

## **BKPM: Malindo Feedmill Soon to Build Rp 1.1 Trillion Factory**

JAKARTA - PT Malindo Feedmill (MF) will soon build a factory in Lampung with an estimated investment value of Rp 1.1 trillion. Previously, the construction of the factory had been hampered for six years due to land provision.

The Chairman of the Indonesia Investment Coordinating Board (BKPM) Bahlil Lahadalia said this effort was the result of cooperation between BKPM, Lampung Provincial Government, and the National Land Agency.

"We invited Malindo to build its factory. This is a very fast completion of stalled investment. Before COVID-19, we got a report, then the team finished it in the field. I would say many thanks to Mr. Attorney General who has fully supported BKPM," Bahlil said on Saturday (6/20).

BKPM is optimistic, this investment is very strategic considering the abundance of supply chains involving corn farmers, also to build agricultural industries, create jobs, and encourage other industries namely livestock. "The multiplier effect is good for the economy and job creation as well as absorbing the commodities of farmers there," Bahlil said.

The land issue had been a barrier for Malindo since 2014. It brought an impact in the form of the company's difficulties to build its subsequent factory. However, BKPM just received the report in March 2020. After receiving the report, BKPM held a meeting to discuss the Malindo problem at BKPM on 22 April 2020.

The Prosecutors Office then responded quickly and stated that the land was no longer problematic. It said that PT. Malindo Feedmill Tbk already possesses a Business Permit Number (NIB): 8120001761284 dated February 28, 2020, which is engaged in the pet food ration industry.

"The Prosecutor's Office has officially stated that there is no problem with the land. So, Malindo can continue the realization of its investment," said BKPM Director of Investment Implementation Control Region I Agus Joko Saptono.

The presence of the new factory will spur the investment realization in Lampung and then create a domino effect on the local economy. It also becomes a buffer zone for industrialization in Java island.

In the first quarter of 2020, Lampung Province acquired the Domestic Direct Investment (PMDN) realization of Rp 4.66 trillion, with 290 projects in total. On the other side, the value of Foreign Direct Investment (PMA) realization reached US\$ 349.7 million (around Rp. 5.035 trillion), with 124 projects.

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