PRESS RELEASE

Minister of Investment Ensures Air Products Invests USD15 Billion in Coal Gasification and Derivatives Industry

Dubai, 5 November 2021 – During his visit to the United Arab Emirates, Minister of Investment/Indonesia Investment Coordinating Board Chairman signed a Memorandum of Understanding with Air Products and Chemicals, Inc (APCI) on Thursday (4/11) in Dubai witnessed in person by Indonesian President Joko Widodo. The megaproject investment of USD15 billion or IDR210 trillion is for the coal gasification and derivatives industry.

The large and long-term investment agreement consists of developing a gasification facility to convert low-value coal to high added value chemical products like methanol, DME (Dimethyl Ether), and other chemicals. The goal of the collaboration is to encourage natural resources downstreaming and increase import substitutes. This is a realization of President Jokowi's policy in regards to economic transformation.

"This is a translation of the Indonesian President's big vision, including economic transformation and industry downstreaming. Total agreed upon investment reached USD15 billion," said Bahlil.

Bahlil explained that APCI would collaborate with BUMN and national companies in several locations, such as Sumatera, Kalimantan, Maluku, and Papua, under the agreement. This is the government's commitment to applying an investment model that is collaborative and inclusive.
"In this context, we will follow up with those companies. The realization will start in the beginning of 2022. I think this is a good number, it just depends on how we monitor the technical aspect," Bahlil.

The President, Chairman and CEO of Air Products and Chemicals, Shefi Ghasemi, conveyed his appreciation for signing the Memorandum of Understanding.

"We are very happy for the signing of this Memorandum of Understanding, especially witnessed in person by President Joko Widodo. This gives a stronger motivation for us to realize investment in Indonesia. Thank you for the full support of the Ministry of Investment. We are ready to follow through," said Shefi Ghasemi.

As a concrete measure of the memorandum of understanding with the Ministry of Investment/BKPM, Air Products also signed Memorandums of Understanding with BUMN and national companies, those are:

1. Coal to Dimethyl Ether (DME) project between PT Indika Energy TBK and APCI;
2. Natural gas to blue ammonia project between PT Butonas Petrochemical Indonesia and APCI;
3. Coal to Dimethyl Ether (DME) project between PT Batulicin Enam Sembilan and APCI;
4. Coal gasification for methanol production project between PT Bukit Asam and APCI.

Air Products and Chemicals is a large United States gas and chemical processing company established in 1940. Air Products develop, build, own, and operate several of the largest industrial gas projects in the world, including sustainable gasification projects that turn abundant natural resources into syngas (synthetic natural gas) to produce power, fuel, and high-value chemicals. With more than 19,000 employees and operating in 50 countries, Air Products supplies to various industries such as the food and beverage industry, medical industry, energy, and transportation. (*)