Jakarta, 20th April 2020 – Indonesia Investment Coordinating Board (BKPM) announces the first quarter (January-March) of investment realization data in 2020 reached Rp 210.7 trillion or equivalent to 8.0% increase compared to the same period in 2019, Rp 195.1 trillion. This significant value was triggered by Domestic Direct Investment (DDI) which increased by 29.3%.

Chairman of BKPM, Bahlil Lahadalia stated that the realization of this first quarter contributed 23.8% to the 2020 target investment realization of Rp 886.1 Trillion. “This first quarter quite challenging due to covid-19 outbreak, but fortunately, it is still on track, even 8% higher than first quarter of last year” said Bahlil

Compared to the same period of 2019, Domestic Direct Investment (DDI) of this quarter increased from Rp 87.2 trillion to be Rp 112.7 trillion. In the same time, Foreign Direct Investment (FDI) decreased by 9.2%; from Rp 107.9 trillion to be Rp 98.0 trillion. Furthermore, the total domestic labor absorption in this quarter reached 303,085. It means higher than first quarter 2019 of 235,401.

"Certainly, this is a good sign, where more labor absorbed this year. We have been asking commitment of companies not to have layoffs within the Covid-19 pandemic. This is important to stabilize the Indonesia’s current economy," Bahlil said.

Bahlil also admit that the Covid-19 pandemic is challenging to the FDI investment realization in the first quarter of 2020. "BKPM hopes that foreign and domestic companies can survive in their operation, of course they are keep implementing the rules and regulations of the government. We keep continue to oversee investment projects and to facilitate debottlenecking, especially in this current conditions" Bahlil emphasized during the press conference at the BKPM office.

Investment Realization of First Quarter 2020
Within the first quarter of 2020, investment (DDI and FDI) realization in outside Java increased significantly by 19.3 %, reached Rp 102.4 trillion compared to the same period in 2019, reached Rp 85.8 trillion. At the same time, investment realization in Java slightly decreased from Rp. 109.3 trillion in 2019 to be Rp. 108.3 trillion in 2020.

BKPM also notes that investment realization (DDI & FDI) based on project locations (top 5) are: East Java (Rp. 31.4 trillion, 14.9%); West Java (Rp. 29.9 trillion, 14.2%); Special Territory of Jakarta (Rp. 20.1 trillion, 9.6%); Central Java (Rp. 19.3 trillion, 9.1%); and Riau (Rp. 12.8 trillion, 6.0%).

"Another good indication is the investment realization occurred in Eastern Indonesia, which grew by 19.3% compared to the first quarter of 2019. It was contributed by mining processing product sector, after the nickel ore export ban in the end 2019. We keep continue to promote investment realization of outside Java" said Bahlil.

Foreign and Domestic investment realization in this quarter was dominated by sector of Transportation, Warehouse, and Telecommunication (Rp 49.3 trillion, 23.4%); Basic Metal, Metal Based Goods, Non-Machinery and Equipment Industry (Rp 24.5 trillion, 11.6%); Electricity, Gas, and Water Supply (Rp 18.0 trillion, 8.6%); Housing, Industrial Estate, and Office Building (Rp 17.8 trillion, 8.4%); and Food Crops, Plantation, and Livestock (Rp 17.2 trillion, 8.2%)

The top five leading countries whose largest FDI are: Singapore (US$ 2.7 billion, 40.0%); China (US$ 1.3 billion, 18.9%); Hong Kong (US$ 0.6 billion, 9.3%); Japan (US$ 0.6 billion, 8.9%) and Malaysia (US$ 0.5 billion, 7.1%).

Through the implementation of “Large Investment Project Execution” program, BKPM remains committed to oversee the investment projects, from getting permit until solving problems in the field, such as land acquisition. “Together with other Ministries/Institutions, we keep continue to facilitate obstacles faced by companies, especially in the midst of the Covid-19 pandemic. "This is not an easy thing to do, but we are optimistic this outbreak will end soon and the economy will rebound," Bahlil stressed.

Progress of Investment Realization from 2015 – March 2020: By Quarterly
For more information:

Tina Talisa
Indonesia Investment Coordinating Board Spokesman
Jl. Jend. Gatot Subroto 44, Jakarta 12190
E-mail: tina.talisa@bkpm.go.id
Appendix

Investment Realization Data of The Domestic and Foreign Direct Investment in First Quarter of 2020

Domestic Direct Investment (DDI) realization of the first quarter of 2020 increased by 29.3% compared to the same period in 2019, from Rp 87.2 trillion to Rp 112.7 trillion.

Foreign Direct Investment (FDI) realization of first quarter of 2020 decreased by 9.2% compared to the same period in 2019, from Rp 107.9 trillion to Rp 98.0 trillion.

The highlights of the total investment realization (DDI & FDI) in first quarter of 2020 are summarized as follows:

1. Domestic Direct Investment (DDI) Realization
   Domestic Direct Investment realization based on top 5 leading sectors are: Transportation, Warehouse, and Telecommunication (Rp 37.6 trillion); Construction (14.1 trillion); Food Crops, Plantation, and Livestock (Rp 10.3 trillion); Housing, Industrial Estate, and Office Building (Rp 9.1 trillion); and Food Industry (Rp 7.3 trillion). Accumulatively, industrial sector contributes up to Rp 19.8 trillion or equivalent to 17.6% of the total DDI realization.
   The preferred location of Domestic Direct Investment realization are: East Java (Rp 26.6 trillion); West Java (Rp 16.7 trillion); Central Java (Rp 14.6 trillion); Riau (Rp 7.7 trillion) and Special Territory of Jakarta (Rp 7.0 trillion).

2. Foreign Direct Investment (FDI) Realization
   Foreign Direct Investment realization based on top 5 leading sectors are: Metal, Metal Based Goods, Non-Machinery and Equipment Industry (US$ 1.5 billion); Electricity, Gas, and Water Supply (US$ 0.9 billion); Transportation, Warehouse, and Telecommunication (US$ 0.8 billion); Housing, Industrial Estate, and Office Building (US$ 0.6 billion); Chemical and Pharmaceutical Industry (US$ 0.6 billion). Accumulatively, industrial sector contributes up to US$ 3.1 billion or equivalent to 45.1% of the total FDI realization.
   The preferred location of Foreign Direct Investment realization are: Special Territory of Jakarta (US$ 0.9 billion); West Java (US$ 0.9 billion); North Maluku (US$ 0.8 billion); Riau Islands (US$ 0.4 billion); and South East Sulawesi (US$ 0.4 billion).
   Top 5 countries of Foreign Direct Investment realization are: Singapore (US$ 2.7 billion); China (US$ 1.3 billion); Hong Kong (US$ 0.6 billion); Japan (US$ 0.6 billion) and Malaysia (US$ 0.5 billion).
3. Distribution of Project Location

In first quarter of 2020, investment realization in Java reached Rp 108.3 trillion and in outside Java reached Rp 102.4 trillion. Compared to the same period in 2019, investment realization in Java decreased by 0.9% but in outside Java increased by 19.3%

4. Indonesian Labor Absorption

In Q4-2019, the investment realization absorbed 303,085 labors involves 151,166 labors by DDI projects and 151,919 labors by FDI projects.

5. The investment realization based on region in the period of January - March 2020, can be figured as follows:
   a. The investment realization in Sumatera value to Rp 56.3 trillion (26.7%), consists of Rp 30.8 trillion of DDI and US$ 1.8 billion of FDI.
   b. The investment realization in Java value to Rp 108.3 trillion (51.4%), consists of Rp 67.9 trillion of DDI and US$ 2.8 billion of FDI.
   c. The investment realization in Kalimantan value to Rp 14.2 trillion (6.7%), consists of Rp 9.4 trillion of DDI and US$ 0.3 billion of FDI.
   d. The investment realization in Sulawesi value to Rp 13.0 trillion (6.2%), consists of Rp 1.8 trillion of DDI and US$ 0.8 billion of FDI.
   e. The investment realization in Bali and Nusa Tenggara value to Rp 5.3 trillion (2.5%), consists of Rp 2.3 trillion of DDI and US$ 0.2 billion of FDI.
   f. The investment realization in Maluku and Papua value to Rp 13.6 trillion (6.5%), consists of Rp 0.4 trillion of DDI and US$ 0.9 billion of FDI.

Jakarta, 20 April 2020
Acting Deputy Chairman of Investment Monitoring and Implementation
Investment Coordinating Board of Republic of Indonesia (BKPM RI)