Summarized for IBAI Member



Tuesday, 17th May 2022

INFORMATION

Domestic and Foreign Direct Investment Realization in Indonesia in Q1 of 2022

In Q1 of 2022, Indonesia successfully breaks its record in the investment realization growth of the last ten (10) years. Through a press conference on April 27th, 2022, the Minister of Investment/Chairman of Indonesia Investment Coordinating Board (BKPM), Bahlil Lahadalia, shared the good news regarding the investment realization of Domestic and Foreign Direct Investment for the Q1 of 2022.

According to the press conference, Indonesia has successfully achieved an investment realization of IDR 282.4 trillion in the Q1 of 2022, which means it has met 23.5% of the investment realization target in 2022, IDR 1.200 trillion.

Moreover, this quarter's investment realization shows positive growth with an increase of 16.9% compared from the last quarter, Q4 of 2021 and an increase of 28.5% compared to the same period of the Q1 of 2021. Recorded that the investment realization in the Q1 of 2022 is still dominated by the Foreign Direct Investment (FDI) and mostly outside Java, same as the Q1 of 2021.

The Ministry of Investment/BKPM (Indonesia Investment Coordinating Board) also noted that Indonesian labor absorption experienced an increase of 2.3% to as much as 319.013 laborers compared to last year. Although, based on the trend, the Indonesian labor absorption in Q1 of 2022 is still dominated by the Domestic Direct Investment (DDI).

Based on the sector, the investment realization in the Q1 of 2022 of the DDI is dominated by: Transportation, Warehouse, and Telecommunication; Mining; Housing, Industrial Estate, and Office Building; Food Crops, Plantations, and Livestock; and Food

Meanwhile, the investment realization in the Q1 of 2022 of the FDI based on the sector is dominated by: Metal, Metal Goods, Except Machinery, and Equipment Industry; Mining; Electricity, Gas, and Water Supply; Transportation, Warehouse, and Telecommunication; and Chemical and Pharmaceutical Industry.

From both the DDI and FDI, the investment realization in the Q1 of 2022 based on the sector is dominated by: Metal, Metal Goods, Except Machinery, and Equipment Industry; Transportation, Warehouse, and Telecommunication; Mining; Housing, Industrial Estate, and Office Building; and Electricity, Gas, and Water Supply.

Based on the location, the investment realization in Q1 of 2022 of the DDI is dominated by the Special Territory of Jakarta, West Java, East Java, East Kalimantan, and Riau. Meanwhile, the investment realization in Q1 of 2022 by the FDI based on the location is dominated by Central Sulawesi, West Java, the Special Territory of Jakarta, Riau, and North Maluku.

From both the DDI and FDI, based on the location, the investment realization in Q1 of 2022 is dominated by the Special Territory of Jakarta, West Java, Riau, East Java, and Central Sulawesi.

Based on the country of origin, the investment realization in the Q1 of 2022 is dominated by Singapore with total investment value of USD 3.6 billion, Hong Kong with total investment value of USD 1.5 billion, China with total investment value of USD 1.4 billion, Japan with total investment value of USD 0.8 billion, and the United States of America with total investment value of USD 0.6 billion. Other than that, based on the region, in Q1 of 2022 the highest investment realization of DDI and FDI is located in the Java region followed by Sumatera, Kalimantan, Bali, Nusa Tenggara, Sulawesi, Maluku, and Papua.

Based on the trend, the investment realization in Q1 of 2022 is still dominated by the tertiary sector. According to the investment realization report of based on the sector, the trend in the top 5 of DDI and FDI in Q1 of 2022 are Services, Manufacturing, Mining, Food Crops, Plantations and Livestock, Forestry, and Fishery.

For your reference, please check the presentation material regarding the Domestic and Foreign Direct Investment realization in Q1 of 2022 in Indonesia, in the link here.

Italian Business Association in Indonesia (IBAI)

c/o Istituto Italiano di Cultura Jakarta Jl. HOS Cokroaminoto No. 117 Menteng Jakarta 10310 INDONESIA P: +6281 1979 4262 E: ibai@ibai.or.id







