



A Synergy between Two Great Nations: China's Belt & Road Initiative and Indonesia's Global Maritime Fulcrum

Coordinating Ministry for Maritime Affairs

Republic of Indonesia

May 14th, 2019





Milestones of Indonesia – China Cooperation [GMF – BRI]



May 2017; Beijing
1st Belt and Road Forum

May 7th, 2018; Beijing

MoU on **Promoting Cooperation** on The Development of Regional Comprehensive Economic Corridors

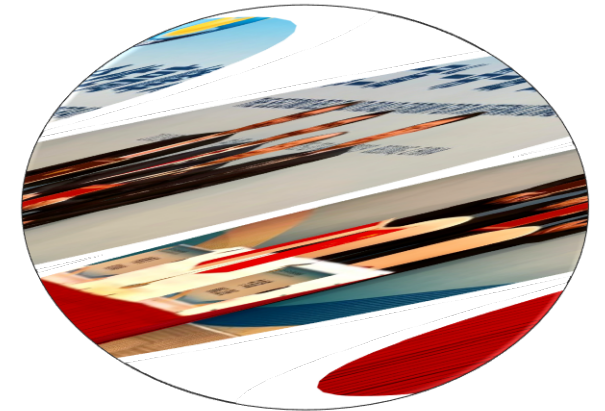
October 23rd, 2018; Beijing

1. MoU on Establishing a **Joint Steering Committee** for the Development of Regional Comprehensive Economic Corridors
2. MoU on **Jointly Promoting Cooperation** within the Framework on GMF and the Silk Road Economic Belt and 21st Century Maritime Silk Road Initiative



March 21st, 2019; Bali
1st Joint Steering Committee Meeting

1. Draft Bilateral Cooperation Plan
2. Agreement on Project Planning
3. Agreement on Agreed Projects



April 25th, 2019; Beijing
The 2nd Belt and Road Forum
Cooperation Plan on Regional Comprehensive Economic Corridors



Projects & Studies in the Cooperation Plan on Regional Comprehensive Economic Corridors; Signed on April 25th, 2019

North Sumatera

Project

1. The Development of The Kuala Tanjung International Hub Port
2. The Development of The Kuala Tanjung Industrial Estate – Sei Mangkei Industrial Estate
3. The Building of The Kuala Namu Industrial Estate
4. The Sustainable Palm Replanting for Poverty Alleviation Cooperation

Study

1. The Planning of the Feasibility Study and Master Plan of the Lake Toba Flower Garden

North Kalimantan

Project

1. The Development of Clean Energy Base in The Kayan River Region
2. The Development of The Tanah Kuning Deep-Water Port
3. The Development of The Tanah Kuning Industrial Estate

Study

1. Integrated Master Plan and Feasibility Study for the Tanah Kuning Industrial Estate

North Sulawesi

Project

1. The development of the Bitung Economic Zone

Study

1. The development of the Likupang Tourism Economic Zone
2. The Lembeh international tourist resort

Bali

Project

1. Kura-Kura Bali Island Technology Parks and Regional Innovation Hub
2. Joint Training of Human Resources

Study

1. The Improvement of Tourist Infrastructure [Feasibility Study of Integrated Transportation Infrastructure]
2. Joint Development of Flagship Tourist Products

9 + 1 Projects
3 + 3 Studies



Proposed 30 Projects for Regional Comprehensive Economic Development Corridors

North Sumatera

Western Indonesia Economic and Business Hub for ASEAN

Industrial Estates

Kuala Tanjung
Kuala Namu
Sei Mangkei



Infrastructure

Kuala Tanjung Port



Kuala Namu Aerocity

Property, Light Industries



North Kalimantan

Energy and Mineral Hub



Hydropower



Industrial Estate KIPI -
Tanah Kuning
[Smelters, Ports]

North Sulawesi

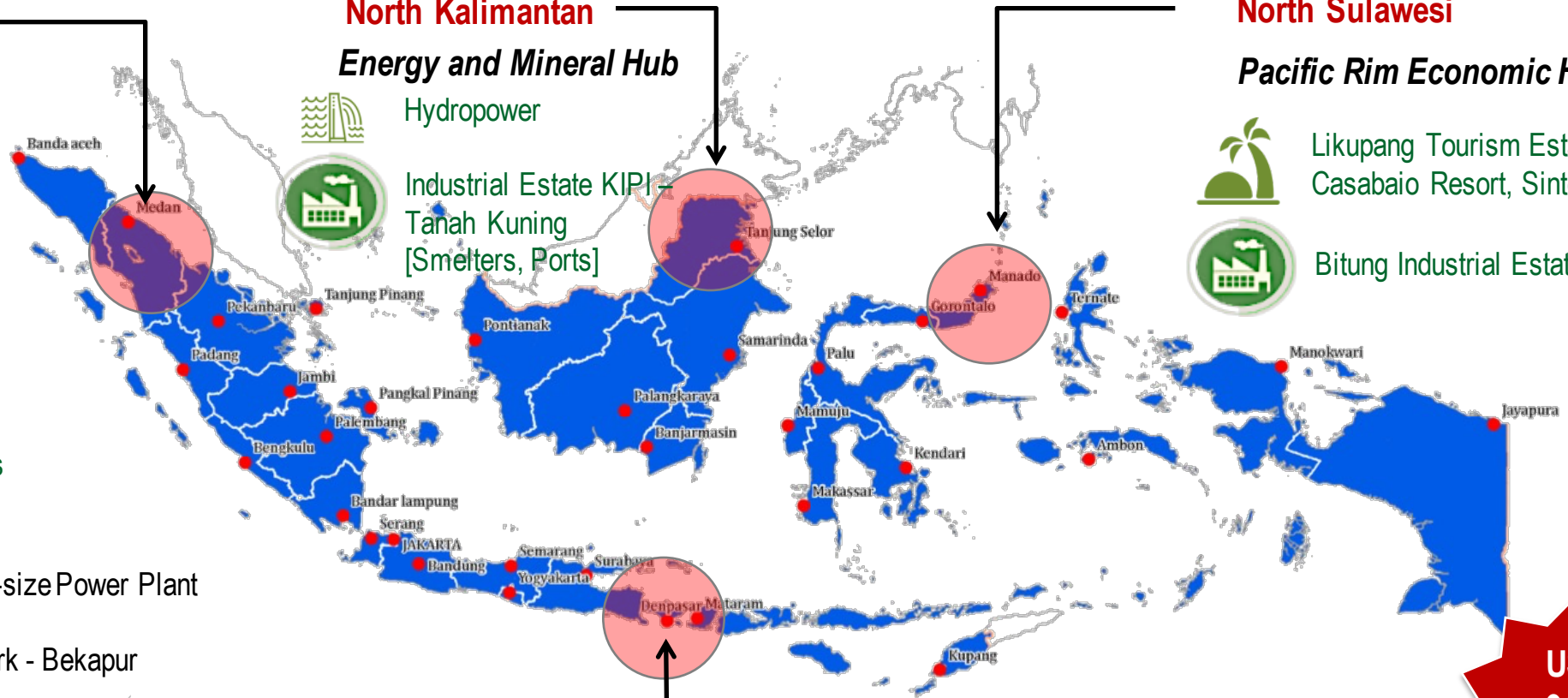
Pacific Rim Economic Hub



Likupang Tourism Estate
Casabaio Resort, Sintesa Resort



Bitung Industrial Estate



Non Corridor Projects

1. Mine-mouth Power Plant, Mid-size Power Plant
2. Signature Tower
3. Building Material Industrial Park - Bekapur
4. Ketapang Industrial Estate
5. Jonggol
6. Tambak Udang Maluku
7. PLTA Salo Pebatua II 300 MW

Regional High Tech & Innovation Hub

Bali



Kura Kura Island Tech Park

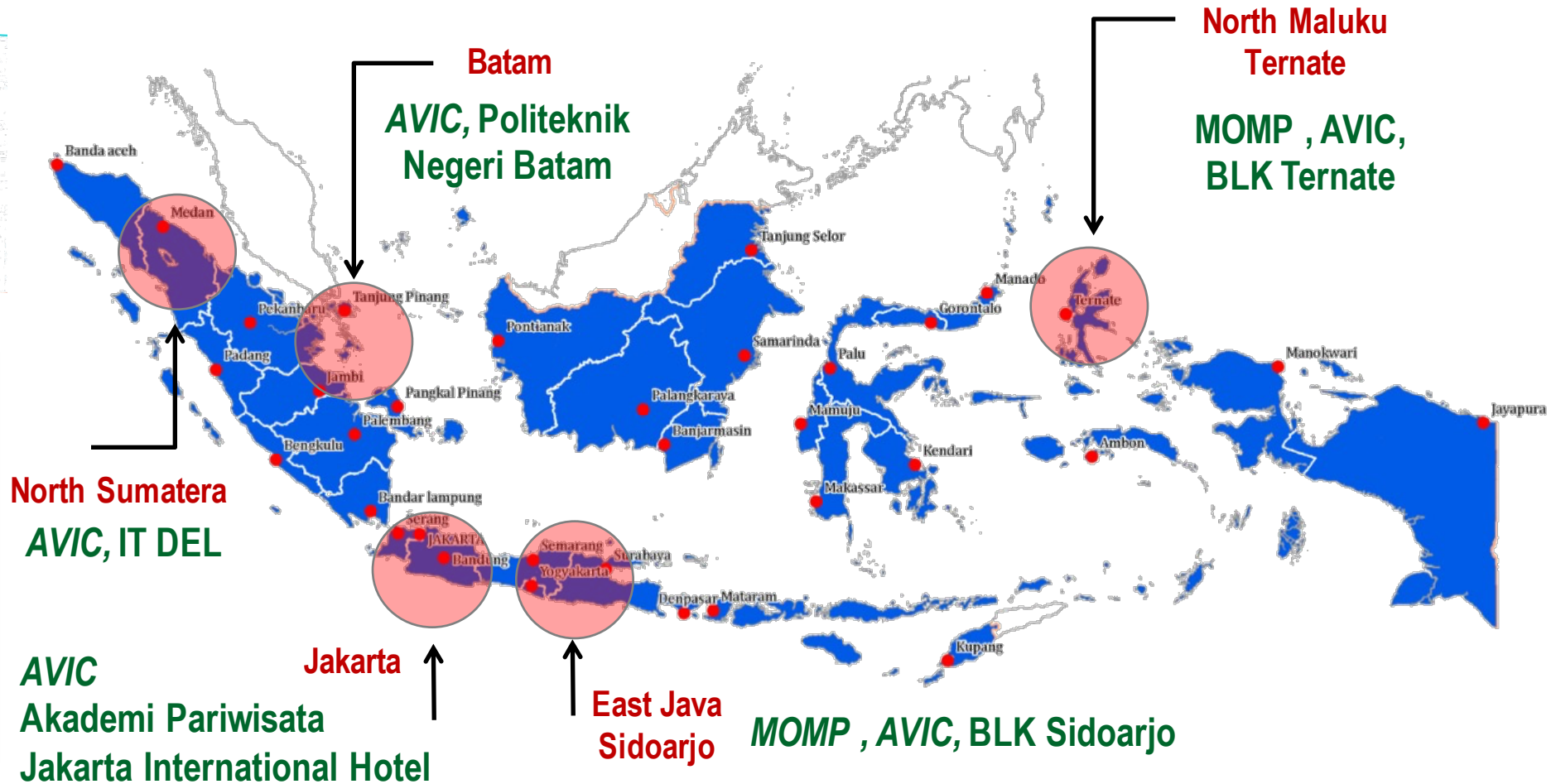
US\$ 91.1 billion



Collaboration on Higher Education, Research, Innovation, and Vocational Training Programs

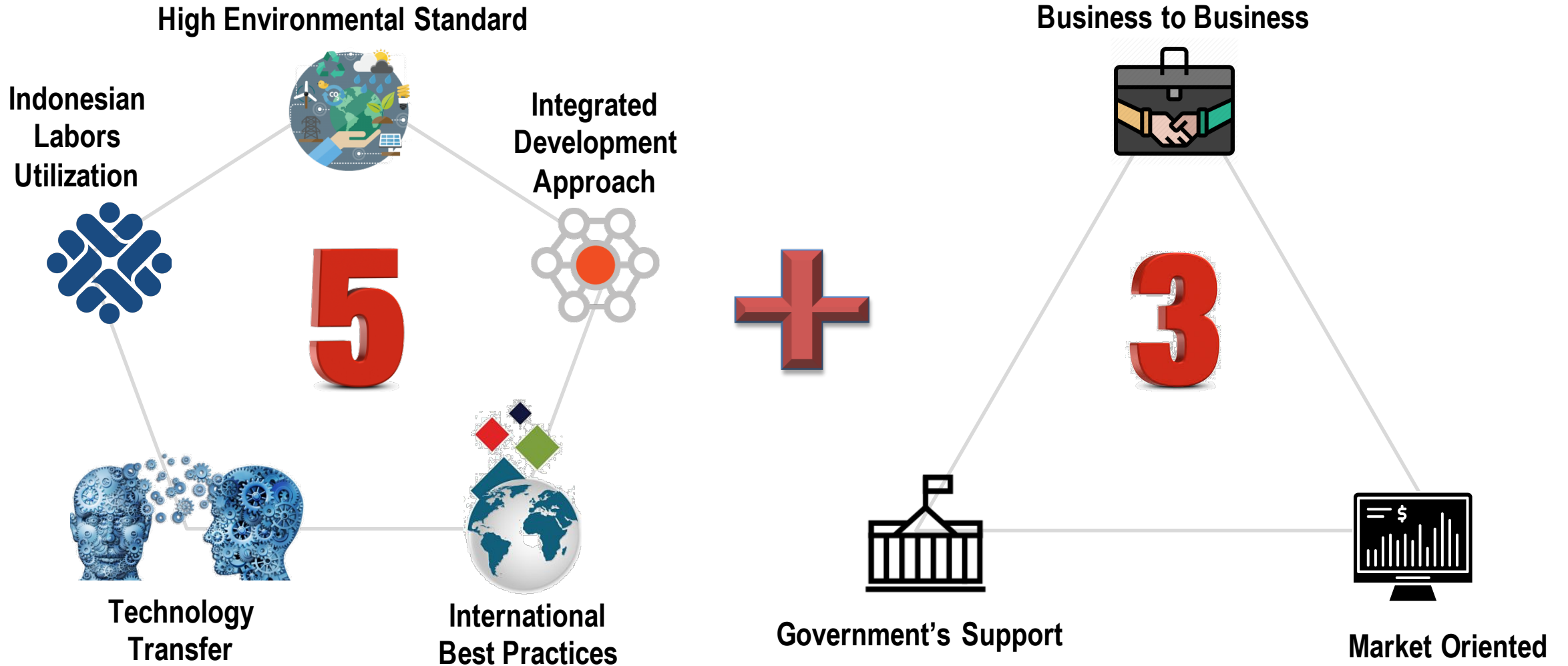


MEMORANDUM OF UNDERSTANDING
BETWEEN
INSTITUT TEKNOLOGI BANDUNG
AND
TSINGHUA UNIVERSITY
UNDER THE FRAMEWORK OF CONNECTING
THE SILK ROAD ECONOMIC BELT AND THE 21ST CENTURY
MARITIME SILK ROAD INITIATIVE
AND
THE GLOBAL MARITIME FULCRUM VISION





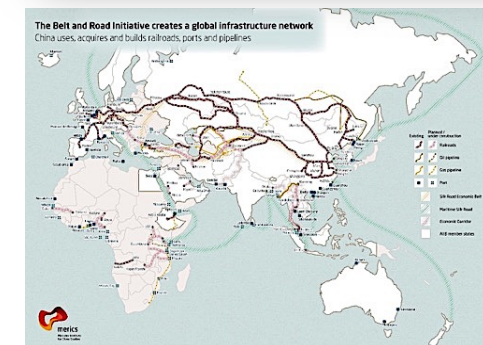
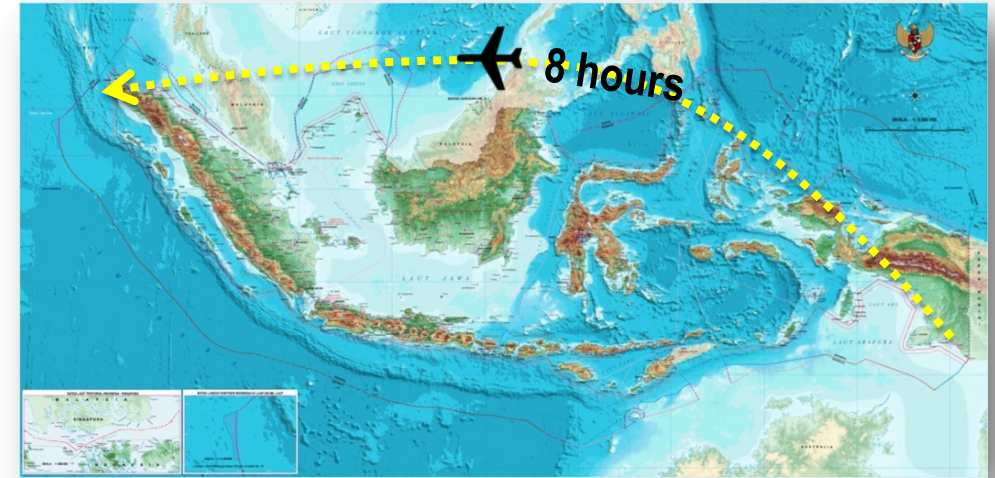
Basic Principles of GMF – BRI Cooperation





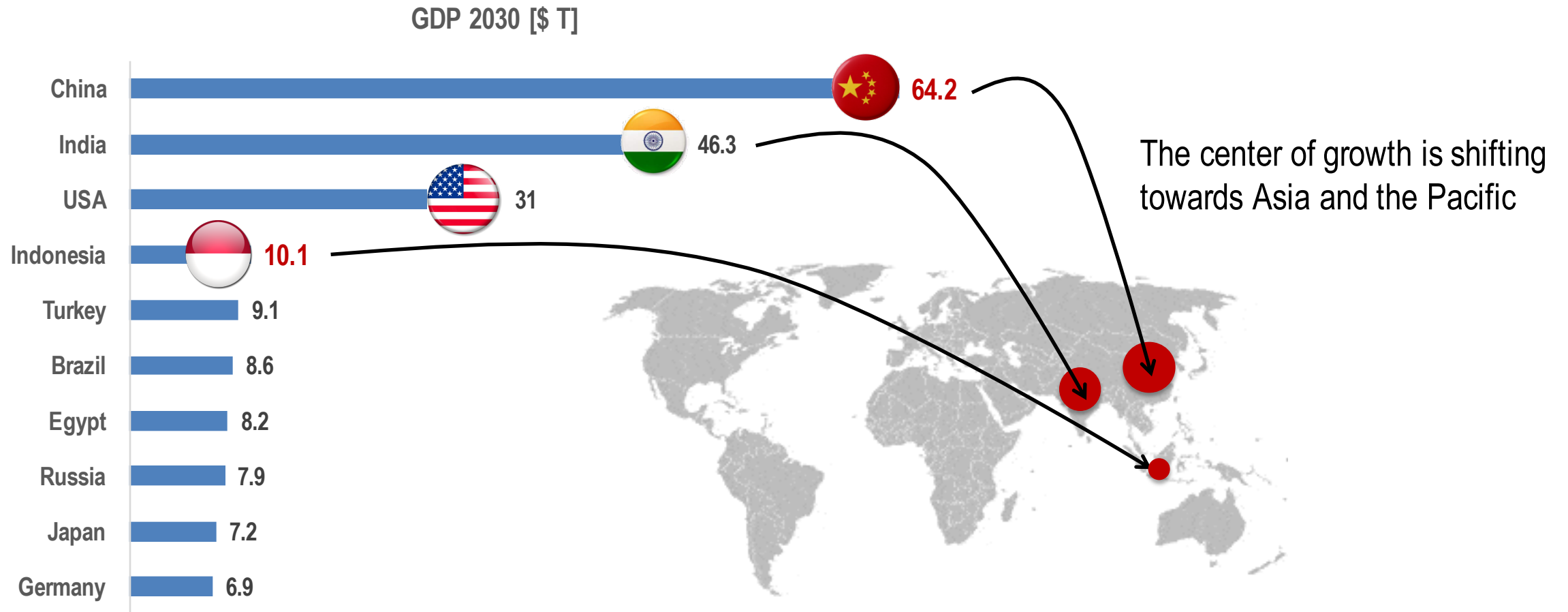
The Philosophy of Indonesia – China Cooperation: A Mutual Benefit

- Indonesia is promoting the **Global Maritime Fulcrum** concept
 - to provide a better **integrity of the nation**
 - to improve the **connectivity** of the world's largest archipelagic state
 - to serve as a **productive hub** between the east and the west; the north and the south
- The China's Belt and Road Initiative provides loans to partner countries to build roads, railways, ports, energy pipelines, and telecommunications
- The combination of the two concept will help Indonesia to achieve its goals, and will contribute to a better regional and global development





Top 10 Countries by Nominal GDP in 2030



In \$ trillion, using purchasing power parity. Source: Standard Chartered

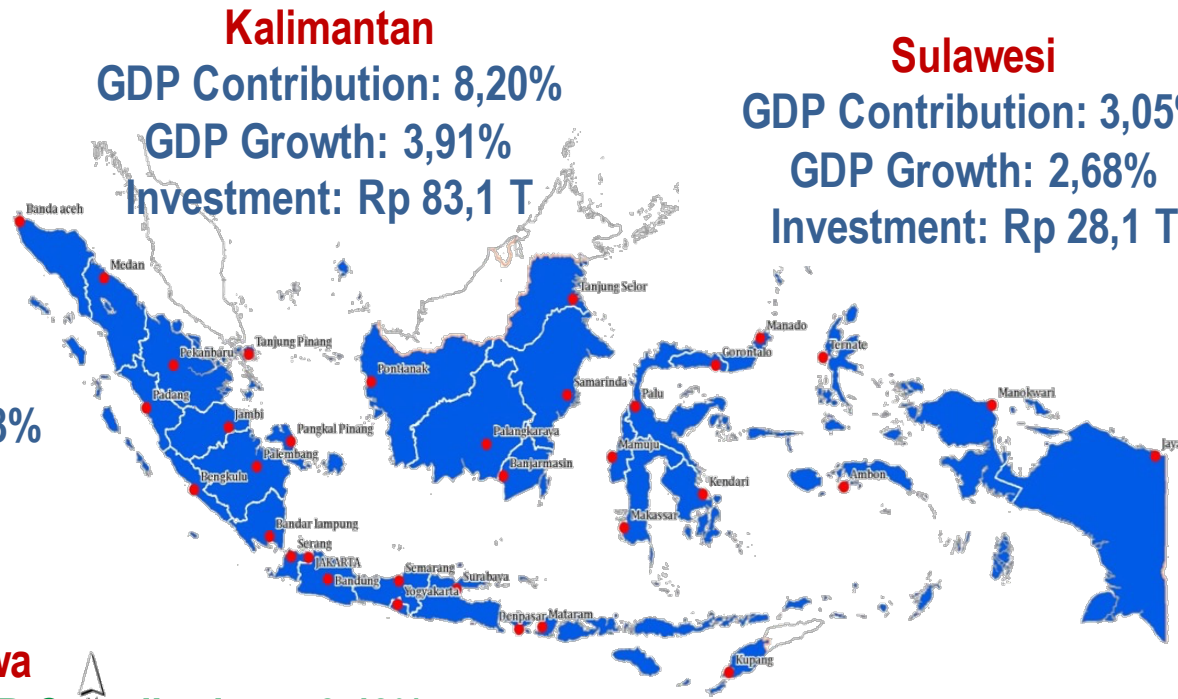


Indonesia's GDP Contribution and Growth by Region are not Balanced and Well Distributed

Java & Sumatera
Contribute 80%
of the GDP

Sumatera
GDP Contribution: 21,58%
GDP Growth: 4,54%
Investment: Rp 122,7 T

Jawa
GDP Contribution: 58,48%
GDP Growth: 5,72%
Investment: Rp 405,4 T

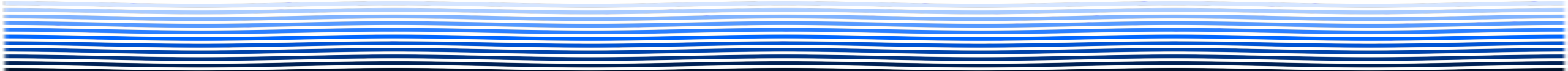


Kalimantan
GDP Contribution: 8,20%
GDP Growth: 3,91%
Investment: Rp 83,1 T

Sulawesi
GDP Contribution: 3,05%
GDP Growth: 2,68%
Investment: Rp 28,1 T

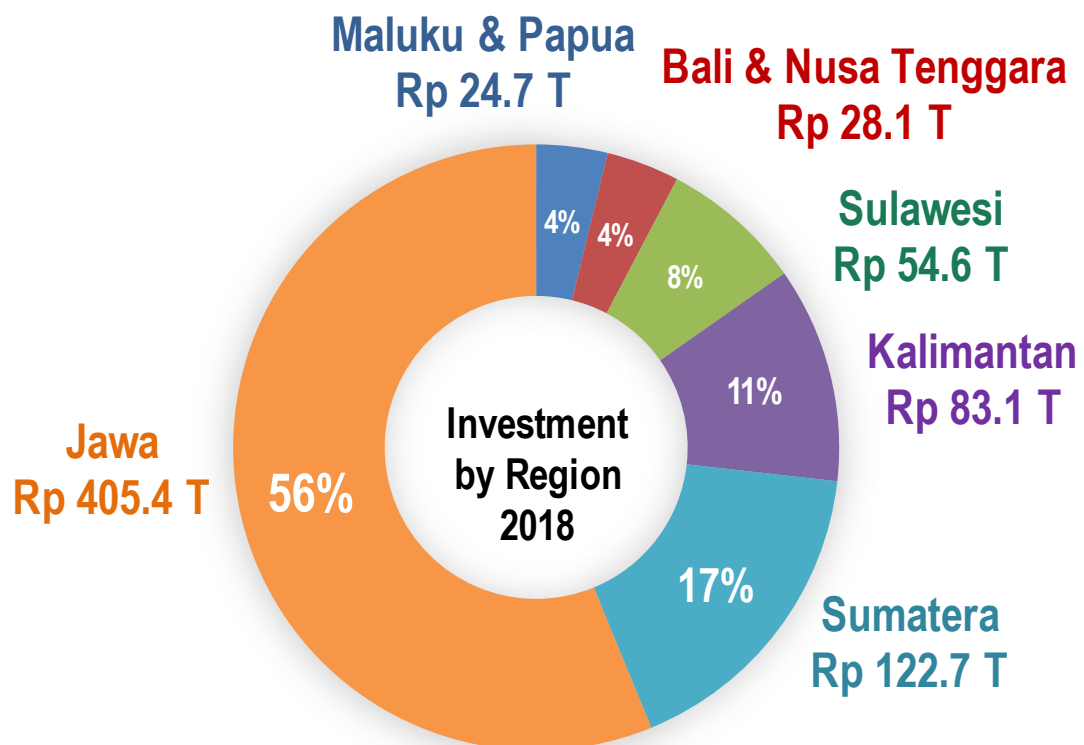
Maluku & Papua
GDP Contribution: 2,47%
GDP Growth: 6,99%
Investment: Rp 27,4 T

Bali & Nusa Tenggara
GDP Contribution: 6,22%
GDP Growth: 6,65%
Investment: Rp 54,6 T

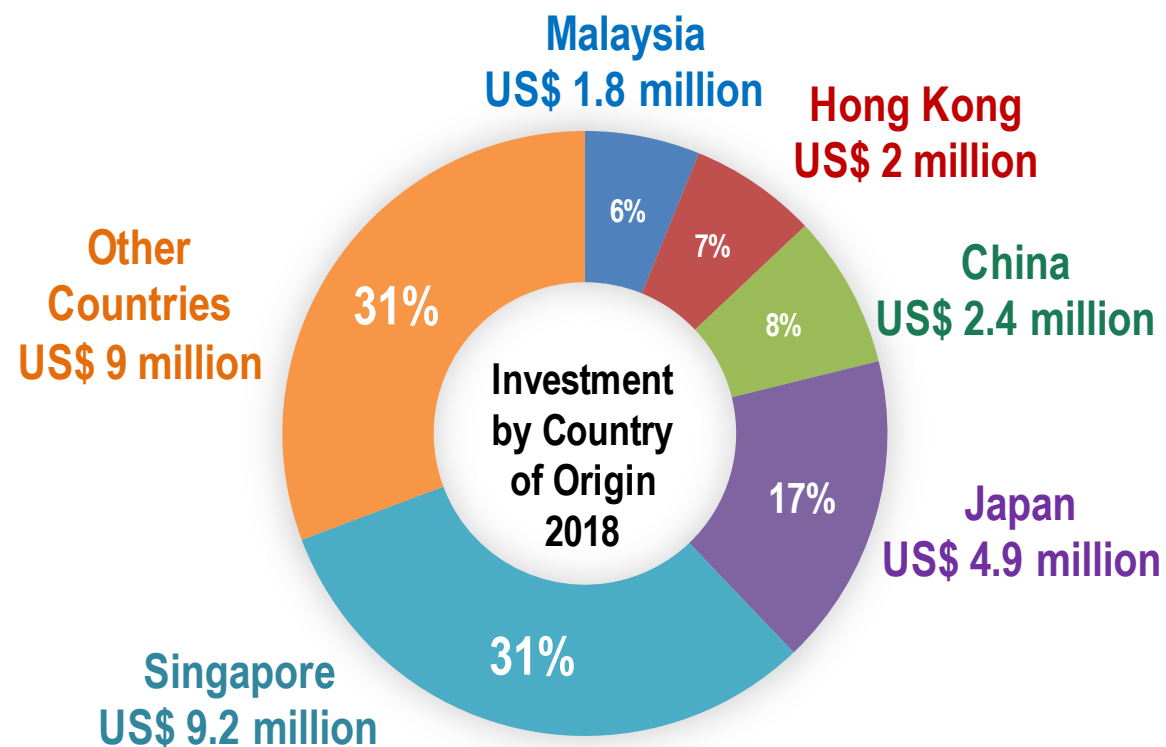




Investment in Indonesia in 2018



More than a half of the took place in **Jawa**. The Eastern part of Indonesia only received slightly more than a quarter



Singapore and **Japan** contributed almost a half of the foreign investment [total investment: US\$ 29.3 million]



A Clear Example:



1. The first integrated industrial estate [2013]
2. Area: 2.000 ha, will be expanded to 3.000 ha
3. Investment: US\$ **5.5 billion**; 2019: US\$ 6.5 billion; 2023: US\$ 8 billion
4. Adequate infrastructure, efficient technology from ferronickel to stainless steel [20% less cost], integrated supply chain, government support
5. Workforce: **30.000+** [2018]; 2019: 45.000; 2023: 100.000
6. Products: 2018: **180.000 ton nickel** [2019: 272.000 ton, 2023: 500.000 ton], stainless steel: **3 million ton**, carbon steel: 3,5 million ton [2020]
7. Tax: 2018: US\$ **276 million** [2019: US\$ 330 million, 2023: US\$ 580 million]
8. Export: 2018: US\$ **5.85 billion** [2019: US\$ 6,6 billion, 2023: US\$ 11.6]





Electric Vehicle Development Program

Environment

GHG Emission from
Transportation: 127,881
Ggrams CO₂e [24,71%, #2]

Fuel Import: Rp 330 T [2017]
Optimizing installed electricity:
10%, Rp 25 T [2017]

Economy

Resilience

Indonesia can be a part of
global supply chain on electric
vehicle battery

