GOVERNMENT PROVISIONS AND SUPPORTS
The government of Indonesia highly encourages the development of the fish processing and canning industry and therefore, has issued various policies to support the proliferation of the industry at the same time upholding the principles of sustainable fishing.

Opportunities of partnership in this sector:
• Fishery product processing business (UPI)
• Fermentation processing of fishery products
• Reduction/chemical process of fishery products
• Surimi and Jelly Fish processing business

For further details of the policies, please visit www.invest.p2hp.kkp.go.id

Indonesian Investment One Stop Service (OSS) Center and Marketing Officer

Indonesian President, Joko Widodo, officially launched the Integrated One Stop Service Centre (PTSP) at Indonesia Investment Coordinating Board (BKPM) in early January 2015. This service aims to smoothen and simplify licensing procedures for investment projects. From now on, investors will not need to visit various ministries or government agencies to obtain necessary permits but can simply turn to the BKPM’s OSS center.

In addition, currently the BKPM has established what so called Marketing Officers (MO) who will take care any investment interest to explore investment opportunities in the country.

The contact of MO is Directorate of Sector Promotion, BKPM (Phone: [62-21] 525-2008 Ext: 3568, Fax: [62-21] 5288-0390, Email: info@bkpm.go.id).

Local Partner

Ministry of Marine Affairs and Fisheries Website: www.kkp.go.id

Association of Indonesian Fishing Companies (GAPPINDO) Address: Wisma Sakura Floor 2 (Jalan Hati Suci No. 4, Taman Kebon Siri, Central Jakarta 1025)

Association of Fish Canning Indonesian Businessmen (APIKI) Address: Inti Utama Building (Jalan Cipinang Indah Raya No. 1 East Jakarta)

Indonesian Institute of Sciences Website: www.lipi.go.id

For further details of the policies, please visit www.invest.p2hp.kkp.go.id
MARKET OPPORTUNITIES

Modern processing units are generally installed to process products for export market. Commodities include shrimps, tuna and skipjack, fish fillets, tuna loin and tuna steak. There are several processing operations that have strong potential, including (1) freezing, cold storage and ice production; (2) product processing with value added, to meet the increasing market demand for fishery products that are ready to cook (convenience products), such as IQF products, shrimps, breaded fish, and fish balls.

Indonesia as the largest archipelago in the world has a sea area of about 5.8 million km² and according to the World Resources Institute in 1998, Indonesia has 83,000 km coastline which contains fisheries and marine resources, a great potential to be used as the foundation of a nature based economic development.

Fisheries and marine sector will be able to be a main player of the economic growth due to several reasons:

1. Huge untapped production potential to meet the demand from both domestic and export market.
2. Linkage with upstream and downstream industries.
3. The fishing industry, biotechnology and marine tourism properties can be updated to support their sustainable development.
4. The government has pledged significant investment to maritime infrastructure through the development of new seaports and supporting facilities. The current plan is to develop new or recuperate seaports for the fisheries industry that offer lucrative investment opportunities.

Advantage: Current and Future

Indonesia’s share in the world market has been increasing, from 1.4 % in 2004 to more than 2 % in 2013, with exports mainly to the market of Europe, Japan and America. Domestic consumption of fish and fish products in Indonesia in 2012 was 33.2 kg/capita/year. This figure is similar with Thailand (30kg) but the amount is relatively small when compared with Malaysia (52kg), Hong Kong (72 kg), China (36 kg), Singapore (70 kg), Taiwan (65 kg), South Korea (60 kg).

At present, the installed capacity of the domestic fish canning industry is around 750,000 tons per year. Production capacity for tuna canning is 400,000 ton per year, and 350,000 tons for lemuru (cob).

Currently there are 38 domestic fish canning factories located in areas from Sumatera to Bali, of which 20% are foreign direct investment.

WHY INDONESIA?

• Indonesia is one of the biggest seafood producer and ranks as one of the major exporting countries in the world seafood industry.
• Ranks among the most productive countries in aquaculture, Indonesia has fairly extensive marine areas, with a vast stretch of sea reaching approximately 5.8 million km² consisting of archipelagic waters/ marine archipelago and 81,000 km coastline, the second longest in the world after Canada.
• Huge potential marine resources with annual capacity of (6.40 million tons/year) , and fish farming (47 million tons).
• Mastery of the domestic market and the ability to expand the export market.
• Ample supply of human resources in the fishery sector
• Potential development of production centers, including investment in fish processing industry (canned or frozen).
• Support and assistance from Government for the development of the fish processing industry.

Potential Area of Fishery Development in Indonesia

<table>
<thead>
<tr>
<th>Province</th>
<th>Strength</th>
<th>Hotspot</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aceh</td>
<td></td>
<td>East Aceh, Bireuen, Banda Aceh Coast (North Aceh), &amp; South Aceh.</td>
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<tr>
<td></td>
<td>• The area is far away from industry zone &amp; relatively safe from pollution.</td>
<td>Availability of workforce: 644,000.</td>
</tr>
<tr>
<td></td>
<td>• Has a modern supporting infrastructure, such as an international scaled port which is equipped by cold storage.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Species: brown marbled giant grouper, snapper, &amp; camouflage grouper.</td>
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</tr>
<tr>
<td></td>
<td>• Research center in Lijing Harbour.</td>
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<tr>
<td>Riau Islands</td>
<td></td>
<td>Batam, Bangka Belitung, &amp; Lingga City.</td>
</tr>
<tr>
<td></td>
<td>• Has a modern technology which is supporting the development of aquaculture.</td>
<td>Lingga is considered as a location that has huge potential in aquaculture ornamental fish species.</td>
</tr>
<tr>
<td></td>
<td>• Located in strategic location close to Singapore that is a supporting logistic.</td>
<td>Availability of workforce: 164,000.</td>
</tr>
<tr>
<td></td>
<td>• Species: barramundi, pompano, mangrove crapper, &amp; white snapper.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Research center in Batam.</td>
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