



IDN/ANTARA

MANDIRI INVESTMENT FORUM 2023

President Joko Widodo delivers remarks at the Mandiri Investment Forum 2023 in Jakarta, Wednesday (1/2). The forum which carries the theme Prevailing Over Turbulence is to understand the latest global and Indonesian economic conditions and future business strategies.

Hope to End Petrochemical Product Imports From 2027: Minister

Coordinating Minister for Maritime Affairs and Investment Luhut Binsar Pandjaitan has expressed the hope that Indonesia will not import petrochemical products from 2027 due to petrochemical industry development in North Kalimantan's green industrial area.

SPEAKING at the “2023 Mandiri Investment Forum (MIF)” on Wednesday (1/2), he said that the Tanah Kuning Kalimantan Industrial Park Indonesia (KIPI) in North Kalimantan province would be the largest integrated industrial area in the world.

“On the 27th of this month (February 2023), the President (Joko Widodo) will

visit (North) Kalimantan to attend the groundbreaking (ceremony) of the 1,400 MW (megawatt) hydropower (plant). We will build the largest petrochemical industry there. We will no longer import petrochemicals in 2027,” he informed.

The total investment potential of the industrial area has reached US\$132 billion. The figure includes the investment potential

for developing hydropower plants and solar panels with a total capacity of 10 thousand MW each as well as a gas facility with a total capacity of 2.9 trillion cubic feet (TCF) in the industrial area.

In addition, bauxite smelters will be constructed massively at the KIPI in 2023–2024, following the decision of the Indonesian government to ban bauxite ore exports.

President Widodo announced on December 21, 2022, that Indonesia will stop exporting bauxite ore starting June 2023 to boost the domestic bauxite processing and refining industry.

Through the downstreaming of the domestic bauxite industry, the state revenue from the sector is expected to increase from Rp21 trillion to around

Rp62 trillion, he said.

Meanwhile, Coordinating Minister for Economic Affairs, Airlangga Hartarto, noted that currently, there are four existing bauxite smelters with an alumina capacity of 4.3 million tons.

Indonesia also has bauxite refining facilities that are still under construction with an input capacity of 27.41 million tons and a production capacity of 4.98 million tons, he informed.

He noted that Indonesia has 3.2 billion tons of bauxite reserves, which are enough for the next 90–100 years.

The downstreaming of the mineral industry in Indonesia is also being carried out to support the development of the domestic electric vehicle battery industry ecosystem. (*)