

**Event : Potential Collaboration of Malaysia Professional Services In Indonesia**

**Date : 2 September 2020 (Wednesday)**

Name : Mr. Arief S. Trinugroho

Designation : Head of Department of Investment & One Door Licencing Services North Sumatera Province

### **SUMMARY OF PRESENTATION INVESTMENT OPPORTUNITIES IN NORTH SUMATERA**

#### **Project Offered In North Sumatra**

1. Sei Mangkei Special Economic Zone (Sez)
  - I. Investors already invested in this area including: PT. Unilever Oleochemical Indonesia, PT. Industri Nabati Lestari, PT. Alternative Protein Indonesia, PT. All Cosmos Biotek, dan PT. Aice Sumatera Industry.
  - II. The Construction of Highway Tebing Tinggi– Kuala Tanjung will be completed in 2021 and many studies have been done to invite more investors
  - III. Apartment Kek Sei Mangkei will be built to support Sei Mangkei Special Economic Zone
2. Kuala Tanjung Industrial Area
  - I. Businesses operating in Kuala Tanjung that need large scale loading and unloading of goods. On that matter, PT Pelindo I (Persero) attempts to expand Kuala Tanjung Port to support large scaled foreign and domestic investment.
3. Sport Centre Development
  - I. Construction of the Main Football Stadium
  - II. Istora Building Construction
  - III. Aquatic Building Construction
4. Siantar – Parapat Railway Project
  - I. Siantar Martoba – Jorlang Hataran (26,5 km)
  - II. Jorlang Hataran – Girsang S. Bolong (27,5 km)
  - III. Girsang S. Bolon – Parapat (10,7 km)

Name :Mr. Abraham Lambe

Designation :Consultant ADS Legal Counsel

### **Summary of Presentation on How To Do Business on Services and Construction in Indonesia**

1. Indonesian Investment Climate in the Period of Covid-19 Pandemic
  - I. Second quarter 2020, investment is down 4.3% compared to the same period from the same period in the previous year.
  - II. Indonesian Capital Investment Coordination Board Badan Koordinasi Penanaman Modal (BKPM) to increase the realization of investment is by bringing in new investment to Indonesia.
  
2. Construction Services in Direct Investment
  - I. Each company who engage in Construction business field must be registered in Construction Association and this membership is one of requirement to obtain Sertifikasi Badan Usaha (SBU).
  - II. The foreign company shall engage with Indonesian's partner with experiences minimum of highest project's value of IDR 83,330,000,000 for 10 years or cumulative value of work at least IDR 250,000,000,000 in 10 years
  - III. After obtain Sertifikasi Badan Usaha (SBU) and Kartu Tanda Anggota (KTA), the construction company can obtain the Surat Izin Usaha Jasa Konstruksi (SIUJK) from Online Single Submission (OSS).
  
3. Construction Services in Indirect Investment
  - Establish the Representative Office
    - I. Obtain a Representative Office Permit from Online Single Submission (OSS)
    - II. Company are not meant to looking for income, only engages in marketing, research and development
    - III. The Chief of Representative Office must stay in Indonesia
  
  - Forming a joint operation with Indonesian Highly Qualified National Construction Services
    - I. The representative office will liase with the Indonesian Construction Company to undertake joint operation project
    - II. Establish joint operation agreement
    - III. For Construction Works or Integrated Construction Works:
      - a. at least 50% of cost value of project carried out domestically; and
      - b. at least 30% of the cost value is worked by the partner local construction company
    - IV. For Construction Consultation:
      - a. all construction consultation shall be carried out domestically;
      - b. at least 50% of the value cost of Construction Consultation carried by local construction company.

Name :Ms. Mei Tria Dian Sari

Designation :Head of Investment Promotion Section Investment Office Of Central Java Provincial Government

### **Summary of Presentation on Central Java Competitiveness And Potencies**

#### **List Project in Central Java**

1. Semarang Harbour Toll Road
  - I. The project is to construct  $\pm$  20.86 km of Semarang Harbour toll road which connects the Semarang - Batang Toll Road (SBTR) and Semarang-Demak Toll Road to complete the Ring Road around the City of Semarang.
  
2. Semarang City Light Railway Transit (Lrt)
  - I. Semarang has already had an urban public transportation with BRT system. Since the BRT does not have its own dedicated lane, the congestion problem still occurred and delayed travelling time from place to another.
  
3. Surakarta Street Lighting
  - I. The Government of Surakarta is proposing to revitalise the PSL public services within the city, covering 976 km city road network.
  
4. Dadimuria Regional Water Supply System
  - I. Dadimuria Regional Water Supply System will provide clean water for population in Grobogan Regency. The needs for clean water will be increase due to the growing population in this area.