PRESS RELEASE

Jakarta, 29 June 2020

BKPM: Hyundai Exceeds Construction Target Amidst COVID-19 Pandemic

Jakarta, 29 June 2020 - The Indonesia Investment Coordinating Board (BKPM) ensures that investment from PT Hyundai Motor Manufacturing Indonesia (HMMI) from South Korea continues. The construction phase of the project valued at USD 1.55 billion was even able to exceed the planned target.

The BKPM Chairman Bahlil Lahadalia expressed his appreciation for the investors’ commitment, especially from South Korea, in realizing their investments. In line with that, BKPM also guarantees its commitment to carrying out supervisions for investments coming in, including facilitation for licensing, raw materials, as well as handling the land issues.

"I always try to solve investment problems directly with my own hands. This is a form of the Indonesian governments’ commitment to maintaining good relations with investors from South Korea. We have started to assist investors from the signing of the Memorandum of Understanding to the process of reviewing the investment location directly. President Jokowi also expressed his gratitude and appreciation to Hyundai for continuing to realize investments amid the COVID-19," Bahlil explained.

The President of Hyundai Asia Pacific Lee Young Tack said that currently the development of the HMMI plant has reached 22%. This proves the company’s ability to exceed the target because the construction plan should only be 20% at the current stage.

"We are grateful for the help of the Indonesian government, especially BKPM in facilitating our investment in Indonesia. BKPM strongly encourages us to continue operating during the COVID-19 period and has also asked regional governments to support Hyundai's investment to keep it going. Our factory construction can exceed the current target because of the assistance provided by BKPM," said Lee.

Furthermore, Hyundai will import production machines and bring experts from South Korea to build its factory. BKPM also continues to coordinate intensively with the Indonesian Embassy in Seoul and related ministries/institutions in Indonesia to ensure the investment realization process goes smoothly for Hyundai.

"BKPM also assisted us in obtaining the visa recommendation and the import machines permit. We will reschedule the ground-breaking plan, which was previously planned to be held in April 2020, but then postponed due to the COVID-19 pandemic," explained Lee.

Profile of PT Hyundai Motor Manufacturing Indonesia (HMMI)

PT Hyundai Motor Manufacturing Indonesia (HMMI) from South Korea is a subsidiary of Hyundai Motor Company, which manufactures four-wheeled vehicles and was established in Indonesia in 2019. Located in Delta Mas City, Central Cikarang, West Java, the total value of PT HMMI's investment plans will reach USD 1.55 billion until 2030. PT HMMI plans to start commercial production at the end of 2021, with a production capacity of 150,000 units/year or can reach a maximum production capacity of 250,000 units/year. Aside from supplying the local Indonesian market, PT HMMI will also export Hyundai products to other ASEAN regions, including Vietnam, Thailand, Malaysia and the Philippines. (*)

--End--
For further information please contact:
Tina Talisa
Press Secretary of BKPM
Jl. Jend. Gatot Subroto No.44 Jakarta 12190
Telp : 021-5269874
E-mail : tina.talisa@bkpm.go.id