



**PRESS RELEASE**

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**BKPM: Batang Integrated Industrial Estate (KIT) Pursues Development Targets to Attract Investors**

Jakarta, August 18, 2020 - The development of the Batang Integrated Industrial Estate (KIT) in Central Java continues to be boosted to meet the interests of investors who will open their factories at the site. Last week (13/8) the Investment Relocation Task Force Team of Indonesia Investment Coordinating Board (Satgas BKPM) brought in a potential investor from South Korea who is ready to invest in Indonesia.

BKPM Deputy Chairman for Investment Promotion Ikmal Lukman stated that the consortium managing KIT Batang consisting of PT Perkebunan Nasional IX (Persero) (PTPN IX), PT Pembangunan Perumahan (Persero) (PP), PT Kawasan Industri Wijayakusuma (Persero) (KIW) and regional companies always coordinate with BKPM regarding the progress of land preparation.

"One month since the President's visit at the end of June 2020, land clearing has reached 25 hectares. If there are investors committed to a land, then the development of that land can be prioritized", said Ikmal.

The need for supporting infrastructure inside and outside the Batang KIT is pursued to be completed immediately. According to Ikmal, the Batang Regency Government and the KIT Batang consortium are moving fast and aggressively to accelerate the development. One of the concerns is the construction of a connecting road from the exit route to KIT Batang and the main road for the area starting in August 2020.

"With the support of the Toll Road Regulatory Agency (BPJT) of the Ministry of Public Works and Public Housing (PUPR), the Batang Regency Government and the consortium, a temporary exit toll at kilometer 372 has been built, while waiting for the construction of a permanent intersection exit route in September 2020", added Ikmal.

Meanwhile, other facilities such as the Cirebon-Semarang (Cisem) gas pipeline will begin construction at the end of September 2020, with a target of completion within 6-12 months. It is estimated that the gas flow by PT Perusahaan Gas Negara Tbk (PGN) is ready to be distributed by the end of 2021 or early 2022. Meanwhile, the electricity supply at the Batang KIT is prepared from the 2x1000 MW Batang PLTU.

"We plan this area will be ready for development by potential investors in early 2021. Seeing the support from the central government and regional governments to accelerate the licensing process and the consortium's readiness to execute in the field, we are optimistic that this target will be achieved. Or even faster," said Ikmal.

The construction of the Batang KIT is divided into 2 stages of development. Phase 1 is the development of 450 hectares of land, then the next stage covers a total area of 4,300 hectares. To

accelerate this effort, a small team has been formed consisting of the government and BUMN, including BKPM, Ministry of BUMN, Ministry of Transportation, BPJT Ministry of PUPR, Ministry of Industry, PT Pembangunan Perumahan (PP), and PT Jasa Marga.

KIT Batang is targeted to be a pilot industrial area in cooperation between the government and BUMN, with basic and supporting infrastructure concepts provided by the government. Infrastructure includes road access for toll and non-toll roads, the supply of raw water and clean water, railways, electricity, gas, dry port and port.

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