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BATAMREPORT



**BP Batam Chairman Hosts
Singapore Ambassador's
Visit to Batam**



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Attended by BP Batam Chairman

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Business Forum of Danish & BP Batam

Business Forum of Danish & BP Batam : Open Investment Opportunities in the Maritime & Shipyard Sector

The maritime & shipyard business forum held by Denmark and BP Batam at the Radisson Hotel, Batam Center on 17 April 2024 was a collaboration aimed at exploring the potential for investment cooperation in the maritime industry with Denmark, which is known to have quite rapid industrial progress. The theme was, "In The Heart Of Shipbuilding: Discovering Batam Shipyards and Denmark Green Shipping Solutions".

This forum was attended by the Ambassador of the Kingdom of Denmark to Indonesia, Sten Frimodt Nielsen, as well as various related stakeholders, including Batam Shipyard & Offshore Association (BSOA), Batam Harbormaster and Port Authority (KSOP Batam), Indonesian National Shipowners' Association (INSA Batam), business representatives, academics and speakers from the Indonesian Ministry of Transportation.

This event was warmly opened by Deputy Chairman for Regional Management and Investment BP Batam, Wan Darussalam.

In his remarks, he said that Denmark would certainly increase investment confidence & create a new atmosphere for the maritime sector in Batam.

Denmark also brought a number of related entrepreneurs, such as Njord Solutions, SH Defense, MAN Energy Solutions, Allset Industry, OSK Design and Hempel to this business

forum. In his remarks, the Danish Ambassador in Jakarta, H.E. Sten Frimodt, said that Batam is the right investment destination in terms of developing the shipbuilding industry.

With the collaboration of the business forum between the Danish Embassy and BP Batam, it is hoped, it will inspire and continue to support innovation among business actors, especially in the shipping sector, so that Batam's potential can continue to be developed as one of the leading investment destinations in Indonesia. (AW)



The Inaugural Direct Call Cargo Shipping from Batam to China



Batu Ampar Cargo Port



Direct call is a direct container shipping from domestic ports to international destinations without stopping at any domestic ports. Consequently, exports and imports that previously went through Singapore can now directly reach China.

This direct shipping service is operated by Shandong International Transportation Corporation (SITC) China. During the inaugural voyage from China to Batam, SITC China operated the MV SITC Hakata, a vessel weighing 23,000 GT, which docked at Batu Ampar Port on Sunday, 31 March 2024.

In recognizing the importance of the Batam-China Direct Call, Muhammad Rudi expressed appreciation for the opening of this route, linking it to a direct order from President Jokowi. He emphasized the crucial role of this direct maritime route in accelerating the development of other routes, ushering in a new era of economic connectivity and growth.

Looking ahead, Rudi visualized widespread utilization of the direct shipping route to China by all companies in Batam, as well as to other countries, envisioning similar cost savings

experienced in current exports to China. He emphasized the importance of streamlining port services to ensure smooth cargo handling, reinforcing Batam's reputation as a logistics-friendly hub and the target of 2 million TEUs per year can be achieved.

Meanwhile, Arham S. Torik, CEO of PT Persero Batam, outlined plans for a regular weekly service to China, facilitated by the MV SITC Hakata. Initially transporting 168 containers from China to Batam, and 100 containers, primarily from Eco Green, in the reverse direction, Torik highlighted the vessel's substantial capacity of 1,000 TEUs, signaling potential for increased trade volume.

Torik added that ongoing discussions have taken place with several companies, with a target of adding four to five more companies utilizing this direct shipping route to China. With aspirations for volume increases every week and optimal vessel utilization, Torik projected a significant decrease in logistical costs, attributable to the elimination of transshipment fees in Singapore. (MID)

BP Batam Offers Maritime Potential in World's Leading Exhibition



Head Bureau for Public Relations, Promotion and Protocol BP Batam presence at APM 2024

BP Batam prioritizes the maritime industry's development, recognizing its significance in the national economy due to its labor, capital, and technology-intensive nature. To bolster Batam's maritime sector, BP Batam participated in the Asia Pacific Maritime (APM) 2024 exhibition in Singapore, featuring 700 participants and 1,400 brands showcasing innovative solutions.

Ariastury Sirait, Head Bureau for Public Relations, Promotion and Protocol BP Batam highlighted Batam's potential in attracting maritime investments. BP Batam's presence at APM 2024 aimed to spotlight Batam as

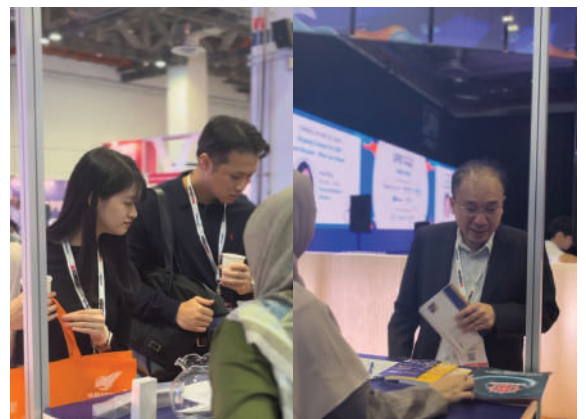
an investment-friendly destination, extending promotion to Rempang and Galang areas as future maritime industrial hubs.

The exhibition provided a platform for collaboration with industry players and associations, underlining BP Batam's commitment to fortify Batam's appeal for investment and propel the global maritime sector forward. President of Asia Pacific RX Global, Yeh Chien EE, lauded the exhibition's role in elevating the maritime industry's prominence, envisioning it as a key driver of the world economy, particularly in Southeast Asia.



The participation of BP Batam and various maritime industry stakeholders in the APM 2024 exhibition marks a significant step towards enhancing Batam's position as a premier destination for maritime investment and innovation. With a commitment to fostering partnerships and showcasing the city's potential, BP Batam aims to propel Batam and its surrounding areas to the forefront of the global maritime industry, driving economic growth and prosperity for the region.

In the exhibition, BP Batam also collaborated with maritime industry players from Batam, namely Batam Shipyard Offshore Association (BSOA), Indonesian National Shipowners' Association (INSA) and *Ikatan Perusahaan Industri Kapal Dan Lepas Pantai Indonesia* (IPERINDO). This is a form of commitment from BP Batam to continue strengthening Batam's position as an industrial area that is attractive for investment and advancing the maritime industry. (MH)



In early 2025, BP Batam targets that the **Wastewater Treatment Plant** (WWTP) will commence testing and commissioning

On Wednesday, April 24, 2024, the Badan Pengusahaan (BP) Batam socialised the process of connecting the Waste Water Treatment Plant (WWTP or IPAL) pipes to 11,000 residential complexes in the Batam City sub-district. This socialization exercise took place in BP Batam's IT Centre Building.

WWTP is a project designed to treat household wastewater. This wastewater treatment plant is Indonesia's first integrated sanitation processing system.

Domestic wastewater from communal living, hotels, flats, malls, and other service operations is totally processed into clean water before being released to the reservoir. Aside from that, the byproducts of home wastewater treatment are used as organic fertiliser for greening Batam.

Binsar Oktavidwin Tambunan, BP Batam Facilities and Environment Business Director, stated that the WWTP project was carried out by Hansol as contractor and Sunjin as project consultant. The WWTP project has made more than 90% of its progress to date.

Network installation in 11,000 homeowners' houses can be completed promptly. BP Batam expects the WWTP to be ready for testing or commissioning in early 2025.

This project is an innovative programme performed by BP Batam to conserve the environment, particularly clean water sources, as Batam relies on rainwater for clean water. (IB)

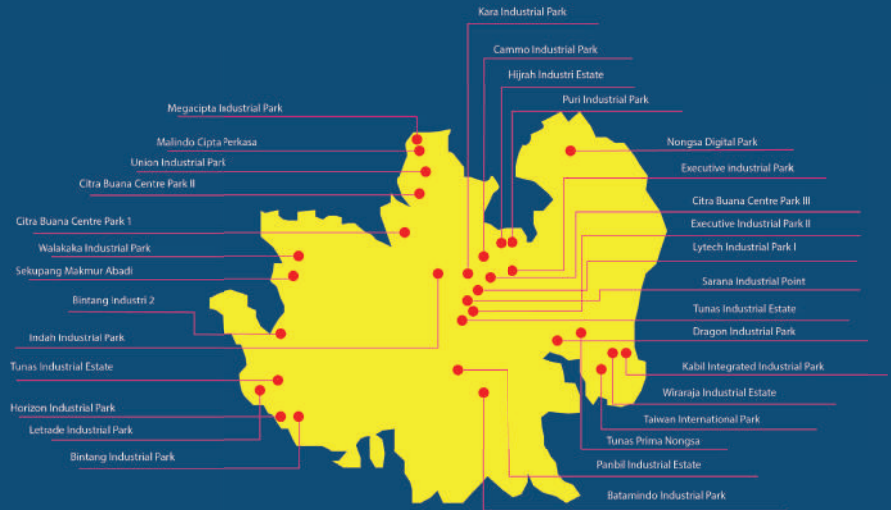


Socialization Situation



Socialization Situation

31 Industrial Estates



With its **31 Industrial Estates**, Batam Emerges as the Economic Powerhouse and the Backbone of the Regional Economy

Batam currently has 31 industrial estates scattered over the island, with 6 regions varying in size from 50 to 320 hectares of total industrial land area, totaling 1660.9 hectares or 4% of Batam's land area. The products of industry in Batam are also diverse, where the manufacturing industry is the main support for the economy.

The types of manufacturing industry being developed include electronics and electricity, medical equipment, industrial machinery, construction, shipbuilding, and oil and gas equipment, computer software, networks,

information technology services and other communications equipment, semiconductors and other electronic components, as well as vehicles and motorcycles.

The industry forms the backbone of Batam's economy; 44.07 percent of the workforce is employed in manufacturing, and 52.63% is in services. With a 77.5 percent investment contribution last year, Batam was the region in the Riau Islands alone that contributed the most. (IB)



The Sei Ladi Flyover Project

Kicks off, Aiming for a Completion by The End of 2024

Groundbreaking for the construction of the first piles for the Sei Ladi Flyover was done by the Badan Pengusahaan (BP) Batam. The entire cost of this Flyover project approximately 132 billion rupiah. This flyover is 60 metres wide, three lanes long and 1,000 metres long.

On Monday, February 4, 2024, Muhammad Rudi, the Chairman of BP Batam, performed this groundbreaking. Groundbreaking for the first pile installation for the Sei Ladi Flyover began with the breaking of the jug; the first project is anticipated to be finished by the end of 2024, while the second project will continue from 2024 to 2025.



Chairman of BP Batam at Groundbreaking Ceremony

According to Muhammad Rudi, the development of the Sei Ladi Flyover will reduce traffic congestion on the Sekupang-Batam Centre road. He also stated that future more flyovers will be developed in Batam, which would be critical infrastructure that, in addition to reducing congestion, would enable connectivity and industrial logistics distribution from and to the port or airport.

Infrastructure development in Batam is consistent with the central government's main programme, which is to increase accessibility and connectivity throughout Indonesia.

The presence of infrastructure not only facilitates population mobility, but also reduces logistics costs, opens up new investment opportunities, and strengthens connectivity between regions. (IB)



Commences e-Ticketing Implementation at Domestic Ports

BP Batam Starts Implementing e-Ticketing at Domestic Ports

Badan Pengusahaan Batam (BP Batam) officially launched e-ticketing for ferries on Monday, 18 March 2024, via the website tiketkapal.com. Additionally, at the Telaga Punggur Domestic Terminal, tickets can be bought on-site using a self-kiosk in collaboration with Mitra Kasih Perkasa (MKP), Bank Mandiri, and ship agents. Batam is among the pioneering domestic ports to implement e-ticketing for inter-island ferries. The domestic ports of Telaga Punggur and Sekupang serve the Batam route to the many

islands of the Riau Islands, including Karimun, Anambas, Lingga, and Tanjung Pinang.

The aim of e-ticketing implementation is to optimize services for all port service users, including the passenger port industry. All of the following are included: digitalized cashless payments, precise passenger records based on manifests, rigorous control over passenger capacity and ship departure times, official rates without lines (no more waiting in line at the counter, especially during



Demonstration of e-ticketing

peak travel season), etc. In addition, travellers can instantly scan their boarding cards after making a payment.

Chairman of BP Batam, Muhammad Rudi stated that the e-ticketing system is expected to improve efficiency, decrease red tape, and save time for port service users by streamlining ticket purchases and domestic port operations.

Since August 2023, BP Batam has been closely collaborating with the Indonesian National Ship Owners Association (INSA), PELRA (People's Port) Batam branch, local ship operators, banks, and system supplier firms (MA/FD).





Photo group session

Exploring Investment, 30 Chinese Company Leaders Visit BP Batam

On 27 March 2024, an esteemed delegation of 30 leaders from prominent manufacturing companies in the Bamboo Curtain Country visited BP Batam to explore potential business opportunities in Batam City. This visit presents a unique opportunity for both parties to establish mutually beneficial partnerships that would drive growth, innovation, and success.

The Suzhou Hunan Business Association boasts of numerous leading companies that have made a mark in the industry. These

companies visited the BP Batam Marketing Center and were warmly received by the Head of the BP Batam Public Relations, Promotion, and Protocol Bureau, Ariastuty Sirait, and the Director of BP Batam Goods Traffic and Investment, Surya Kurniawan Suhari.

It's a testament to the stellar reputation and credibility of BP Batam that such esteemed companies are choosing to engage with them. This visit serves as a strong indication of the level of trust and respect that BP Batam has earned through their exceptional work in the industry.



During the event, Ariastuty expressed her approval of the proposals put forward by numerous Chinese companies. It is widely known that Batam's manufacturing industry played a pivotal role in boosting the economy during its early stages of development. Consequently, BP Batam continues to invest in and improve this export-oriented industry that holds significant economic value.

BP Batam has announced that they will be offering numerous investment opportunities to a Chinese company. This is because China is the second-largest contributor to investment in Batam City, after Singapore. By 2023, China is expected to invest USD 46.42 million in 137 different projects in Batam City.

BP Batam's Director of Goods Traffic and Investment, Surya Kurniawan Suhari welcomed this meeting. According to him, Batam City is a strategic area for investment capital. (BM)

Ambassador of Japan to Indonesia Visited Batam

BP Batam (Badan Pengusahaan Batam) received a visit from the Japanese Ambassador to Indonesia, H.E Masaki Yasushi on Thursday, 28 March 2024. The Japanese Ambassador was welcomed by Chairman of BP Batam, Muhammad Rudi. Masaki was present accompanied by the Japanese Consulate General in Medan, Takonai Susumu. Apart from that, the crew of JS Murasame (DD-101) led by Captain Kawano Kunihiro and Commanding Officer, Shimogishi Kosei, were also present.

On that occasion, Chairman of BP Batam assured investors of a welcoming investment environment. It will be applied to both present and potential investors, highlighting this as a major factor in the future growth of the local economy.

BP Batam will persist in focusing on all aspects of investment interest, including expanding road connectivity and constructing ports and airports which will make it easier for people to travel to and from Batam.



The Chairman of BP Batam and the Japanese Ambassador

Additionally, after being appointed as the Japanese Ambassador to Indonesia on 22 December 2023, the Japanese Ambassador stated that Batam was the second place he had visited after Jakarta. He also stated that Batam is one of the most significant regions for Japan's economic development. There are 27 Japanese companies operating, in addition of being home to hundreds of Japanese nationals.

The Japanese Ambassador looks forward to more Japanese businesses operating in Batam in the future, which he believes will further strengthen the close ties between Indonesia and Japan, particularly with Batam.

He further expressed his hope that more Japanese investors would emulate Singapore's success and make Japan one of the largest investors in Batam.

With a total realization of 22,652 million US dollars from 43 projects throughout 2023, FDA (Foreign Direct Investment) from Japan is reportedly among the top 5 foreign investments in Batam (IEP/FD)





Meeting Situation The Chairman BP Batam and Singapore Ambassador

BP Batam Chairman Hosts Singapore Ambassador's Visit to Batam

Chairman of BP Batam, Muhammad Rudi, received a visit from Singapore's Ambassador to Indonesia, Kwok Fook Seng, on Monday, 18 March 2024 at the BP Batam Marketing Center. This visit marks Kwok Fook Seng's first to Batam since being appointed Ambassador in 2022. The longstanding good relationship between the two parties motivated Kwok Fook Seng to fulfill his intention to visit the city, known as the Civilized World City.

During the afternoon meeting, Kwok Fook Seng expressed admiration for the massive infrastructure development. He also

extended congratulations to Muhammad Rudi for achieving a 7.04% economic growth rate in Batam in 2023, following a downturn during the COVID-19 pandemic.

Impressed by Batam's economic development, Kwok Fook Seng proposed several areas of cooperation, particularly in renewable green energy and digital sectors classified as the Future of the World Economy. He noted that both sectors are receiving attention from the central government and Singaporean authorities. Health care was also highlighted as an area for future economic collaboration,



particularly in developing healthcare professionals, especially nurses, for Batam's healthcare facilities.

Expressing gratitude for the visit, Kwok Fook Seng emphasized the importance of maintaining and enhancing the current cooperation between the two sides. In response, Muhammad Rudi welcomed the plans to enhance bilateral cooperation to support the acceleration of both countries' economies. He affirmed the excellent

ongoing cooperation between Batam and Singapore, citing Singapore's ranking as the top investor with investment realization totaling USD 366.5 million in 2023. Muhammad Rudi also expressed BP Batam's commitment to supporting Singaporean investment processes in Batam, aiming to strengthen the cooperation between the two nations further. (DNL)



Malaysia and Batam Discuss Single Border Clearance System to Enhance Connectivity and **Economic Growth**

A recent meeting between Johor Chief Minister Dato' Onn Hafiz Ghazi and Badan Pengusahaan Batam (BP Batam), an Indonesian authority, focused on enhancing connectivity between Malaysia and Batam through a single border clearance system. This initiative aims to facilitate travel and trade, thereby boosting the regional economy. Additionally, a new ferry service capable of transporting vehicles between Johor and Batam is under consideration, potentially

connecting Tanjung Belungkor Port in Johor with Bintan 99 Port in Batam via roll-on/roll-off (Ro-Ro) ships.

During his visit to Batam, Onn Hafiz praised Batam's economic growth of 7.04% in 2023, driven by foreign investment, tourism, and infrastructure improvements. The discussions included plans to simplify travel between Johor and Batam, enhance existing infrastructure and ferry services, and explore health sector collaborations to strengthen bilateral relations and economic opportunities.

Iskandar Malaysia Johor Chamber of Commerce and Industry secretary-general Md Salikon Sarpin emphasized that a single border clearance system would likely boost travel and tourism between Johor and Batam, attracting more tourists and investors. He suggested that with new leadership in Singapore and Indonesia, further discussions could take place during the upcoming ASEAN summit hosted by Malaysia. Similarly, Johor Tourist Guides Association chairman Jimmy Leong expressed optimism about the potential increase in state tourism, noting that cultural similarities and established medical tourism could draw more Malaysian visitors to Batam and also Indonesian visitors to Johor.

Chairman of BP Batam, Muhammad Rudi, who hosted Onn Hafiz's visit in BP Batam's office, underscored the importance of improving port infrastructure to support the new ferry service. He noted that the introduction of the roll-on/roll-off ship would enhance regional connectivity and create new economic opportunities. Malaysia's significant investments in Batam, totaling \$15.8 million across 96 projects in 2023, reflect the strong economic ties between the two regions. Rudi also discussed plans to develop a new terminal at the Batam Center International Ferry Terminal to facilitate tourist travel between Batam and Johor, aiming to boost tourism and benefit the significant number of Indonesian workers in Johor. (DNL)



UK Company Explored Business Opportunities in Batam

Batam is a prime area for investment, with massive infrastructure growth from BP Batam. Batam is becoming an attractive investment destination for investors, one of which is United Kingdom Company.

BP Batam was pleased to receive a visit from PT Hunting Energy Services, a UK-based company, at the Marketing Centre BP Batam, on Thursday, 29 February 2024.

This visit was also welcomed by Head Bureau For Public Relations, Promotion and Protocols, Ariastuty Sirait and Director For Freight Traffic and Investment Services, Surya Kurniawan.

PT Hunting Energy Services, a UK-based company in the oil and gas sector, has been operating at Dragon Industrial Park for more than a decade. They operated in 11 countries with 30 companies.

In this visit, Hunting Energy Services came with consultants from the People's Republic of China (PRC), as well as representatives from Tunas Industrial Estate. The purpose of the visit was to learn more about the tax holiday facilities and future potential of Batam.

Surya Kurniawan, explained that the tax holiday facility must meet criteria such as a



Meeting Situation



minimum investment value of 500 million, being a pioneer company, and having a significant number of workers.

In addition to tax incentives, another investment facility offered by Batam is the ease of importing goods, with a Notice of Import of Goods (PIB/ temporary import permit). Capital goods can move in and out for 6 months and can be renewed for up to 3 years.

During the meeting, Hunting Energy Services company expressed its intention to invest US\$10-20 million in Batam. They also looking for additional land of around 3 hectares which is ideal for the development of its project. (MH)



Inauguration of Batam Technology Center - Bays 5 and 6 Attended by BP Batam Chairman

The inauguration of the Batam Technology Center - Bays 5 and 6 at PT. Karti Yasa Sarana - Cameron SLB Batu Ampar was attended by BP Batam Chairman Muhammad Rudi. Hopes for continuous growth and development of Batam industries were expressed by Rudi in his speech, emphasizing their importance in maximizing contributions to Batam economic growth.

It was stated that with the continuous growth and development of the industry, Batam economy would surely improve, leading to increased prosperity for its people.

To achieve rapid industrial growth, a commitment to providing ease of investment for investors was made by Rudi, who also serves as the Mayor of Batam, along with BP Batam and the Batam City Government.



The presence of the BP Batam Chairman at the inauguration was intended to boost investors' confidence and demonstrate the government's support for all positive investments in Batam.

A strong commitment to fostering industrial growth and investment to create job opportunities in Batam was emphasized by the BP Batam and Batam City Government. Rudi expressed confidence that Batam investment target could reach IDR 50 to 55 trillion in 2024, based on field conditions.

Confidence was shown in the achievement of the investment realization target of IDR 50 to 55 trillion in 2024, based on ground realities.

It was mentioned that control functions would be personally overseen by the Chairman, ensuring that any issues faced by investors



with permits or other problems could be reported directly to him.

Director of Public Relations, Promotion, and Protocol, Ariastuty Sirait; Director of Traffic Services and Investment, Surya Kurniawan Suhairi; and Director of One-Stop Integrated Services, Harlas Buana. Also attended to support this event. (UP/NC)



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