang and Danau Semayang and is located in a geological depression covering an area of about 4,000 square kilometers. The area has a high biodiversity potential in terms of breeding and migratory bird species and also hosts the symbol 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 the three lakes offer, but tourist can also explore social life and culture of the people reside around the lakes. East Kalimantan government provides water transportation to connect the three lakes and Mahakam river so that it can be reachable by Mahakam river cruise.



Lake ecotourism, Wildlife sightseeing



# Bengkirai Hill, Tropical Rainforest Tours

Bukit Bangkirai (Bangkirai Hill) is a 1,500-hectare natural tropical located about 58 kilometres Balikpapan. There are Bengkirai trees (Shorea laevis) growing to 40-50 m might, over 120 bird species and monkeys. Black orchids, among 45 kinds of orchids, are endemic to Bukit Bengkirai. Visitors can experience walking along in a 64-metre canopy bridge which connects 5 big bengkirai trees 30 m above the ground.

Kutai Kartanegara,
East Kalimantan
Bengkirai Hill

Tropical forest tour

# **Cultural Tourism**



# Dayak people

The Dayak people 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 Adat Kutai Festival**

Erau is an heritage ceremony celebrated by the Sultanate of Kutai Kartanegara Ing Martadipura, taking place in the city of Tenggarong, Kutai Kartanegara which initiated by the first King around 12th century as a royal celebration. Even after 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.



Art and culture festival



# **Cave Art, Mangkalihat Rock Art**

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.



Prehistoric cave art



## Hudoq, the ancestral dance from Mahakam Ulu

In respecting the mother earth for ancestral blessing of rich land and abundant agricultural results, A dance offering to the earth and ritual requests to the Almighty God is performed, 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 a single planting month. Hudoq means mask, Pekayang means to visit each other.

Mahakam Ulu,
East Kalimantan
Hudoq Pekayang
Festival

Traditional festival

# Investment Project Ready-to-Offer (IPRO)

in East Kalimantan

8 Opportunity Project

US\$ 3,659,1 Bio

Estimated 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	509,496	2,390.00
2.	Kaltim Industrial Estate	Bontang City	Warehousing	B2B/Private	198,04	234.00
3.	Balikpapan Waste Management	Balikpapan City	Utility	PPP	40,9 (with clear area 4 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
7.	Chemical-Based Palm Oil Derivative Commodities (Oleochemical)	East Kutai Regency	Agriculture	Private	21	537,5.00
8.	Food-Based Palm Oil Derivative Commodities (Oleofood)	East Kutai Regency	Agriculture	Private	8	190,6.00 4.

Special Economic Zones and Industrial Parks Opportunities in East Kalimantan



# **SEZ Maloy Batuta Trans Kalimantan**

## East Kutai Regency

#### 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**

Perusda Melati Bhakti Satya is a Government Owned Enterprise whose shares 100% owned by the Government of East Kalimantan. PD.MBS was established on 1996 based on Perda No.5 Tahun 1996. PD. MBS assigned to manage and develop government asset to enhance regional income which comes from the business in the field of forestry, mining, fisheries, tourism. PD. MBS located in Basuki Rahmat no.45, Samarinda, East Kalimantan.

#### Key Investment highlight



**Kutai Timur 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)



siness 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

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



Contact Person

**Muhammad Ade Himawan (CEO)** 

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# **Kaltim Industrial Estate**

## **Bontang City**

#### 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)

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Key Investment Highlight



Bontang East Kalimantan



Project Owner

Kaltim Industrial Estate Bontang, East Kalimantan



Total Area/Land Status 202.04 Ha Rates \$ 6-16.5 sqm/year



Business To Business

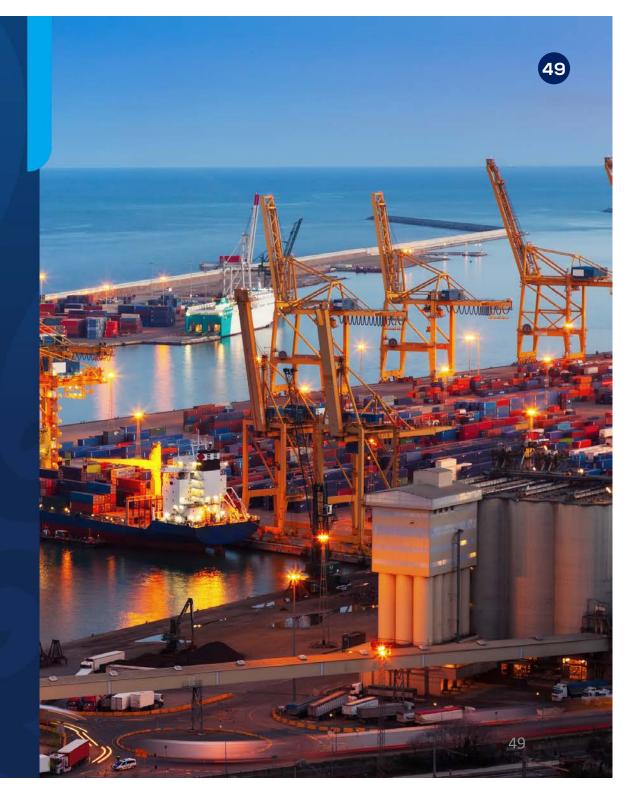


#### Infrastructure

- 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
- M SWRO Cap. 100 m3/h
- Matural Gas Supply and Facilities at KIE Bontang are provide by PT. Pertamina

Investment Project Ready-to-Offer in East Kalimantan



# **Balikpapan Waste Management Project**

## **Balikpapan City**

#### **Project Description**

 Balikpapan's waste management initiative is centered on the Manggar Final Waste Management Facility (TPAS Manggar) which spans 40,9 hectares, divided into 7 landfill zones managed by Balikpapan Environmental Agency. With 4 hectares clear area available for development, there is significant potential for the construction of advanced waste processing building.

Located in the strategic city of Balikpapan, East Kalimantan, TPAS Manggar finds itself in close proximity to Indonesia's forthcoming new capital "Nusantara", this project then serves

a rapidly growing population and busting industrial sector. Balikpapan Waste Management is planned to process waste with a capacity of 750 tons/day. To support the project, Balikpapan City Government will apply to Viability Gap Fund from the central government.

The TPAS Manggar site in Balikpapan functions as a controlled open landfill, employing minimal waste processing technology. Recognizing the need for improvement, the Local Government is actively seeking collaborations with investors to explore various waste-to-energy processing technologies. incineration emerges as a promising option, due to its ability to treat mixed waste with minimal pre-sorting requirements and a low reject rate of 10%. The main by-products, electricity are highly marketable and can be sold to households, electricity companies, and for captive power consumption.

#### Key Investment highlight



Balikpapan City East Kalimantan

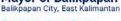


Recommended Tech Incineration



Project Owner

Mayor of Balikpapan





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



\$32,8 Million





IRR: 12,78% NPV: \$23,3 Million
WACC: 9,38% Land Ava.: 4 Ha
Concession Period: 23 Years
including 3 years construction

#### **Existing Facility**

•Grid-Connected Voltage 53.000 VA •Source of Water from underground deep well

Leachate treatment facility

·Weigh bridges & administration building

## **Project Owner**

Balikpapan Environmental 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

#### **Mochamad Harvanto**

(Balikpapan EnvironmentalDepartment Secretary) \$\&+62 813-4752-6319

□ hary1982anto@gmail.com/Dlh.balikpapan.go.id

# **Chemical-Based Palm Oil Derivative Commodities (Oleochemical)**

## SEZ MBTK, East Kutai Regency

#### **Project Description**

- The development of the palm oil-based chemical derivative industry (Oleochemical) holds significant value in Indonesia's economic development. As one of the world's largest palm oil producers, Indonesia has the opportunity to move beyond raw commodity exports and strengthen its downstream industry, increasing added value.t
- The establishment of the Maloy Batuta Trans Kalimantan (MBTK) Special Economic Zone (SEZ) serves as a strategic hub for oleochemical industries, leveraging East Kalimantan's position as the fifth-largest palm oil producer in Indonesia. This initiative supports sustainable industrialization, strengthens the national supply chain, and fosters economic linkages between regions, contributing to long-term economic growth and environmental sustainability.

#### **Project Owner**

PT. Maloy Batuta Trans Kalimantan (MBTK) is a Government Owned Enterprise whose shares 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. PD. MBS located in Basuki Rahmat no.45, Samarinda, East Kalimantan.

#### Key Investment highlight



# Project Owner PT.MBTK

Kutai Timur, East Kalimantan



Total Area. 21 Ha



Investment Valu

KBLI Code 20115 IRR 13.56 %

\$537.5 Million NPV \$119.375 Million

CAPEX \$82.5 Million OPEX \$112.5 Million WACC 9.80% Payback Period 10 Years 7 Months



#### 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





#### Contact Person

Muhammad Ade Himawan (CEO)

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# Food-Based Palm Oil Derivative Commodities (Oleofood)

## SEZ Maloy Batuta Trans Kalimantan, East Kutai Regency

#### **Project Description**

• The palm oil derivative industry (oleofood) has great potential to drive national economic growth, supported by abundant natural resources and a broad market potential, both domestically and internationally. East Kalimantan Province, as the fifth-largest palm oil producer in Indonesia, plays a crucial role in this development with its vast plantations and established supply chain that ensure a sustainable production process.

The Maloy Batuta Trans Kalimantan (MBTK) Special Economic Zone (SEZ) further strengthens the province's strategic position by providing infrastructure, tax incentives, and direct access to global trade routes, making it an attractive destination for investment. Additionally, the province's proximity to Indonesia's new capital, IKN Nusantara, offers further economic opportunities, particularly in supporting food security and industrial expansion.

#### **Project Owner**

PT. Maloy Batuta Trans Kalimantan (MBTK) is a Government Owned Enterprise whose shares 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. PD. MBS located in Basuki Rahmat no.45, Samarinda, East Kalimantan.

#### Key Investment highlight



# Project Owner PT.MBTK

Kutai Timur, East Kalimantan

Total Area. 8 Ha



Investment Value KBLI Code 20115 IRR 15.85 %

\$190.6 Million NPV \$33.58 Million

CAPEX \$56.31 Million OPEX \$64.37 Million WACC 8.50% Payback Period 8 Years





- 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





# Palm Oil Downstream Industry of Fatty Acid

## Kaltim Industrial Estate, Bontana City

#### **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 fullfillment 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 Bontang City, East Kalimantar



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



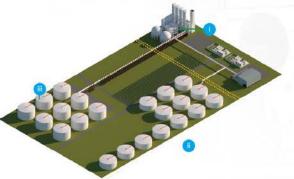
Investment Value KBLI Code 20115 IRR 14,6 %



- 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







- Area Plant Pengolahan Min Area 5 Ha
- Area Kilang Penyimpanan Bahan Baku & Hasil Produksi Min Area 10-15 Ha
- Min Area Untuk Fatty Acid Kapasitas Produksi Min Area 10-15 Ha

# 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.





#### Key Investment highlight



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





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



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



Business Scheme **Business To Business** 



Contact Person

Sophian AR

(Head of Division, Planning Department) 

# **Crumb Rubber Factory**

## **West Kutai Regency**

## **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 Kabupaten Kutai Barat 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.





Financial Feasibility (Prefeasibility Study)

(with capacity assumption of 140.000 tpy)

WACC 12%

Payback Period 7,6 Years

NPV \$1.1 Million

Economic lifetime 20 Years

Est. Investment Value
CAPEX US\$ 2.95 Million

IRR 16,53%

#### Key Investment highlight



#### Project Owner

Government of West Kutai

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



#### **Rusiness Schem**

Public Private Partnership

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

#### Land Requisite and Status

± 10 Ha (owned by public)

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



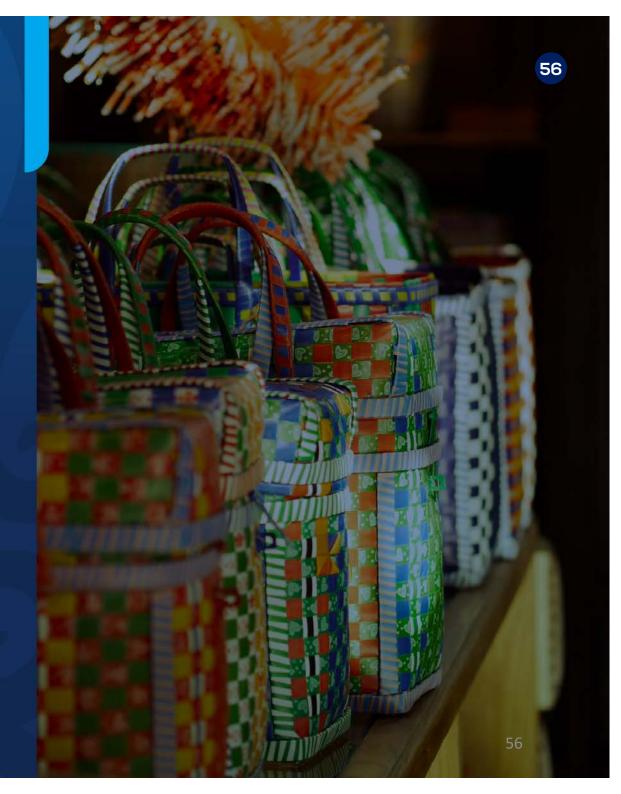
#### Contact Person

FX Indrajaya

(Head of Sub-Division, Investment Department) ♦ +62 822-5200-0345 ⊠ indrajaya7484@gmail.com



# List of Exporting SMES



# **Exporting SMEs: Food & Beverages**

#### PT. Qisbelian Snack Indonesia



- Amplang Kuku Macan (Fish Crackers)
- amplangqisbelin@gmail.com
- +62 857 5409 7905
- @qisbelin\_snack

#### **Bumi Etam Sentosa**



- Soft Shell Crab & Mud Crab
- bumietamsentosa@gmail.com
- +62 821188 95 777
- © @vreshcrab

### PT. Sekatup Sari Indonesia





- Gaharu (Agarwood) Tea Bag, Gaharu Cinamon Tea bag
- sekatup.sariindoensia
  @gmail.com
- +62 812 90 999 809
- www.tehgaharu.com

### PT. Tuman Jaya Mulia





- Panana Chips & Tempeh Chips
- 🔻 🗹 tumman.camilan@gmail.com
- +62 852 352 86471
- Tumman Camilan

# **Exporting SMEs: Fashion & Cosmetics**

#### Manika Kaltim





- Manik (Traditional beads) Handicrafts: Bags, Accessories, Home Decor
- manikakaltim@gmail.com
- +62 8524 6959 395
- @manika kaltim

#### Pemayuq By Pokant Takaq



- Traditional ulap Doyo (Dayak Art) Woven Fabric
- hamidahpokanttakaq@gmail.com
- +62 85 246 949 403
- @doyomunaq1

#### Hesandra Indonesia



- Kalimantan Batik Clothing, **Bags & Accessories**
- business@hesandra.com
- +62 87 810 628 391
- @hesandra\_indonesia

#### CV. Rama Borneo Sejahtera



- **Bedda Lutung Powder** Lulur
- cv.ramaborneosejahtera@gmail.com
- +62 11 5570 242
- @henny-beauty.com

# **Exporting SMEs: Other Product**

#### PT. Energy Borneo Resources Enternal



## King Madu Borneo



#### CV. Perintis Mitra Mandiri Sukses



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





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Ms. Shindy Almandasari



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