Summarized for IBAI Member



Tuesday, 16th August 2022

INFORMATION

N Domestic and Foreign Direct Investment Realization in Indonesia in Q2 of 2022

In Q2 of 2022, Indonesia successfully increased its record in the investment realization growth of the last number of Q1. Through a press conference on July, 20th, 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 Q2 of 2022.

According to the BKPM's report in August of the Q2 of 2022, Indonesia has successfully achieved an investment realization of **IDR 302.2 trillion** Q2 of 2022, which means it has met **48.7% of the investment realization target in 2022, IDR 1.200 trillion**. Moreover, this quarter's investment realization shows positive growth 32.0% in Q2 compared to the Q1 of 2022 increased only 7.0%. Recorded that the investment realization in the Q2 of 2022 is still dominated by the Foreign Direct Investment (FDI) and mostly outside Java, same as the Q1 of 2021.

Based on the sector, the investment realization in the Q2 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 Industry.

Meanwhile, the investment realization in the Q2 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.

Based on the location, the investment realization in Q2 of 2022 of the **DDI** is dominated by the Jakarta, West Java, East Java, Riau, and East Kalimantan. Meanwhile, the investment realization in Q2 of 2022 by the **FDI** based on the location is dominated by Central Sulawesi, West Java, Special Territory of Jakarta, North Maluku, and Riau.

Based on the country of origin, the investment realization in the Q2 of 2022 is dominated by **Singapore** with a total investment value of USD 6.7 billion, **China** with a total investment value of USD 3.6 billion, **Hong Kong** with a total investment value of USD 2.9 billion, **Japan** with a total value investment of USD 1.7 billion, and **United States of America** with a total investment USD 1.4 billion.

In addition, BKPM also noted that with the positive growth on the investment, the Indonesian labor absorption experienced an increase 20.534 laborers compared to last year.

For your reference, please check the presentation material regarding the Domestic and Foreign Direct Investment realization in Q2 of 2022 in Indonesia in the link <u>here.</u>

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