



Republic of Indonesia
The Coordinating Ministry for Economic Affairs
The National Council for Special Economic Zone

Indonesian SPECIAL ECONOMIC ZONES

Where your future happens...

NOW

July 11, 2016

INDONESIA
SEZ





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4 OTHERS SEZ Profiles

A close-up photograph of a water droplet suspended in mid-air above a pool of water, creating concentric ripples. The background is a soft, out-of-focus mix of light and dark tones.

SEZ Overview

A glance of Indonesia.....

SEZ Overview

Consists of 70% sea
(potential marine sector)

3,620 USD GDP per
capita (2016)

**Abundant natural
resources**

**250 million of
population (2015)**

33 million ton of CPO
production

**Abundant Labour Supply
and Potential Market**

**Gateway to worldwide
trading**

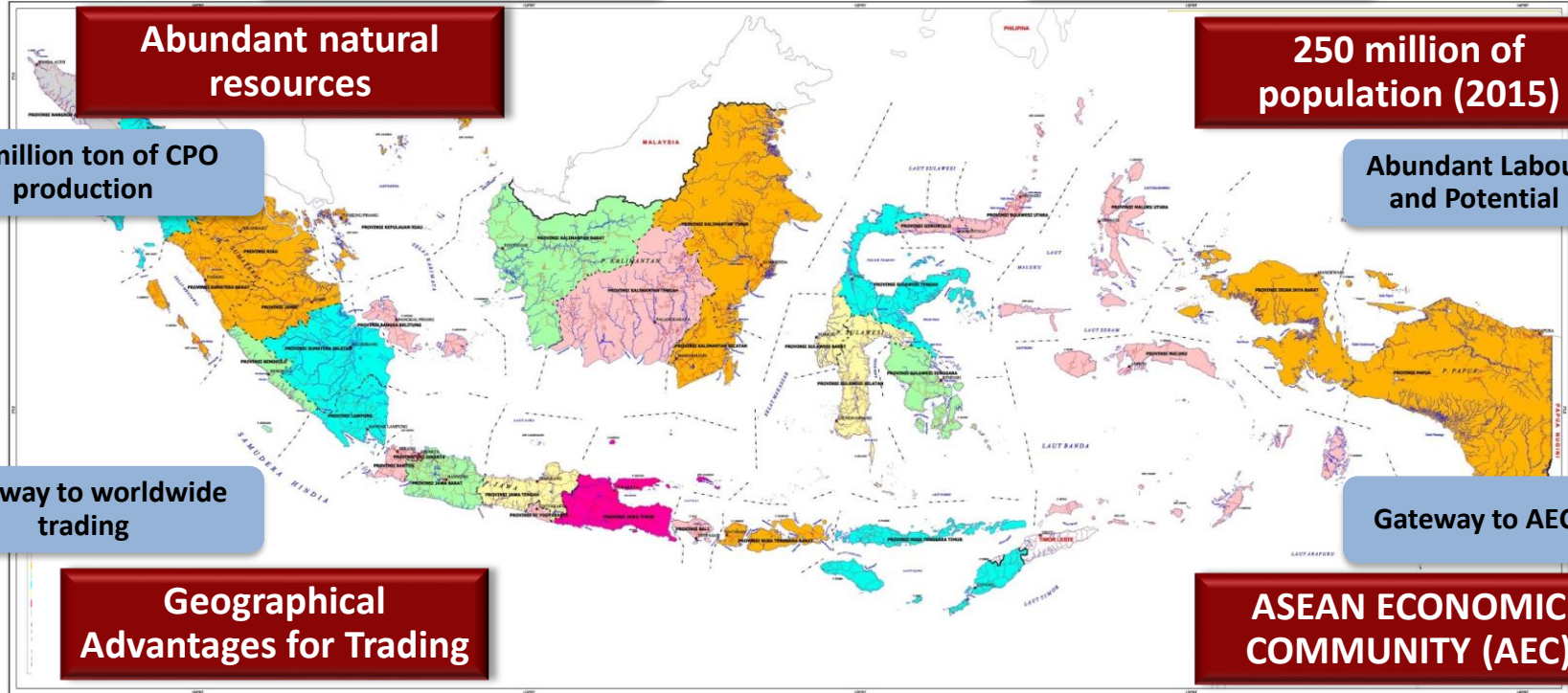
Gateway to AEC Market

**Geographical
Advantages for Trading**

**ASEAN ECONOMIC
COMMUNITY (AEC)**

**Strategic location between
two continents**

Stable Economic Growth



International Mainliner Routes (Containers)

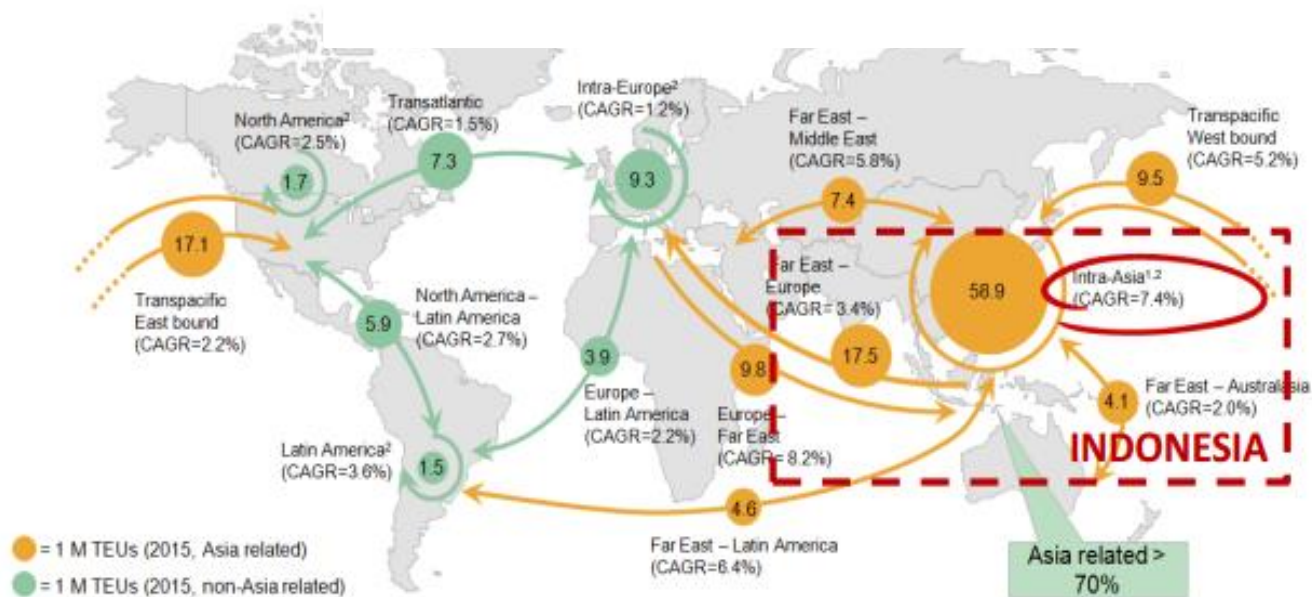
Overview



Source: Drewry Shipping Consultant (2012)

Global Container Flows in International Trade 2015 (Mil Teus)

Overview



1. Includes NE, SE, and S. Asia 2. Includes domestic

Note: Container flows based on forecasts excluding empties and transshipment but including domestic for intra-regional trade; some trades excluded for display purposes; CAGR based on 2007-2015

Source: BCG analysis (2013)

CAGR : Growth Average 2007 – 2015

International Hub Port

Overview



Source: Drewry Shipping Consultants (2012)



*ALKI III : Alur Laut Kepulauan Indonesia (ALKI)

Source: Bitung SEZ Masterplan (2015)

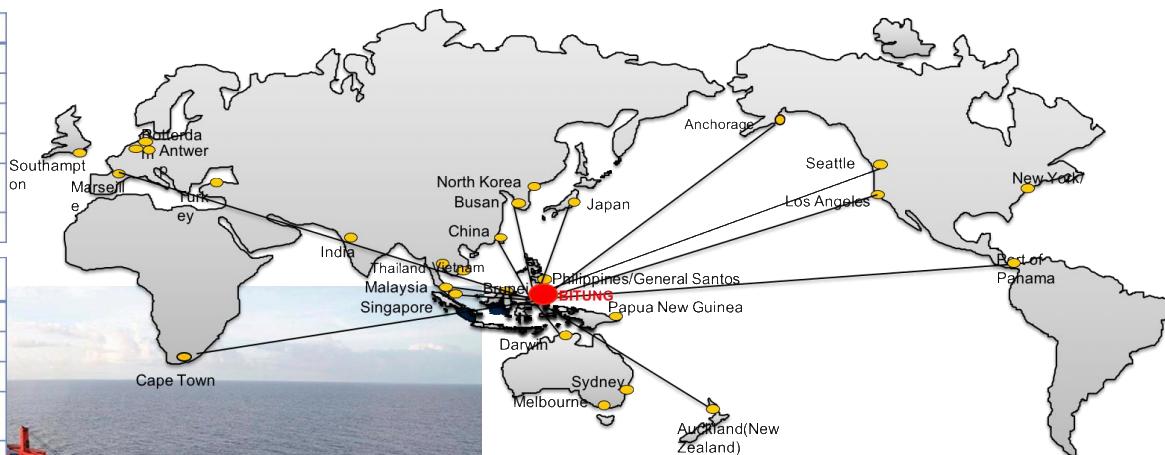
Bitung as International Hub Port

Overview

Distance	in nm
Bitung – Merauke	1489
Bitung – Tanjung Perak	1231
Bitung – Tanjung Priok	1517
Bitung – Kuala Tanjung	2298
Bitung – Port of Singapore	1874
Bitung – Port Klang	2092

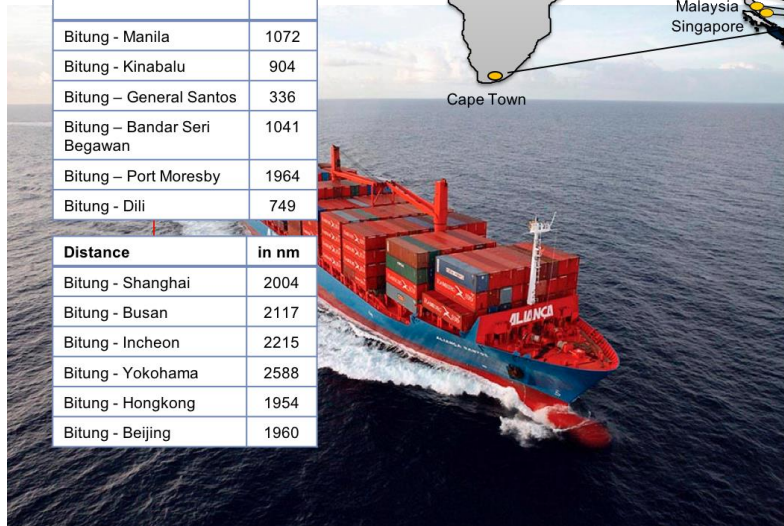
Distance	in nm
Bitung - Manila	1072
Bitung - Kinabalu	904
Bitung – General Santos	336
Bitung – Bandar Seri Begawan	1041
Bitung – Port Moresby	1964
Bitung - Dili	749

Distance	in nm
Bitung - Shanghai	2004
Bitung - Busan	2117
Bitung - Incheon	2215
Bitung - Yokohama	2588
Bitung - Hongkong	1954
Bitung - Beijing	1960



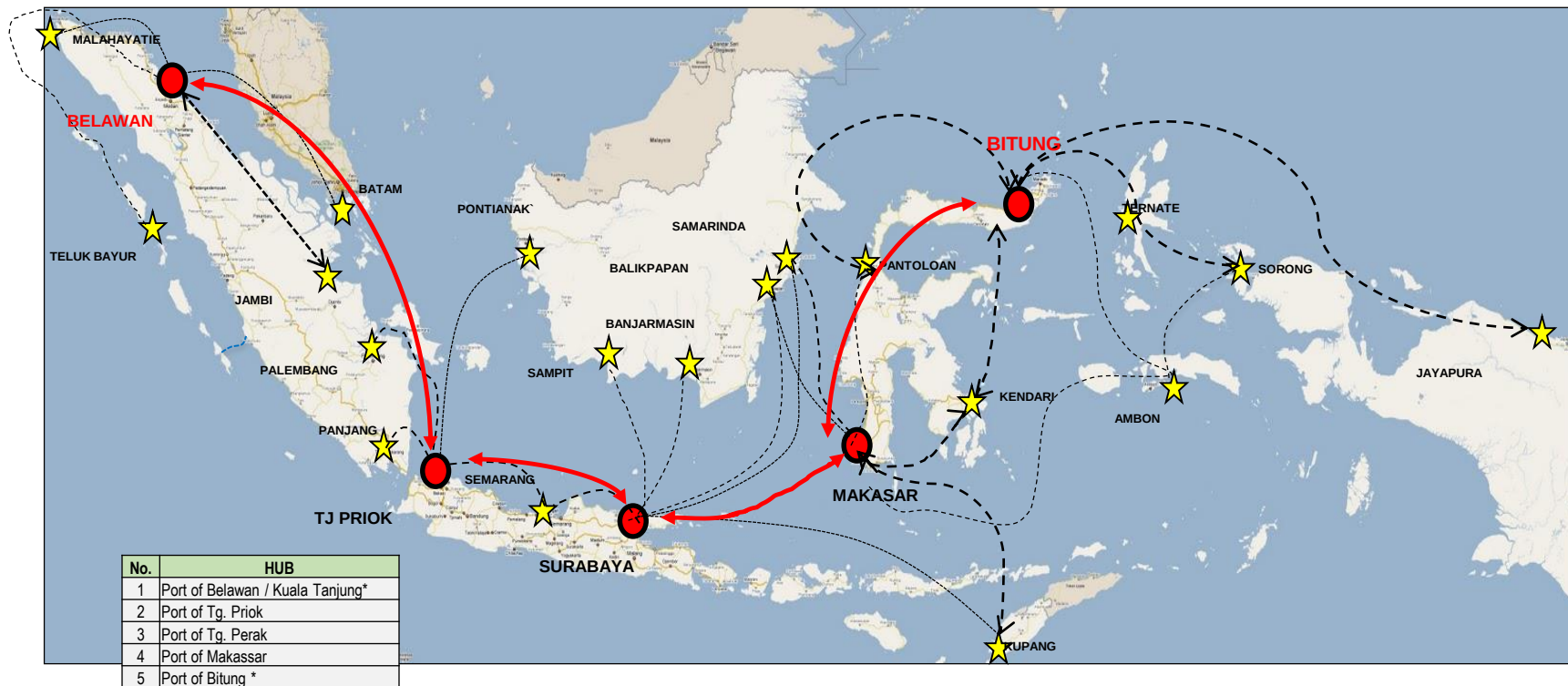
Distance	in nm
Bitung – Mumbai	4499
Bitung - Dubai	5833
Bitung – Suez Canal	7154
Bitung – Cape Town	7866
Bitung - Rotterdam	11132
Bitung – Marseille	9182

Distance	in nm
Bitung – Anchorage	5188
Bitung - Seattle	6248
Bitung – Los Angeles	6677
Bitung – Panama Canal	9229
Bitung – Auckland	4518
Bitung - Sydney	3481



Sea Highways (Sea Toll Road)

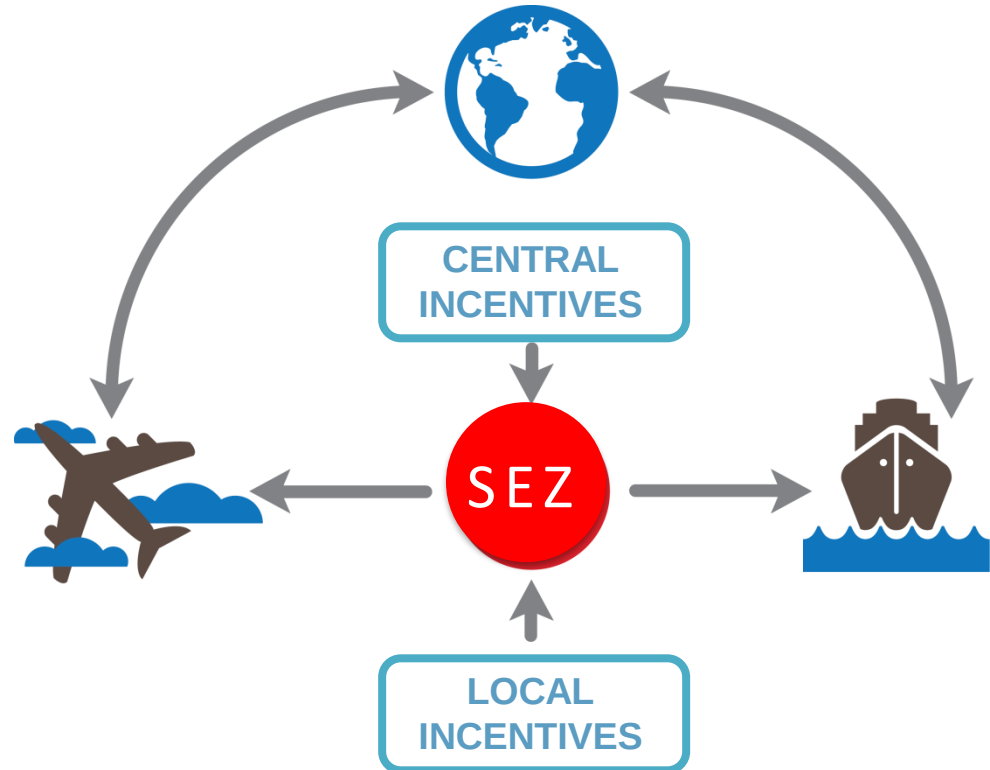
Overview

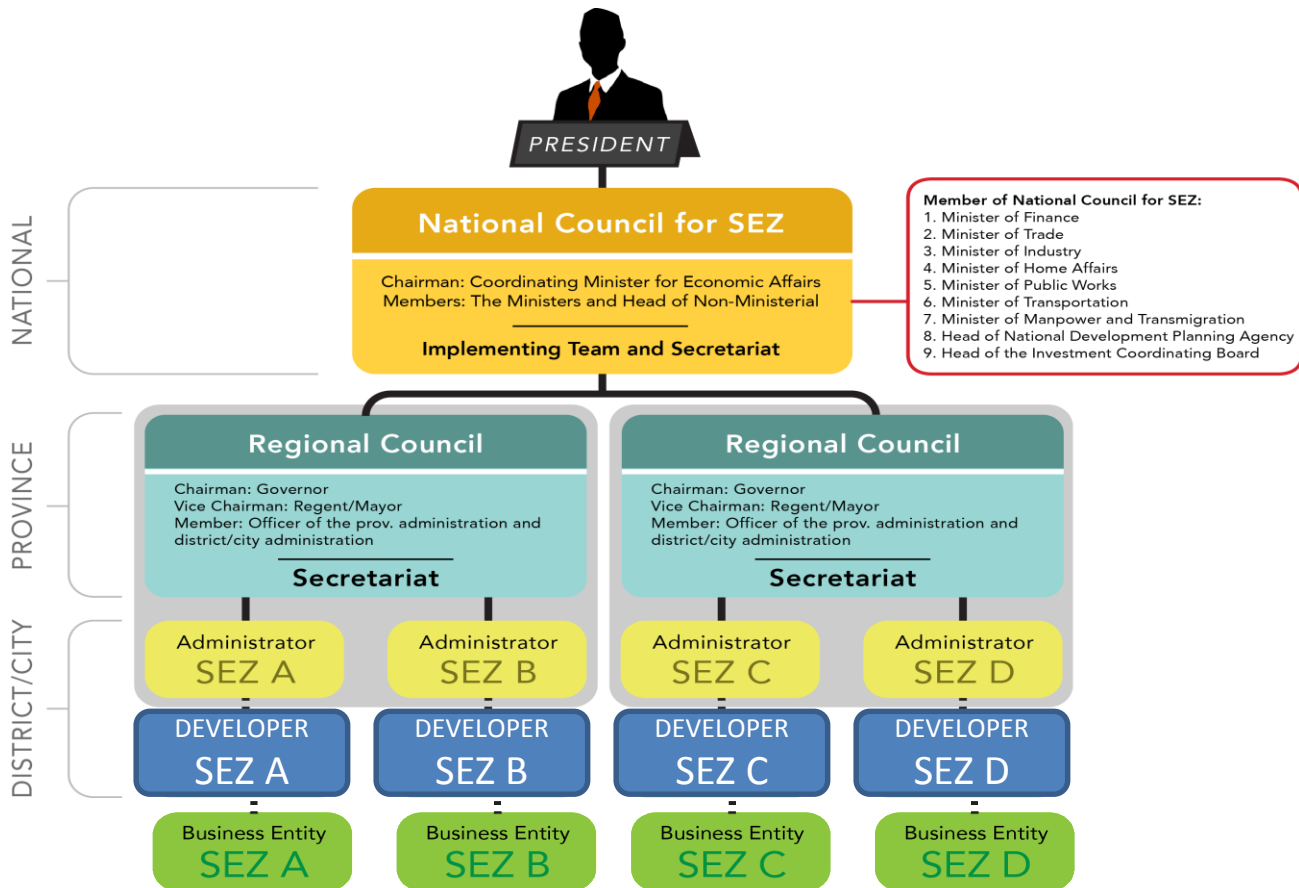


Source: Bitung SEZ Masterplan (2015)

The basic concept of Indonesia SEZ is the preparation of areas which have accessibility to the global market (via the sea port and or airport)

The areas are given certain incentives in order to increase the competitiveness among the countries nearby. Both the increasing of competitiveness and the incentives are expected to be the pull factors to attract investors to the region.





25 SEZ
in 2019

Development of
9 Established SEZ

2 SEZ

On Operational Stage

- Sei Mangkei SEZ
- Tanjung Lesung SEZ

7 SEZ

On Development Stage

- Palu SEZ
- Bitung SEZ
- Morotai SEZ
- Tanjung Api-API SEZ
- Mandalika SEZ
- MBTK SEZ
- Tanjung Kelayang SEZ

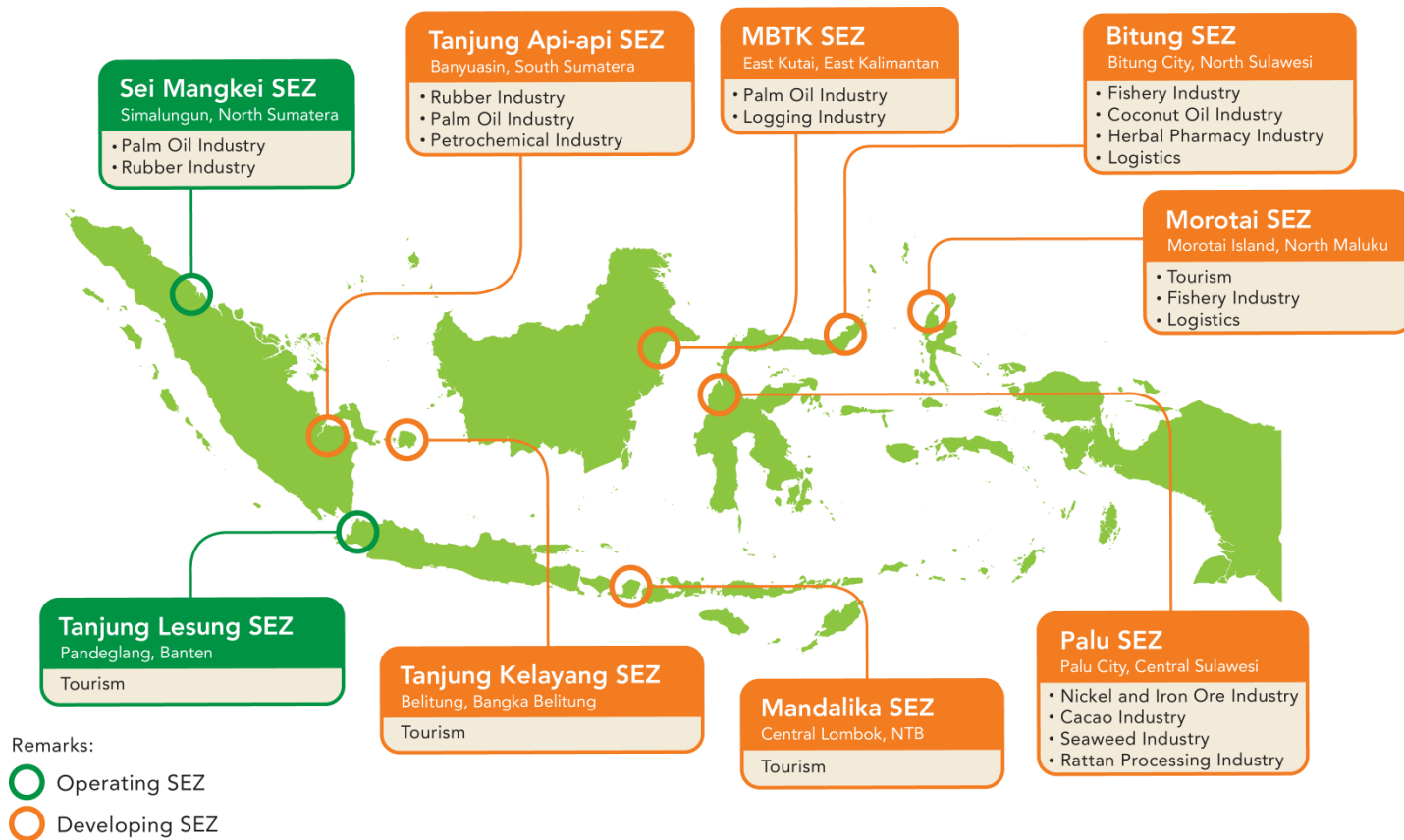
Target Establishment of
New 16 SEZ
in 2015 - 2019

6 New SEZ

Location Indication:

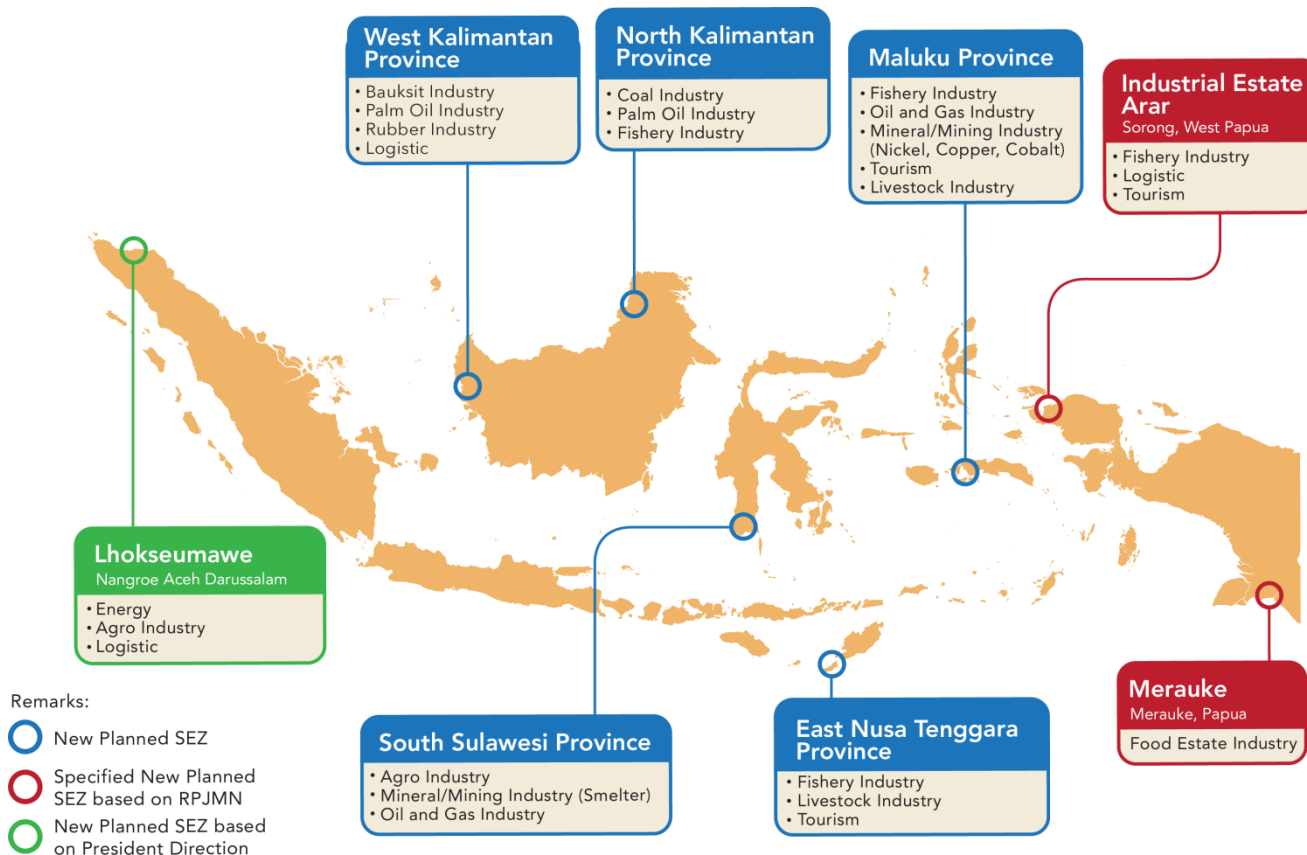
Merauke,
Sorong,
Maluku,
Sulawesi Selatan,
NTT,
Kalimantan Barat,
Kalimantan Utara

**10
Tourism
SEZ**



New SEZ in Plan (2015-2019)

Overview





BITUNG SEZ Profiles

Bitung SEZ LOCATION



Bitung SEZ Masterplan



Bitung SEZ



Strategic Location:

- Located in Bitung, North Sulawesi Province
- 1 hour driving from Sam Ratulangi Airport, Manado
- Supported with designated Bitung International Hub Port with an average depth of more than 22-30 meters
- Located near Indonesia archipelagic Sea lines (ALKI 3) which is passed by container ships and large capacity tanker from Eastern Australia and east Asia
- It has strategic access to BIMP-EAGA, AIDA, East and Pacific Asia

MASTER PLAN



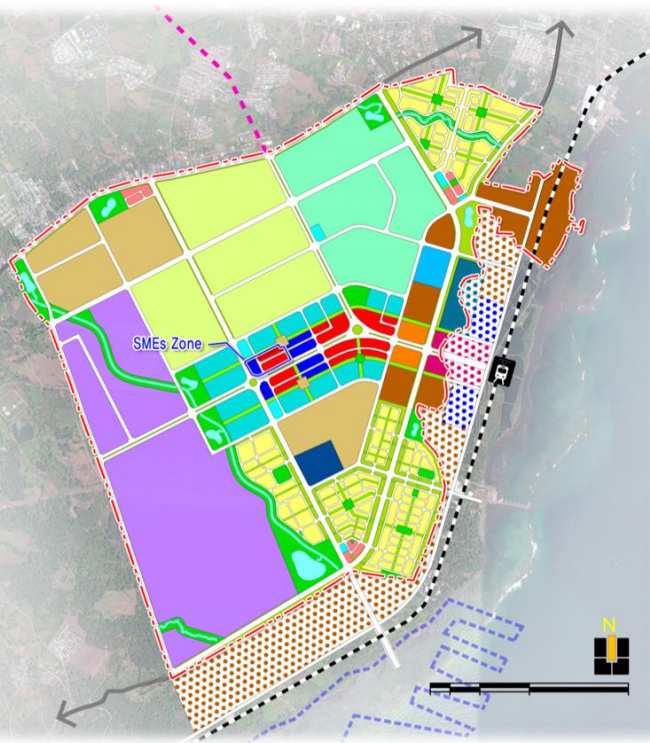
Zonasi KEK

- Industri Kelapa (65,4 Ha)
- Industri Perikanan (50 Ha)
- Industri Pertumbuhan Baru dan Farmasi (105,5 Ha)
- Industri lainnya (41,1 Ha)
- Logistik (25,8 Ha)
- Fasilitas perkantoran dan publik
- Perumahan
- RTH

Development Plan:

- Total area: 534 Ha
- Type: Industry, Logistic, and Export Processing Zone
- Focus Industries:
 - a. Fishery Industry
 - 1. Fisheries Processing industry
 - 2. Fisheries Canning
 - a. Coconut Industry
 - 1. Vegetable oil
 - 2. Coco-chemical
 - 3. Industrial plants
 - a. Pharmaceutical Industry
 - b. Logistic
 - 1. Packaging
 - 2. Inspection service
 - 3. Container
 - 4. Warehousing

Bitung SEZ MASTERPLAN AND INFRASTRUCTURE



Classification			Area (ha)	Proportion (%)	Remarks
Total			534.0	100.0	
Industrial Site (49.1%)	Regionally Specialized Industries	Coconut Industry	65.4	12.2	
		Fishery Industry	50.0	9.4	
	New Growth Industries (Special Planning Zone)		105.5	19.8	Pharmaceutical
	Supportive(other) Industries		41.1	7.7	Industries that conflict with major industries, such as coal or refinement are not permitted
Logistics Land (5.1%)	Port Logistics Site		25.8	4.8	
	Railway Logistics Site		1.6	0.3	
Support -ive Facilities Site (17.7%)	Commer -cial Facilities	Main Commerce	8.6	1.6	Shopping Malls, Commercial Buildings
		Neighborhood Commercial	2.4	0.5	
		General Business	3.5	0.7	
	Business Facilities	Public Activities	2.0	0.4	Public Activities
		Expatriate and worker housing	54.8	10.2	Trade Center Office Support Center Workers' Housing Neighborhood Living Facilities
	Educational and Research Facilities	R&D Facilities	20.1	3.8	
		Education Facilities	2.8	0.5	Occupational Training Center, Special Training Institutions
		Road	76.7	14.4	
Public Facilities Site (28.1%)	Open Space	Park	35.2	6.6	Including Detention Facilities
		Green area	0.8	0.1	
		Square	17.4	3.3	
		Green Sidewalk	9.6	1.8	
		Substation	3.9	0.7	
	Utilities	Environmental Treatment Facilities	3.7	0.7	Wastewater Treatment Facilities
		Reservoir	3.1	0.6	Waste Treatment Facilities

ON SITE INFRASTRUCTURES & FACILITIES



Main Road



SEZ Administrator Office

LAND USE PLAN



- Coconut Industry
- Pharmaceutical and Medical
- Equipment Industry
- Fishery Industry
- Logistic

Bitung SEZ

REGIONAL INFRASTRUCTURE

REGIONAL INFRASTRUCTURES/ CONNECTIVITY



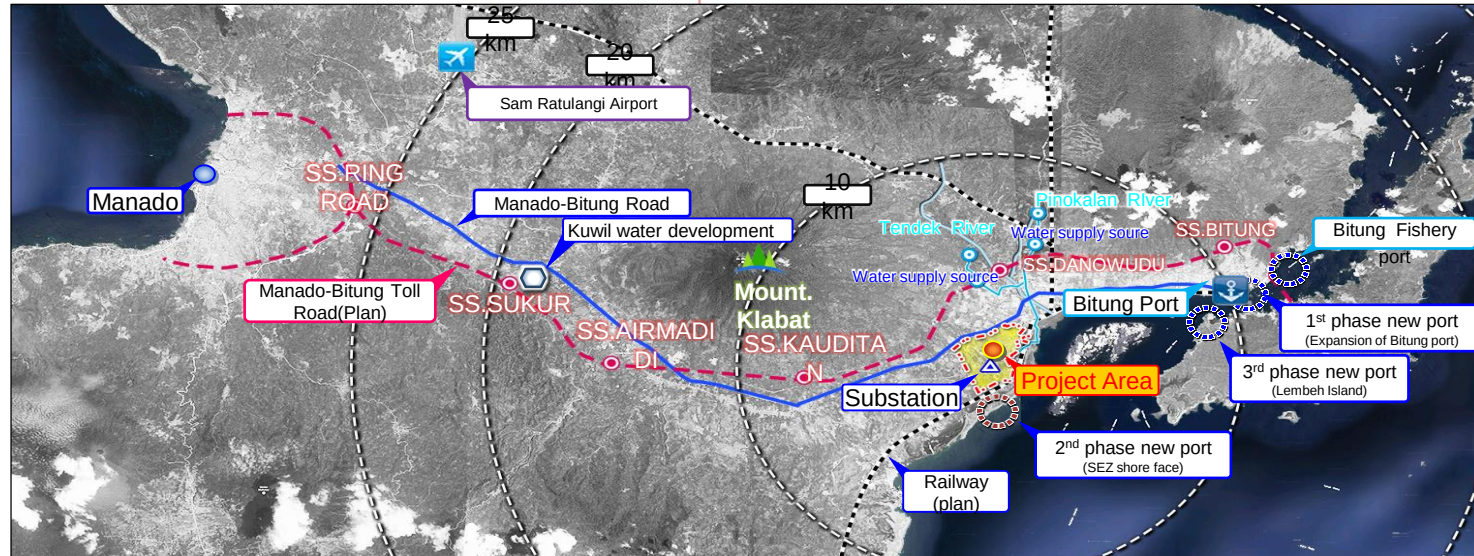
Manado-Bitung Toll Road
(Under Construction)



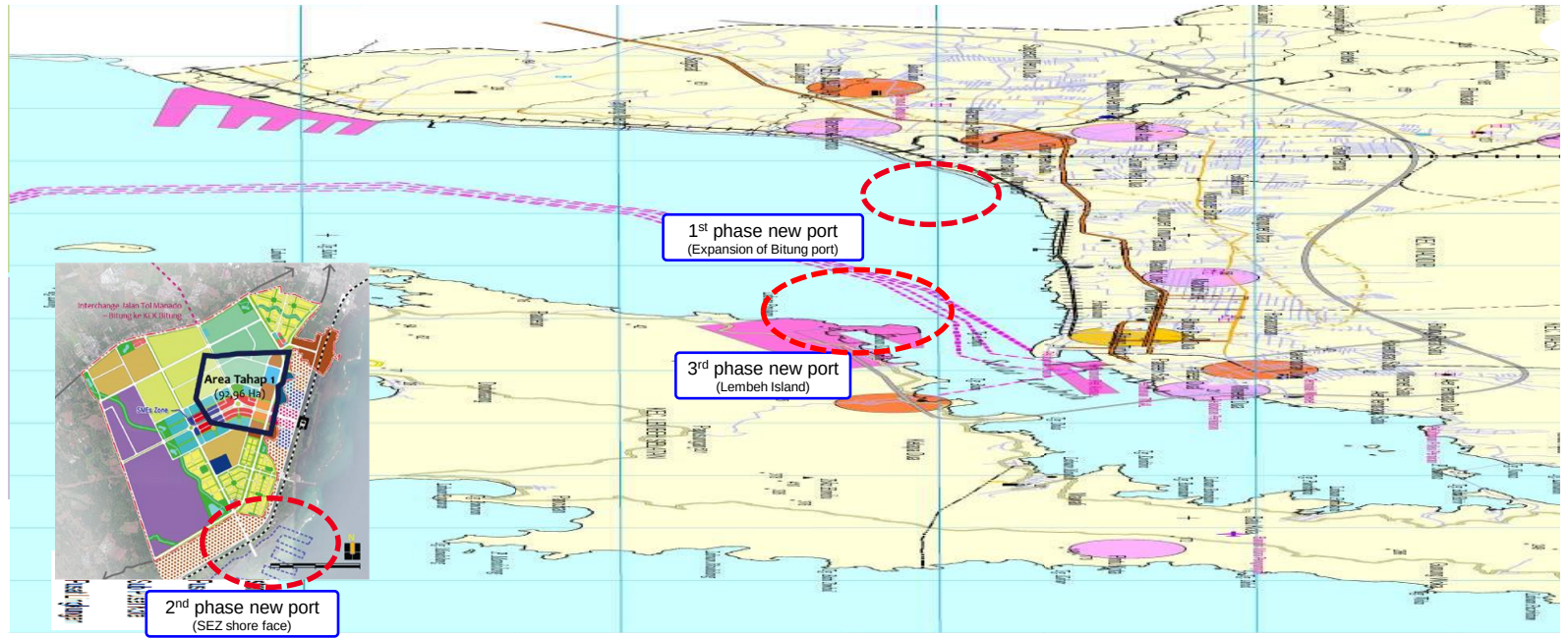
Sam Ratulangi Airport



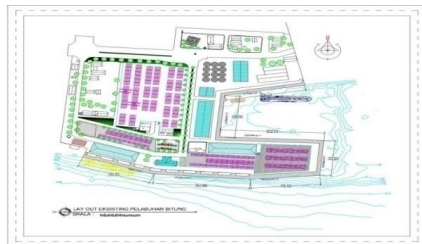
Bitung Sea Port



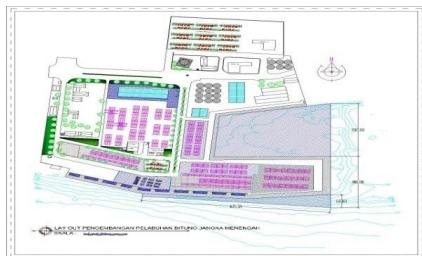
Bitung Port Development



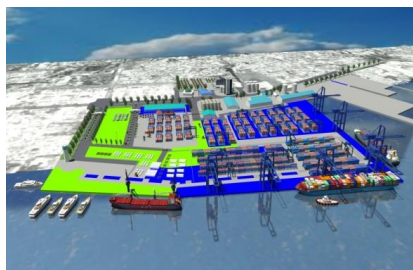
Short Term Plan(2015 – 2019)



Mid Term Plan (2020 – 2024)



Long Term Plan (2025 – 2034)



Short Term Plan:

- Container Yard Arrangement
- Underdeck Repair

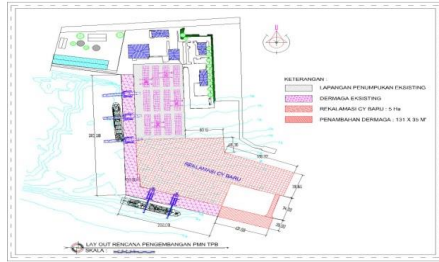
Mid Term Plan

- Bitung Port is supporting Special Economic Zone and Bonded Logistic Zone
- Passenger Terminal relocation to Tuminting Port in Manado (*New Port Development Plan*)
- Reclamation on Nusantara Port and Container Terminal Development
- Staging Wharf Replacement for STS Crane
- Container Crane and RTG Installation
- Service Zonation Arrangement Improvement
- Small Boat Port Replacement

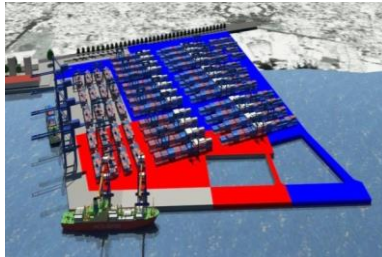
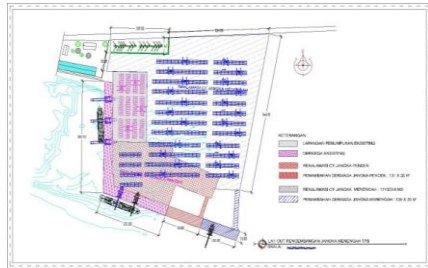
Long Term Plan

- Integrated Bitung with Special Economic Zone and Bonded Logistic Zone
- Replacement Multipurpose Terminal
- CC and RTG Installation
- Service Zonation Arrangement Improvement

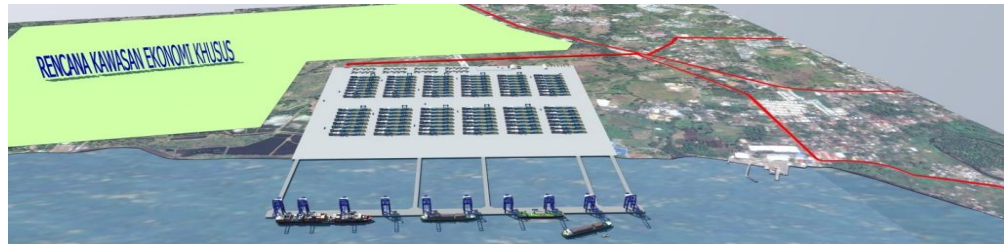
Short Term Plan (2015 – 2019)



Mid Term Plan (2020 – 2024)



Long Term Plan (2025 – 2034)



Short Term (2015 – 2019 :

Facility Development:

- Wharf Extension 131 x 35
- Trestle Development 74 x 11,5 M2
- Container Yard Expansion for 5 Ha
- Additional Container Crane 2 units
- Additional RTG 2 Units
- Wharf Extension 136 x 35 M2
- Reclamation for 5 HA
- Installed Capacity 770.000 Teus/Year

Mid Term (2020 – 2024)

- Container Yard Expansion
- Container Yard Expansion to Ferry Port
- Terminal Expansion
- Additional Container Crane (2 units)
- Additional RTG 4 Unit
- Installed Capacity 1.700.000 Teus/Year

Long Term (2025 – 2034)

- Ultimate Terminal Capacity achieved
- Relocation to Bitung SEZ

A close-up photograph of a water droplet falling into a pool of water, creating ripples. The background is blurred, showing more water and light reflections. A blue semi-transparent banner is overlaid on the image, containing the text 'SEZ Benefits & Incentives'.

SEZ Benefits & Incentives



Investment as Tenant or Developer

- Invest as a tenant in SEZ Business Sector (Industry: Palm oil, rubber, petrochemical, agro, fishery, manufacturing; Logistic; Tourism; etc)
- Joint Venture with SEZ developer



Investment as SEZ Operator

- Joint Venture with SEZ developer in operating and managing SEZ



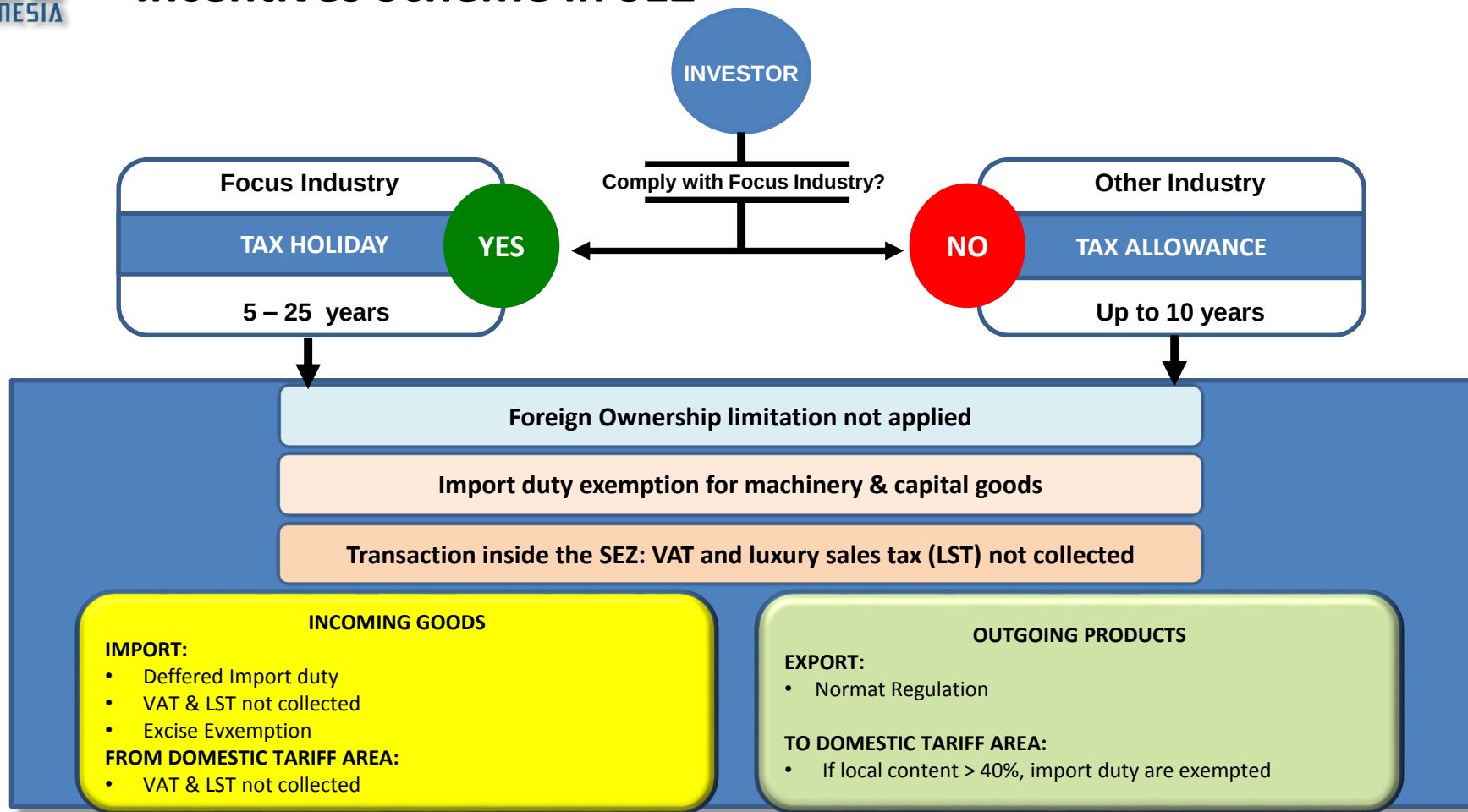
Investment as Infrastructure Provider

- Invest to Provide SEZ Infrastructure
- Inside SEZ Infrastructure (road, drainage, power plant, water treatment plant, waste water treatment plan, etc)
 - Supporting Infrastructure in the surrounding SEZ (road, port, airport, railway, electricity, water supply, gas, etc)

Benefits	SEZ
Integrated Fiscal Facilities	- In SEZ will be provided fiscal incentives, both from central and local government - Fiscal Facilities in SEZ will be the ultimate incentives in Indonesia
Integrated Regional Infrastructure Support	- Integrated Infrastructure provision in terms of connectivity, accessibility, capacity and timing synchronization. - The regional infrastructure will be fully supported both by Central and Local Government (Airport, Seaport, railways, roads, electricity, gas, and water supply)
Integrated Business Licensing	Business permit and licensing will be processed in SEZ Administrator (on-site one stop service)
Negative List	Foreign Ownership limitation not applied in SEZ
Easiness doing business in SEZ	facilities and cost reduction to get permits or licenses to run businesses, carry out business activities, trade, seaport administration, and immigration for foreign business players, as well as security facilities are given (One Stop Service)

Incentives Scheme in SEZ

SEZ Benefits & Incentives



NO.	SUBJECT
1.	VALUE ADDED TAX (PPN) AND SALES TAX ON LUXURY GOODS (LST)
2.	IMPORT DUTIES AND EXCISE
3	FOREIGN OWNERSHIP LIMITATION NOT APPLIED
4	ENTERING GOODS FROM FOREIGN CONTRIES NOT TREATED AS IMPORT YET
5	BUSINESS LICENSES
6	FOREIGN PROPERTY OWNERSHIP IN TOURISM SEZ
7	LOCAL TAXES IN TOURISM SEZ
8	LABOUR AND EMPLOYMENT
9.	IMMIGRATION
10.	LAND TITLING

A close-up, high-speed photograph of a water droplet falling into a pool of water. The droplet is suspended in mid-air, just above the surface, creating a clear, circular ripple. The background is a soft, out-of-focus mix of light and dark tones, suggesting a natural setting. A blue semi-transparent banner is overlaid on the right side of the image, containing the text 'Other SEZ Profiles'.

Other SEZ Profiles

Sei Mangkei SEZ LOCATION



*Enormous Palm Oil Resources
Right Upon The Heart of
Asia*



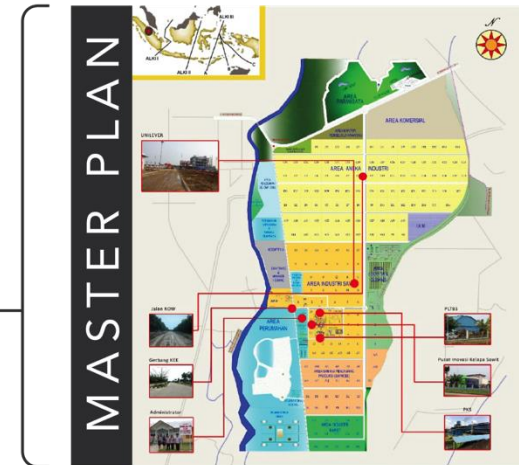
Sei Mangkei SEZ PROFILE

Location

- Simalungun District, North Sumatera Province
- 40 km to Kuala Tanjung International Port
- 73 km to Polonia International Airport

Development Plan

- Total area: 2.002 Ha
- Type: processing industry
- Focus Industries:
 - a. Agro Industry:**
 1. Palm Oil processing: oleochemical industry, refinery industry/olein, and biodiesel industry.
 2. Rubber Industrial Zone
 3. Other Industry
 - b. Logistic Zone**
 - c. Tourism Zone** (MICE, Golf Area, Hotels)



Sei Mangkei SEZ BUSINESS OPPORTUNITY

- Downstream industrial estate for oleo-chemical industry and processing center of other agriculture commodities.
- Located In the heartland of world palm oil and rubber producing region.
- Almost no history of social unrest and known as highly tolerant community within diverse religious believers.
- Will have 30 minutes travel time thorough railways to Kuala Tanjung Multipurpose Sea Port that is located in the main international sea route of Malaka Strait
- Abundant water supply potential from nearby Bah Bolon River
- Geologically stable and far from tsunami, earthquake or other natural disaster area



Agro Industry

- Palm Oil Downstream (oleokimia, fatty acid, fatty alcohol, surfactant, refinery, biodiesel, biogas)
- Rubber downstream
- Various industrial (e.g: fertilizer, electronics)



Logistic

- Warehousing
- Packaging

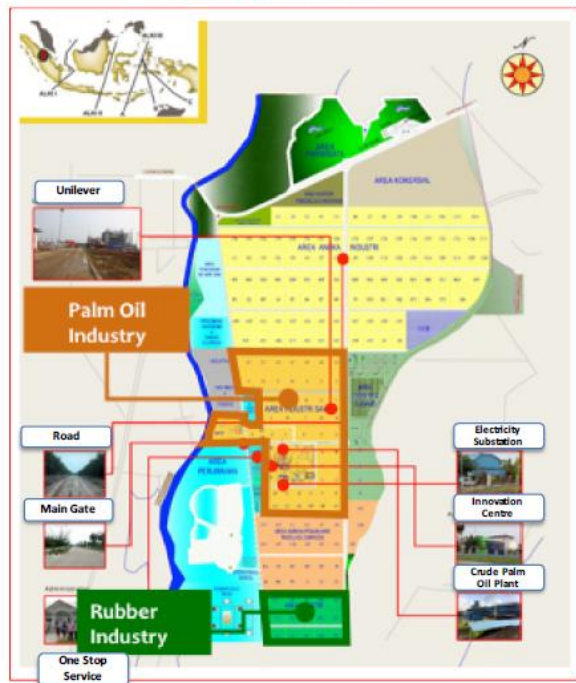


Tourism

- Hotel
- Golf Course
- MICE

Sei Mangkei SEZ MASTER PLAN

LAND USE PLAN



- Palm Oil Industry
- Rubber Industry



Sei Mangkei SEZ INFRASTRUCTURE

ON SITE INFRASTRUCTURES & FACILITIES



Areal Road



Electricity



Gas Pipe



Telecommunication



WTP 250 m3/hour



WWTP 250 m3/hour



Dry Port



Tank Farm

The diagram illustrates the infrastructure development in the Klang Valley region. A central map of the Klang Valley area is surrounded by eight infrastructure projects, each with a photo and a label. Red lines connect the central map to each project.

- Electricity**: A photo of a power substation.
- Train Railway**: A photo of a train on tracks.
- National Road (Toll)**: A photo of a multi-lane highway.
- Metering Gas**: A photo of a gas metering station.
- Kuala Tanjung Sea Port**: A photo of a large port facility with several ships.
- Belawan Port**: A photo of a port facility with yellow cranes.
- Medan City**: A photo of a large ship at a port.
- Kuala Lumpur International Airport**: A photo of a large airport terminal.

Palu SEZ LOCATION



Palu SEZ PROFILE

Location

- Palu, Central Sulawesi Province
- 30 minutes driving from Mutiara Airport, Palu
- Integrated accessibility to Pantoloan Sea Port



Development Plan:

- Total area: 1500 Ha
- Type: Industry, Logistic, and Export Processing Zone
- Focus Industries:
 - a. Manufacturing Industry
 - b. Agro Industry
 - c. Mining Processing Industry
 - d. Logistic



Palu SEZ BUSINESS OPPORTUNITY

- Located in Palu bay, which encompasses 9,300 square meters with an average depth of more than 200 meters. Connected with Pantoloan Port, which is able to accommodate VLCVs.
- Located near Indonesian Archipelagic Sea Lanes (ALKI 2), which is crossed by more than 6.400 ships/year.
- Strategically accessible to various places i.e Kalimantan, Sulawesi, Maluku, Papua, Malaysia and Philippines.

Manufacturing Industry

- Assembling Volvo Heavy Equipment
- Assembling Sino Truck
- Enhancement of Local Contain
- Product Electricity



Mining Processing Industry

- Processing & Purifying iron, gold, nickel, and galena
- Metallurgical & derivatives industrial



Agro Industry

- Seaweed processing industry
- Rattan processing industry
- Cocoa processing industry



Logistic

- Warehousing
- Packaging



Palu SEZ MASTER PLAN



Palu SEZ INFRASTRUCTURE

ON SITE INFRASTRUCTURES & FACILITIES



LAND USE PLAN



- Cocoa Industry
- Non Ferrous Metal Industry
- Seaweed Industry
- Rattan Industry

Palu SEZ INFRASTRUCTURE

REGIONAL INFRASTRUCTURES/ CONNECTIVITY



Mutiara Airport



Electricity



Pantoloan Sea Port



Tanjung Api-Api SEZ

LOCATION



*Enormous Rubber Resources
Right Upon The Heart of
Asia*



Tanjung Api-Api SEZ BUSINESS OPPORTUNITY

- South Sumatera Province is the biggest rubber producer in Indonesia and also rich for its natural gas, coal and CPO
- Potential to be developed as of rubber and palm oil processing, petrochemical industry through coal gasification and ethanol
- As a functional zone which support the Sea Port Activity and medium through big scale of manufacture activity



Rubber Industry

- Tire
- Rubber gloves
- Condom
- Crumb Rubber



Palm oil Industry

- Oleochemical
- Palm oil diesel



Petrochemical Industry

- Coal gasification
- Chemical industry (Ethanol)

Tanjung Api-Api SEZ INFRASTRUCTURE

REGIONAL INFRASTRUCTURES/ CONNECTIVITY



- Access to International port Badarrudin 70 Km
- Palembang – Tanjung Api-Api National Road (62,8km)
- Tanjung Api-Api Cap 5000 DWT (2,5 Km), and Tanjung -Carat Port Cap 77000 DWT (KM)
- Tanjung Api-Api – Palembang Toll Road (80km)
- Tanjung Enim – Tanjung Api-Api rail road (375km)
- Power Plant has been developed

MBTK SEZ LOCATION



**Malay Batuta Trans
Kalimantan SEZ**



MBTK SEZ PROFILE

Location

- Kutai Timur District, Kalimantan Timur Province
- 2 hours from Sangatta Airport



Development Plan:

- Total area: 557,34 Ha
- Type: Industry, Logistic, and Export Processing Zone
- Focus Industries:
 - a. Integrated Palm Oil Cluster in Kalimantan
 - b. Logistic Center for East Coast Kalimantan
 - Warehousing
 - Packaging



MBTK SEZ BUSINESS OPPORTUNITY

- Located In the biggest of Indonesia's agro industry producing region.
- Located near Indonesia Archipelagic sea Lanes (ALKI 2) and Makasar Strait.
- Abundant potential water supply from nearby strait
- Located near Makasar strait



Industry

- Integrating all palm oil and also for other various agro industries.
- Product, ex: surfactant, glycerin, soap noodle, papers, organic fertilizer, tyre, rubber thread, rubber glove, dan cattle feed



Logistic

The other business activity are tank farm service, warehousing, and packaging

MBTK SEZ INFRASTRUCTURE

ON SITE INFRASTRUCTURES & FACILITIES



Areal Road



Supporting Facilities



Solar Cell



Communication Tower

LAND USE PLAN



● Palm Oil Industry

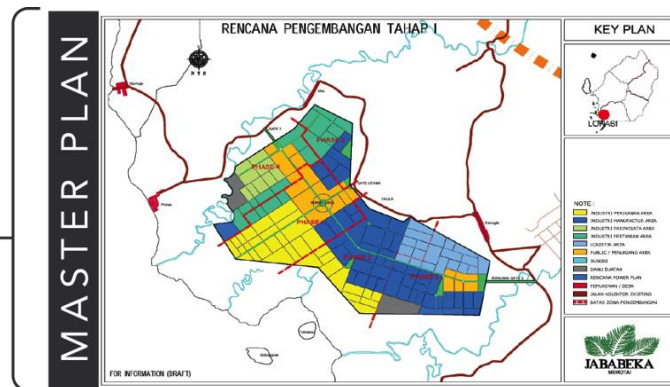
● Wood Industry

Morotai SEZ LOCATION



PROFIL

- Morotai, North Maluku Province
- 3 hours flight from Singapore and Taipei.
- 4 km away from Daruba Port



- Total area: 1,101 Ha
- Type: Industry, Logistic, and Tourism
- Focus Industries:

a. Fresh Fish Processing
b. Modern Fish Industry

Container and Warehousing

- a. Resort
- b. Historical Tourism
- c. Marine Tourism

Morotai SEZ BUSINESS OPPORTUNITY

- Located in the Morotai Island that border to Halmahera Sea, which is tuna migration path and produces almost 32% from total Indonesian tuna production.
- Morotai SEZ has incredible views of the coast and world war II relics at the bottom of the sea.
- Located near Indonesian Archipelagic Sea Lanes (ALKI 3), which is crossed by more than 6.400 ships/year.
- Strategically accessible to various places such as Kalimantan, Sulawesi, Maluku, Papua, Malaysia, and Philippines.



Fishery Processing Industry

- Fisheries Processing industry
- Fisheries Canning



Logistic

- Packaging
- Inspection service
- Container
- Warehousing



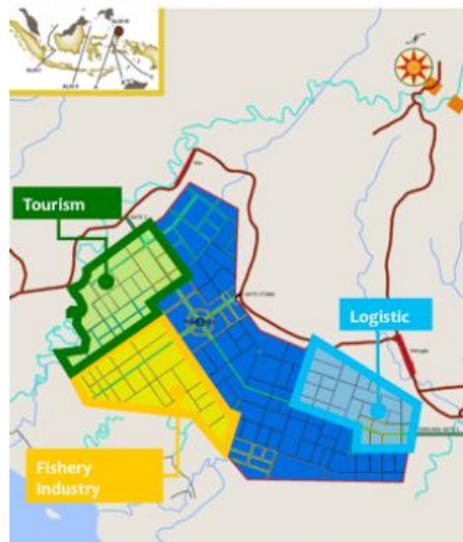
Tourism

- Hotel and Resort
- Beautiful Beach
- Historical tourism

Morotai SEZ INFRASTRUCTURE

ON SITE INFRASTRUCTURES & FACILITIES

LAND USE PLAN



- Tourism
- Fishery Industry
- Logistic



D'Aloha Resort



Fishery Port

Morotai SEZ INFRASTRUCTURE

REGIONAL INFRASTRUCTURES/ CONNECTIVITY



Wayabula Sea Port



Bere-bere Fishery Port



Pitu Morotai Airport



Daruba Sea Port



Tourism SEZ



Tanjung Lesung SEZ LOCATION



The Remarkable and Distinctive Tourism Investment in Asia



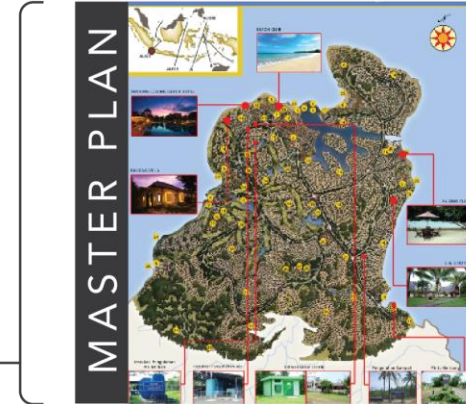
Tanjung Lesung SEZ PROFILE

Location

- Pandeglang District, Banten Province
- 150 km to Soekarno Hatta International Airport

Development Plan:

- Total area: 1.500 Ha
- Type: tourism Zone
- Focus Industries:
 - a. Tourism, including hotel, resort, MICE and creative industry.
 - b. Products offered are land sale/lease/ cooperation for:
 - Hotel resort
 - Hotel suite
 - Apartment
 - Villa
 - Lot (house)
 - Corporate lodgers
 - Commercial retail



Tanjung Lesung SEZ

BUSINESS OPPORTUNITY

- Tourism Center on the west coast of Java island, which will be supported by world class marina and terminal cruise
- Nearby world class tourism destinations, namely the legendary Mount Krakatoa and the Ujung Kulon Natural Preservation area - the only natural habitat for endanger species of Javanese Rhinoceros.
- New Airport nearby Tanjung Lesung, and airstrip inside Tanjung Lesung
- Foreigner Land Ownership in Tanjung Lesung

Tourism

- Diving
- Snorkling
- Yachting
- Marina
- Hotel
- Villa
- Apartment
- Golf Zone
- Tourism College

Mandalika SEZ LOCATION



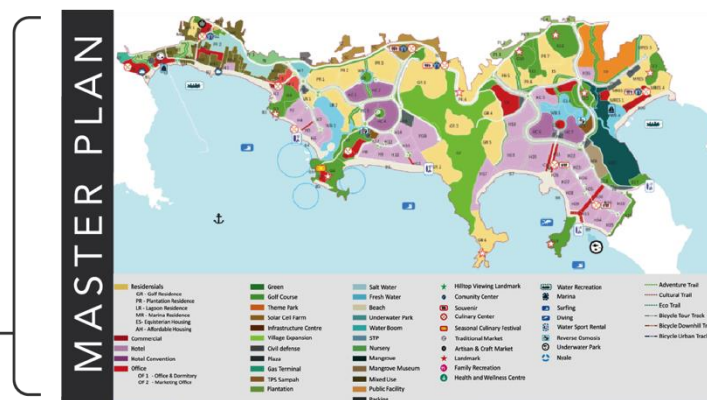
- Lombok Tengah, West Nusa Tenggara Province
- 30 minutes driving from Lombok International Airport

- Total area: 1035 Ha
- Type: Tourism Zone
- Focus Industries:

B. Agro Options

Theme park
Residential plation
Farming and harvest
Agro Trial

Mangrove tour
Natural flora
Eco trail
Eco Tour Eco hotel and resort



Mandalika SEZ BUSINESS OPPORTUNITY

- Located in Central Lombok district which is connected with Lombok International Airport.
- 20 minutes travel access from Bali, one and half an hour from Jakarta, and 2 hours from Singapore.
- It has excellent tourism attraction on the island of Lombok, with 7.5 km white sand beach of the Indian Ocean, and various local attractions nearby to the Mandalika.



- | | | | | |
|---------------|-------------|-------------|-------------------|----------------------------|
| ▪ Meeting | ▪ Hotel | ▪ Diving | ▪ Tourism College | ▪ Traditional house |
| ▪ Incentive | ▪ Villa | ▪ Snorkling | | ▪ Cukltural exhibition |
| ▪ Conference | ▪ Apartment | ▪ Yachting | | ▪ Unique regional products |
| ▪ Exhiibition | ▪ Golf Zone | | | |

Tanjung Kelayang SEZ LOCATION



Tanjung Kelayang SEZ PROFILE

Location

- Belitung, Bangka Belitung Islands Province
- 40 minutes driving from HAS Hanandjoeddin Airport
- 45 minutes flight from Jakarta and Singapore

Development Plan:

- Total area: 324,4 Ha
- Type: Tourism
- Focus Industries:
 - a. Tourism development include hotel, resort, and future commercial area.
 - b. Products offered are land sale/lease/ cooperation for:
 - Ecotourism
 - Polo and Equestrian Resort
 - Residential
 - Solar Farm and Buffer Zone
 - Villa

Tanjung Kelayang SEZ

BUSINESS
OPPORTUNITY

- Located in the northern part of Belitung Island with the best beach quality of the whole island.
- Owned by a private group with eco-tourism development and luxury tourism in mind, that will allow Belitung to achieve international recognition.
- The island is safely located in the white zone, with no earthquake or tsunami threat.
- Renovation plan for runway and terminal building at the airport is underway.



SUBJECT	FISCAL FACILITIES
CORPORATE INCOME TAX (CIT)	1. Tax Reduction for Focus Industries: • A reduction of corporate income tax (CIT) by 20-100% for a period of 10-25 years, if invested more than Rp. 1 trillion (approx. USD. 76 million). • A reduction of CIT by 20-100% for a period of 5-15 years, if invested between Rp. 500 billion – 1 trillion (USD. 38 – 76 million). 2. Tax Allowance for other than Focus Industries: • A reduction of net income of up to 30% of the amount invested, prorated 5% for 6 years; • Accelerated depreciation deductions; • Extension of tax losses carry-forward for up to 10 years; • A reduction of withholding tax rate on dividends paid to non-residents to 10%, or lower if treaty available

NO.	SUBJECT	INCENTIVES/FACILITIES
1.	FOREIGN PROPERTY OWNERSHIP IN TOURISM SEZ	• Exempted from Luxury and Very Luxury Sales Tax • Foreign individual and foreign corporate can own properties in Tourism SEZ, including landed house • The status of the properties are Right to Use (Hak Pakai) for 25 years and could be renewed up to 70 years • Stay Visa will be given to property owner
2.	LOCAL TAXES IN TOURISM SEZ	• Reduction of local taxes • Reduction of local retribution
3.	LABOUR AND EMPLOYMENT	• Special Wage Council and Special Tripartite Consultation • Limitation of Labour Union Forum • Agreement and extension of Expatriate Employment Plan by SEZ Administrator

NO.	SUBJECT	INCENTIVES/FACILITIES
4.	IMMIGRATION	Immigration facilities for foreign workers, including his/her family: • VOA for 30 days and could be extended 5 times • Multiple entry Visa for expatriate and his/her family • Stay Visa for foreign individual who owned property in Tourism SEZ • Retirement Visa for individual who intended to stay in Tourism SEZ
5.	LAND TITLING	Land Titling: • Right to Build (HGB) will be given for Indonesian citizen or corporate bodies established in Indonesia, for 30 years, could be extended for 20 years dan renewed for 30 years (total 80 years), after the business entering commercially operated period • Right to Use will be given for foreign individual and foreign corporate, for 25 years, could be extended for 20 years and renewed for 25 years (total 70 years), after the propertie(s) is fully owned
6.	BUSINESS LICENSES	• Start up business license will be proceed by SEZ administrator within 3 hours. • All procedures related to export, import, immigration, working permit, etc., will be handled by SEZ Administrator.

Thank You

**Republic of Indonesia
The Coordinating Ministry for Economic Affairs,
The National Council Secretariat
for Special Economic Zone**

MR 21 Building, 6th floor
Jalan Menteng Raya No. 21, Central Jakarta, Indonesia
Phone/Fax : +6221-34832655/58

Email: info@kek.ekon.go.id, Web: <http://kek.ekon.go.id>

