

BKPM Chairman Visits Hyundai to Ensure the Investment and Production Goes as Planned

Indonesia Investment Coordinating Board (BKPM) Chairman Bahlil Lahadalia made a visit to PT Hyundai Motor Manufacturing Indonesia (HMMI) factory in Cikarang Tengah, Bekasi (17/4). The visit was intended to see the development of the factory construction and to discuss efforts to ensure the South Korean company could complete all targets on schedule. The Hyundai project worth USD 1.55 billion is targeted to be completed in 2030 and will absorb 3,720 workers in 2 stages of development.

BKPM Chairman said that both governments, Indonesia and South Korea, had a firm commitment to assist and facilitate all Korean investors in Indonesia. This includes the construction of a Hyundai car factory which is planned within 2 years.

"The commitment to build the factory was signed when I accompanied President Joko Widodo during his visit to Korea last year. Today we can see clearly, they are still manage to carry out their projects even though in the middle of the COVID-19 pandemic, of course by following SOP given by the government. This should be an example for other investors who are running a business in Indonesia, that although in the middle of the COVID-19 does not mean the business stops", said Bahlil while visiting Hyundai factory (17/4).

In addition, Bahlil asked for a commitment to avoid termination of employment (PHK) of its employees in the midst of the COVID-19 pandemic. BKPM convinced Hyundai that the project is important to keep running to boost Indonesia's economic growth to keep moving.

BKPM Chairman also said that initially the groundbreaking would be carried out immediately but was delayed due to the COVID-19 pandemic. "But I appreciate it because Hyundai is still targeting to have production in December 2021. We will be the first country in Southeast Asia to produce electric cars. We must support it", Bahlil said optimistically.

Hyundai Asia Pacific President Lee Young Tack said that Hyundai understands that at this time is a difficult situation faced by Indonesia and the world. But all company plans will continue to run without delay.

"Thanks to strong support from the Indonesian government, especially BKPM, there are no problems in our project. Thank you very much. We will run this project as planned and will start production in December 2021. Indonesia is important for Hyundai because of its enormous potential and capacity. Indonesia will be the base of Hyundai's first production center in the ASEAN region and we will also export to Asia Pacific countries", said Lee Young Tack.

Hyundai will begin commercial production in December 2021 with an annual capacity of 150,000 units and is targeted to reach 250,000 units per year when reaching full capacity. In addition to meeting the

needs of Indonesia's local market, the company will also export its products to the main markets in the Asia Pacific region, especially Vietnam, Thailand, Malaysia, and the Philippines.