

INDONESIA NEWS

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PRESIDENT JOKOWI IN WAKATOBI

President Joko Widodo (center) and Mrs. Iriana Joko Widodo (left) are greeted by Wakatobi Regent Haliana (second from right) upon arrival at Matohara Airport in Wakatobi, Southeast Sulawesi, Thursday (9/6). President Jokowi's arrival was in a series of summits of the Agrarian Reform Task Force in Wakatobi Regency.

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Jokowi Keen to Build Electric Vehicle Ecosystem in Indonesia

President Joko Widodo (Jokowi) echoed the government's keenness to build a large-scale electric vehicle ecosystem covering the upstream to downstream sectors.

“**STARTING** from nickel mining, then the smelter, the refinery, the construction of the cathode and precursor industries, the lithium battery, the EV battery, the electric battery, and the car as well,” Jokowi noted at the KCC Glass project at the Batang Integrated Industrial Estate (KITB), Batang District, Central Java, Wednesday (8/6).

After the production of electric cars, the government is also keen to continue industrial development for recycling electric batteries to create a large electric vehicle ecosystem in the country, he stated.

If the electric car ecosystem from upstream to downstream is built in Indonesia, then in future, the price of electric cars can become cheaper. Moreover, Indonesia has natural resources, such as nickel, which is a source of raw materials for electric vehicle components.

In addition, with the development of technology, Jokowi believes that the price of electric cars can be reduced. “Battery constitutes almost 50 percent of the price of the electric car. If we can produce it on our own, then the battery price will

become cheaper, moreover, if the factory is built in Indonesia. We have nickel and cobalt, and we can produce everything from upstream to downstream to reduce the price,” Jokowi stated.

During his working visit to Batang, the president was accompanied by First Lady Iriana Jokowi and had the opportunity to ride an electric car after leaving the Gringsing Toll Road, Batang, to the Batang Integrated Industrial Estate (KITB). Minister of Investment/Head of BKPM Bahlil Lahadalia, Minister of State Secretary Pratikno, and President Director of PT Pembangunan Persero (PP) Novel Arsyad, accompanied the president and First Lady in the same car.

In another electric car, Minister of State-Owned Enterprises Erick Thohir sat along with Minister of Environment and Forestry Siti Nurbaya Bakar. Meanwhile, Governor of Central Java, Ganjar Pranowo, rode another electric car along with his wife.

Batang Industrial Estate to bolster state revenue

Jokowi lauded that the presence of

industries in the Batang Integrated Industrial Estate (KIT), Central Java, could provide jobs for locals and boost the state revenue through various tax potentials.

The industrial estate will also increase the national foreign exchange, as almost all industries in KIT are export-oriented, the president remarked.

“(The industrial zone) would also benefit our balance of trade, as almost all industries (in the zone) are export-oriented,” Jokowi noted.

The president stated that construction of the factory complexes in the industrial estate had commenced two years ago, and the work was currently ongoing.

“(The work) commenced two years ago. If we see now, the construction of factories has commenced despite the current progress being only eight percent,” he remarked.

In the first development phase, the government has developed and prepared a 450-hectare plot of land in the industrial estate that would accommodate various factories that belong to the glass, pipe, and electrical battery industries, the president noted.

“The most important aspect of the presence of major companies here is that a lot of job opportunities (for residents) would be opened,” Jokowi pointed out.

Jokowi drew attention to the fact that the integrated electric battery factory in the industrial estate alone could provide jobs to some 20 thousand people.

Meanwhile, Minister of Investment and Head of the Investment Coordinating Board Bahlil Lahadalia stated that land plots provided for the first development phase in the Batang KIT had been sold out, and another one thousand hectares of land will be available for the second development phase.

“In this area, we have prepared one thousand more hectares for the second development stage. Of the one thousand hectares available, LG has committed to tagging 275 hectares, and Foxconn has also announced their inclusion in (the area available) for the second stage. God Willing, if more American companies signalled their interest (to invest), they would be accommodated here,” Lahadalia remarked.

The Batang KIT has a total of 4,300 hectares of land, with development proceeding in three stages, he stated. “We are convinced that by late 2023 and before 2024, our 50-percent occupancy target of the zone's 4,300 hectares of land would be achieved,” the minister affirmed.*