

Fostering Growth
BP Batam 50th Anniversary



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BP Batam 50th Anniversary



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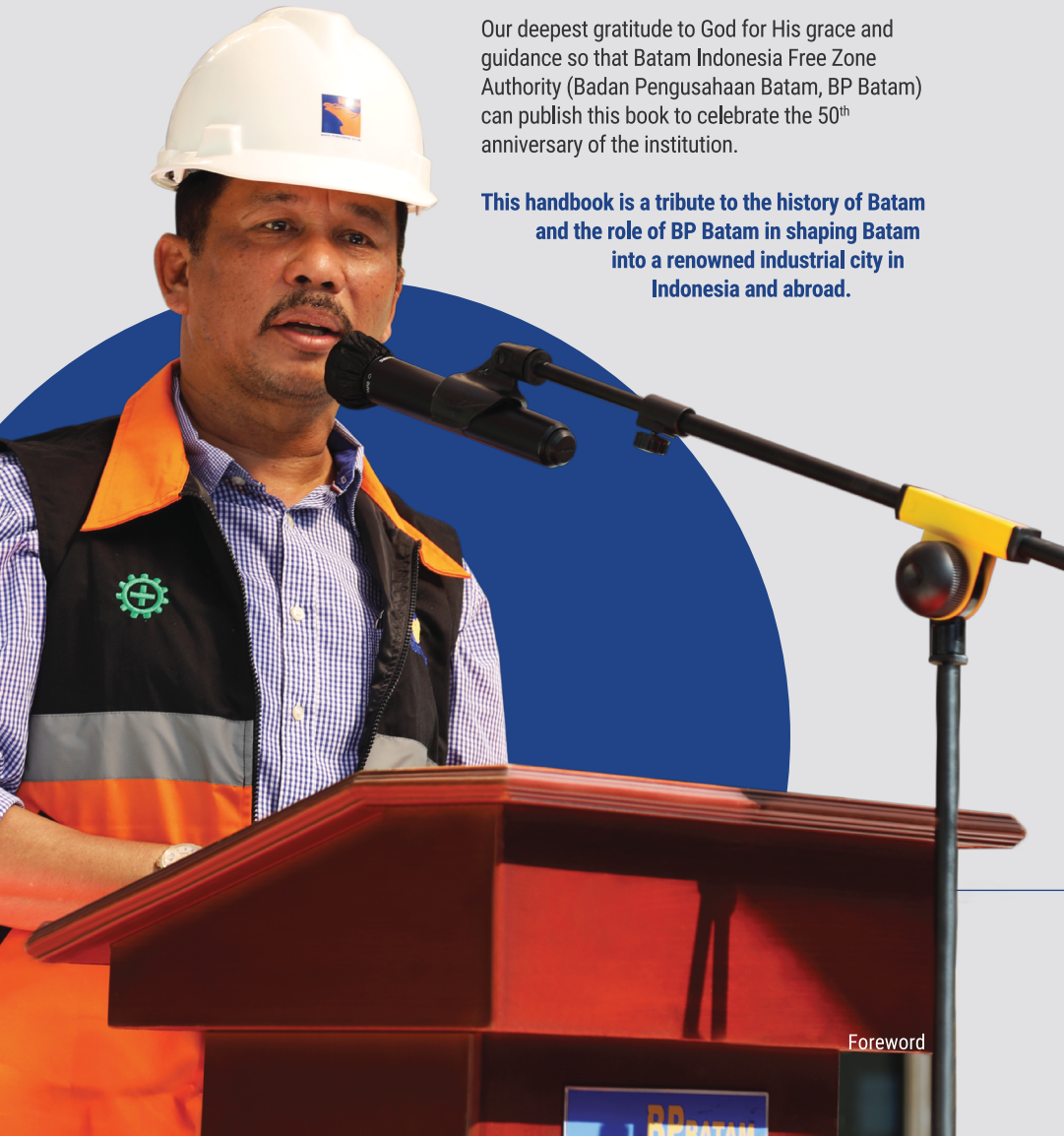
40 Closing

“

Batam's appeal as **an industrial city** different countries in Asia, Europe,

Our deepest gratitude to God for His grace and guidance so that Batam Indonesia Free Zone Authority (Badan Pengusahaan Batam, BP Batam) can publish this book to celebrate the 50th anniversary of the institution.

This handbook is a tribute to the history of Batam and the role of BP Batam in shaping Batam into a renowned industrial city in Indonesia and abroad.



/ began to entice investors from and America in the early 90s.



This book also acts as a promotional medium for **the dissemination of investment opportunities in Batam.**

Batam, the largest city in Indonesia's Riau Islands province, has gradually become an appealing global investment destination over the years.

Acknowledged as one of the world's leading investment destinations, **Batam endured the economic crises that arisen in 1998 and 2008.** Despite the economic crisis, Batam recorded economic growth of 3.08 percent in 1998 and 7.18 percent in 2008. Even amid the global COVID-19 pandemic, Batam's managed to minimize the downturn by managing the contraction to the economy by 2.2 percent or similar compared to the national economy that contracted by 2 percent.

Batam's appeal as an industrial city began to entice investors from different countries in Asia, Europe, and America in the early 90s. Only in one decade from early 1990 to 2000, the total realized investment in Batam has touched US\$1.2 billion with Singapore, Japan and Switzerland become the three largest investing countries.



It has resulted in favorable economic growth for the island, a testament to how robust economic activities on the island are. Last year alone, **export and import have a strong growth that reaches US\$9.52 billion and US\$8.51 billion respectively.**

This book hopefully will give its reader a glance at the bright future for Batam island, where the potential for investments is limitless for the next 50 years.

Muhammad Rudi

Chairman of BP Batam

Foreword



Airlangga Hartarto

Coordinating Minister for Economic
Affairs of the Republic of Indonesia

Thanks to God for his blessing and guidance so that Batam Indonesia Free Zone Authority (Badan Pengusahaan Batam, BP Batam) can celebrate its 50th anniversary and publish this interesting book.

First, we would like to express our deepest gratitude to the Chairman of BP Batam, Mr. Muhammad Rudi, and all his staff who have served for the advancement of Batam.

Furthermore, we wish BP Batam a happy 50th anniversary and thank you for shaping Batam into an appealing industrial city, which is evidenced by the many world-leading companies that have invested in Batam.

“ Looking at the development of Batam in the last 50 years, we believe that BP Batam can bring Batam to be the most advanced Industrial City in Indonesia, and highly competitive even on the international stage.”

Indonesia is committed to improving competitiveness and the investment climate through structural reforms by combining 76 regulations into one through the Omnibus Law system in Law no. 11 of 2020 concerning Job Creation. The ease of business licensing would encourage more foreign investment to enter Indonesia and Batam will be one of the country's forefront for investment. **Indonesia is facing challenging times amid the pandemic, and a high-quality investment in manufacturing that leads to more employment is one of the keys to economic recovery.**

We believe that in the future **BP Batam can always contribute and play a role in realizing the State of Indonesia to become one of the countries with the strongest economy in the world in 2045.**

**This book is a tribute
to BP Batam's enduring
commitment to developing
Batam in the last five
decades and enhancing
its future potential.**



Opportunity doesn't happen, one must create it.

BP Batam has created opportunities for the island of Batam
and made it a successful destination for investment.

An aerial photograph of a multi-lane highway interchange. A large, semi-transparent white number '1' is superimposed over the center of the image. The highway has several lanes with cars and motorcycles. In the background, there is a residential area with houses and a hillside covered in dense green trees. The text 'Origin of Success' is written vertically in a white, outlined font on the right side of the image.

1 Origin of Success

Origin of Success

Some say aging is not lost youth but a new stage of opportunity and strength. Maturing as one of the leading government institutions in Indonesia, Badan Pengusahaan Batam (BP), or the Batam Indonesia Free Zone Authority is embracing the bright opportunity ahead as it will celebrate its 50th or golden anniversary on October 26, 2021. BP Batam has been instrumental in growing the island, from an empty wilderness that is almost uninhabited to an industrial city that is renowned in Indonesia today. Now the institution aims to grow the island to a whole new level in the next 50 years and beyond.

BP Batam is an institution authorized by the Central Government of the Republic of Indonesia to manage the Free Trade Zone and Free Port of Batam as regulated in Law Number 44 of 2007.



BP Batam reports directly to the Regional Council (Coordinating Minister for Economic Affairs of the Republic of Indonesia).

When Suharto became the second President of the Republic of Indonesia, a new chapter of Batam Development began when Batam Island was handed over to Mr. Ibnu Sutowo to be developed, with the initial idea that the island will be developed for oil refinery or logistics.

Over time, due to the development of Batam, on October 26, 1971, President Soeharto issued Presidential Decree (Keppres) No. 74 of 1971 to develop the island as an Industrial Area. Hence every October 26 is always commemorated as the anniversary of the Batam Industrial Development Authority (BIDA) or Batam Authority (OB) or what is now called Badan Pengusahaan Batam (BP Batam).





Leadership is the capacity to translate vision into reality, B
P Batam has been graced with many aspiring leaders over the years.
**These leaders have put their thought and ideas to transform Batam into
an industrial powerhouse like it is today.** Each of their innovation has contributed
to the evolution of Batam, one of the premier investment destinations in Indonesia.



2 List of Aspiring Leaders

10th

Under Muhammad Rudi's leadership, BP Batam focuses on facilitating licensing for the public and investors as well as increasing investment in Batam. He has made doing business much easier by cutting the lengthy bureaucracy for a license.

He has been instrumental in setting up several major projects in the Special Economic Zones (SEZ) of Batam. Two of the notable examples are the development of such as the SEZ for Maintenance, Repair, and Overhaul (MRO) which is a collaboration between Lion Air Group and also SEZ Digital in Nongsa Digital Park. The development of infrastructures such as airports and ports is also Muhammad Rudi's main focus in leading BP Batam.

Rudi also led BP Batam in a challenging time amid a global pandemic. Aside from managing and growing investment for Batam, he is also active in supporting the government in the effort of containing the spread of the COVID-19 virus. He often visits vaccination sites and doing impromptu visits to ensure health protocols and social support are well delivered to those in need.



2019

Edy Putra Irawady



Transitional Period of Reform and Performance Improvement of BP Batam, to Realize Advanced, Equitable and Sustainable Batam Development for the Unitary State of the Republic of Indonesia

Edy Putra Irawady was appointed by the Coordinating Minister for Economic Affairs as Chairman of BP Batam in the Transition Period with three main tasks, namely Unifying Business Processes in PTSP, Analyzing the Job Description of the Chairman of BP Batam when concurrently by the Mayor in the future, and Reporting Investment Developments in Batam.

To fulfill his duties, Edy immediately updated the integrated business licensing system, namely the Online Single Submission (OSS), hereinafter referred to as Indonesia Batam Online Single Submission (IBOSS) that integrates licensing services with the OSS system to increase the speed of investment in Batam.

2017 – 2018

Lukita Dinarsyah Tuwo



Period of Reform and Performance Improvement of BP Batam, to Realize Advanced, Equitable, and Sustainable Batam Development for the Unitary State of the Republic of Indonesia

Lukita Dinarsyah Tuwo has been successfully orchestrating a turnaround after a plunge of economic growth a year prior, thanks to priority programs for increasing investment, tourism, industrial improvement, and digital Economy, development of logistics centers, in collaboration with the Batam municipality and Other Institutions.

Positive synergy with stakeholders continues with the MoU for the Transfer of 5 BP Batam Assets to the Batam municipality, cooperating in preventing drug trafficking by signing a Memorandum of Understanding between BP Batam and the National Narcotics Agency of the Republic of Indonesia. Cooperation with the Riau Islands High Court regarding the Implementation of the Civil Sector and signing an MoU with the Maritime Security Agency of the Republic of Indonesia.

2016 – 2017

Hatanto Reksodipoetro

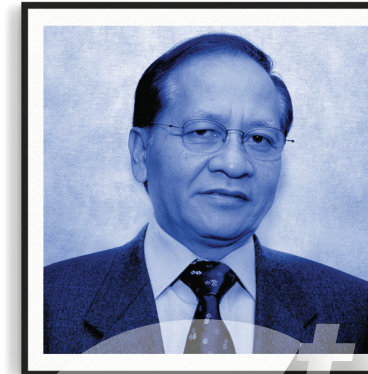


Period of Improving the Performance of Free Trade Areas and Free Ports of Batam with Real Work Towards an Internationally Competitive Area

During his tenure, BP Batam carried out many internal changes both in terms of human resources, systems, and bureaucratic processes, with the spirit of change, revitalizing what was previously done manually, face to face, with the potential to cause a moral hazard. He successfully transformed the entire manual system into an online system.

2005 – 2016

Mustofa Widjaja



Batam Development Period with Emphasis on Improvement of Facilities and Infrastructure, Investment, and Environmental Quality

Mustofa Widjaja was successful in getting a clear Batam Authority institutional status with the issuance of the Batam Free Trade and Free Port Law, as well as Government Regulation No. 5 of 2011. Amid the dynamic transformation of Batam Authority to BP Batam, Mustofa Widjaja managed to convince the public that the existence of BP Batam is crucial and indispensable.

1998 – 2005
Ismeth Abdullah



Period of Infrastructure and Facilities Development and Continued Investment with Greater Attention to People's Welfare and Improvement of the Investment Climate

Ismeth Abdullah's period was challenging because of the regional autonomy, which gave birth to the Batam municipality in the free trade area and free port of Batam (Law Number 53 of 1999).

Thanks to his proposal, the existence of the Batam Authority in government administration can be maintained.

1998
J.E. Habibie



Continuation Period

B.J. Habibie resigned as the chairman of the Batam Authority when he was elected by the People's Consultative Assembly (MPR RI) to become the 7th Vice President of the Republic of Indonesia.

Shortly his younger brother, J.E. Habibie became the Chairman of the Batam Industrial Development Authority, only to later resign to protect his older brother's image from corruption, collusion, and nepotism.

1978 – 1998
B.J. Habibie



Period of Infrastructure Development and Investment

In subsequent developments, President Soeharto saw the need for Batam to be developed as a high-tech industrial area. To make this happen, B.J. Habibie, who at that time served as Minister of Research and Technology became the Chairman of the Batam Industrial Development Authority in 1978.

During his tenure, Batam development was very rapid and became not only for Pertamina's logistics base, but also turning Batam into a national project that provides high added value for the national interest by making Batam Island an area of high-tech industry, trade, transfer of ships, and tourism. In the process, he has transformed Batam to become a successful and competitive Industrial Estate.

1976 – 1978
J.B. Sumarlin



Consolidation Period

When Pertamina experienced a crisis, J.B. Sumarlin, who at that time served as Minister for Administrative Reform, Deputy Chair of Bappenas, and Chair of Opstib, was given the task by President Suharto to become the second Chairman of the Batam Authority. He played a role in turning Batam into a Bonded Warehouse Zone and assigning Port Management authority to the Batam Authority.

Along with the implementation of Batam's development based on the 1972 Master Plan which was supported by the determination of Batam as an industrial area based on Presidential Decree No. 41/1973, several foreign companies (investors) began to be interested in investing in Batam. It was recorded that 9 companies had invested and 9 companies had the potential to show interest in investing in Batam at that time.

• 1971 - 1976 •

Ibnu Sutowo



Preparation Period

Ibnu Sutowo was the first Chairman of the Batam Industrial Development Authority. Known also as the President Director of Pertamina and the Minister of Oil and Gas Affairs (ESDM), he pioneered Batam Island as an industrial area and center for ship transfer activities and made Batam a Pertamina Logistics Base.

During his leadership, Presidential Decree (Keppres) Number 41 of 1973 concerning Batam Industrial Development Authority is responsible for developing the growth of the Batam industrial area, authority in the designation and use of land in the context of developing Batam as an industrial area.



Being an unfertile land for agriculture has been a blessing that **transformed Batam into a manufacturing epicentrum, complemented with a population in a productive age**, the island has an impressive economic growth.

An aerial photograph of an industrial facility, likely a refinery or chemical plant, situated along a body of water. The facility features numerous large, cylindrical storage tanks, various industrial buildings, and a complex network of pipes and walkways. A long pier extends into the water in the foreground. The background shows a hilly landscape under a blue sky with scattered white clouds. A large, semi-transparent white number '3' is overlaid on the image, partially obscuring the industrial structures.

Batam at Glance

Batam at Glance

Batam, which is part of the Riau Islands Province has an ample area for future investment. **It has a land area of 715 km², while the total area reaches 1,575 km².** The island is also strategically located, as to the north, Batam is bordered by the Singapore Strait, to the south by Lingga District, to the east by North Bintan District, to the west by Karimun Regency, and Moro to Karimun Regency.



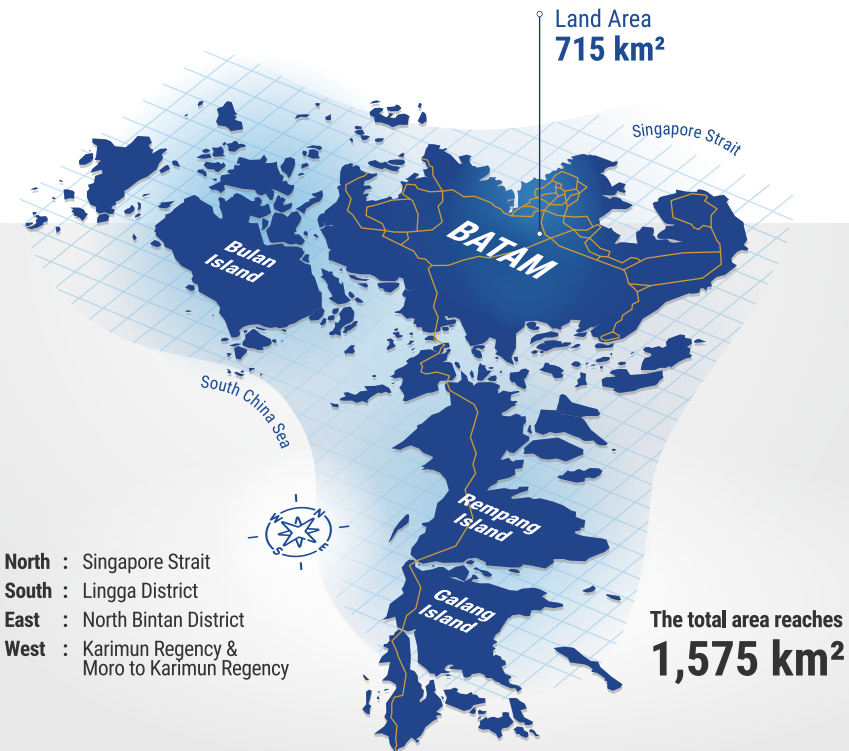
Batam Island is
an Earthquake-free Area



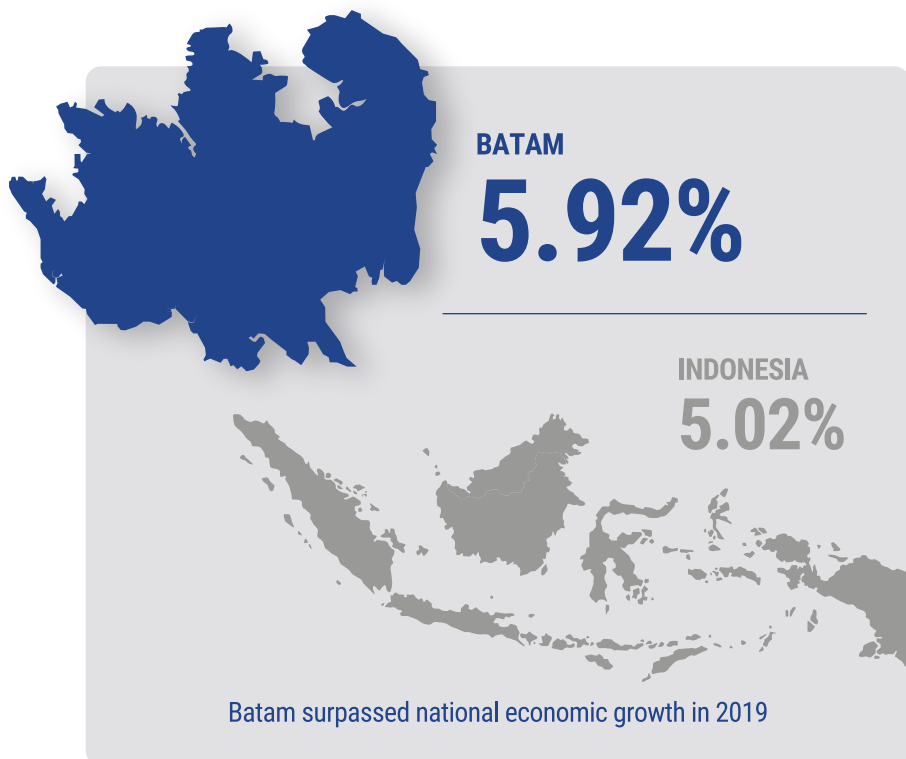
Wet Tropical Climate
November to December



Average Temperature
25 to 34°C



Although Indonesia is within the ring of fire, fortunately, Batam is not included and thus making the island an earthquake-free area. Batam has a hilly and valley plain contour, the soil is red soil which is less fertile so it is not suitable for agricultural land. Batam has a wet tropical climate with the highest rainfall from November to December, rain is also the main source of water for the needs of its residents, Batam's average temperature ranges from 25 to 34 degrees celsius.



Source: Batam Central Statistics Bureau (BPS)

Batam has a tropical climate, hence making Batam an industrial city is a fitting strategy. It has proven to be successful where the work of the majority of Batam's population works in the private sector, then there are 26 industrial areas as of 2021. Even more impressive, **Batam's economic growth in 2019 grew above the national growth of 5.92%** while the national economic growth in the same year was 5.02%.

Batam's population is dominated by a productive age group

Age 15 - 64

70.31%

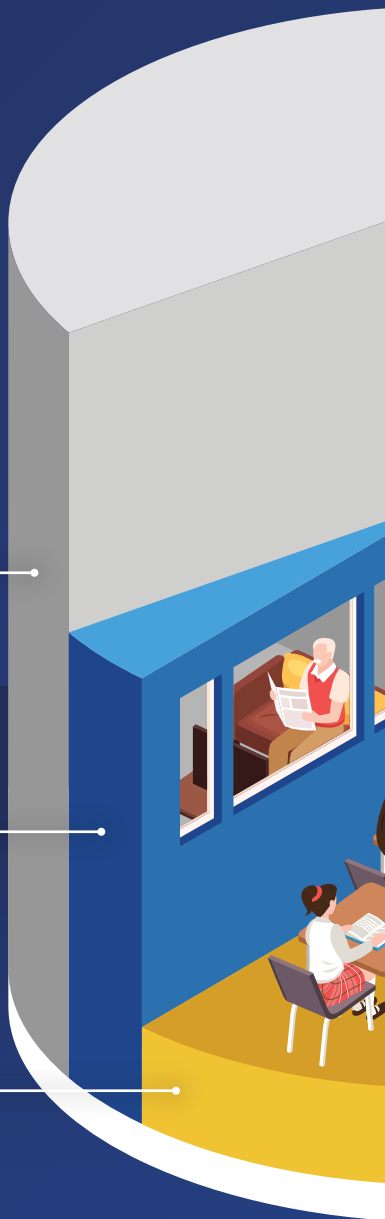
Elderly

3.67%

Age 0 - 14

26.02%

Source:
Batam Central Statistics Bureau (BPS)





In 2020 according to data from the Batam Central Statistics Bureau (BPS).

The island has a population of 1.196 million people, this is 57.59% of the total population of the Riau Islands.

The total population of productive age 15 - 64 years in Batam is 70.31%, aged 0 - 14 years has a share of 26.02%, and the elderly is 3.67%.

Based on the data, Batam is in the demographic bonus period, where **the productive age is much greater than the unproductive age.**

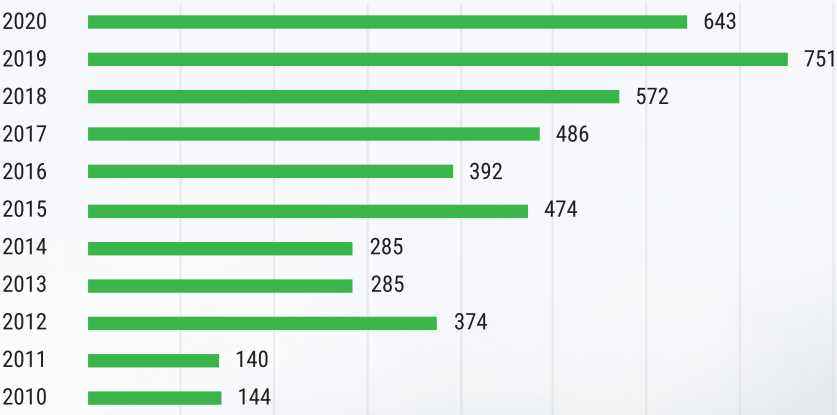
Manufacturing Powerhouse

Batam has been a prime example as a destination for investment and investment in Batam has soared in the last decade, with investment realization has grown an impressive three-fold increase from US\$144 million in 2010 to US\$643 million in 2020.

Even during these challenging times, Batam managed to showcase its quality and capacity to the world. As one of the examples of how the island showed its capability as a reliable home for investment, Batam has successfully contained the COVID-19 pandemic in the island, this is evident with the low case of less than 30 new cases per day as of the end of August.



Batam Investment Realization 2010 - 2020



Investment Realization (US\$ million)
Source: Batam Central Statistics Bureau (BPS)



Top 10 Batam Export Destination 2020

	Singapore  3,040,215,691.90 kg FOB  US\$3,739,397.61		United Arab Emirates  140,985,000.86 kg FOB  US\$171,116,257.60
	China  570,156,863.42 kg FOB  US\$568,655,476.05		Netherlands  120,255,455.90 kg FOB  US\$169,263,537.02
	India  324,602,485.22 kg FOB  US\$340,354,503.85		Japan  64,839,115.67 kg FOB  US\$255,800,351.34
	United States  303,823,554.81 kg FOB  US\$1,884,371,912.37		Germany  56,812,127.86 kg FOB  US\$248,751,293.18
	Spain  202,003,822.52 kg FOB  US\$164,349,149.53		France  17,867,126.53 kg FOB  US\$228,426,310.37

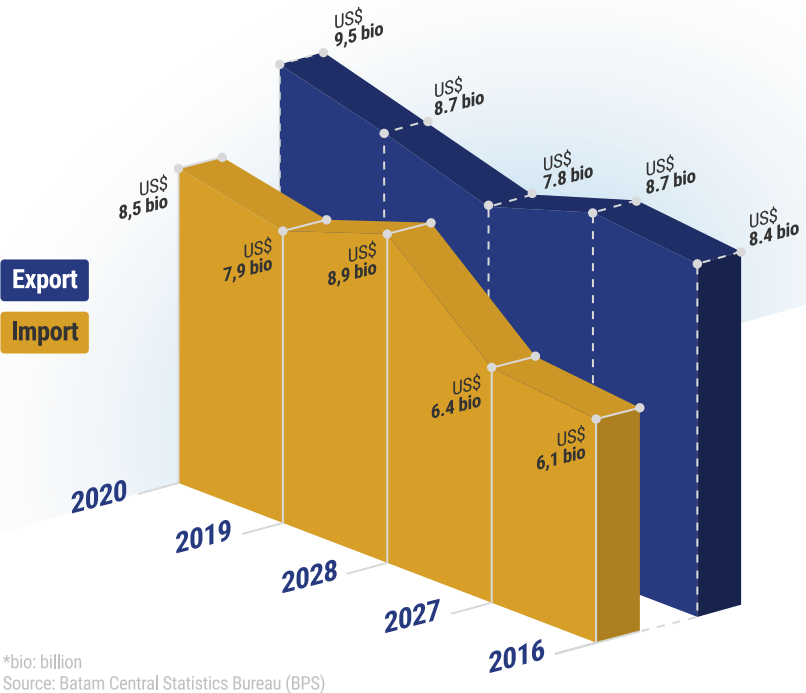
Source: Batam Central Statistics Bureau (BPS)

The favorable condition has supported the business activities and boosted foreign investment in Batam, as of **the first quarter this year the foreign investment realization has soared by 123% to US\$171.4 million from US\$76.9 in the same period the previous year.**

In the first quarter of this year, the biggest foreign investment came from Germany that contributed US\$69.4 million, followed by Singapore with US\$38.7 million, and Japan with US\$22.7 million.

The robust manufacturing sector in Batam resulted in strong export and import performance, last year alone the island has an export of US\$9.52 billion and an import of US\$8.51 billion. While for the first quarter this year, non-oil and gas exports have grown by 6.68% compared to the same period last year to US\$2.31 billion from US\$2.16 billion.

Batam Export and Import 2015 - 2020



Last year, Batam's industry was dominated by machinery, electronics, medical instruments, electrical equipment, optics, and clocks with an investment value of \$285.2 million. This was aligned with the dream of former BP Batam chairman and one of the initiators of Batam's development, the late B.J. Habibie that wanted Batam to be developed into a high-tech industry. This allows for the transfer of technology and know-how from the developed countries, making Batam one of the most advanced cities and contributed to the development of human resources in Indonesia.

Batam's Hang Nadim airport serves more than one million people, almost 30 million tonnes of cargo, and almost 24,000 airplanes last year.

The airport that was built almost four decades ago currently has the second-longest runway in Indonesia that spans 4,025 meters.











Supporting Growth

Batam has an array of supporting privileges for investment that made it atypical compared to other regions. Investors could maximize their business by using the Free Trade Zone, Special Economic Zone, to Batam Logistic Ecosystem that will provide easier means of doing business in Batam.

Free Trade Zone (FTZ)

Batam-Bintan-Karimun a Free Trade Zone (FTZ) is a policy that exempts the area from several customary rules, including taxes and levies. Launched on January 19, 2009, in this area trade is governed by a wide range of certain regulations, to attract more investors, particularly foreign investors, and to increase the competitiveness of Batam as an industrial city among other cities in Southeast Asia. The clause is stipulated in Government Regulation No. 2 of 2009 concerning Customs, Taxation and Excise Treatment, and Procedure for the Entry and Releasing of Goods to and from Zones are Determined as Free Trade Zone and Free Port.



Some of the conveniences that will be obtained:



No Import-export
Fees



No Vat



Exemption on the Sales
Tax of Luxurious Goods



Tax Allowance



A Generalized System
of Preferences



Tax Holiday



Super Deductible
Tax Facilities

The FTZ policy will certainly help investors in getting goods and materials into the island.



Special Economic Zone (Kawasan Ekonomi Khusus/KEK)

Batam currently has two newly launched Special Economic Zone (KEK), as recently president Joko Widodo has issued government regulation (PP) number 67/2021 for Batam Aero Technic and PP number 68/2021 regarding Nongsa Digital Park. The two new KEK specializes in technology and aviation that will meet the challenge and opportunity in industrial revolution 4.0. KEK are areas designed to maximize industrial activities, export, import, and other related activities which has high economic value. Furthermore, the areas are given certain facilities and incentives to increase the competitiveness among the countries nearby. Both the increasing competitiveness and the incentives are expected to be the pull factors to attract investors to the region.

Free Trade Zone and Free Port (KPBPB)

Free Trade Zone and Free Port (KPBPB) aimed to improve the investment ecosystem for economic growth, employment opportunities, and increasing regional competitiveness in Batam, Bintan, and Karimun (BBK). KPBPB Concession Board has the authorization to issue business licenses in eight sectors:



Industrial



Trading



Batam Logistic Ecosystem (BLE)

The Batam Logistic Ecosystem (BLE) is a collaboration between ministries or agencies, local governments, and the private sector in building a better logistics ecosystem. BLE that launched on 18 March 2021 is the pilot project of the National Logistics Ecosystem (NLE) that aims to connect the supply and demand sectors, to increase collaboration and synergy, both between private sectors and intergovernmental institutions (B2G2G) and between government and multi-private sectors (G2B2B). BLE will boost Batam's competitiveness in export and import activities.



The Port of
Transportation



Maritime and
Fisheries



Forestry



Water Resources,
Waste and
Environment



Energy and
Mineral
Resources

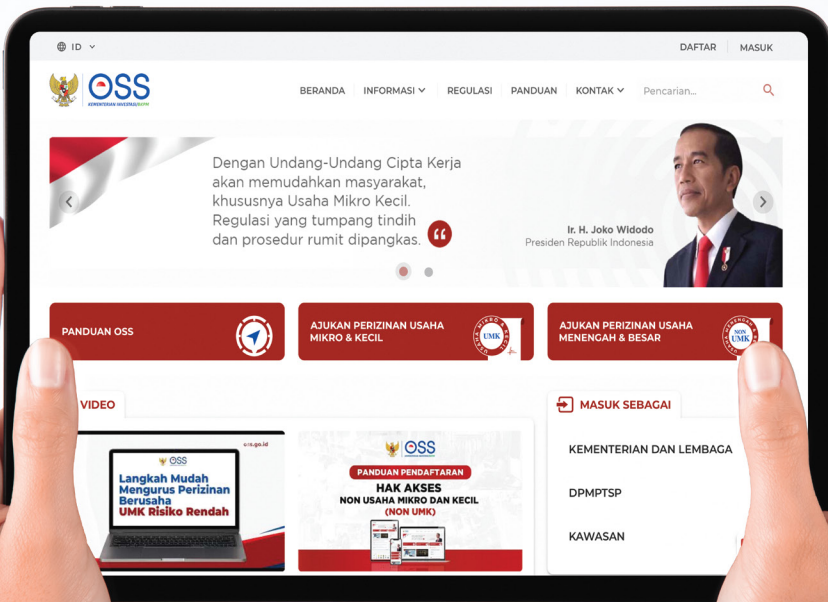


Healthcare

Online Single Submission Risk Based Approach (OSS-RBA)

Ease of doing business is one of the key factors to promote investment, for which the government is trying to encourage structural reforms in the ease of doing business. One of which is reducing the procedures and time-consuming chain of licensing bureaucracy by the launching of the Online Single Submission Risk Based Approach (OSS-RBA) system in August 2021.

Risk-based business licensing is a method for determining the type of business license based on the level of risk of business activity to the surrounding community or environment. With this new system, a low-risk business could get instant approval while a higher-risk business will have to get more permits. the new risk-based OSS system provides service standards for all levels of government that issue permits at the central and regional levels. The system defined clearer responsibilities of the licensee and made licensing services more integrated.



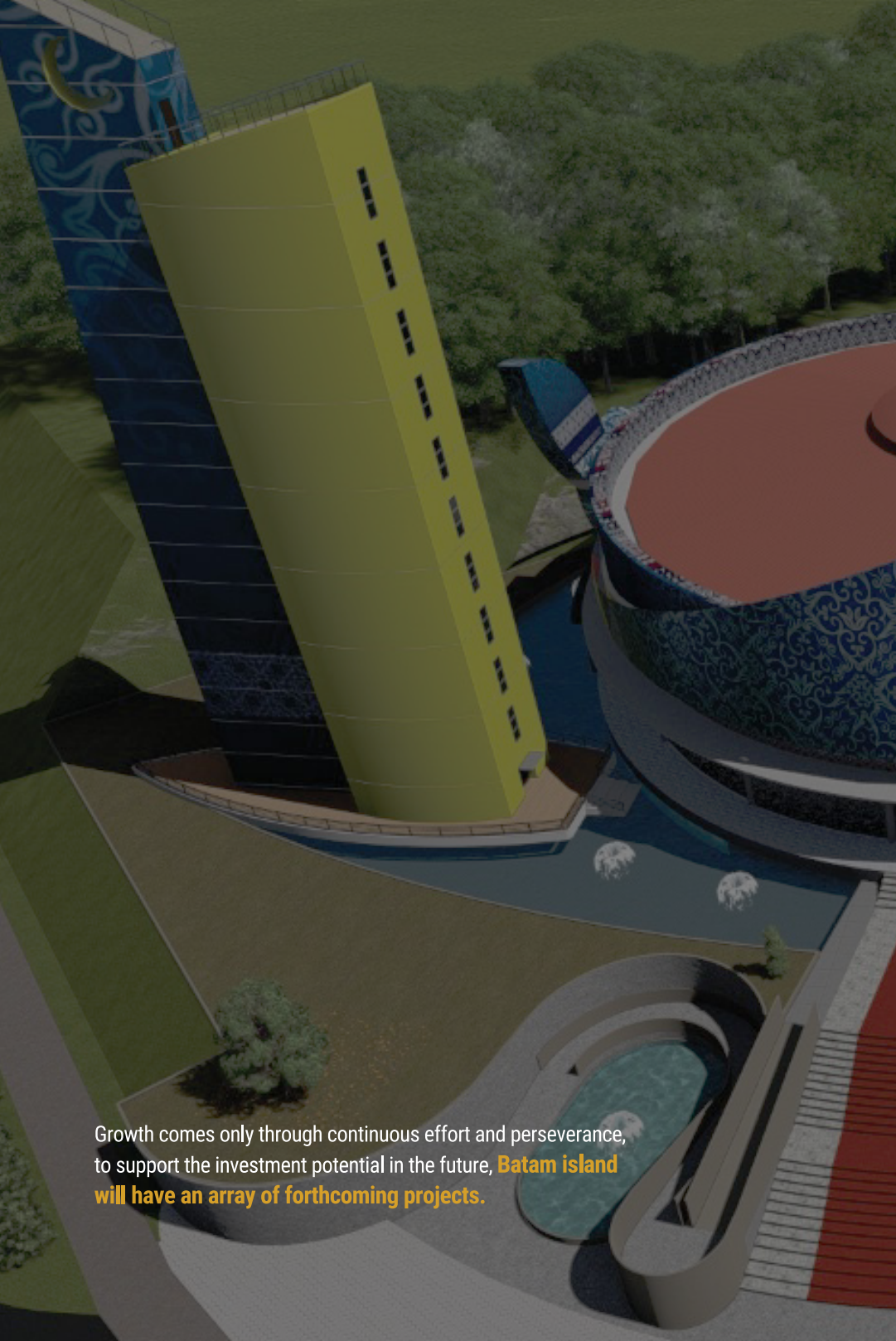


Tourism

With its attractiveness for business and leisure, Batam has emerged as a tourist destination for foreign and local visitors, supported by exhaustive infrastructure. The foreign tourist visiting the island reached 1.94 million people in 2019, an increase of 3.21% from 1.8 million people in the previous year. The biggest arrival came from Singapore that contributes almost 55%, followed by Malaysia with 11% and significant numbers also came from India, China, and the Philippines.

Following Presidential Decree No. 15 of 1983 concerning the Policy of Tourism Development which was issued on 9 March 1983, the seaports and airports in Batam Island are designated as entry points for foreign tourists. Given its strategic location, Batam is also a gateway for Indonesian tourists. Tourist visits to Batam have been increasing thanks to the commence operation of Hang Nadim Airport in 1995. Since then, Batam has been the second largest tourist destination in Indonesia after Bali Island.

Tourism in Batam is dominated by marine tourism, a recreational industry that has been carried out in the marine area include coastal areas, surrounding islands, and marine parks. Several travel destinations in Batam include Barelang Bridge, Montigo Resort Nongsa, Nongsa Point Marina Resort Batam, Turi Beach Resort Batam, Harris Resort Waterfront Batam, Snorkelling Tourism in Abang Island, and Snorkelling Tourism in Petong Island.



Growth comes only through continuous effort and perseverance, to support the investment potential in the future, **Batam island will have an array of forthcoming projects.**

An aerial, top-down view of a modern architectural complex. A large, curved wall with a blue and white intricate pattern dominates the left side. To its left is a red circular plaza. Below the wall is a red staircase. In the foreground, a curved pool with a small island in the center is visible. The background shows a green landscape with trees and a small building. The text "Growing into the Future" is overlaid in a large, white, outlined font, rotated 90 degrees clockwise.

Growing into the Future

Growing into the Future

Continual growth and progress are needed to sustain Batam's rapid growth, for that mission the island needs to complement the advancement with adequate infrastructure. Batam once is one of the fastest-growing cities in the world in terms of population, hence a superior infrastructure will not only benefit the people of Batam but also the industry players.

Batam has an array of forthcoming projects that will enhance its attractiveness for investment, economic growth, and also the wellbeing of its people. From the development of Hang Nadim airport into an Aerocity to Batam Ligh Rail Transit, various projects will enhance Batam's competitiveness and complementing the already premier investment ecosystem.

Special Economic Zone - Aerocity Hang Nadim

To support Batam as a free trade zone that is competitive in the region, the Hang Nadim International Airport will be developed into a Logistic Hub that consists of warehousing, distribution of added value services, and halal hub. With the manufacturing activities, cargo volume at the airport has reached 44,552 tons in 2019 and it is projected that cargo volume will reach 79,586 in 2025 and will reach 730,693 tons in 2040. To accommodate future growth, the airport terminal will be expanded to 88,000 meters from currently 27,065 meters.





Logistics Hub & Halal Hub area, Hang Nadim Airport

To optimize land use at Hang Nadim Airport and enhancing Batam's attractiveness in the logistics and trade sector, BP Batam intends to develop a Logistics Hub and Halal Hub area that can streamline logistics costs for business actors in Batam. The Logistics Hub area to be developed is located in the Hang Nadim Airport Area of + 130 ha which is directed to provide warehousing facilities and infrastructure, halal industrial areas, and supporting facilities for logistics activities. The Halal Hub will be an industrial zone that produces goods such as food, beverages, and cosmetics that comply with the sharia standard. Halal products are untapped potential in Indonesia for exports and the domestic market, as the Halal market reached US\$1.9 trillion according to ResearchandMarkets report.



Batu Ampar Port

The role of the Batu Ampar port is crucial in supporting the economic activities of a region and even a country, for that Batam will develop the port into a more expansive facility. The port's traffic is rapidly growing and an expansion is crucial to meet future growth from the world's trade. Current specifications 35,000 DWT Ship will be expanded to 60,000 dwt, container expanded from 350,000TEUs to 9,000,000 TEUs, Pier length 1,900 m to 3000 m, Basin depth from 6 - 12 m to 20 m, container yard which was previously 35m² to 920,000m².



Batam Light Rail Transit (LRT)

The Batam LRT will connect the Batam Center area to the Tanjung Uncang area through the Yellow front area (phase 1), then the Batam LRT will connect with the Batu Ampar area and the Hang Nadim International airport in Batam.

The construction of this LRT will cost around 21.3 trillion, with a total length of 27.54 km and 27.93 km.





Sekupang International Health Special Economic Zone

In this area, an international hospital that provides excellent health services such as geriatric, heart, cancer, fertility, and beauty and support services such as RSBP Pavilion Standard, stemcell will be built. Additional supporting facilities such as pharmacy, pharmaceutical business representative office, Vocational Education Medical Personnel, health business support activities consisting of residential (flats, hotels, apartments, villas) as well as trade and services (apartments with a podium in the form of a shopping center) will also be built.

Utilization of Lotus Lake for various wellness tourism activities as well as hilly areas with potential views towards the sea on the north side for inpatient functions by carrying out the concept of a healing environment. Healthcare Management System: A system that shows matters relating to changes in health rules, regulations, and technology as well as oversees various operations related to HR, finance, and health marketing.



Lake Park, Sekupang

The project spans 3,88 hectares of land that divided into four phases. The project will consist of a mixed-use area that consists of an Icon Bridge, healing garden, mosque, BRT shelter, lotus ponds, guest houses, and employee housings.



Road Arrangement in Batam Center Area

The project will rearrange 3 km of the road at the Batam Center Area, making the area to be pedestrian-friendly with ample amount of space, vegetation, and benches.



Taman Rusa Mini Zoo

The Taman Rusa Mini Zoo will be a recreational area for the community that is nestled in 5,907 square meters of land. The area will feature a 3,323.73 square meter of fish ponds and Stonehenge and also a 3,323.73 square meter fishing pond.





Integrated Water Management

The Batam Integrated Total Water Management aims to safeguard investment and the wellbeing of the people. The project will provide clean water and electricity supply, while also managing solid waste, wastewater, hazardous waste for sustainable living.

Nature Tourism Area, Sekupang

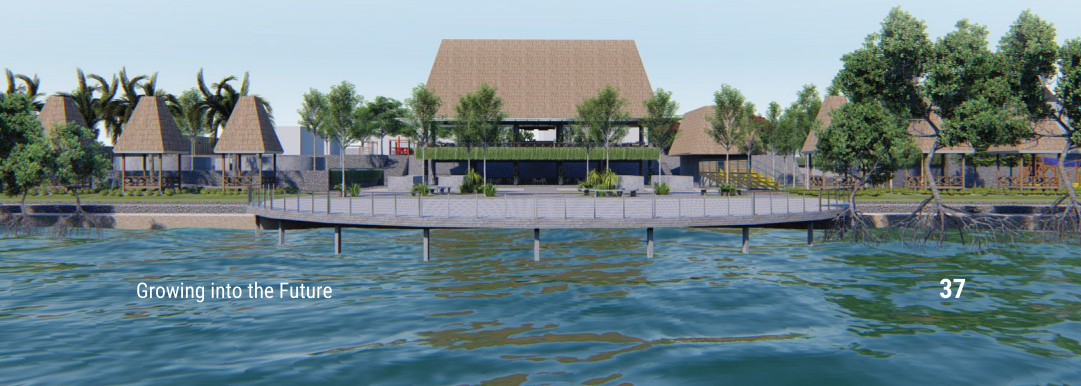
To increase tourist visits to Batam, BP Batam intends to develop tourist destinations that can be an alternative and increase the attractiveness of Batam as a tourist destination. The tourism destination to be developed is located in Sekupang covering an area of + 110 ha (hereinafter referred to as the Sekupang Tourism Area) which is directed to tourism activities including nature tourism, sports tourism, educational tourism, and health tourism. Currently, the area already has a Deer Park tour as a deer breeding place which is equipped with a jogging track facility.





Fisheries (Maritime City)

The development on Galang Island will cover a total of 1,547.9 hectares, with an allocation of 275.2 hectares for the Fishery Port and 432.9 hectares for the Fishery Industry area. The development will also include public facilities, housing, commercial areas, and other infrastructure that carries the Maritime City concept.





Riding the wave of economic recovery,
BP Batam strives to bring high quality investments
to the island, providing growth for the nation.



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Indonesia is in challenging times as it still recovering from the downturn sparked by the COVID-19 pandemic and the country's first economic recession since the financial crisis in 1998.”

Indonesia is in challenging times as it still recovering from the downturn sparked by the COVID-19 pandemic and the country's first economic recession since the financial crisis in 1998. Fortunately, the second quarter this year was encouraging, with the country officially exited its recession as national economic growth jumped to 7.07% from minus 5.32% the same period the previous year. The manufacturing sector also showed signs of recovery, one of the evidence is the Indonesia manufacturing Purchasing Manager Index reached a record high of 55,3 in May 2021.

The positive trend also translated to positive growth in investment, as Batam's investment realization last year reached Rp 22.3 trillion, or 152 percent from the target of Rp 14.6 trillion. Going forward BP Batam will continue its initiatives to enhance the investment climate in the Island.

I believe increasing high-quality investment in manufacturing that creates a significant number of jobs is crucial in the nation's economic recovery from the COVID-19 pandemic. The high-tech industry that dominates the investment in Batam will create multiple benefits,

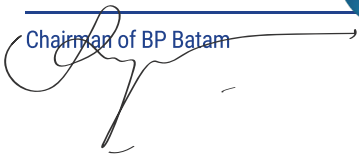
not only it will enhance the capability of our human resources through a transfer of know-how, it will increase the prosperity of the people through employment that will support household consumption that currently contributes 60% of the nation's economy.

Embracing the bright future, BP Batam will continue to safeguard the vision of developing Batam into a world-class investment city, both in building infrastructure and in supplying competitive human resources. Ultimately BP Batam will not only contribute to the people of Batam but also to the Republic of Indonesia.

The potential in the future is limitless, and I believe with our commitment, we will meet all the expectations from investors and grow together into a shining future.

Muhammad Rudi

Chairman of BP Batam



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Head Office

Jln. Ibnu Sutowo No. 1
Batam Centre, 29411, Indonesia
Phone (+62-778) 462 047. 462 048
Fax (+62-778) 464 092

Representative Office

Jln. DI Panjaitan Kav. 24, Jakarta
13410, Indonesia
Phone (+62-21) 858 0009 /10
Fax (+62-21) 858 0038

Singapore

Head of International Economic
Affairs BP Batam
Mr. Michael Goutama
Phone (+65) 9699 1000

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 **BP Batam**

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 **@bpbatam**

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 **www.bpbatam.go.id**