

# BALI PRESENTATION BOOK

*July*

2023



Kerthi Bali Sadhana Investment Center



Bali's economy is recovering after experiencing contractions during the pandemic, mainly supported by the recovery of tourism activities which are the backbone of Bali's economy.

Learning from experience during the pandemic, to create sustainable Bali's economic growth, Bali cannot rely solely on the tourism sector. Therefore, the Government of Bali has drawn up a roadmap "Nangun Sat Kerthi Loka Bali" towards a new era of green, resilient and prosperous Bali. Bali's future economic growth will be supported by six leading sectors, namely the agriculture; marine and fisheries sectors; the Bali branding industry; Micro, Small, and Medium Enterprises (MSMEs); the creative and digital economy; and the tourism sector.

To encourage higher growth, Bali needs investment that does not only come from the government, but also from the private sector. With the characteristics of Bali which has the strength of tradition and culture based on Tri Hita Karana, namely the balance between humans and nature, humans and creators, as well as humans and each other, investment development in Bali leads to green investment and creates balance between regions and the balance of local community life.

Departing from the roadmap for the development of Bali going forward, to support increased quality investment, trade and tourism, the Provincial Government of Bali built the Pusat Investasi Kerthi Bali Sadhana (PIKBS) on June 6, 2023. PIKBS regularly publishes presentation books consist of investment, trade and quality tourism promotion programs. In this inaugural edition, July 2023, the focus is on efforts to "Accelerate Economic Recovery through Synergy and Collaboration". Through synergy and collaboration, Bali is ready to step into the New Era of Bali.

Denpasar, July 2023

Chairman of Pusat Investasi Kerthi Bali Sadhana (PIKBS)

Head of Regional Development Planning Agency

# OUTLINE

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# INDONESIA ECONOMIC PERFORMANCE

Kerthi Bali Sadhana Investment Center

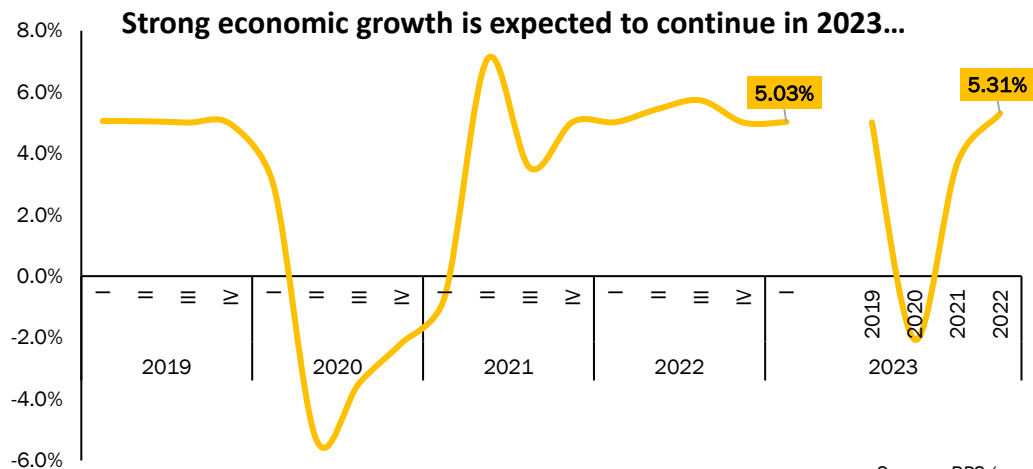
*July*

2023



# National Economic Growth Remains Solid...

## GDP GROWTH (%YOY)



Source : BPS (processed)

## 2023 GROWTH PROJECTIONS

| Institutions                             | GDP Growth |
|--|------------|
| Bank Indonesia                           | 4.5 - 5.3  |
| 2023 Budget                              | 5.3        |
| World Bank (GEP, Jan 2023)               | 4.8        |
| IMF (WEO, April 2023)                    | 5.0        |
| Consensus Forecast (Jan, 2023)           | 4.5        |
| Asian Development Bank (ADO, April 2023) | 4.8        |

## GDP GROWTH COMPARED TO PEERS

| Country                    | 2019 | 2020 | 2021 | 2022* | 2023* |
|----------------------------|------|------|------|-------|-------|
| <b>World</b>               | 2.8  | -3.0 | 6.0  | 3.1   | 2.7   |
| <b>Advanced Economies</b>  | 1.7  | -4.4 | 5.2  | 2.6   | 1.1   |
| United States              | 2.3  | -3.4 | 5.7  | 2.1   | 0.9   |
| Europe                     | 1.5  | -6.1 | 5.2  | 3.6   | 0.6   |
| Japan                      | 0.0  | -4.6 | 1.7  | 1.1   | 1.3   |
| <b>Emerging Economies</b>  | 3.7  | -1.9 | 6.6  | 3.6   | 3.9   |
| China                      | 6.0  | 2.2  | 8.1  | 3.0   | 5.5   |
| India                      | 4.8  | -6.6 | 8.3  | 6.8   | 6.2   |
| ASEAN-5                    | 4.9  | -3.4 | 3.4  | 6.4   | 5.1   |
| Latin America              | 0.1  | -7.0 | 6.9  | 3.5   | 1.2   |
| Emerging Euro              | 2.5  | -1.7 | 6.8  | 0.3   | 0.8   |
| Middle East & Central Asia | 1.5  | -2.7 | 4.5  | 4.4   | 3.1   |

Source : IMF, WEO, \*)Bank Indonesia's Projection

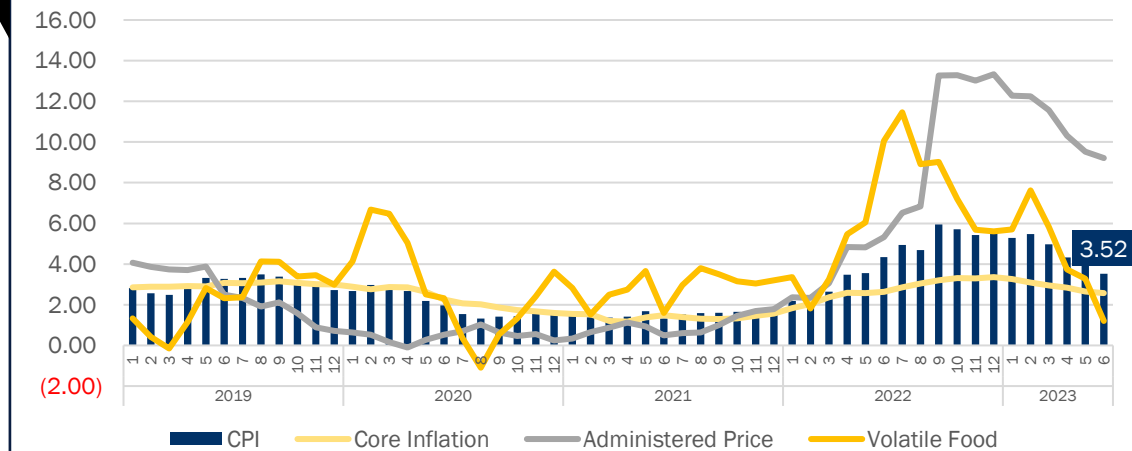
The latest data published by BPS-Statistics Indonesia indicates **5.03% (yoy)** national economic growth in the first quarter of 2023, a slight increase from 5.01% (yoy) in the previous period.

Indonesia's economic growth also experienced significant growth in **whole year 2022**, reaching **5.31% (yoy)** higher from 3.70% (yoy) in the previous period.

Moving forward, **Bank Indonesia projects solid economic growth in 2023** with a bias towards the upper bound of the 4.5-5.3% range, on the back of improving domestic demand and persistently strong export performance.

# Inflation on a downward trajectory and moving to the desired target...

## INDONESIA'S INFLATION (%YOY)

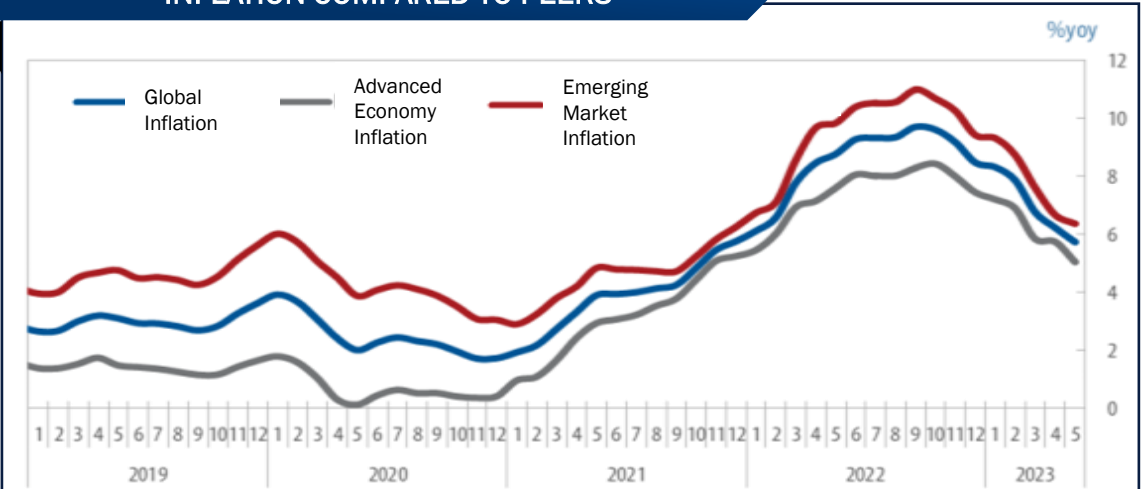


Source : BPS (processed)

**Consumer Price Index (CPI) inflation in June 2023 stood at 3.52% (yoy),** which is lower than previous period and within the 3.0%  $\pm$  1% target corridor.

Lower headline inflation within the target range is the positive outcome of monetary policy consistency and close synergy to control inflation between Bank Indonesia and the (central and regional) Government through **the Central and Regional Inflation Control Teams (TPIP and TPID)** as well as **the National Movement for Food Inflation Control (GNPIP)** in various regions.

## INFLATION COMPARED TO PEERS



Source : Bloomberg, IMF

## 2023 INFLATION PROJECTIONS

| INSTITUTIONS           | INFLATION       |
|------------------------|-----------------|
| Bank Indonesia         | 3.0% $\pm$ 1.0% |
| Investing.com          | 4.2%            |
| Trading Economics      | 3.9%            |
| Asian Development Bank | 4.2%            |



# External Sector Remains Resilience...

**External Sector remains resilience supported by adequate reserves and sound balance of payment.**

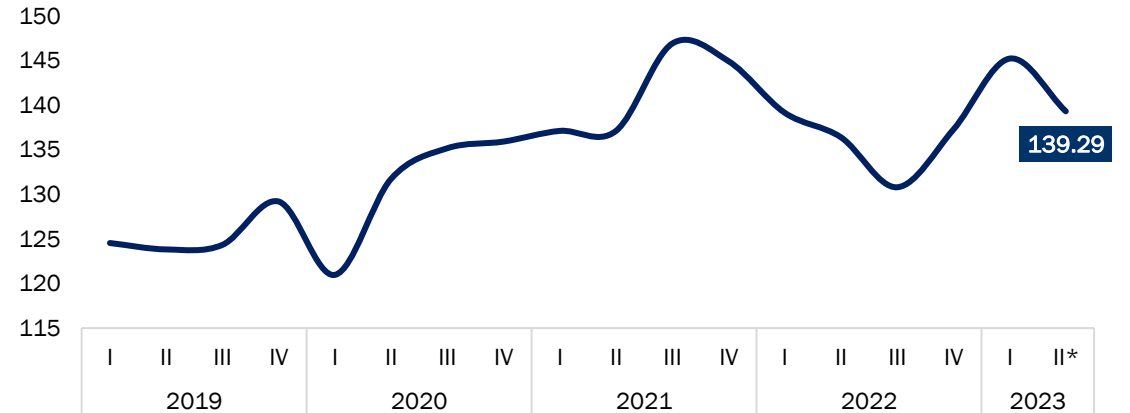
The position of reserve assets remained high at USD 139.29 billion (May 2023), equivalent to 6.1 months of imports or 6.0 months of imports and servicing government external debt, which is well above the international adequacy standard of around 3 months of imports.

**BOP performance also positive** supported by a **manageable current account** maintained in the range of a 0.4% surplus to a 0.4% deficit of GDP. Furthermore, **capital and financial account is predict to post a surplus** on the back of foreign capital inflows in the form of Foreign Direct Investment (FDI) and portfolio investment in line with positive investor perception towards national economic outlook.

**Rupiah exchange rates remain under control** in line with the stabilisation measures implemented by Bank Indonesia.

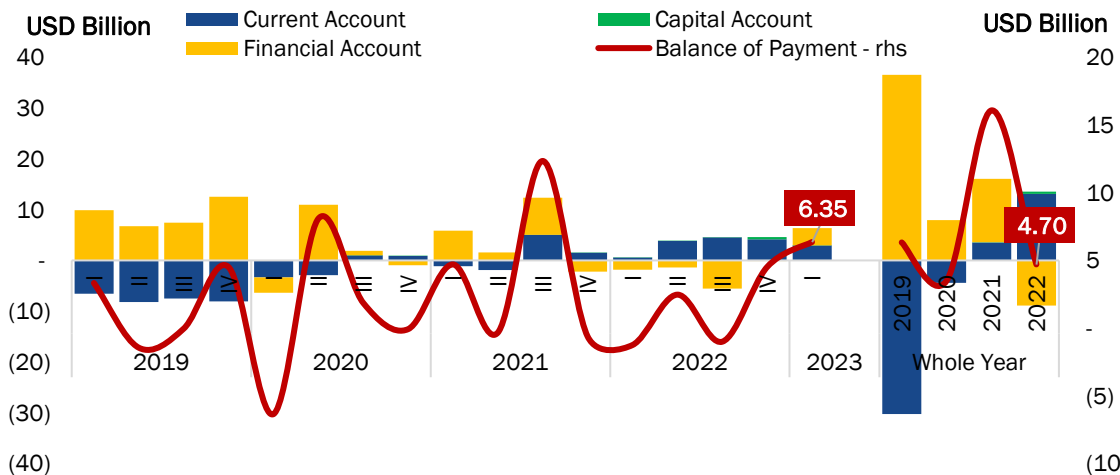
## OFFICIAL RESERVE ASSETS POSITION

USD Billion



Source : Bank Indonesia | \*Position in May 2023

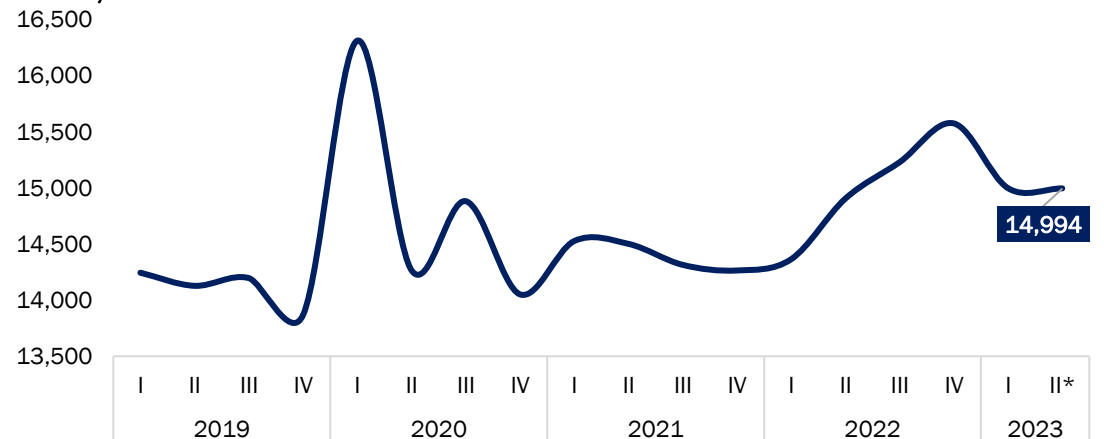
## CURRENT ACCOUNTS (Millions of USD)



Source : Bank Indonesia

## EXCHANGE RATE

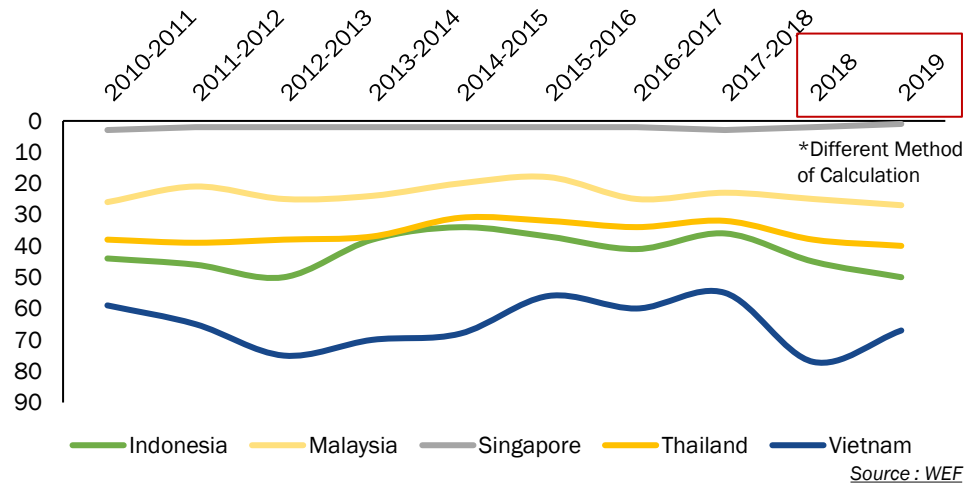
IDR/USD



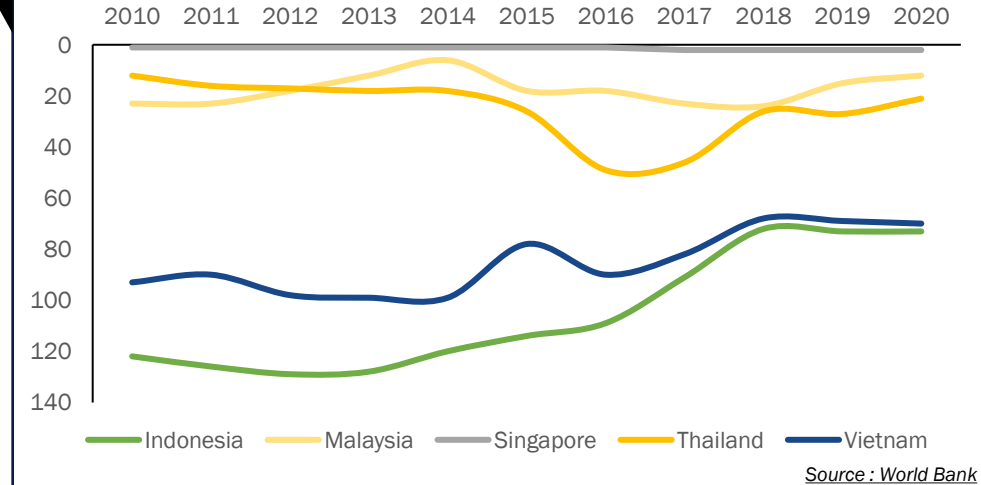
Source : Bank Indonesia | \*Position in May 2023

# Global Perception Towards Indonesia Improving Steadily...

## GLOBAL COMPETITIVENESS INDEX RANK

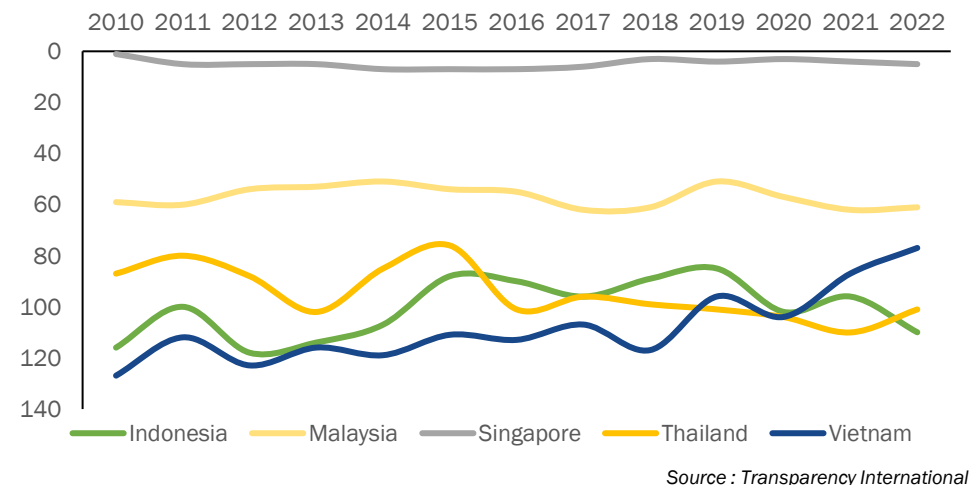


## EASE OF DOING BUSINESS RANK

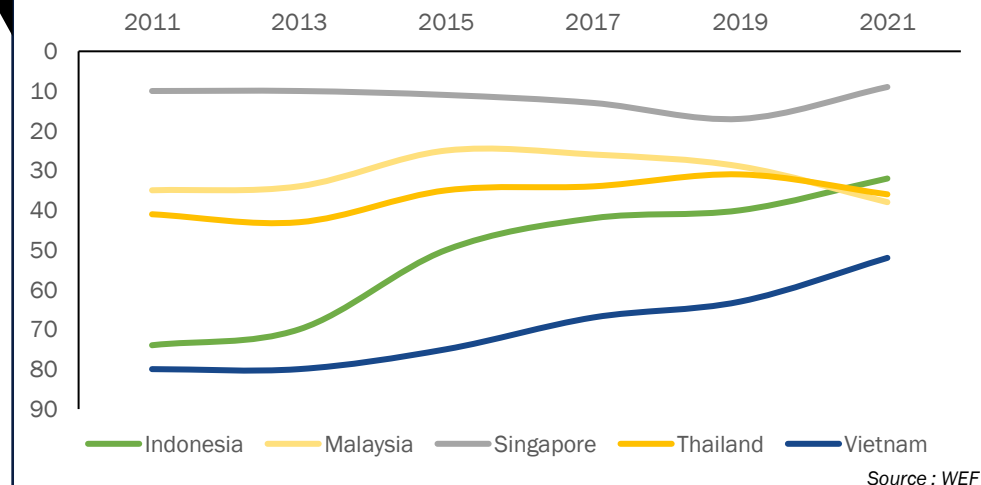


In the past ten years, the ease of doing business in Indonesia has experienced rapid improvement. This is supported by various policies implemented by the government to facilitate investment in Indonesia. The development of the tourism sector has also grown significantly, making Indonesia one of the main tourist destinations, particularly in the ASEAN region. Furthermore, compared to other developing countries, Indonesia has a moderate value for the global competitiveness index and transparency, enabling it to compete with other emerging markets.

## CORRUPTION PERCEPTION INDEX RANK



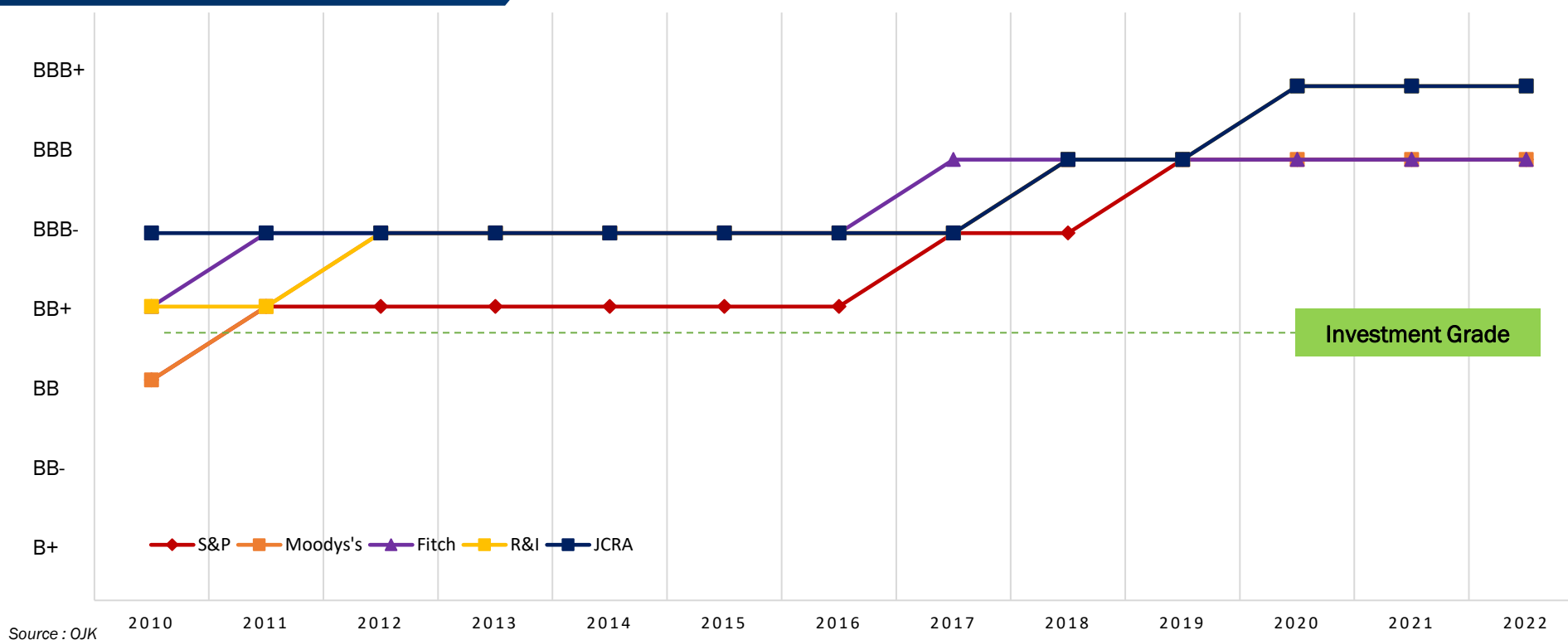
## TRAVEL AND TOURISM DEVELOPMENT RANK





# Investment Grade Sovereign Credit Rating in The Midst of Economic Recovery & High Global Economic Uncertainty

## INDONESIA'S SOVEREIGN CREDIT RATING



In the midst of high global economic uncertainty, Indonesia sovereign credit rating remains at investment grade, which recorded around BBB and BBB+ with stable outlook. Stable outlook shows strong international confidence on Indonesia's maintained macroeconomic stability and medium-term economic prospects. This is supported by the credibility and the effectiveness of Central Bank policy mix as well as policy synergy between The Government and Bank Indonesia. Furthermore, Bank Indonesia will continue to closely monitor global and domestic economic and financial developments, formulate and execute the necessary policy measures to ensure macroeconomic and financial stability, including adjusting policy stances, and strengthen the synergy with the Government to accelerate the national economic recovery.



JULY 2022,  
RATING AFFIRMED AT  
BBB+/STABLE

Moody's

FEBRUARY 2022,  
RATING AFFIRMED AT  
BAA2/STABLE

S&P Global  
Ratings

APRIL 2022, OUTLOOK REVISED  
TO STABLE; BBB RATINGS  
AFFIRMED



JULY 2022,  
RATING AFFIRMED AT  
BBB+/STABLE

FitchRatings

DECEMBER 2022,  
RATING AFFIRMED AT  
BBB/STABLE

# Bank Indonesia Policy Mix: JUNE 2023



**BANK INDONESIA**  
BANK SENTRAL REPUBLIK INDONESIA

The BI Board of Governors agreed on 21st and 22nd June 2023 to hold the BI 7-Day Reverse Repo Rate at 5.75%, while also maintaining the Deposit Facility (DF) rate at 5.00% and Lending Facility (LF) rate at 6.50%.

Hold the  
BI 7-Day  
Reverse  
Repo  
Rate at  
5.75%

Strengthening  
monetary  
operations to  
increase the  
effectiveness  
of monetary  
policy  
transmission.

Strengthening rupiah stabilisation policy through:

- Foreign exchange market intervention, including spot and Domestic NonDeliverable Forward (DNDF) transactions, as well as buying/selling government securities (SBN) in the secondary market
- The twist operation by selling short term SBN in the secondary market to increase the attractiveness of SBN yields for foreign portfolio investment inflows, and
- Optimisation of foreign currency term deposits (TD Foreign Currency) for foreign exchange proceeds of exports (DHE), as well as increasing the auction frequency and short-term tenors of TD Foreign Currency with competitive interest rates.

- Increasing macroprudential policy stimuli by honing the liquidity incentives for banks disbursing loans/financing to downstream sectors (mining, agriculture, plantations and fishing), housing and tourism, while increasing financial inclusion (MSMEs and KUR) as well as the green economy-finance.
- Continuing prime lending rate (PLR) transparency policy with a focus on interest rates in the mineral and coal mining sector, agricultural/food sector, fishing, and marine sector

Increasing digital payment system services and transaction efficiency, while expanding the digital economy and finance by:

- Extending credit card policy until 31st December 2023, including: (a) minimum payment policy for credit cardholders of 5% of the outstanding balance, and (b) late payment penalties of 1% of the outstanding balance up to a maximum of Rp100,000.
- Extending until 31st December 2023 the period for National Clearing System (SKNBI) fees of: (a) Rp1 for banks, and (b) up to Rp2,900 for bank customers.
- Adjusting the QRIS Merchant Discount Rate (MDR) for micro merchants to 0.3%, effective 1st July 2023.

Strengthening international cooperation with other central banks and authorities in partner countries, while promoting trade and investment in priority sectors in collaboration with relevant institutions. In addition, Bank Indonesia is also strengthening synergy with relevant government ministries/agencies to ensure a successful ASEAN Chairmanship in 2023, particularly in terms of the finance track.



# Indonesia's Commitment to Sustainability & Preserving Environment

Kerthi Bali Sadhana Investment Center

*July*

2023

# Green Economy Has Become One Of Indonesia's Economic Transformation Strategies

- The energy transition is inevitable, and we have to face it. As a country that still relies on fossil energy, Indonesia views the energy transition to reduce the share of fossil energy in the energy mix. This decline in share shortly will not necessarily reduce the amount of fossil energy used.
- For doing so, Indonesia has several policies on compensation and incentives, i.e., clean energy acquisition, energy transition mechanism (coalfired PP early retirement), conversion of dirty energy sources, carbon trading, carbon tax.
- The Carbon Tax will be enforced from April 1, 2022, based on Law Number 7 of 2021 concerning the Harmonization of Tax Regulations.



- Fossil fuel share will be decrease, but the magnitude not necessarily reduced
- Renewable energy share will increase and dominate the energy mix.



- Corporate that still use non-renewable energy
  - a) Upgrading technology to clean technology
  - b) Use of CCS (Carbon Capture Storage);
  - c) Early retirement Coal power plant;
  - d) Carbon trading; and
  - e) Clean energy R&D investment
- New corporation
  - a) Clean energi utilization
  - b) Carbon trading
  - c) Clean Energy R&D Investment

## Policy – Compensation & Incentives

### Clean Energy Acquisition

Incentives to companies that will conduct R&D and invest in clean/renewable energy (hydrogen, hydro, PLTS, etc.)

### Energy Transition Mechanism (Coal-fired PP Early Retirement)

Compensation for early retirement of dirty/nonrenewable energy plants (PLTU)

### Conversion of Dirty Energy Sources

Incentives to convert dirty energy sources into clean energy sources (Coal to DME)

### Carbon Trading

The mechanism for buying and selling carbon, and emission certificates as securities that can be traded on the carbon exchange

### Carbon tax

Dis-incentive on the use of dirty/non-renewable energy, and the use of funds from carbon tax to encourage the development and utilization of clean/renewable energy

Source: Ministry of Finance



# The Government's commitment to climate change mitigation has been formulated in the Nationally Determined Contribution (NDC) and Net Zero Emission (NZE)

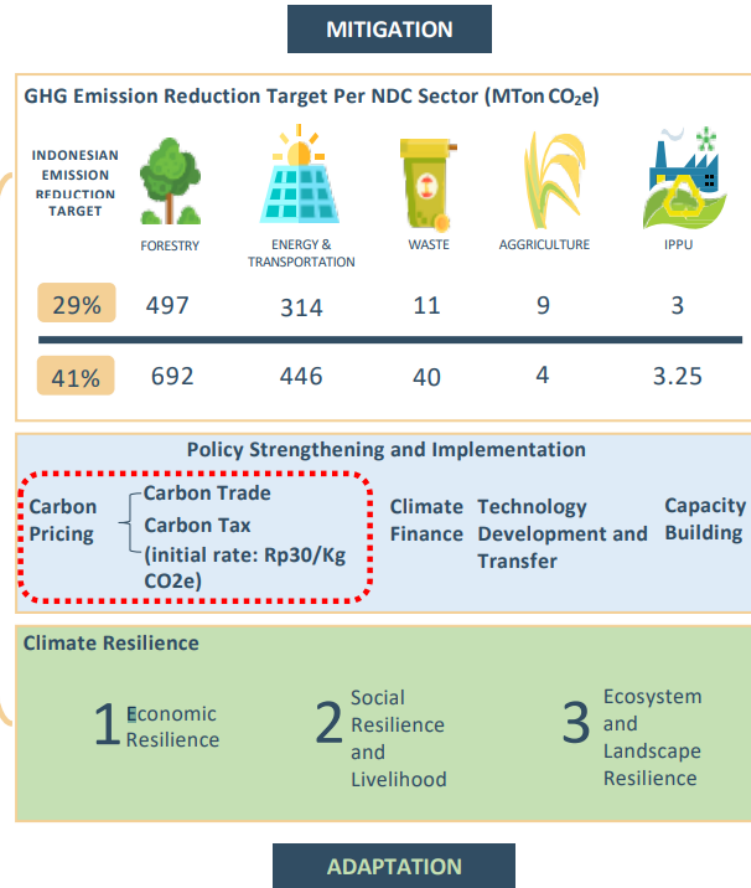
## INDONESIA'S CLIMATE CHANGE AGENDA

Paris Agreement and Nationally Determined Contribution (NDC) 2030

Target:  
31.89% national effort  
43.2% with international support

Stated in:

- First NDC (2016)
- Updated NDC (2021)



Long-Term Strategy for Low Carbon and Climate Resilience 2060

Mandate from:

- Paris Agreement Article. 4.19
- Dec.1/CP.21 Para 35

LCCP Scenario:

- Peak emission 5 sector in 2030 = **540 Mton CO<sub>2</sub>e**
- Net-Sink FOLU in 2030
- Net Zero Emission in 2060 or sooner

Toward Net Zero Emission 2060

# Commitment to Sustainability and Climate Change Mitigation

## Republic of Indonesia's Commitment to Sustainability which Includes Climate Change Mitigation

### Background of Commitment

#### Commitment to Sustainability

Successfully implemented the Sustainable Development Goals by achieving the 2030 development agenda introduced by the United Nations (UN). The Indonesia's Presidential Regulation no. 59/2017 concerning the implementation of SDGs in Indonesia mandated the Ministry of National Development Planning to provide the Roadmap of SDGs in Indonesia

#### Combining public and private funds to support Sustainable Development Goals (SDG)s

The Government of Indonesia through the Ministry of Finance and PT Sarana Multi Infrastruktur (SMI) seeks to achieve the SDGs through the establishment of an integrated platform called "SDG Indonesia One"<sup>1</sup> which combines public and private funds through blended finance schemes to be channeled into infrastructure projects related to the achievement of SDGs

#### The President's NawacitaProgramme

The Nine Agenda Priorities of the President's priority actions. Shifting to a low-carbon and climate-resilient development path is an integral part of this mission and is integrated in development policies, strategies and programs



### Environment Commitment and Objectives

#### Mitigation

- Based on the Paris Agreement and Indonesia's Enhanced NDC, gov has committed to **reduce greenhouse gas emission** by 31.89% in 2030 on unconditional mitigation scenario using self-financing, and by 43.2% in 2030 on conditional mitigation scenario using international financing support
- Based on National Energy Policy, **increase New Renewable Energy to 23%** of national energy mix by 2025
- Strengthen the Core Actions** through strengthening the policy framework, human and institutional capacity, socializing, and researching
- With regards to forestry, the actions should include deforestation prevention, forest degradation prevention, conservation, and others

#### Adaptation

- Climate Change:** Significant risks for Indonesia's natural resources that will impact the production and distribution of food, water, and energy
- National Action Plan on Climate Change Adaptation:** National framework for adaptation initiatives mainstreamed into the National Development Plan
- Medium-term Goal of Indonesia's climate change adaptation strategy:** Reduce risks on all development sectors by 2030 through local capacity strengthening, improved knowledge management, convergent policy on climate change adaptation and disaster risks reduction

#### Biodiversity

- Indonesia is the world's largest archipelago comprising over 16,056 islands with unique ecosystems containing a large number of diverse species.
- Contains the world 3rd largest area of rainforests
- Biodiversity Strategy and Action Plan 2015-2020 was launched to provide an outline on how biodiversity could be utilized sustainably to improve economic and development opportunities.



# BALI ECONOMIC PROFILE

Kerthi Bali Sadhana Investment Center

*July*

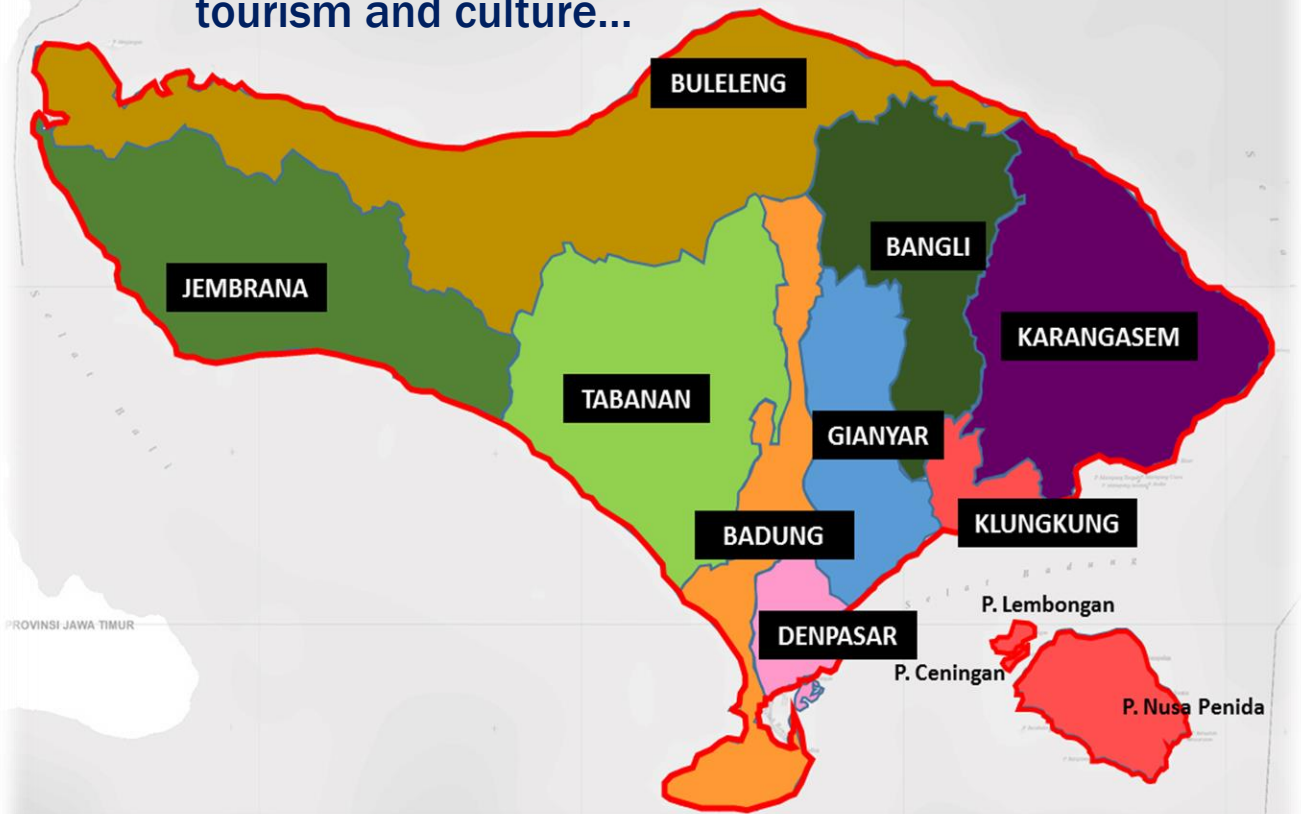
2023



# The Most Famous Indonesia's Island in The World

## BALI PROVINCE MAP

With an area of 5,636.66 km<sup>2</sup>,  
Bali Province is famous for its  
tourism and culture...



Source: Bali Provincial Government



Governor: Wayan Koster  
Vice Governor: Tjokorda Oka Artha Ardana Sukawati

Capital City : Denpasar

Number of Citizens: 4.3 Mio People

Has 4 Islands (Bali, Nusa Penida, Lembongan & Ceningan)

8 Districts and 1 City

57 Sub-Districts

636 Villages

4,408 Banjar

1,493 Traditional villages

3,625 Traditional Banjar

# Well Managed Infrastructure Supports Easy Accessibility

*With good transport accessibility and infrastructure, Bali is becoming a super hub for cargo and passenger transportation, as well as tourism hub...*



## LAND ROAD

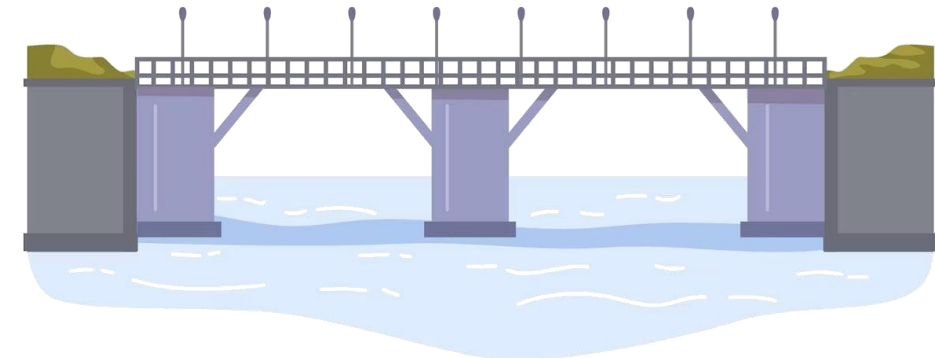
- Road : 7.350,44 km
- Toll Road : 12,7 km

## AIRPORTS

I Gusti Ngurah Rai Airport

## SEAPORTS

4 (Benoa, Padangbai, Celukan Bawang, Gilimanuk)





# Tourism Destination Spread All Over The Region

Bali has various tourist destinations spread across various cities/regencies. Some of them are as follows.



The World's Happiest  
Holiday Destination 2022  
(by Club Med)



Travelers' Choice Best in  
Asia 2022 (by TripAdvisor)



The Best Island in The  
World 2022 (by Travel +  
Leisure)



Travelers' Choice Best in  
the World 2022 (by  
TripAdvisor)



Lovina Beach

Source: <https://www.nativeindonesia.com/pantai-lovina-bali/>



Snorkeling and Diving

Source: <https://www.idntimes.com/travel/destination/brahm-1/5-tempat-snorkeling-dan-diving-di-karangasem-bali-c1c2>



Kintamani Mountain



<https://balisunrisetours.com/activities/black-lava-jeep-tour/>



Ubud Paddy Field

<https://au.hotels.com/go/indonesia/best-ubud-things-to-do>



Kelingking Beach

Source: <https://girlatworld.net/nusa-penida-bali-guide/>



Source: <https://www.balispirit.com/community/blog/bali-map-where-to-go-on-bali>



Kecak Dance

Source: <https://www.kompasiana.com/azkiaanwar/61245b5a06310e21ef61c812/menonton-tari-kecak-di-pura-luhur-uluwatu>



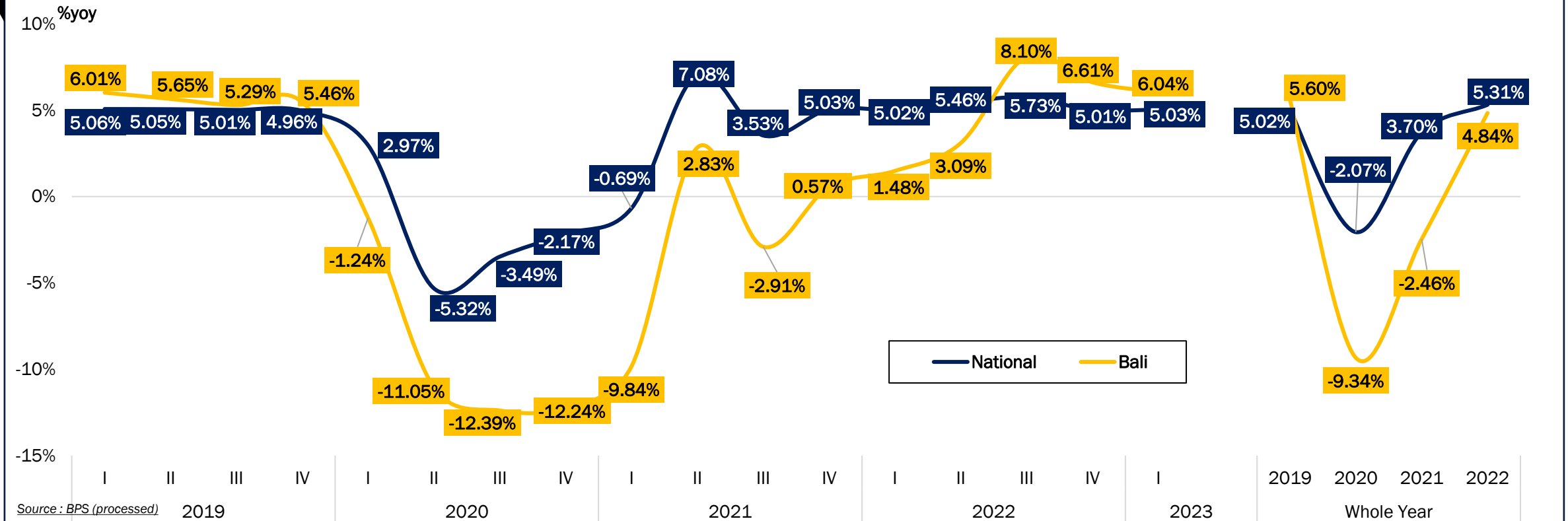
Garuda Wisnu Kencana

Source: Victor Surya Hartono's documentation

# Economic Growth Shows Steady Improvement

*In the first quarter of 2023, the economy grew by 6.04% (yoy), slowing down from the previous quarter which grew 6.61% (yoy). The economic growth was supported mainly by maintained tourism activity and the low base of the Bali's economy in the first quarter of 2022 (low base effect).*

GDP GROWTH (%YOY)



In 2023, Bank Indonesia projects Bali's economic growth is 4.5 – 5.3%

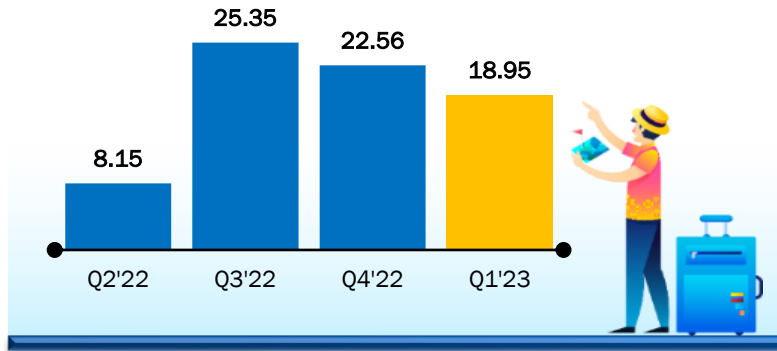


# The Economic Growth Was Bolstered By A Surge In Tourism Activity

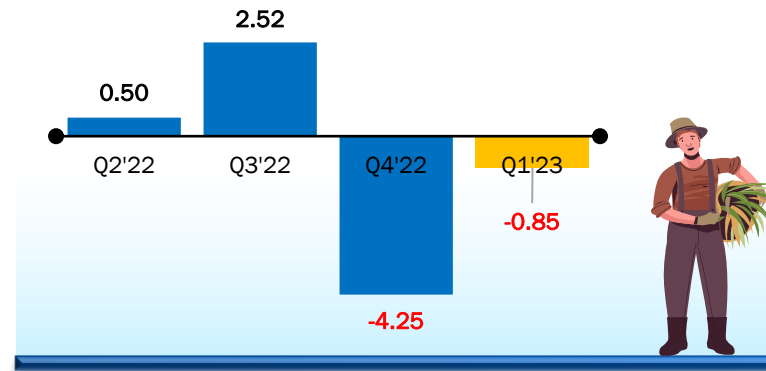
The improvement of tourism sector's performance in the first quarter of 2023 was driven by the impact of hosting various international events and MICE (Meetings, Incentives, Conferences, Exhibitions), as well as the additional of domestic and international direct flights amidst the easing of public mobility following the revocation of the *Pemberlakuan Pembatasan Kegiatan Masyarakat (PPKM)* policy

## BUSINESS FIELD (% YoY)

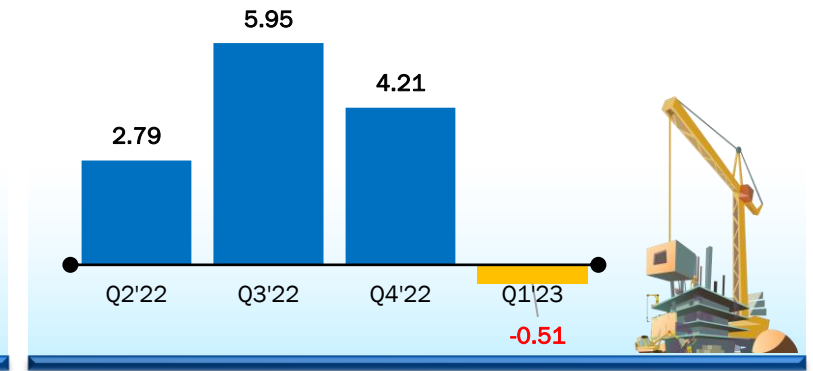
### Accommodation, Foods, and Beverages (Share 19.22 %)



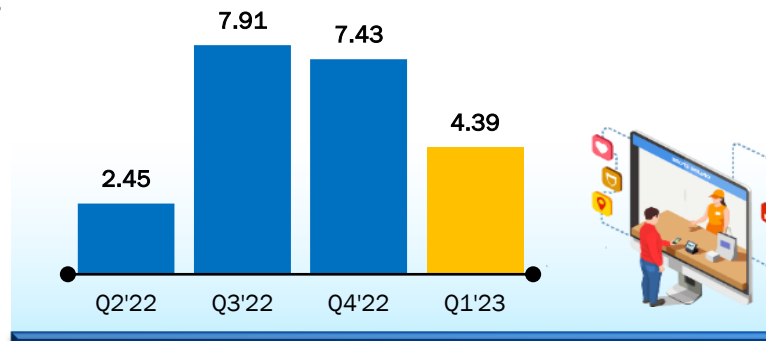
### Agriculture (Share 13.72 %)



### Construction (Share 10.05 %)



### Trading (Share 9.08 %)



### Transportation (Share 9.81 %)



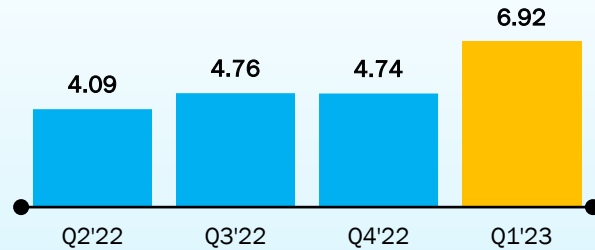
# Household Consumption, Government Consumption, and Imports Have Grown Significantly

From the expenditure perspective, the continued economic recovery is mainly driven by the sustained household consumption due to the increased purchasing power of the population amidst the recovery of tourism activities. The growth is also supported by a significant increase in imports, in line with the rising number of inbound and outbound flights to Bali.

## EXPENDITURE SIDE(% YoY)

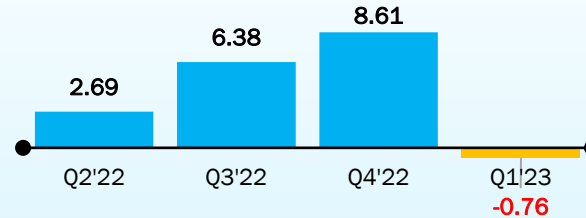
### HOUSEHOLD CONSUMPTION

Share: 56,03 %



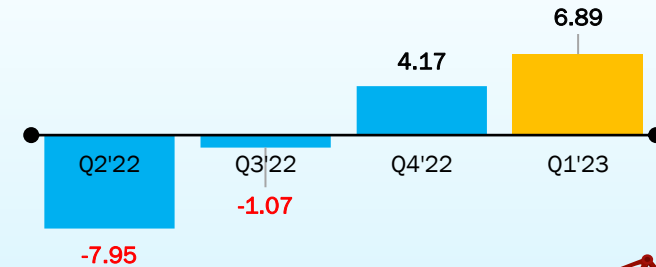
### INVESTMENT

Share: 27,64 %



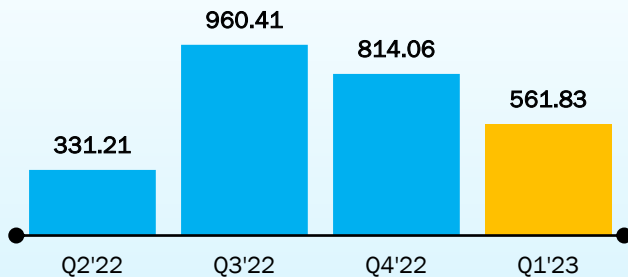
### GOVERNMENT CONSUMPTION

Share: 6,43 %



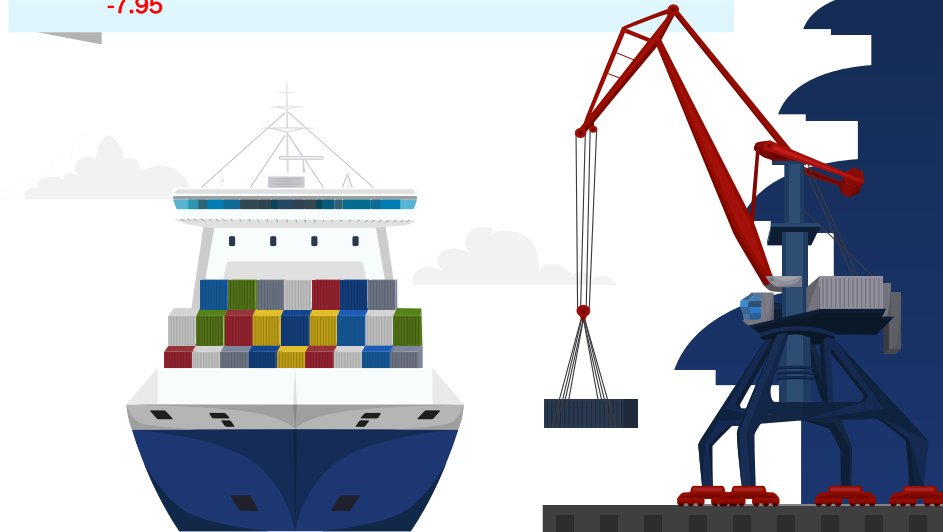
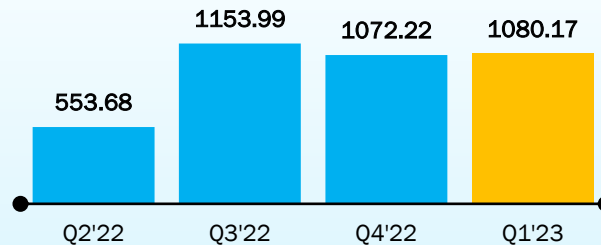
### EXPORT

Share: 31,43 %



### IMPORT

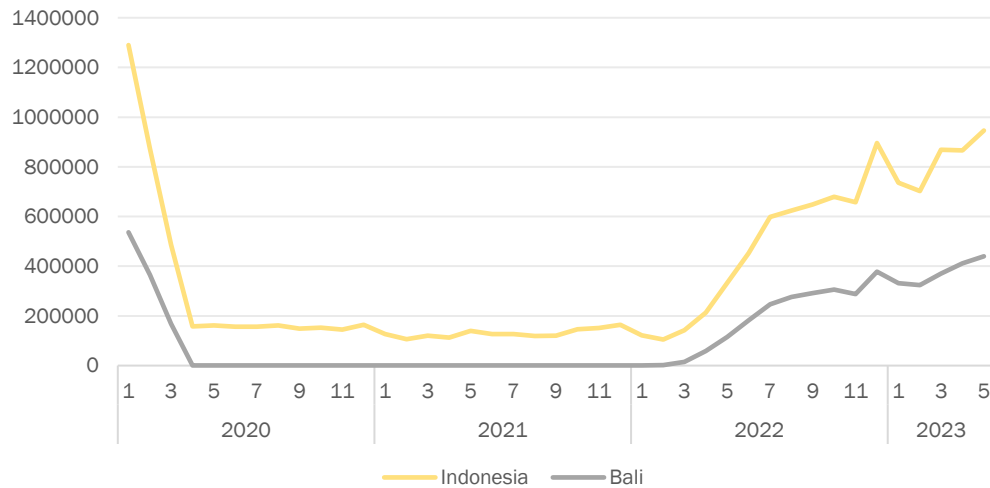
Share: 5,11 %



# Increasing Tourist Visits Despite Risk of a Global Recession

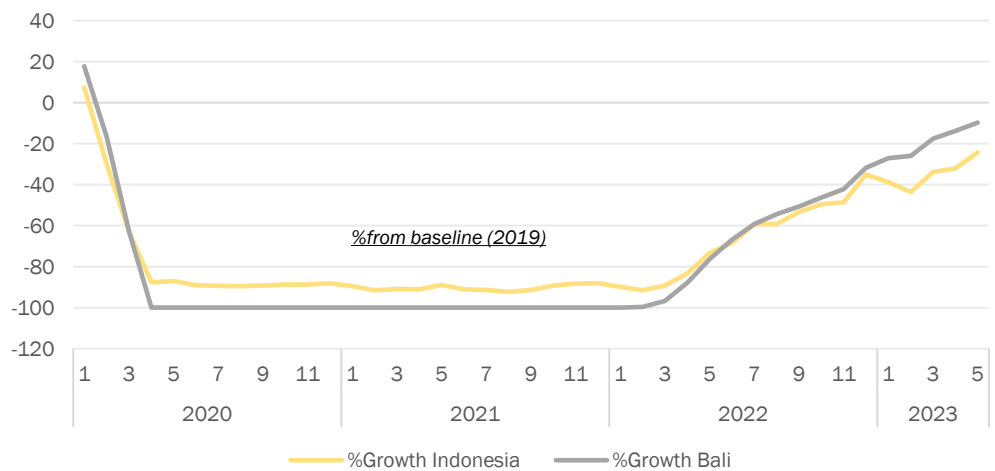
Tourist visits are predicted to continue to increase in 2023 supported by reactivation and addition of direct transportation to Bali..

## TOTAL FOREIGN TOURISTS (AIRPORT & SEAPORT)



Source: BPS (processed)

## GROWTH FOREIGN TOURIST FROM 2019 (BEFORE PANDEMIC)



Source: BPS (processed)

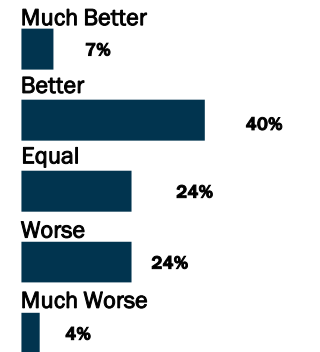
## TOURISM OUTLOOK 2023

Despite the risks of a global recession, the UNWTO Panel of Tourism Experts has stated that the overall performance of tourism will continue the trend of improvement throughout the year 2023.

### Prospects of Tourism Performance

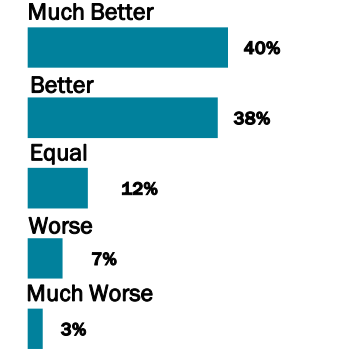
#### Q4 2022

compared to Q3



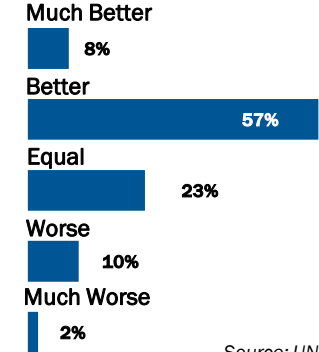
#### WY 2022

compared to WY 2021



#### WY 2023

compared to WY 2022



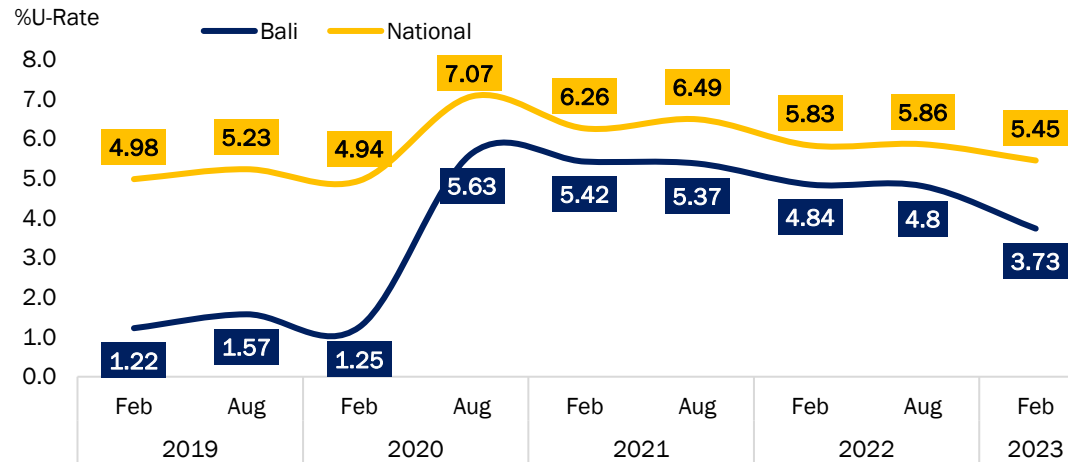
Source: UNWTO



# Welfare Indicators Above National Average

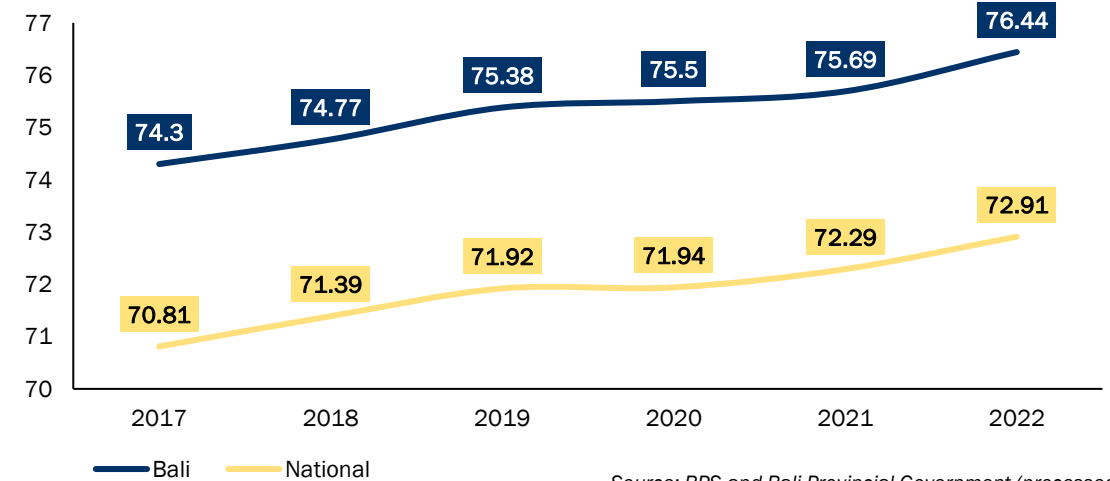
Bali's welfare relatively better than National which is reflected by better Unemployment Rate, HDI, Poverty Rate, and Gini Ratio...

## UNEMPLOYMENT RATE



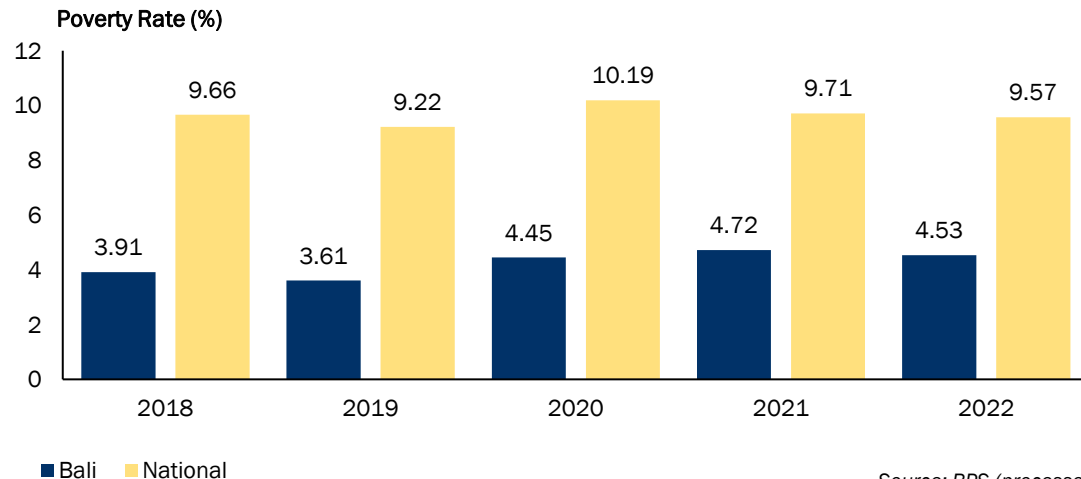
Source: BPS and Bali Provincial Government (processed)

## HUMAN DEVELOPMENT INDEX



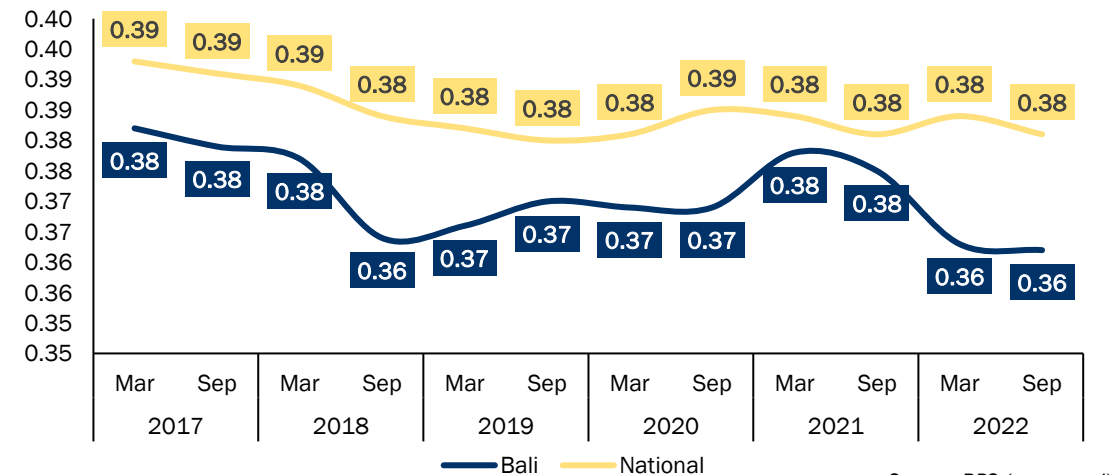
Source: BPS and Bali Provincial Government (processed)

## POVERTY RATE



Source: BPS (processed)

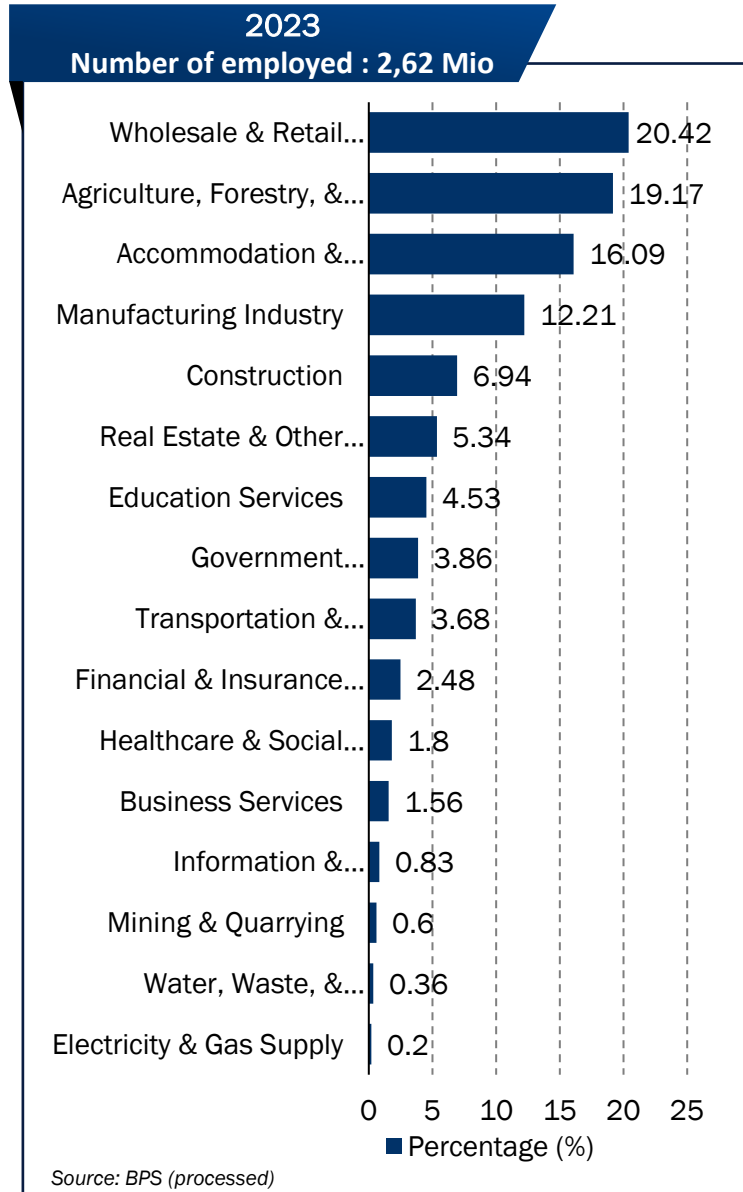
## GINI RATIO



Source: BPS (processed)



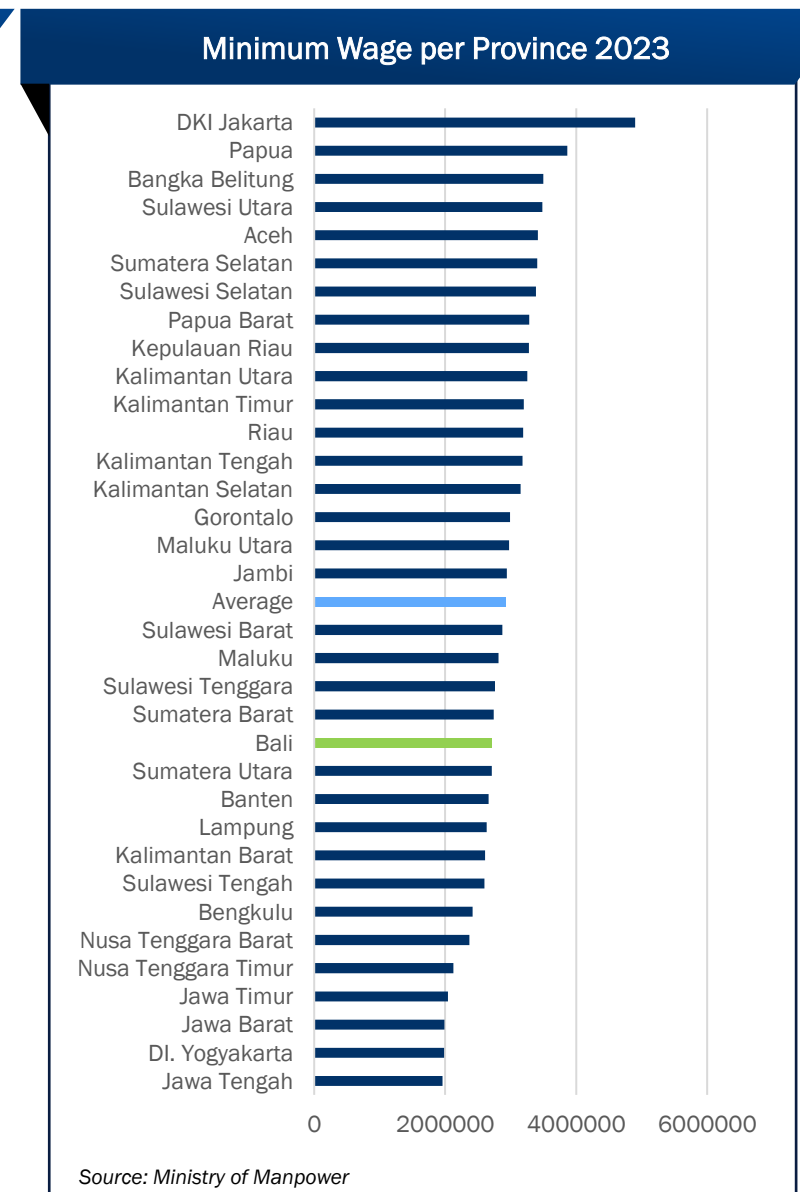
# Workforce Dominates the Tourism Related Sector & Agriculture



**Minimum Wage per Region**

| Region      | Minimum Wage 2023 (IDR) |
|-------------|-------------------------|
| Badung      | 3,163,837.32            |
| Denpasar    | 2,994,646.14            |
| Gianyar     | 2,837,680.02            |
| Tabanan     | 2,824,613.12            |
| Jembrana    | 2,738,698.00            |
| Karangasem  | 2,730,264.15            |
| Buleleng    | 2,716,206.49            |
| Klungkung   | 2,714,642.00            |
| Bangli      | 2,713,672.28            |
| <b>Bali</b> | <b>2,713,672.28</b>     |

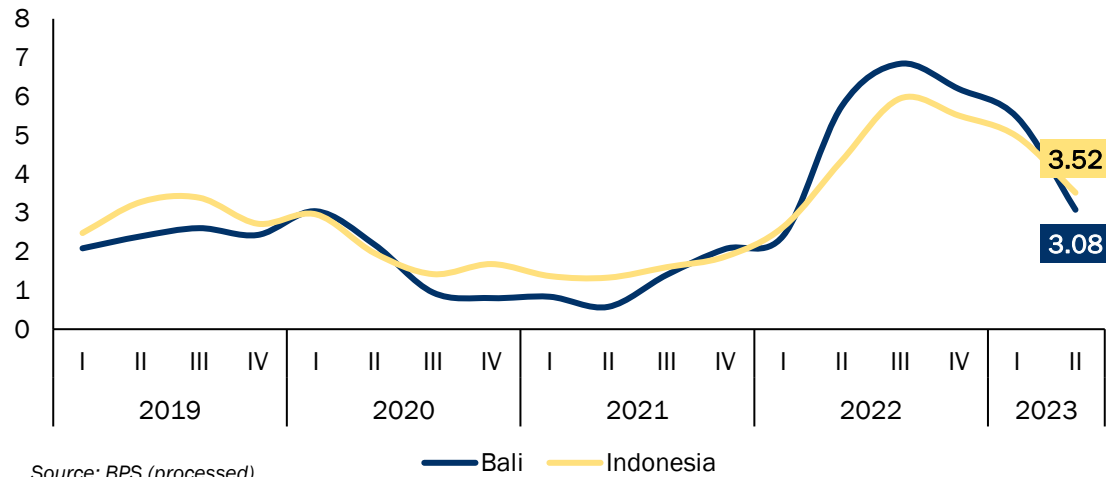
\*) Source : BPS Bali  
\*\*) KepGub No. 869/03-M/HK/2022 (24 Nov 2022)



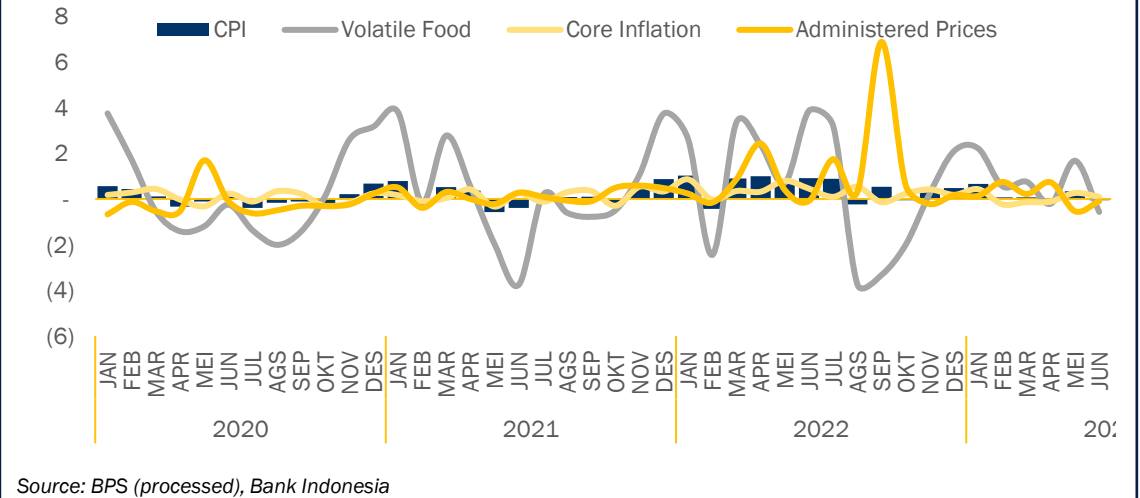
# Inflation in Decreasing Trend

Bali's inflation in 2023 is projected to be within the national inflation target of  $3.0\% \pm 1.0\%$ ...

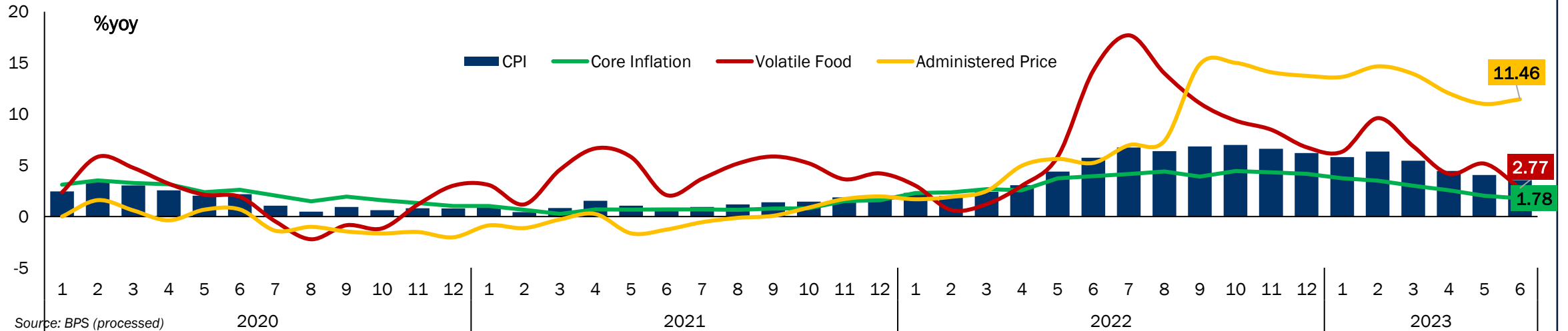
## BALI YEARLY INFLATION (%YOY)



## BALI MONTHLY INFLATION (%MTM)



## INFLATION REALIZATION BASED ON DISAGGREGATION GROUPS

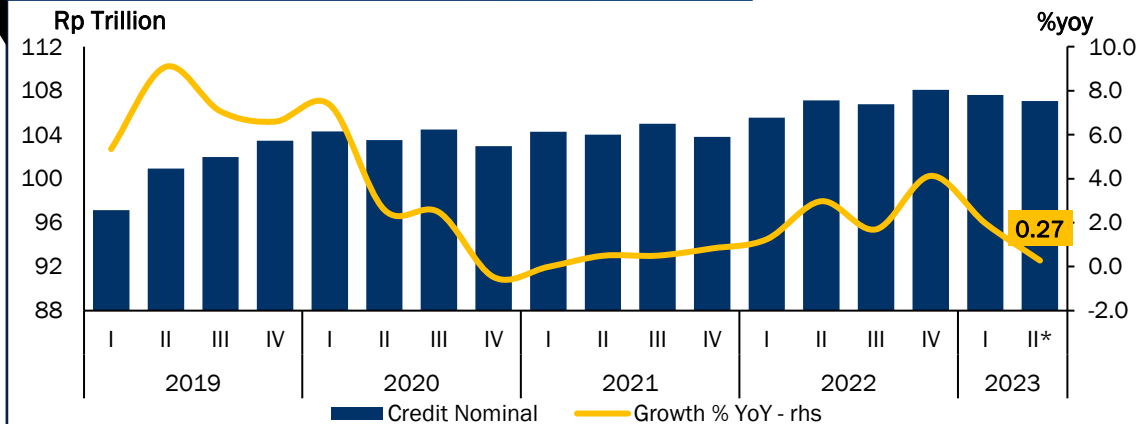


# Banking Risk Profile Improved Amidst Decelerated Credit Growth

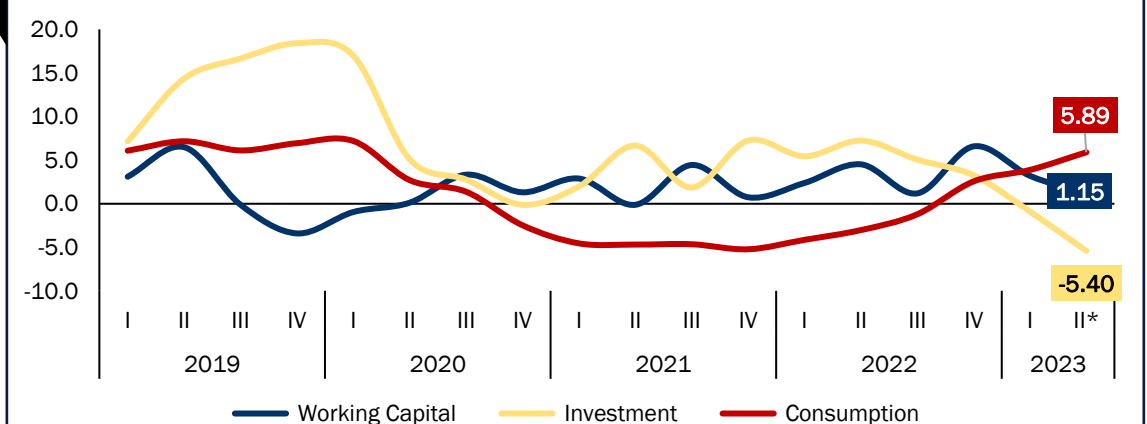
Credit growth was primarily driven by increasing of consumption sector

Total credit growth in Bali is currently experiencing a slowdown, which is indicated by the lingering scarring effect of the COVID-19 pandemic. However, it is accompanied by an improving credit quality, as seen from the declining Loan-to-Asset Ratio (LAR). Based on the sector, credit growth was primarily driven by increasing of consumption sector

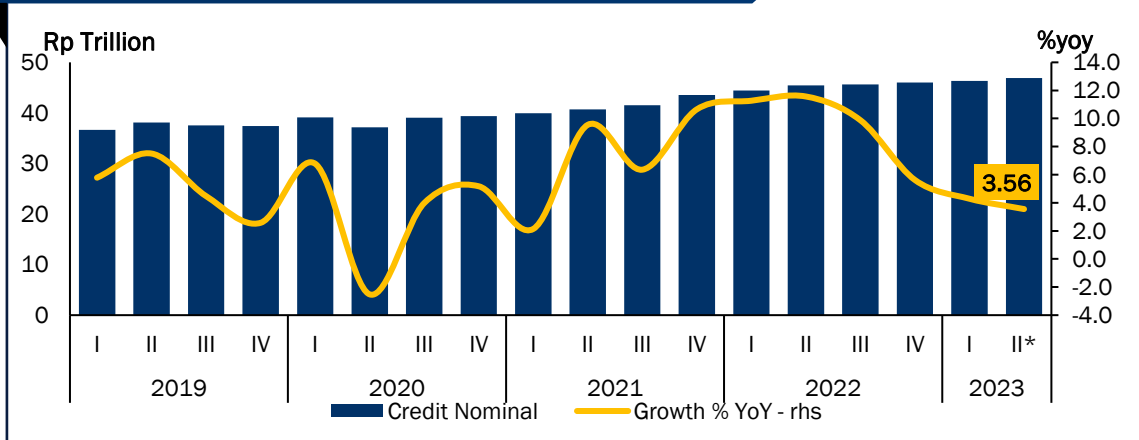
## TOTAL CREDIT GROWTH



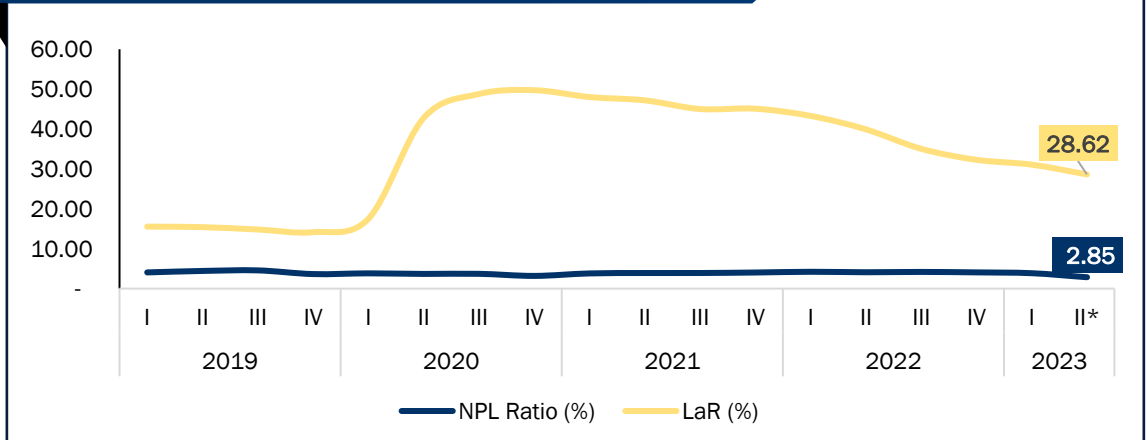
## SECTORAL CREDIT GROWTH (%YOY)



## UMKM's CREDIT GROWTH



## NPL & LaR

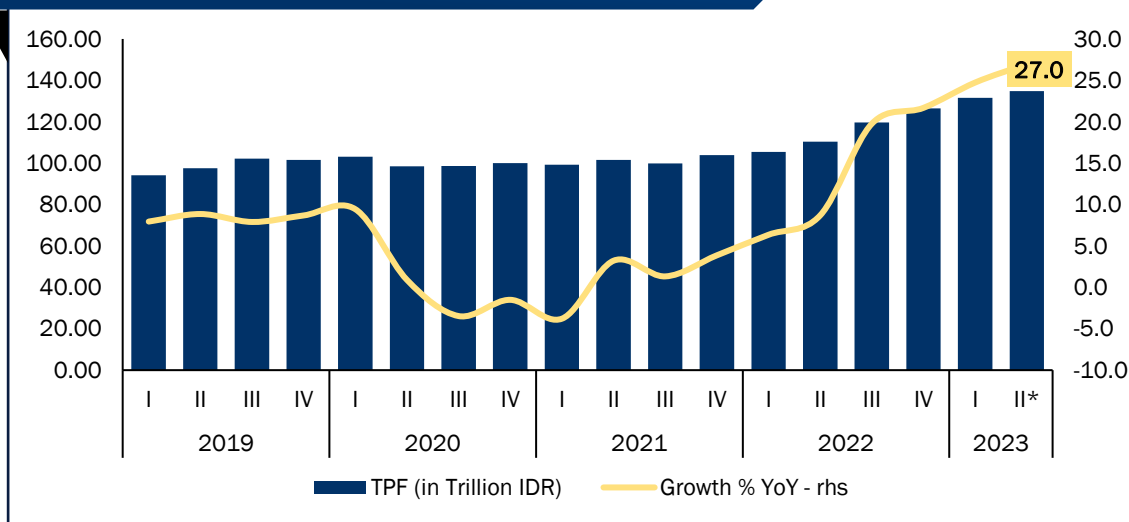




# Liquidity Remains Ample to Revive Lending Growth

*Third party funds grew quite significant, commercial banks are expected to intensify their credit disbursement with the incentive policies provided by Bank Indonesia*

THIRD PARTY FUNDS GROWTH

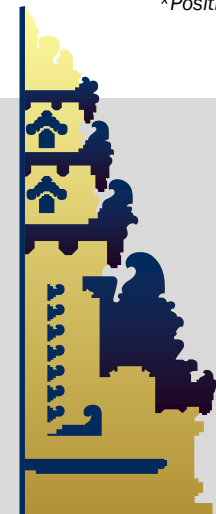
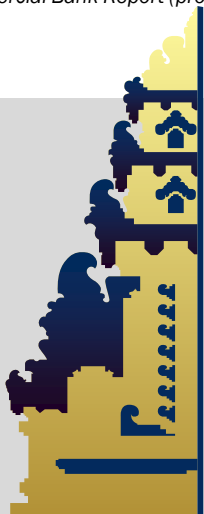


Source: Commercial Bank Report (processed)

LDR (%)



\*Position in May 2023



# BALI FUTURE DEVELOPMENT PLAN

Kerthi Bali Sadhana Investment Center

*July*

2023

# Economic Transformation for Sustain Economic Growth

*In order to strengthen and balance the structure and fundamentals of Bali's economy, a comprehensive economic concept has been issued, namely Kerthi Bali Economy*

Kerthi Bali Economy is the implementation of Bali Development vision "Nangun Sat Kerthi Loka Bali" through the Universal Development Planning Pattern towards a NEW ERA OF BALI. The vision is to realize the balance/harmony of Bali's Nature, Humans, and Culture in accordance with Sat Kerthi's local wisdom values. In the future, Bali has six priorities sector to be developed.

## BACKGROUND

- 1** Structure and fundamentals of Bali's economy are still dominated by tourism sector.
- 2** Bali's economy is highly dependent and very vulnerable to changes in external factors
- 3** Bali has natural and cultural-based industrial potential that has not been utilized optimally.
- 4** Bali has excellent of human resources based on the values of cultural traditions and local wisdom.
- 5** Bali's economic structure needs to be strengthened with science and technology.

## SIX PRIORITIES SECTORS



1

AGRICULTURE



2

MARINE & FISHERIES



3

BALINESE CULTURE  
INDUSTRY



4

MICRO, SMALL, MEDIUM  
SIZED ENTERPRISE



5

CREATIVE & DIGITAL  
INDUSTRY



6

TOURISM

Source: Pemprov Bali, <https://www.baliprov.go.id/web/gubernur-koster-paparkan-konsep-ekonomi-kerthi-bali-di-side-event-g20-indonesia/>



# New Era of Bali : “Green, Resilience, Prosperous”

## 6 Major Strategies for The Transformation of Bali's Economy

### 1. Smart & Healthy

- Healthy and Nutritious Human Resources
- Intelligent and Strong Character Human Resources
- Innovative and Creative Human Resources

### 2. Productive

- Labor Productivity Towards Middle-Class Workers
- Agricultural Modernization Towards Organic Bali
- High-Value Added and Export-Oriented Green Industry
- Quality and Sustainable Tourism
- Competitive Creative Economy with a Wide Market
- Resilient and Export-Oriented MSME Ecosystem

### 3. Green

- Development of Clean Energy (Renewable Energy Mix)
- Transformation of Waste Management
- Environmentally Friendly Transportation
- Climate Change Mitigation
- Development of the Blue Economy

### 4. Integrated

- Improvement of Connectivity Infrastructure
- Development of Bali as an Air Logistics Hub
- Economic Integration of Bali-Nusa Tenggara-Jawa Timur (East Java)

### 5. Bali Smart Island

- Enhancement of Digital Literacy and Human Resources Competence
- Improvement of Digital Infrastructure Quality
- Strengthening Digital Practices in Business and Public Services
- Global Start-up Destination

### 6. Conducive

- Strengthening Regional Finance
- Strengthening Financial Institution Support
- Improving Ease of Doing Business
- Bureaucracy and Institutional Reform

# Regional Government Commitment to Support Green Economy

## Governor Regulation of Bali Number 97 of 2018 Regarding the restriction on single-use plastic waste

- Restriction on single-use plastics, including plastic bags, styrofoam, and plastic straws.
- Restriction on the generation of single-use plastic waste, including volume/weight, distribution, and usage.

## Governor Regulation of Bali Number 45 of 2019 Regarding clean energy in Bali

- Provide guidance in ensuring the fulfillment of all energy needs in a self-reliant, environmentally friendly, sustainable, and equitable manner by utilizing Clean Energy.

## Governor Regulation of Bali Number 47 of 2019 Source-based Waste Management

This regulation covers rules for the management of household waste and similar household waste as an effort to protect and improve the natural environment of Bali.

## Governor Regulation of Bali Number 48 of 2019 Use of Battery-Based Electric Vehicles

- The obligation to use Battery Electric Vehicles based on batteries in industries and government institutions, area management authorities, state-owned enterprises/regional-owned enterprises, as well as companies engaged in public transportation gradually.
- Providing incentives for owners and/or users of Battery Electric Vehicles based on batteries.

## Governor Regulation of Bali Number 15 of 2021 Implementing Regulation Of Local Regulation No. 8 Of 2019 Regarding Organic Agriculture System

- Support the achievement of the Regional Development Vision "Nangun Sat Kerthi Loka Bali" through the Comprehensive Planned Development approach towards the New Era of Bali, particularly in the provision of safe and healthy food, as well as the preservation of the environment and its functions.

## Provincial Regulation of Bali Number 8 of 2019 Regarding Organic Agriculture System

- The development of the Organic Agriculture System in accordance with the stages of regional development plans
- The areas designated for the development of the Organic Agriculture System
- The specific production of the Organic Agriculture System based on regional interests.

## Provincial Regulation of Bali Number 9 of 2020 About the General Plan for Energy in Bali Province 2020-2050

- The General Plan for Energy in Bali is a policy of the Bali Provincial Government regarding the management plan for energy, which is a detailed description and implementation plan of the central government's policy. The purpose of this development is to regulate the management and development of an independent, affordable, equitable, sustainable energy system, prioritizing clean, environmentally friendly energy and the harmony of Bali's nature in accordance with the vision of Regional Development, "Nangun Sat Kerthi Loka Bali."

# Public Investment is Needed To Achieve New Era of Bali

*In 2022 – 2025, investment fund of Rp338.80 trillion is necessary, while a cumulative investment of Rp8,939.04 trillion is required from 2022 to 2045. The projection results indicate that the burden of development costs cannot be solely shouldered by government funds, financing support is needed from the private sector, the public and international sources.*

## INVESTMENT FUND NEED

To achieve the long-term target of economic growth in 2022 – 2045, an accumulation of investment funds of:



**Rp 8.939,04 Triliun**

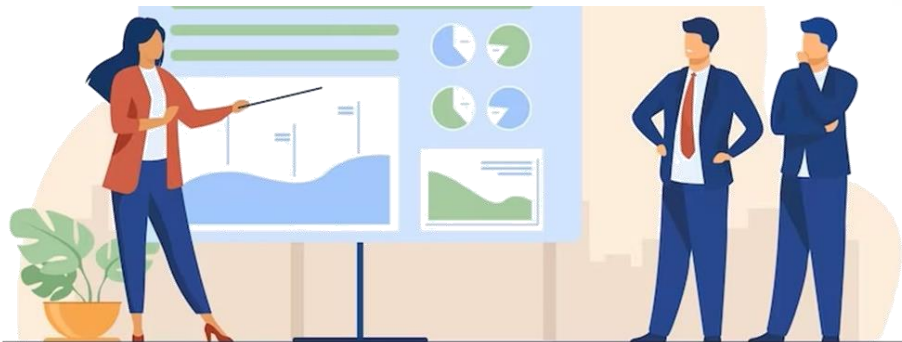
## Source of funds



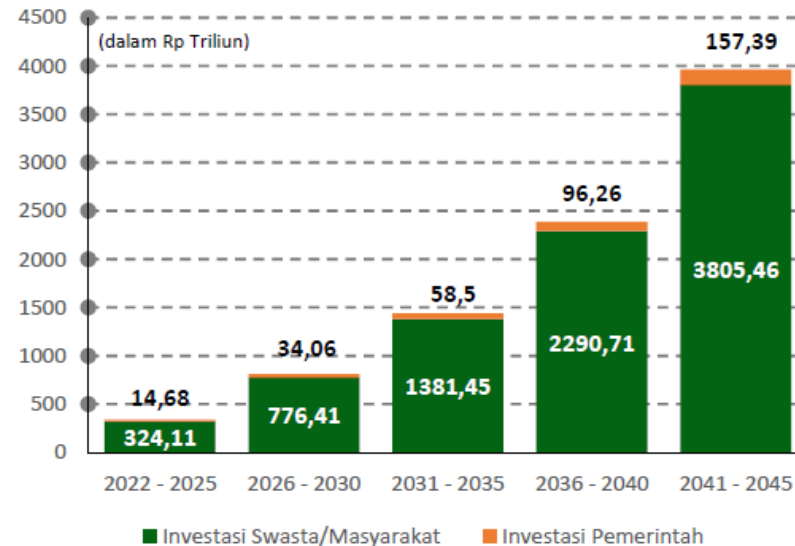
**Government**



**Private**



## PROJECTION OF INVESTMENT NEEDS 2022 – 2045 (TRILLION RUPIAH)



Sumber: Bappenas (2021)

## AVERAGE SOURCES OF INVESTMENT NEEDS FULFILLMENT (2022-2045)

**4,12%** GOVERNMENT INVESTMENT

**95,88%** PRIVATE INVESTMENT

## ALTERNATIVE FINANCING SOURCES

1

PMA & PMDN

2

Government Cooperation with Business Entities (KPBU)

3

Securities Crowd Funding (SCF)

4

Banking Credit



# INVESTMENT SERVICE GUIDELINES

Kerthi Bali Sadhana Investment Center

*July*

2023



# A. INVESTMENT REGULATION

Kerthi Bali Sadhana Investment Center

*July*

2023

# Investment Regulations

## Law of the Republic of Indonesia Number 25 of 2007

Concerning Investment as amended several times, most recently with Law Number 6 of 2023 regarding the Enactment of Government Regulation in Lieu of Law Number 2 of 2022 concerning Job Creation into Law.

## Government Regulation Number 5 of 2021

Concerning Risk-Based Licensing Implementation. The launch of the Electronically Integrated Business Licensing System, also known as the Online Single Submission Risk Based Approach (OSS RBA) is expected to be a breakthrough in the licensing issuing procedure.

## Government Regulation Number 6 of 2021

Concerning Business Licensing Implementation in the Region. Governors and mayors/regents delegate regional government's authority in Business Licensing through their respective regional head of (provincial/municipal) Single-Window Integrated Service.

## Governor Regulation of Bali Number 15 of 2023

Regarding Amendments to Governor Regulation Number 68 of 2022 concerning Honorarium and Unit Cost of Office Services in Regional Apparatus within the Government of Bali Province.

## Provincial Regulation of Bali Number 1 & 2 of 2023

Concerning the Spatial Planning Plan of Bali Province for the Years 2023-2043.

## Governor Regulation Number 14 of 2023

Concerning the Regional Development Plan of Bali Province for 2024-2026.



# B. INVESTMENT PROCEDURE

Kerthi Bali Sadhana Investment Center

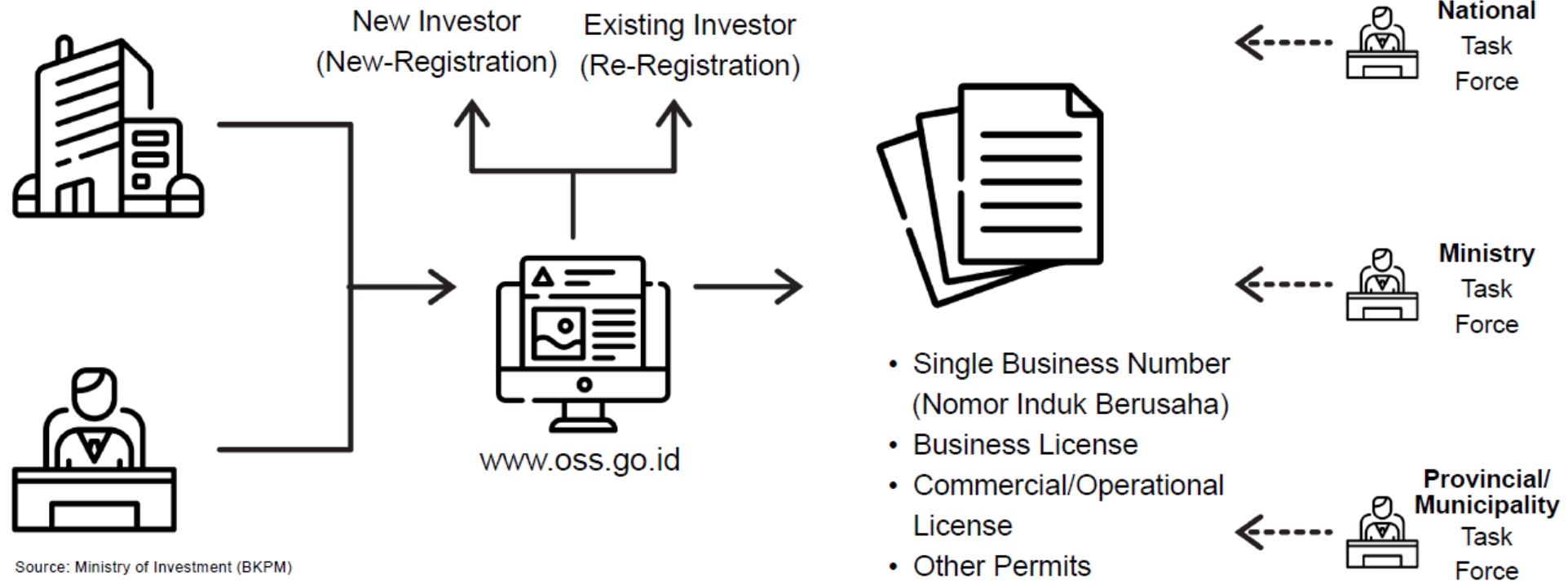
*July*

2023

# Investment Procedure

## Online Single Submission System (OSS) Accelerate the Business Licensing System through OSS-RBA

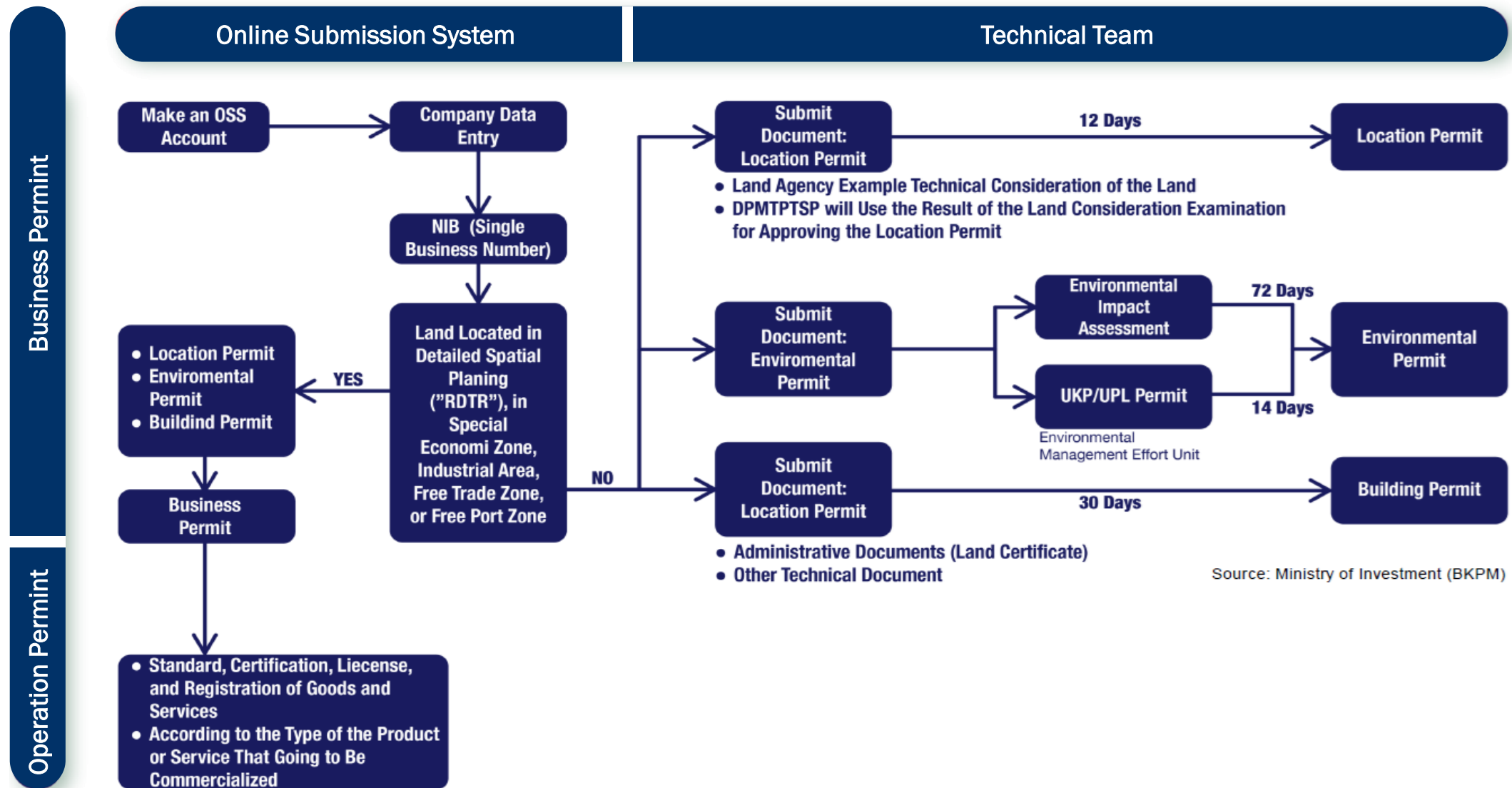
The implementation of Risk-Based Business Licensing through the Online Single Submission (OSS) System is the implementation of Law Number 11 of 2020 concerning Job Creation. Risk-Based OSS must be used by Business Actors, Ministries/Institutions, Local Governments, Special Economic Zone Administrators (KEK), and Free Port Free Trade Zones (KPBPB). Based on Government Regulation Number 5 of 2021, there are 1,702 business activities consisting of 1,349 Indonesian Standard Classifications of Business (KBLI) which have been implemented in the Risk-Based OSS System.



Source: <https://oss.go.id/en> (Ministry of Investment & BKPM)

# Investment Procedure

Online Single Submission System (OSS) Accelerate the Business Licensing System through OSS-RBA





# Investment Procedure

## e-Permit System

- Licensing services include: a. Business Licensing; b. licensing; and c. Non-licensing.
- Business Licensing as organized through the OSS RBA system managed by the Central Government in accordance with the provisions of the Laws and Regulations.
- Licensing and Non-Licensing are licensing services outside of Business Licensing organized by Department of Investment and One-Stop Integrated Services (DPMPTSP) through the PRESTISE system.
- DPMPTSP serves the process of requesting new permits and non-licensing, extensions, changes and revocations.
- Business Actors and Communities submitting requests for licensing and non-licensing services to DPMPTSP in accordance with the NSPK through the [www.dpmptsp.baliprov.go.id](http://www.dpmptsp.baliprov.go.id) page or other electronic media.
- The implementation of licensing and non-licensing services is free of charge
- Consulting services, including: a. technical consultancy for Business Licensing, permits, and Non-licensing; b. consultation on the legal aspects of business licensing, licensing and non-licensing; and c. technical assistance.



\*) Source : <https://dpmptsp.baliprov.go.id>



Account Registration/Account Login at  
<https://dpmptsp.baliprov.go.id/>



Submit a permit application



Download the issuance permit status/submitting  
complaint messages

Source: Pergub Bali No.46/2022 tentang Penyelenggaraan Perizinan dan PTSP (proses perizinan dan non perizinan melalui sistem PRESTISE).

# C. INVESTMENT INCENTIVES

Kerthi Bali Sadhana Investment Center

*July*

2023

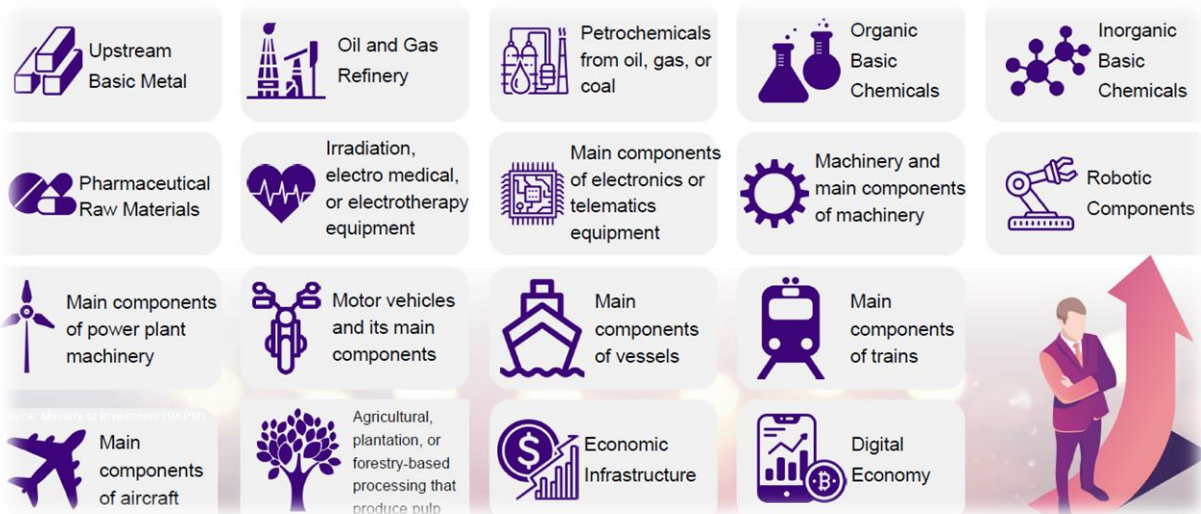


# Investment Incentive

## New Tax Holiday Policy (Minister of Finance Regulation No. 130/PMK.010/2020)

The Corporate Income Tax reduction can be given for 5 - 20 fiscal years, based on investment value and eligible for projects that considered strategic for the Indonesian economy. This new tax holiday policy is applied for 18 eligible pioneer industries.

- Tax Holiday and Mini Tax Holiday are facilities for reducing corporate income tax (CIT) from the income obtained from Main Business Activities.
- Awarded for new investment and expansion.
- Minimum investment value of IDR 100 billion.
- Awarded to business sectors that are included in the group of 18 Pioneer Industries.
- If they are not included in the group of 18 Pioneer Industries, Taxpayers can apply for tax holiday or mini tax holiday by fulfilling the quantitative criteria for the pioneer industry with a weight of > 80.



## NEW TAX HOLIDAY POLICY

### TAX HOLIDAY

MoF Regulation No. 150 of 2018

Minimum investment of  
**500<sup>bn</sup> Rupiah**

Applied to **18** industry groups  
**100% Reduction Rate**  
(single rate)

| No. | Time Period    | Investment Value                                |
|-----|----------------|---|
| 1.  | 5 years        | IDR 500 billion up to less than IDR 1 trillion  |
| 2.  | 7 years        | IDR 1 trillion up to less than IDR 5 trillion   |
| 3.  | 10 years       | IDR 5 trillion up to less than IDR 15 trillion  |
| 4.  | 15 years       | IDR 15 trillion up to less than IDR 30 trillion |
| 5.  | Up to 20 years | Minimum IDR 30 trillion                         |

**50% CIT Reduction for the next 2 years**

Income Tax  
Reduction Rate

Concession  
Period

### MINI TAX HOLIDAY

MoF Regulation No. 150 of 2018

Minimum investment of  
**100 to < 500<sup>bn</sup> Rupiah**

**50% Reduction Rate**  
(single rate)

**5 Year**  
Concession Period

**25% CIT Reduction for the next 2 years**

### GENERAL CRITERIA

1. The taxpayer (company) is incorporated in Indonesia
2. Fulfill Debt Equity Ratio for income tax purposes as stipulated on MoF Regulation No. 150/2018
3. Has never had its tax holiday application granted or rejected by the MoF
4. Obtain a tax clearance certificate (SKF) issued by DGT

### HOW TO APPLY

1. Through OSS
2. Along with taxpayer's application for New Business License (NIB) to BKPM
3. Applying within 1 year after the NIB is issued by BKPM

[www.investindonesia.go.id](http://www.investindonesia.go.id)



InvestIDN



Indonesia Investment Coordinating Board (BKPM)



Invest Indonesia



# Investment Incentive

## Regional Investment Incentive (Local Government Regulation No. 1 of 2016 concerning Provision Incentive and/or Investment Ease for Public and/or Investor)

Government of Bali is providing the incentive and/or convenience for public and/or investor to invest in Bali adjusted to the authority, condition, and capacity which is carried out by the provisions of laws and regulations. Government of Bali guarantess business and legal certainty for public and investor who invest in Bali.



### PROVIDING INCENTIVES TO THE COMMUNITY MAY TAKE THE FORM OF:

- a. Local tax reduction, relief, or exemption;
- b. Reduction, relief, or exemption from regional levies;
- c. Provision of stimulant funds;
- d. Subsidies

*can be provided in the form of*

- a. Provision of data and information on investment opportunities;
- b. Provision of facilities and infrastructure;
- c. Provision of land or location;
- d. Provision of technical assistance;
- e. Simplifying and accelerating the granting of permits;
- f. Training to increase knowledge and skills of human resources;
- g. Promotion facility.



### PROVIDING INCENTIVES TO INVESTORS IN THE FORM OF:

- a. Local tax reduction, relief, or exemption;
- b. Reduction, relief, or exemption from regional levies;



### OTHER REGULATIONS :

1. Governor Regulation of Bali Number 63/2014 concerning the General Investment Plan of Bali Province (to be replaced/facilitated by the Ministry of Home Affairs).
2. Governor Regulation of Bali Number 32 of 2017 concerning the Implementation of Integrated One-Stop Services.

# OTHER REGULATION

## Second Home Visa

Suitable for foreigners\* who come to Indonesia as:

Investors

Travelers

Elderly/retirement tourists

\*Holders of A Second-Home Visa can also apply for the same visa for their children, husband/wife, or parents as followers

**Duration 5 or 10 years**



[www.imigrasi.go.id](http://www.imigrasi.go.id) / [Online Visa Approval application](#)

- 4 (four) working days
- Fees Rp3,000,000 per person



## ADAT Regulation

### LEGAL BASIS

1. Minister of Law and Human Rights Regulation Number 29 of 2021 on Visa and Stay Permit
2. Minister of Finance Regulation Number 9/PMK.02/2022 on Non-Tax State Revenue on Type and Tariff of Immigration Services in the Ministry of Law and Human Rights
3. Letter from the Acting Director General of Immigration Number IMI-0740.GR.01.01 of 2022 concerning the Granting of Visa and Limited Stay Permit for Second Homes.

# Others Local Regulation Related to Investment

The Decision of the Central Indonesian Hindu Dharma Parisada No. 11/Kep/I/PHDIP/1994 regarding the Sacredness of Temples (Pura)

1. There is a sacred place (pura) where within a certain distance, it becomes the radius of sanctity.
2. The development process needs to involve the Hindu community in the surrounding area starting from the planning, implementation, and supervision stages to ensure the smooth progress of the activities.

Governor Regulation of Bali No. 25 Tahun 2020 Regarding facilitating the protection of temples (pura), sacred items (pratima), and religious symbols.

1. Realizing the protection of temples (pura), sacred items (pratima), and religious symbols based on integrated legal regulations, both in the physical and metaphysical realms;
2. Preventing and addressing damages, theft, desecration, and misuse of temples (pura), sacred items (pratima), and religious symbols of Hindu community, both in the physical and metaphysical realms

Tradition Community Activities

1. **Nyepi:** Melasti ceremony about 1 week prior, ogoh-ogoh parade on the day before Nyepi, and restrictions during Nyepi (lighting fire/lamps, working, leaving the house, having fun/entertainment).
2. **Purnama and Tilem:** Prayer tradition performed during the full moon and dark moon to purify oneself



# D. INVESTMENT REALIZATION

Kerthi Bali Sadhana Investment Center

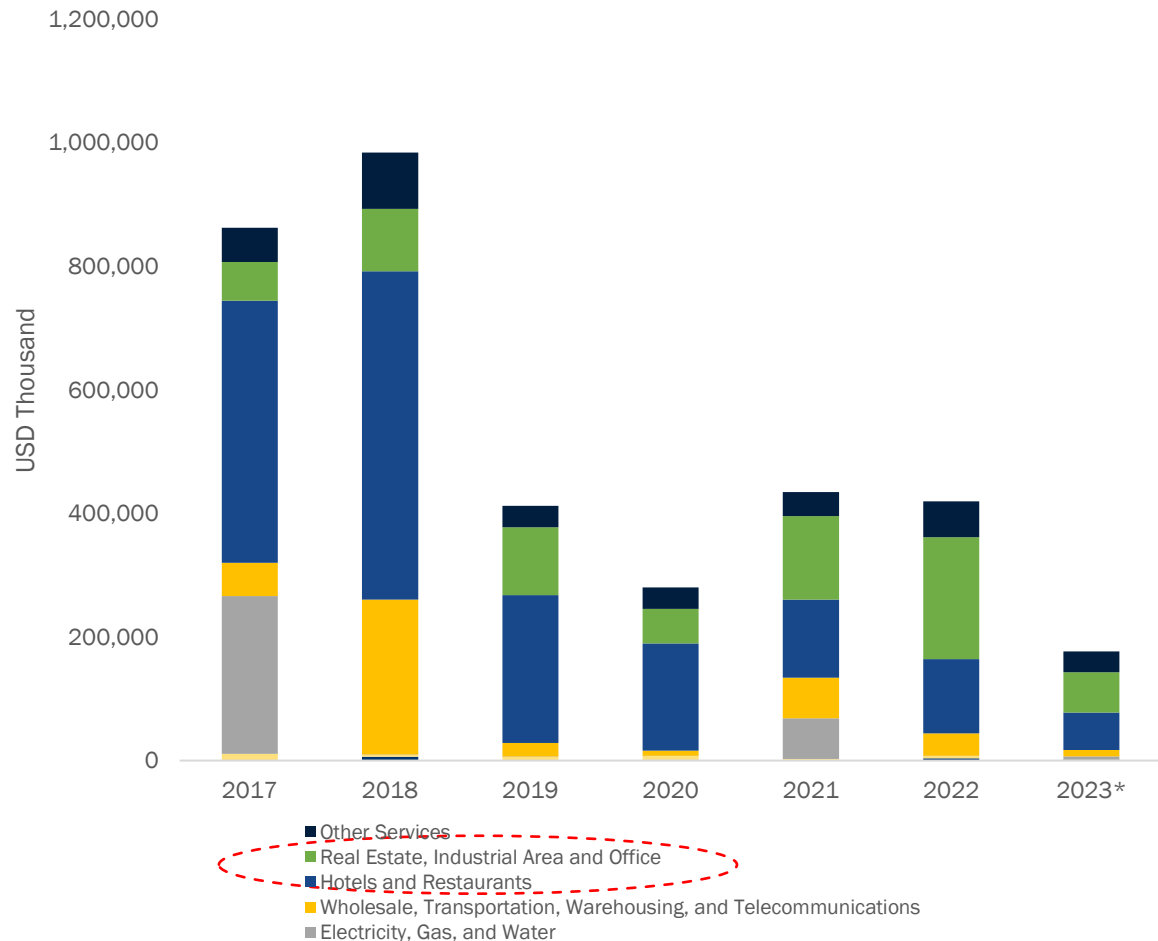
*July*

2023

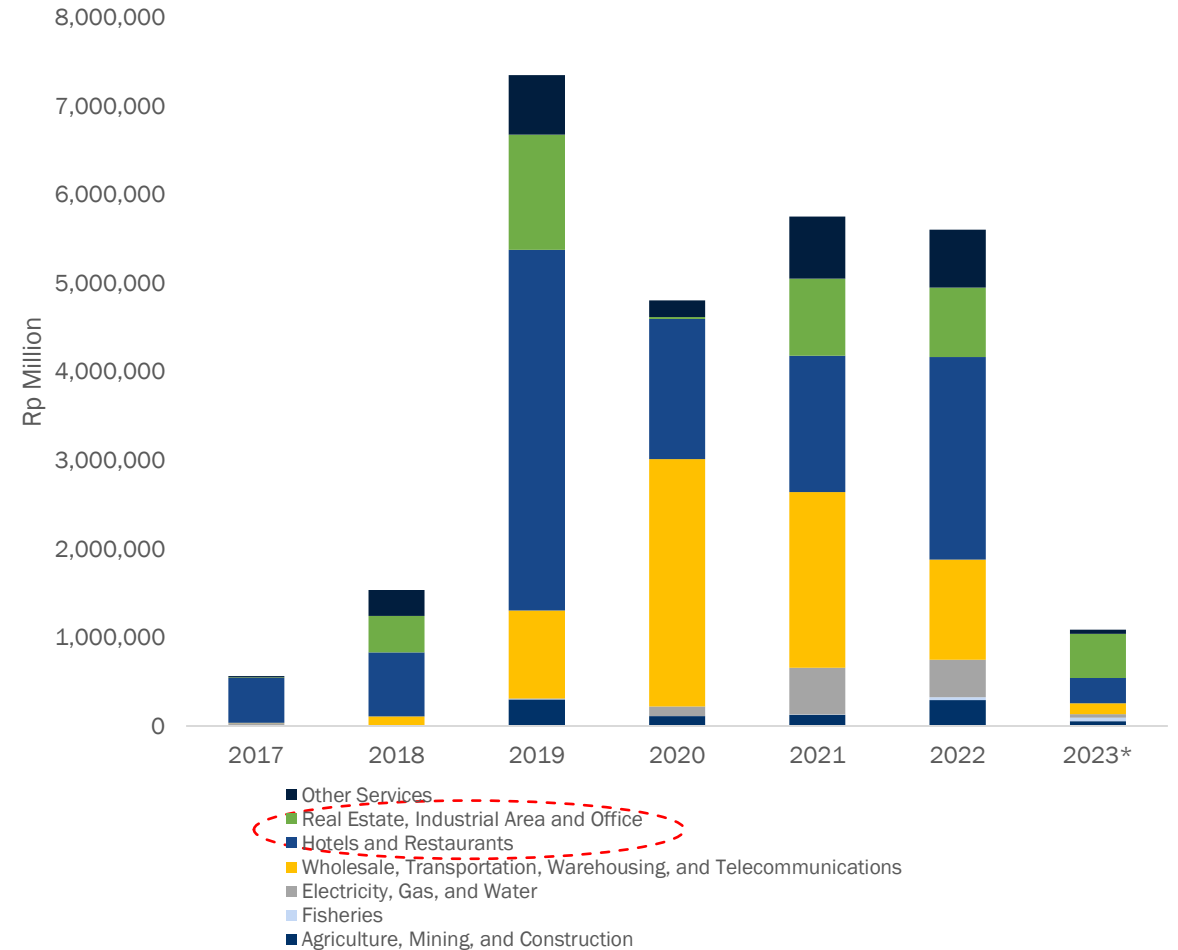
# Investment Realization By Sector

Most of the investment (foreign and domestic investment) is concentrated in the hotels, restaurants and real estate business fields

## Foreign Investment



## Domestic Investment



\*) Data until 1st Quarter 2023

Source: BKPM, processed





# BALI POTENTIAL PROJECT

Kerthi Bali Sadhana Investment Center

*July*

2023



# 01. Health Special Economic Zone Bali

Based on data from the ASEN Briefing, every year at least Indonesian citizens spend more than IDR 29 trillion for health services in foreign hospitals. The availability of health services and open access to health facilities are still not optimal in Indonesia so that many people choose to seek treatment abroad. Tourism and hospitality are leading sectors that contribute to the country's foreign exchange earnings and absorb labor, but have been heavily impacted by the COVID-19 pandemic. Seeing the conditions above, the Government has a program to build and develop international scale health services as a center for Health and Wellness Tourism in the form of Health Special Economic Zones ("SEZ") in Bali, covers medical tourism and wellness tourism.



## Project Highlight

|                            |  |
|----------------------------|--|
| Location                   | Sanur, Bali  |
| Estimated Investment Value | IDR 5.542.085 Million  |
| Total Area/Land Status     | Total Area: 41.3 Ha  |
| Business Scheme            | Long least agreement : 30 years  |
| Project Owner              | PT HIN   |
| Source of Revenue          | Hospital, Hotel, Convention Hall, others   |
| Current Status             | <ul style="list-style-type: none"><li>Attractive offers from healthcare lot : H5-H6</li><li>Soft Opening 17 Agustus 2023</li></ul> |
| Contact Person             | Mr. Dody A Matondang – 081314047700, Investor Relation Unit  |

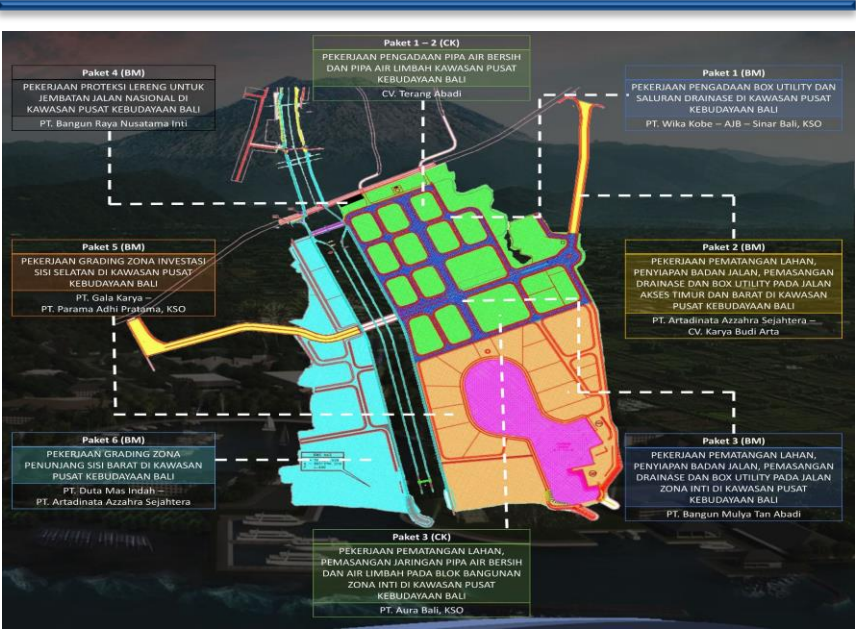
## Project Description

SEZ Health Sanur is a special economic zone (SEZ) project located in the Sanur area, Bali, Indonesia. The project aims to develop a comprehensive health and wellness ecosystem that promotes medical tourism and healthcare services in the region. The SEZ Health Sanur project encompasses the development of state-of-the-art medical facilities, specialized clinics, wellness centers, research institutions, and supporting infrastructure. It aims to attract local and international patients seeking high-quality healthcare services in a serene and rejuvenating environment. Key Features and Objectives:

- (1) Medical Facilities: The project will establish modern hospitals equipped with advanced medical technology, including specialized departments such as cardiology, orthopedics, dermatology, and more. These facilities will provide comprehensive healthcare services to cater to various medical needs.
- (2) Wellness and Rehabilitation Centers: SEZ Health Sanur will offer wellness and rehabilitation centers focused on preventive healthcare, holistic treatments, and wellness programs. These centers will provide services such as spa therapies, yoga, meditation, and other wellness practices.
- (3) Research and Development: The project will establish research institutions and collaborations with local and international medical research organizations. This will promote scientific advancements, innovation, and the exchange of knowledge in the healthcare field.
- (4) Infrastructure Development: The SEZ Health Sanur project will include the development of modern infrastructure, including roads, utilities, and transportation systems, to ensure smooth connectivity within the SEZ and with the surrounding areas.
- (5) Medical Tourism Promotion: The project aims to attract medical tourists by promoting the unique selling points of the SEZ Health Sanur, such as the availability of world-class medical facilities, skilled healthcare professionals, and the natural beauty and tranquility of the Sanur area.

## 02. Bali Culture Center

The aim of developing the Bali Cultural Center Area in Klungkung Regency is to realize an Integrated Development Area that integrates efforts to Strengthen and Advance Balinese Culture, through the development of activities that provide the benefits of Education, Conservation, Recreation, creative economy, which are environmentally friendly (Green Sustainable Development) and based IT (Smart Integrated Development)



### Project Highlight

|                            |  |
|----------------------------|--|
| Location                   | Klungkung, Bali                                  |
| Estimated Investment Value | IDR 313.122.699.985                              |
| Total Area/Land Status     | Total Area: 334,622 Ha                           |
| Business Scheme            | TBU  |
| Project Owner              | PUPRKIM Bali Province                            |
| Source of Revenue          | TBU  |
| Current Status             | TBU  |
| Expected Start Date        | TBU  |
| Contact Person             | Made Bayu Adisastra (08113978876), Vice Director |

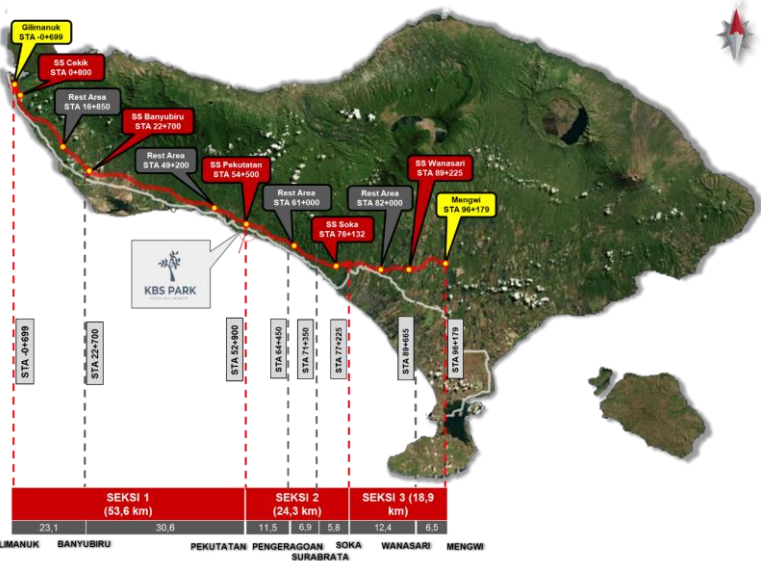
### Project Description

The Bali Culture Center Klungkung is a cultural project located in the Klungkung regency of Bali, Indonesia. The project aims to establish a dedicated center for preserving, promoting, and celebrating the rich cultural heritage of Bali. The Bali Culture Center will serve as a hub for various cultural activities, exhibitions, performances, workshops, and educational programs. It will showcase the traditional arts, crafts, music, dance, theater, and rituals that are integral to Balinese culture, providing locals and visitors with a deeper understanding and appreciation of Bali's cultural heritage. Key Features and Objectives:

- (1) Cultural Showcase: The center will feature exhibition spaces, galleries, and performance venues to showcase Balinese art forms such as traditional paintings, sculptures, textiles, and crafts. It will provide a platform for local artists to display their works and share their expertise.
- (2) Performance and Events: The Bali Culture Center will host regular cultural performances, including traditional music and dance shows, shadow puppetry (wayang kulit), and theatrical productions. These performances will provide an immersive experience for visitors and contribute to the preservation and promotion of Balinese performing arts.
- (3) Workshops and Education: The center will offer workshops and educational programs to engage visitors and locals in hands-on learning experiences. These programs may include traditional dance and music classes, batik and woodcarving workshops, Balinese cooking lessons, and cultural seminars.
- (4) Cultural Research and Documentation: The project will support research and documentation efforts to preserve and document Balinese cultural practices, rituals, and traditions. It may involve collaborating with scholars, historians, and local communities to compile and archive valuable cultural knowledge.
- (5) Community Engagement: The Bali Culture Center will actively involve the local community, including artists, artisans, and cultural practitioners, in its programs and activities. It will provide a platform for community members to showcase their skills, earn income, and contribute to the preservation of their cultural heritage.

### 03. Jagat Kerthi Bali Highway

The construction of the Jagat Kerthi Bali Toll Road infrastructure project connects Gilimanuk - Mengwi with toll roads reaching 96 km. The main objective of developing this project is to improve the logistics transportation of the province of Bali while at the same time encouraging tourism, especially because it is connected to the Trans Java Highway. The construction of the toll road will empower four villages namely Jembrana, Perkutatan, Soka and Tabanan as rest areas that support the empowerment & coaching of local villagers in developing MSMEs.



Project Highlight

|                            |  |  |
|----------------------------|--|--|
| Location                   | Glimanuk – Mengwi, Bali  |  |
| Estimated Investment Value | IDR 26.8 Tn  |  |
| Total Area/Land Status     | Total Area: 1,104.96 ha (967.80 ha of the total area needs to be acquired)   |  |
| Business Scheme            | JV Co concession, project financing (senior and junior), open for discussion   |  |
| Project Owner              | PT Tol Jagat Kerthi Bali ("TJKB")  |  |
| Source of Revenue          | Toll road, advertisement, others   |  |
| Current Status             | <ul style="list-style-type: none"><li>Concession (PPJT) granted March 2022</li><li>Groundbreaking held on September 2022</li></ul>   |  |
| Expected Start Date        | <ul style="list-style-type: none"><li><b>Construction Period:</b> 2022 – 2024 (Section 2A, 2B, 2C, and 3A), 2025 - 2027 (Section 1A, 1B, and 3B)</li><li><b>Operational:</b> 2024 (Section 2A, 2B, 2C, and 3A) &amp; 2028 (Section 1A, 1B, and 3B)</li></ul> |  |
| Financial Feasibility      | <ul style="list-style-type: none"><li>Concession Period: 50 Years</li><li>Projected Revenue: IDR 604.10tn (50 years)</li><li>Project IRR: 11.40%</li><li>Project NPV: IDR 6.10tn</li><li>Payback Period: 17 years 10 months</li></ul>                        |  |

Project Description

The Gilimanuk – Mengwi toll road ("Project") is initiated to improve logistic and tourism transportation in Bali, stretching 96 km from Gilimanuk to Mengwi. The short-term goal is to improve transportation safety, lower travel time, and improve local mobility for better support of industries and activities in Bali especially tourism and other local economic activities. Besides the above, the Project will include 8 rest areas where 4 of these rest areas will be used to promote local small to the medium-scale industry from the surrounding villages, and 1 logistic hub to improve distribution mobility to support tourism and residential logistics.

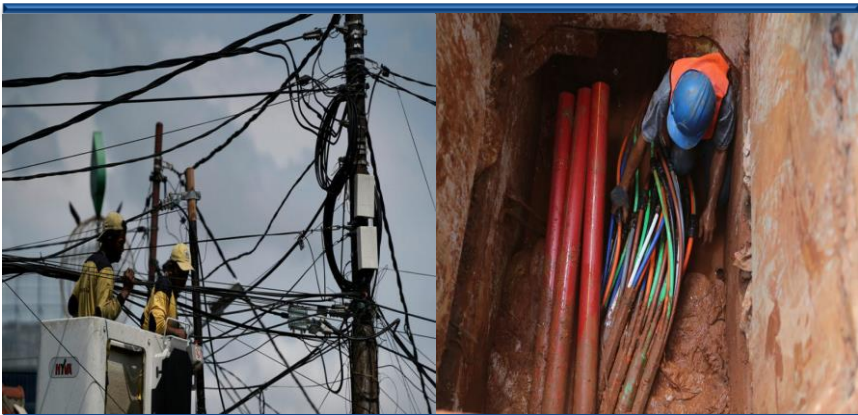
Since the planning stage, the Balinese religious affair and cultural aspects are highly considered and carefully sanctioned, including the *Melasti* pathway, *Subak* irrigation canals, *Setras* (Balinese graveyards), and also replanting trees.

The Project will pass the West Bali National Park and the Jembrana Limited Production Forest. Therefore, close coordination has been carried out with the Ministries of Public Works & Public Housing (PUPR) and Environment and Forestry (KLH) to secure permits and conserve the surrounding forestry area. The project Owner has appointed a social environment consultant to conduct a study on Land Acquisition Resettlement Plan (LARAP) and Environmental Social Health Impact Assessment (ESHIA) to ensure compliance with international/development institution standards.

The Project has been supported and assisted by both the Central and Provincial Governments, demonstrated by the inclusion of the Project to the National Strategic Project or *Proyek Strategis Nasional* (PSN) by the Indonesia Government. The Bali Provincial Government has also long planned the Project and provided support in the form of the Project route determination, land acquisition, and local construction approval process.



# 04. Integrated Utility Networks



## Contact Person

|          |   |                                       |
|----------|---|---------------------------------------|
| Name     | : | I Gusti Ngurah Made Suardika, ST., MT |
| Position | : | Head of Bina Marga Division           |
| Contact  | : | 08156510295                           |

## Project Highlight

|                            |   |
|----------------------------|---|
| Location                   | Badung- Bali  |
| Estimated Investment Value | IDR 1.055,3 Billion   |
| Total Area/Land Status     | 18.146 km   |
| Business Scheme            | Government Partnership With The Private Sector  |
| Project Owner              | Badung Regency Government   |
| Source of Revenue          | APBD BADUNG   |
| Current Status             | <ul style="list-style-type: none"><li>First project Banjar Basang Kasa Road in 2018</li><li>Second project Siligita – kempinski road in 2022</li></ul>  |
| Expected Start Date        | 2026 – 2031   |
| Financial Feasibility      | <ul style="list-style-type: none"><li>Concession Period: 50 years</li><li>Projected Revenue: -</li><li>Project IRR: 11,57%</li><li>Project NPV: IDR 42.462.747.575,00</li><li>Payback Period: 9 years</li></ul> |

## Project Description

The increase in population and tourist visits in Badung Regency has resulted in increased development in the Badung Regency area so that it has increased the demand for utility facilities such as electricity networks, clean water networks and telecommunications networks. The problem is, so far efforts to meet the needs of utility facilities have been carried out by sectoral work units without prior coordination. In order to realize maximum service to the community and tourists, the Government of Badung Regency intends to provide an Integrated Utilities Network infrastructure, which is expected to be able to:

1. Reducing the disruption of traffic activities and community activities
2. Supports urban aesthetics
3. Facilitate the maintenance and development of utility networks
4. Support services in the tourism sector

Article 10 of Badung Regency Regional Regulation Number 19 of 2016 stipulates that the placement of Utility Networks in Urban Areas must be placed on Integrated Utility Network facilities. The urban area covers five districts, including: Abiansema, Mengwi, North Kuta, Kuta and South Kuta. Furthermore, in the context of accelerating the development of an integrated utility network in an effort to ease the burden on the Badung Regency Government in financing the construction of the integrated utility network, it is planned to use the Government cooperation scheme with the private sector, including in the form of Keajaiban Penyediaan Infrastruktur (KSPI).

# BALI TOWARDS QUALITY TOURISM

Kerthi Bali Sadhana Investment Center

*July*

2023



# LONG-TERM VISION FOR QUALITY TOURISM IN BALI

To preserve the purity and harmony of Bali's natural environment and its contents, in order to achieve a prosperous and happy life for the Balinese community, both in the tangible and intangible realms, towards a self-governing political life, self-reliant economic development, and a culturally distinctive identity, through Comprehensive Planned Development.

Preservation of the Purity, Harmony of Nature & Prioritizing Balinese Culture.

Thematic Economic & Industrial Development, Strengthening the Supporting Tourism Sector, Optimization of Micro, Small, and Medium Enterprises (MSMEs), and Balinese Local Wisdom

Building Excellent Human Resources, Developing Community Livelihoods, and Meeting the Needs of the Balinese Community.

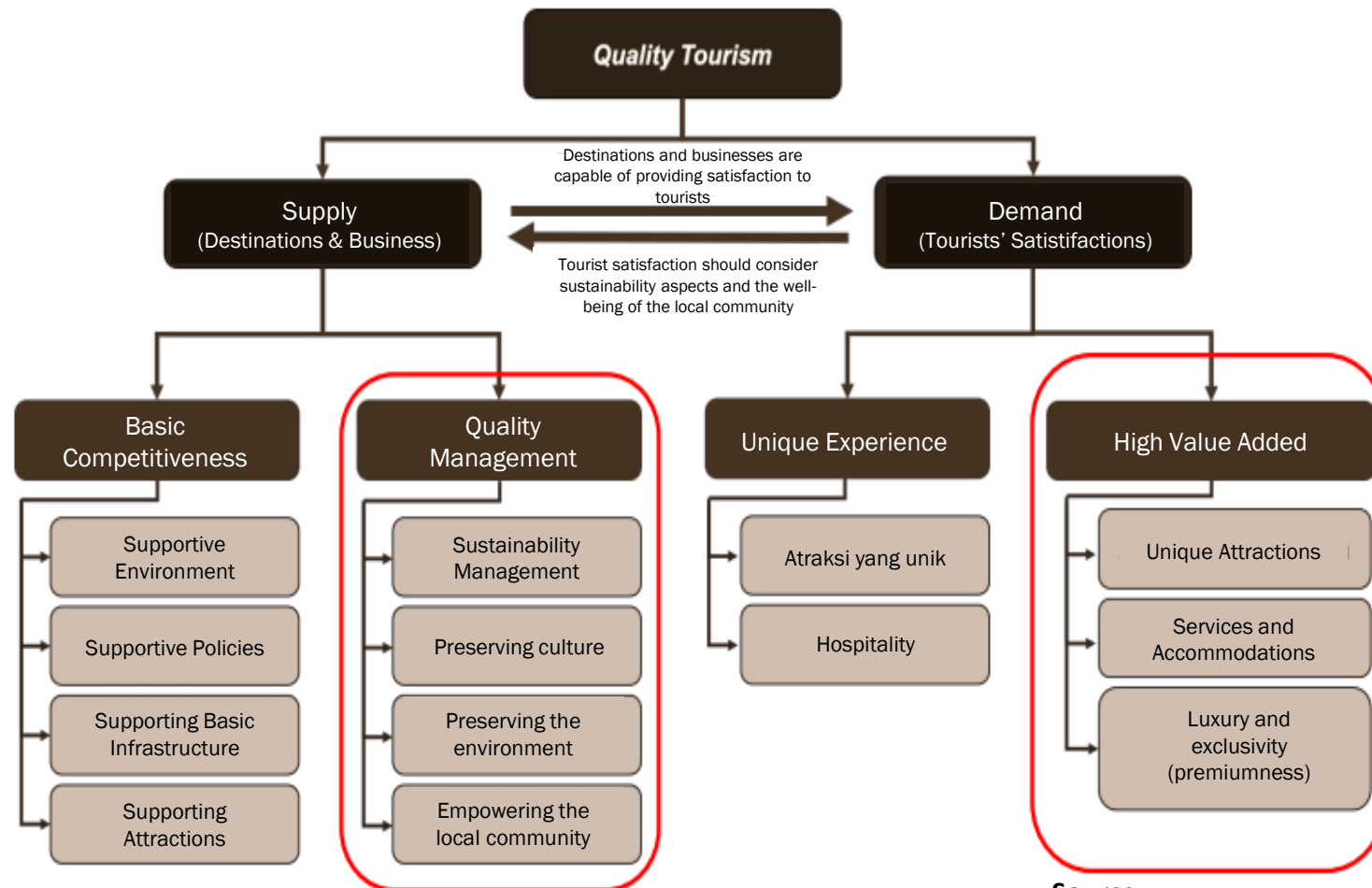
Considering Life Risk Management, Governing the Authority of Provincial and District/City Governments, Considering Supporting Document Guidelines, Personnel, and Electronic-Based Funding with Community Contribution and Participation.



# STRATEGIES FOR QUALITY TOURISM DEVELOPMENT

*The transition from mass tourism to quality tourism requires a gradual implementation strategy, which necessitates input and support from various stakeholders, including businesses and tourists alike.*

## Aspects of Quality Tourism in Bali Province



Source:

## Focus of Bali's Development as Quality Tourism

- 1 **Focus on high-quality segmentation of foreign tourists:** adjusting tour packages, targeted promotions
- 2 **Diversification of high-quality tourism destinations:** health, cultural, education, digital tourism
- 3 **Strengthening high-quality tourism human resources:** competent and productive
- 4 **Implementation of green and sustainable tourism: travel with a purpose:** travel with a purpose
- 5 **Strengthening law enforcement and providing incentives for businesses and communities**

- The development of Bali needs to implement Quality Tourism to attract higher-quality foreign tourists.
- One of the efforts that can be made is by increasing the target total expenditure of tourists per day to a minimum of USD 200 - 300 by 2026, compared to the average of USD 129.2 in 2019.

# Tourism Do's and Don'ts in Bali

*To maintain safety and comfort while traveling in Bali, tourists must comply with applicable regulations conveyed through Tourism Do's and Don'ts...*



We welcome all foreign tourists to Bali and remind you to

**DO and DON'T:**



**SCAN ME**

bit.ly/DoAndDontBali



We welcome all foreign tourists to Bali and remind you to **DO:**

- A. Respect local religion and their sacred places
- B. Respect Balinese wisdoms including traditional ceremonies
- C. Wear the proper clothes
- D. Behave especially in sacred places
- E. Travel with licensed tour guide if needed
- F. Exchange in legal money changer
- G. Transaction with Indonesian QR standard
- H. Cash transaction with Indonesian Rupiah
- I. Obey the traffic law
- J. Rent vehicles from legal company
- K. Stay in legal accommodation
- L. Obey any rules in tourist spots



We welcome all foreign tourists to Bali and remind you to **Don't :**

- A. Enter main area of sacred places unless for praying by wearing Balinese traditional clothes and not having period
- B. Climb sacred trees
- C. Take pictures with improper clothes around sacred places
- D. Do littering
- E. Use Non-recyclable plastics
- F. Misbehave in public areas
- G. Work or do business illegally
- H. Do illegal trading

**All offenses subject to law or deportation**

# 01. Bali's Calendar of Events

## July

1. Gianyar Layang-Layang Festival  
Kabupaten Gianyar  
22 s.d. 23 Juli 2023
2. Ubud Village Jazz Festival  
Kabupaten Gianyar  
28 s.d. 29 Juli 2023
3. Festival Layang-layang  
Denpasar  
Kota Denpasar  
Juli 2023
4. Sanur Motor Show  
Kota Denpasar  
Juli 2023
5. Festival Kuta Bahari  
Kabupaten Badung  
Juli 2023
6. Festival Wisata Bahari  
Kabupaten Badung  
Juli s.d. Agustus 2023
7. Angkringan Fest 2023  
Kabupaten Buleleng  
7 s.d. 9 Juli 2023

## August

1. Buleleng Festival  
Kabupaten Buleleng  
1 Agustus 2023
2. Buyan Jungle Run  
Kabupaten Buleleng  
6 Agustus 2023
3. Makepung Bupati Cup  
Kabupaten Jembrana  
6 Agustus 2023
4. Ubud & Beyond Festival  
Kabupaten Buleleng  
12 s.d. 13 Agustus 2023
5. Tanah Lot Art & Culture Festival  
Kabupaten Tabanan  
18 s.d. 20 Agustus 2023
6. Parade Budaya Jembrana  
Kabupaten Jembrana  
18 Agustus 2023
7. Celuk Jewellery Festival  
Kabupaten Gianyar  
19 s.d. 20 Agustus 2023
8. Festival Layang-layang  
Kabupaten Jembrana  
Agustus 2023
9. Football Competition & Coaching Clinic  
(U15-U18)  
Kota Denpasar  
Agustus 2023
10. Sanur Village Festival  
Kota Denpasar  
Agustus 2023
11. Maybank Marathon  
Kabupaten Gianyar  
Agustus 2023
12. ANOC WORLD BEACH GAME  
Kabupaten Badung  
Agustus 2023
13. Jimbaran Beach Festival  
Kabupaten Badung  
Agustus 2023

## September

1. MASS BAI 2023  
Kabupaten Bangli  
1 September 2023
2. Petitenget Art and Spirit Festival  
Kabupaten Badung  
14 s.d. 16 September 2023
3. Bali Hockey Festival  
Kabupaten Badung  
16 s.d. 17 September 2023
4. Festival Taman Sukasada Ujung  
Kabupaten Karangasem  
16 s.d. 17 September 2023
5. Besakih Festival  
Kabupaten Karangasem  
Minggu ke-3 September 2023
6. Barong Festival Superstar  
Kabupaten Badung  
September 2023
7. Sokok Parade  
Kabupaten Buleleng  
26 September 2023





# 01. Bali's Calendar of Events

## October

1. Buleleng Creative Movement  
Kabupaten Buleleng  
1 Oktober 2023
2. Nusa Penida Festival  
Kabupaten Klungkung  
5 s.d. 8 Oktober 2023
3. Makepung Cup  
Kabupaten Jembrana  
15 Oktober 2023
4. Ubud Writers and Readers Festival  
Kabupaten Gianyar  
26 s.d 29 Oktober 2023
5. Lenggang Bali Pertivi  
Kabupaten Badung  
28 Oktober 2023
6. Denpasar Film Festival  
Kota Denpasar  
Oktober 2023
7. Bali International Triathlon  
Kota Denpasar  
Oktober 2023
8. Seraya Culture Festival  
Kabupaten Karangasem  
Oktober 2023
9. Festival Jegog  
Kabupaten Jembrana  
Oktober 2023
10. Uluwatu Art Festival  
Kabupaten Badung  
Oktober 2023
11. D'Youth Festival  
Kota Denpasar  
Oktober 2023
12. Karangasem Bali Timur  
Fishing Tournament  
Kabupaten Karangasem  
Oktober 2023
13. Festival Seni Bali Jani  
Kota Denpasar  
Oktober 2023
14. Buleleng Creative Movement  
Kabupaten Buleleng  
Oktober 2023

## November

1. DCT Cup Final Nasional  
Piala Gubernur Bali Road to IDCT  
Kota Denpasar  
1 November 2023
2. IDCT Cup International Youth  
Football Tournament  
Kota Denpasar  
November 2023
3. Bali Roller Marathon  
Kota Denpasar  
1 November 2023
4. Festival Makepung Lampit  
Kota Jembrana  
5 November 2023
5. Pemuteran Bay Festival  
Kabupaten Buleleng  
November 2023

## December

1. Penglipuran Village Festival  
Kabupaten Bangli  
9 Desember 2023
2. Tabanan Fun Run  
Kabupaten Tabanan  
Desember 2023
3. Pandawa Beach Festival  
Kabupaten Badung  
Desember 2023
4. Bali Aga Trail Adventure  
Kabupaten Buleleng  
Desember 2023



# 01. Manistutu Tourism Village

*To realize sustainable tourism, Bali has a choice of tourist destinations including Tourist Villages...*

Address:

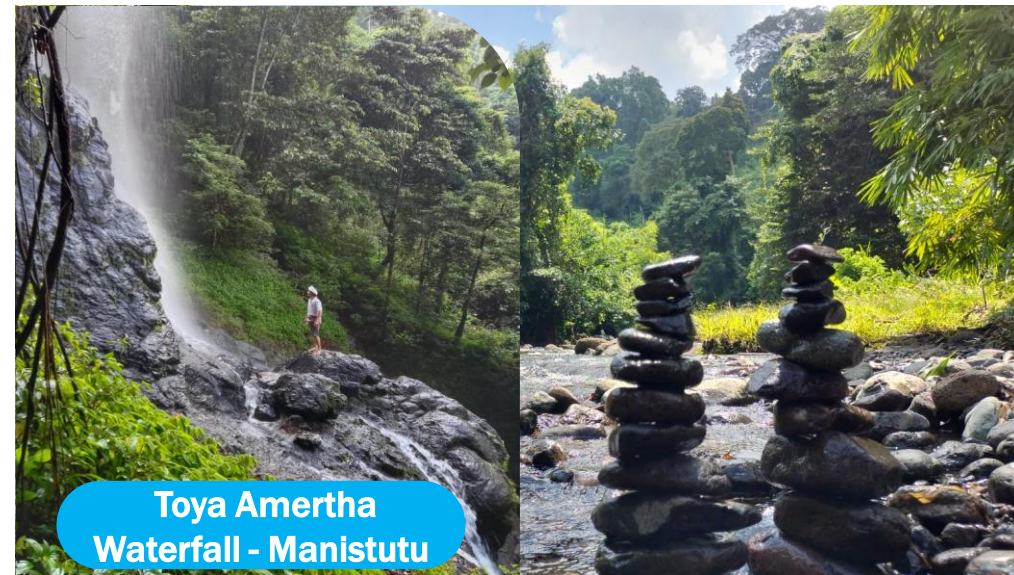
Jalan Desa Manistutu, Kecamatan Melaya, Desa Manistutu, Kabupaten Jembrana , Provinsi Bali.

- Contact Person : I KETUT MASTER (+6285339599599, +62819331938580)
- Email : [desawisatamanistutu@gmail.com](mailto:desawisatamanistutu@gmail.com)
- Instagram, Facebook : DESA WISATA MANISTUTU

Manistutu tourist village is located in Melaya District, Jembrana Regency, Bali Province, with a land area of 19.08 square kilometers. The village of Manistutu is situated approximately 3 kilometers from the main Gilimanuk - Denpasar highway, with a population of 8,836 people, including 4,475 males and 4,431 females. The total number of households (KK) is 2,590, and the majority of residents work as farmers, agricultural laborers, construction workers, and plantation workers.

Manistutu tourist village consists of 8 Banjars (community groups) and 35 Tempekans (subdivisions) spread throughout the village area. The village offers various natural and tourist attractions. However, there is still a need for continued development, especially in terms of supporting infrastructure.

The village's income from local revenue is still minimum, and it is hoped that it can be improved through tourist village management.





## 02. Serangan Tourism Village

*To realize sustainable tourism, Bali has a choice of tourist destinations including Tourist Villages...*

Address:

Jalan Tukad Pekaseh No. 7, Kelurahan Serangan, Kecamatan Denpasar Selatan, Kota Denpasar, Provinsi Bali

- Contact Person : I WAYAN SUTARJA PUTRA, S.H (+6281805485180)
- Email : sutarja86@gmail.com
- Instagram, Facebook : @yan\_star19, I Wayan Sutarja Putra

Serangan Tourist Village is located in the South Denpasar area, which is a strategic location. It is situated between the main tourist destinations of Tanjung Benoa and Nusa Dua to the south, and the Sanur tourist area to the northeast, as well as the Benoa Sea Port to the west. Serangan Tourist Village offers a complete range of tourism potential, including natural, cultural, culinary, and artificial/recreational attractions.

One of the shortcomings of this tourist village is the suboptimal management of the village due to limited human resources. In general, the main sources of income for the village residents come from the sea and tourism.





# POTENTIAL SME EXPORT PRODUCT

Bali Province Bank Indonesia Representative Office

*July*

2023






# 01. WOVEN FABRIC AND FASHION

## Balinese Woven and Fashion Fabrics

Balinese woven and fashion fabrics have uniqueness and beauty that are different from other Indonesian woven fabrics. This cloth is made of cotton, silk or other materials with various motifs that have stories and culture typical of the region. The colors of this woven fabric are made from natural dyes (wood, leaves, flowers and others), as well as environmentally friendly synthetic dyes.



 Agung\_bali-collection  
 +62 818-0489-8966  
 agungbalicollection@gmail.com

### AGUNG BALI COLLECTION

Woven with Balinese and contemporary motifs that can be used as clothing, home decor, as well as craft materials. This fabric is made of cotton and silk using natural and synthetic dyes.

### HALUAN BALI

Contemporary fashion with patterns of Indonesian, cultural and historical nuances. The concept of sustainable fashion by prioritizing the concept of long lasting fashion and minimal waste in production. Interestingly, some of the characters in this fashion can tell stories through AI media.



 haluan.bali  
 +62 818-0881-2501  
 haluan.id@gmail.com




### PUTRIMAS

Jembrana's Songket with patra, flower and philosophy motifs made from cotton and silk combined with natural dyes from plants. This songket can be used as clothing material, crafts and home decor.




### PAGI MOTLEY

Contemporary fabrics with a variety of classic and modern designs. This fabric is made using full natural colors prioritizing the sustainability of products and environmental sustainability.



 Putrimas\_com  
 +62 819-9785-4765  
 luhwayansriadi@gmail.com






 pagimotley  
 +62 813-3758-6061  
 pagimotley19@gmail.com



## 02. FOOD & BEVERAGE (INCLUDE COFFEE) (1/2)

*Food/beverage products produced by MSME assisted/partnered by KPwBI Prov. Bali uses local materials from Bali by promoting workforce empowerment, environmental sustainability and business sustainability.*

### SESE HERBAL DRINK

 @sehat\_segar\_herbal\_drink  
 08123958606/08563714590  
 sehat.segar.herbal.drink@gmail.com

Sese herbal drink is herbal extract with various variants such as ginger, turmeric, curcuma, etc. The raw materials for this product come from local Balinese farmers who are cultivated in various areas of Bali.

This product already has P-IRT and halal certification to guarantee product quality.






### BALI ARABICA KINTAMANI

 kopi kintamani  
 081916143022  
 kopikintamani@yahoo.com

It is an arabica variety coffee bean from MPGI Kintamani which carries the local values of coffee in Bali. "Good, Quality and Nature" as a business development principle with the synergy of coffee plantation businesses with tourism through the "Journey of Bali Coffee" is an activity created specifically for tourists to introduce Balinese coffee farming methods, get to know the local traditions, culture and life of the farmers in the region Kintamani. Activities from gardens to cups.



### GRADE AA FERMENTED COCOA MERTA ABADI GROUP




 Girialamcoffee  
 081337038182  
 iketutputrawijaya@gmail.com

Cocoa beans with "grade AA" became the prima donna of the Merta Abadi Group located in Ekasari Village, Kab. Jembrana.

The farmers in this farmer group consistently cultivate cocoa plants using organic treatment. The cocoa beans are fermented consistently to get the best quality beans.



### COFFEE WINE FROM GIRI ALAM COFFEE

 kakao ekasari  
 08123601062  
 suantarakd76@gmail.com

Coffee wine is coffee-flavored wine developed by Giri Alam Kopi as one of the "best sellers" of processed coffee derivative products. This product synergizes with companies for licensing and marketing. This wine contains 20% alcohol content





## 02. FOOD & BEVERAGE (INCLUDE COFFEE) (2/2)

*Local company in the field of food commodities at an export scale*

### PT SES Tropical Fruits

 [www.sestropicalfruits.com](http://www.sestropicalfruits.com)

 081397700823

 [info@sestropicalfruits.com](mailto:info@sestropicalfruits.com)

PT. SES Tropical Fruits is a company engaged in exporting fruits to foreign countries, this company was established in 2015. PT. SES Tropical Fruits has penetrated the export market to several continents, namely the Continent of Europe, the Americas, the Continent of Asia and the Continent of Australia.

Our office is located at Jalan Cargo Taman II No 234 Denpasar, Bali.



### PT Mandailing Coffee Prima

 [www.mandailingestatecoffee.com](http://www.mandailingestatecoffee.com)

 0361 861 9419


 [sale@mandailingestatecoffee.com](mailto:sale@mandailingestatecoffee.com)

We have a coffee plantation in the highlands of Mandailing, Sumatra. We regularly transport coffee beans to Bali for production. From processing to production, everything is handled by skilled staff, resulting in high-quality products. Our Roast Master always ensures the quality of the raw materials before and after roasting through cupping tests. Not only is the quality excellent, but the packaging is also attractive, making it a perfect gift for your loved ones. We constantly innovate to bring you our best products. And we are looking for distributors throughout Indonesia or abroad.



### Dewa Agro Lestari

 [agrifresh.id](https://www.instagram.com/agrifresh.id)

 08113854404

 [sales@theagrifresh.id](mailto:sales@theagrifresh.id)

CV. Dewa Agro Lestari is a supplier, wholesale, and fruits exporter from Indonesia. Founded in 2017, we aspire to bring the best production of Indonesian exotic fruits to the world. We strive to distribute our high-quality products from the best growers to the customer. We always work with our growers to harvest the best products ready to export. All of our products are the best selected fresh fruits from Indonesia. We are working with a lot of well-trained and educated farmers who understand the export standard quality products.






### 03. HANDICRAFT

*Craft products from Bali have variety of types, materials and contain classic and modern cultural values, of course, carrying trendy and contemporary concepts.*



#### DARMAWAN SILVER




Darmawan Silver produces Bracelets, Rings, Earrings, Pendants, Pins, Cufflinks, and Cuff Bracelets. Darmawan Silver has the advantage of carrying out all production processes in-house, including design, wax carving, 3D printing, rubber processing, laser processing, wax injection process, casting process, and finishing. Moreover, Darmawan Silver always prioritizes quality and customer satisfaction..

 @darmawansilver  
 081916656896  
 Darmawan.silver@gmail.com

#### BARA SILVER

Bara Silver was founded in 2008, starting from the desire to develop the potential expertise of silver craftsmen that they already have from generation to generation. Bara Silver aimed to be more known by local and foreign people. Many stories behind each product are designed to give a deeper impression on buyers.

Bara Silver continues to create with many types of metals such as silver, gold, copper, and brass alpaca by presenting many types of jewelry designs that have never been produced before.

 @barasilverbali dan barasilver\_owner  
 087727582499/081236110693  
 barasilver12@gmail.com





# 04. DIGITAL ART

## HNS (HOPE NEVER SLEEP) STUDIO BALI

HNS Studio Bali was founded in 2013 by Dewa Gede Raka Jana Nuraga and start developing in 2015. Currently, it has penetrated into the international market. One of the designs made by Raka Jana (as Owner) is in collaboration with Google, Bika Fest Prambanan Jazz and many more. Meanwhile, for the convection itself, it has collaborated with Bali Zoo, WaterBoom and many more to work on its merchandise.

Design Services: Illustration design, brochures, design patterns, caricature cartoons, character designs, packaging designs, comics, etc.

Designs from HNS Studio Bali can be applied to: T-shirts, masks, postcards, mobile phone cases, pins, tote bags, pillows and many more. Meanwhile, convection produces T-shirts, Tote Bags, Jackets, Hats, Shirts, Hoodies and many more



THE THROWDOWN  
DESIGN PROCESS



PATTERN IN THROWDOWN PICNIC



HNS STUDIO BALI

Digital design for beach fabrics



Digital design for product packaging using used goods



Digital design for clothing convection, etc



@hns.studio, @hns\_invasion, @mytees\_konveksi



0812-3889-0292



hnsstudio51@gmail.com



@raka jana



# Thank You

*July*

2023



Kerthi Bali Sadhana Investment Center