

# NUSANTARA CONVENTION CENTER

5 STARS HOTEL & INTERNATIONAL CONVENTION CENTER  
EAST KALIMANTAN PROVINCE



MINISTRY OF INVESTMENT/  
INDONESIA INVESTMENT COORDINATING BOARD

Strategic Investment Project Opportunities  
to Support the Development of the New  
Capital City Nusantara

## Project Profile



Scenario of transferring State Civil Apparatus (ASN), TNI and the Police of the Republic of Indonesia, as well as the Executive to the development areas of the New Capital City Nusantara (IKN) are projected to reach 327,275 people in 2045, becoming an investment opportunity to fill in MICE venue demand.

The need for Hotels and MICE venues will increase along with activity generation and also in line with the increase in IKN's population and its surroundings

According to 2019 International Congress and Convention Association (ICCA) data, Indonesia is ranked 4<sup>th</sup> in the world, 10<sup>th</sup> in the Asia Pacific level, and 4<sup>th</sup> in Southeast Asia in organizing international association meetings with 37,874 global participants.

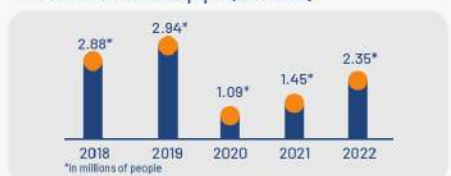
## Market Opportunity

From 2018 to 2022, Balikpapan City had the highest number of tourist visits among all regencies/cities in East Kalimantan (38.5%).

### Total Tourist Visits in East Kalimantan Province (2018-2022)



### Total Tourist Visits in Balikpapan (2018-2022)



Source: Department of Tourism of East Kalimantan Province, 2022

### Market Analysis Based on Projections of Domestic and International Tourist Visits in Balikpapan City, as well as the IKN Population in the Next Three Years

The increase in foreign and domestic tourists is in line with the rise in the IKN population.



Source: KSO Amethyst-Scorfinco (analyzed)

### Hotel Distribution and Potential for Organizing MICE

The existence of MICE tourism can encourage increased hotel occupancy. In 2023, the number of hotels in Balikpapan City that are equipped with MICE will reach a total number of 2,682 rooms. The need for hotel rooms until 2026 is projected to reach 4,515 rooms.



### Capacity Projections and Number of MICE Participants in Balikpapan City in the Next Three Years



Source: KSO Amethyst-Scorfinco (analyzed)

In 2023, the availability of hotels in Balikpapan City equipped with MICE will have a total capacity of 1500-6000 people. The need for MICE in Balikpapan City is estimated to continue to increase, requiring an additional capacity of 391,099 people.

## Project Location



Batu Ampar Sub-District,  
North Balikpapan District,  
Balikpapan City



|                         |                              |                          |  |
|-------------------------|------------------------------|--------------------------|--|
| <b>Land Area</b>        | 3.5 ha                       | <b>Land Title(s)</b>     | Freehold Title                               |
| <b>Land Price</b>       | IDR 7,000,000/m <sup>2</sup> | <b>Business Field(s)</b> | 68112 KBLI MICE, 55110 KBLI Five Stars Hotel |
| <b>Investment Value</b> | IDR 1.27 T                   |                          |  |

## Technical Aspects

|   |  |  |
|---|--|--|
| <b>Infrastructure</b>   | <b>Water</b><br>Installation Source<br>Water Management (IPA)<br>Batu Ampar 500 l/sec.   | <b>Electricity</b><br>The closest substation is the Mangarsari Main Substation.<br>Supply: 90 MVA. |
| <b>Waste</b><br>There is a Manggar Waste Water Disposal Site (TPA) with a capacity of 350 - 450 tons. | <b>Telecommunication</b><br>The entire area is served by a telecommunications network with the number of BTS in Balikpapan City being 124 BTS. | <b>Health Center</b><br>2 Regional Hospitals   |
| <b>Higher Education</b><br>11 Higher Education Institutions   | <b>Access to Sultan Aji Muhammad Sulaiman Sepinggan International Airport</b><br>6.5 km   15 minutes   | <b>Access to YVIP Airport</b><br>60 km   2 hours   |
|   | <b>Access to IKN</b><br>233 km   1 hour 20 minutes   | <b>Access to KPP (Government Central Core Area)</b><br>90 km   2 hours 10 minutes                  |
|   | <b>Access to Semarang Harbor</b><br>12 km   30 minutes   |  |



- Tourist attraction**
- Mangrove Center Graha Indah
  - Margomulyo Mangrove Forest
  - Upper Water Village area
  - Aquaboom Waterpark
  - Pini's Village
  - Bekapal Park
  - Kemala Beach
  - Batu Beach - Batu Banus Patra
  - Melawal Beach
  - Wain River Protected Forest
  - Balikpapan Botanical Gardens

## Financial Feasibility

|   |            |   |             |
|---|------------|---|-------------|
| <b>CAPEX</b><br>Capital Expenditure             | IDR 1.13 T | <b>NWC</b><br>Net Working Capital (3 Months OPEX) | IDR 25.82 M |
| <b>WACC</b><br>Weighted Average Cost of Capital | 10.14%     | <b>NPV</b><br>Net Present Value                   | IDR 336 M   |
| <b>IRR</b><br>Internal Rate of Return           | 12.25%     | <b>PP</b><br>Payback Period                       | 13 years    |

**FUNDING STRUCTURE**  
70% Debt  
30% Equity

## Revenue Structure



**Rooms Capacity:** 348 Rooms  
**Total MICE Capacity:** 3280 Persons

**Legend**

|  |  |
|--|--|
| 1 Ballroom 2 <sup>nd</sup> Floor                     | 6 Roof garden, Special offers              |
| 2 Exhibiton GF                                       | 7 Tower 2 (Development)                    |
| 3 Conference 2 <sup>nd</sup> Floor, Restaurant, Cafe | 8 Back Office, Services 1 <sup>st</sup> BF |
| 4 Meeting room 1 <sup>st</sup> Floor, Hall-lobby, FO | 9 Parking (semi-basement)                  |
| 5 Hotel tower 1 (18 Floors)                          | 10 Utilities 4 <sup>th</sup> BF            |

▶ Main entrance  
▶ Side entrance/Services

## Government Support

- Technical Policy**
- Presidential Regulation Number 63 of 2022 Concerning the New Capital City Nusantara Master Plan
  - Regional Regulation of Balikpapan City Number 7 of 2016 Regarding the Balikpapan City Regional Tourism Development Master Plan for 2016-2026
  - Regent Regulation Number 22 of 2021 Regarding the Detailed Spatial Plan and Zoning Regulations for the City of Balikpapan for 2021-2041
- Fiscal Incentives**
- MoF Regulation No. 178/D11/2009 Jo. No. 188/010/2015 Exemption facilities for imports of machinery and goods and materials for construction or industrial development in the context of capital investment
- Non-Fiscal Incentives**
- Licensing is accelerated through OSS RBA (Online Single Submission Risk Based Approach)

## Business Licensing Process in the OSS - RBA System



## Contact Information

Ministry of Investment/Indonesia Investment Coordinating Board  
Directorate of Investment Planning for Services and Economic Zones

(+62) 21 5252008 ext.3867  
tu.ditpjkb@bkpm.go.id  
Jl. Jend. Gatot Subroto No. 44,  
Jakarta 12190, Indonesia  
<https://regionalinvestment.bkpm.go.id/>

FOR MORE INFORMATION  
SCAN QR HERE



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## Project Profile



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The need for Hotels and MICE venues will increase along with activity generation and also in line with the increase in IKN's population and its surroundings



According to 2019 International Congress and Convention Association (ICCA) data, Indonesia is ranked 41<sup>st</sup> in the world, 10<sup>th</sup> in the Asia Pacific level, and 4<sup>th</sup> in Southeast Asia in organizing international association meetings with 37,874 global participants.



### Business Field(s)



68112

KBLI

MICE



55110

KBLI

Five Stars Hotel



### Investment Value

IDR 1.27 T



### Project location



Batu Ampar Sub-District,  
North Balikpapan District,  
**Balikpapan City**

#### Land Area

3.5 ha

#### Land Price

IDR 7,000,000/m<sup>2</sup>

#### Land Title(s)

Freehold Title



# Market Opportunity

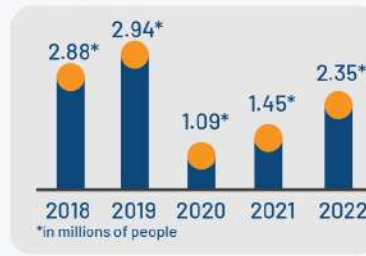
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**Total Tourist Visits in East Kalimantan Province (2018-2022)**



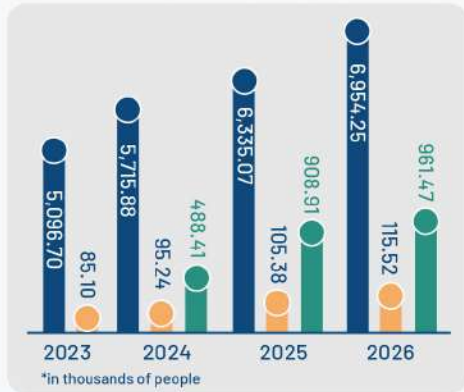
Source : Departement of Tourism of East Kalimantan Province, 2022

**Total Tourist Visits in Balikpapan (2018-2022)**



Source : Departement of Tourism of East Kalimantan Province, 2022

## Market Analysis Based on Projections of Domestic and International Tourist Visits in Balikpapan City, as well as the IKN Population in the Next Three Years



Source : KSO Amythas-Sucofindo (analyzed)

The increase in foreign and domestic tourists is in line with the rise in the IKN population.

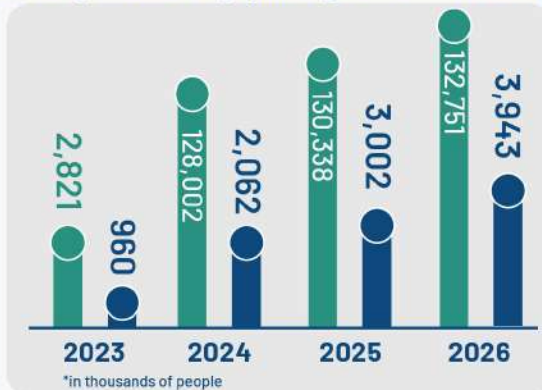
- Number of Indonesian Tourists
- Number of Foreign Tourists
- Number of IKN Population

## Hotel Distribution and Potential for Organizing MICE

The existence of MICE tourism can encourage increased hotel occupancy. In 2023, the number of hotels in Balikpapan City that are equipped with MICE will reach a total number of 2,682 rooms. The need for hotel rooms until 2026 is projected to reach 4,515 rooms.



**Capacity Projections and Number of MICE Participants in Balikpapan City in the Next Three Years**



Capacity MICE participants from Balikpapan and addition MICE participants in IKN

Source : KSO Amythas-Sucofindo (analyzed)

In 2023, the availability of hotels in Balikpapan City equipped with MICE will have a total capacity of 1500-6000 people. The need for MICE in Balikpapan City is estimated to continue to increase, requiring an additional capacity of 391,099 people.



# Technical Aspects

## Infrastructure



### Water

Installation Source  
Water Management (IPA)  
Batu Ampar 500 lt/sec.



### Waste

There is a Manggar Waste Water Disposal Site (TPA) with a capacity of 350 - 450 tons.



### Higher Education

**11** Higher Education Institutions



### Electricity

The closest substation is the Manggarsari Main Substation. Supply: 90 MVA.



### Telecommunication

The entire area is served by a telecommunications network with the number of BTS in Balikpapan City being 124 BTS.



### Health Center

**2** Regional Hospitals

## Accessibility



\*Distribution in Radius Multiples of 5 km

Access to Sultan Aji Muhammad Sulaiman Sepinggan International Airport

8.5 km 15 minutes

Access to VVIP Airport

60 km 2 hours

Access to IKN

±33 km 1 hour 20 minutes

Access to KIPP (Government Central Core Area)

90 km 2 hours 10 minutes

Access to Semayang Harbor

12 km 30 minutes

## Tourist Attraction

- 1 Mangrove Center Graha Indah
- 2 Margomulyo Mangrove Forest
- 3 Upper Water Village area
- 4 Aquaboom Waterpark
- 5 Pinisi Village
- 6 Bekapai Park
- 7 Kemala Beach
- 8 Batu Beach - Batu Banua Patra
- 9 Melawai Beach
- 10 Wain River Protected Forest
- 11 Balikpapan Botanical Gardens

## Manpower



### Requirement

**525 Workers**

### Minimum Wage

**IDR 3,201,396**

\*Balikpapan City Minimum Wage (2023)



## Financial Feasibility

### CAPEX

Capital Expenditure

IDR 1.13 T

### NWC

Net Working Capital (3 Months OPEX)

IDR 25.82 M

### WACC

Weighted Average Cost of Capital

10.14%

### NPV

Net Present Value

IDR 336 M

### IRR

Internal Rate of Return

12.25%

### PP

Payback Period

13 years

### FUNDING STRUCTURE

70% Debt  
30% Equity



### Revenue Structure

1<sup>st</sup> year revenue IDR 348.51 billion consists of :



Rooms

25.3%



MICE

66%



Other Income

8.7%



## Development Plan



Rooms Capacity:

349 Rooms

Total MICE Capacity

3280 Persons



### Legend



1 Ballroom 2<sup>nd</sup> Floor



6 Roof garden, Special offers



2 Exhibiton GF



7 Tower 2 (Development)



3 Conference 2<sup>nd</sup> Floor, Restaurant, Cafe



8 Back Office, Services 1<sup>st</sup> BF



4 Meeting room 1<sup>st</sup> Floor, Hall-lobby, FO



9 Parking (semi-basement)



5 Hotel tower 1 (18 Floors)



10 Utilities 4<sup>th</sup> BF



Main entrance



Side entrance/Services



## Government Support



### Technical Policy

- **Presidential Regulation Number 63 of 2022**  
Concerning the New Capital City Nusantara Master Plan
- **Regional Regulation of Balikpapan City Number 7 of 2016**  
Regarding the Balikpapan City Regional Tourism Development Master Plan for 2016-2026
- **Regent Regulation Number 22 of 2021**  
Regarding the Detailed Spatial Plan and Zoning Regulations for the City of Balikpapan for 2021-2041



### Fiscal Incentives

- **MoF Regulation No. 176/011/2009 Jo. No. 188/010/2015**  
Exemption facilities for imports of machinery and goods and materials for construction or industrial development in the context of capital investment



### Non-Fiscal Incentives

- **Licensing is accelerated through OSS RBA (Online Single Submission Risk Based Approach)**



### Business Licensing Process in the OSS - RBA System



You can download the business licensing application guide at:



<https://oss.go.id/en/panduan>



## Contact Information

**Ministry of Investment/Indonesia Investment Coordinating Board  
Directorate of Investment Planning for Services and Economic Zones**

- ☎ (+62) 21 5252008 ext.3867
- ✉ tu.ditpjkbkpm.go.id
- 📍 Jl. Jend. Gatot Subroto No. 44, Jakarta 12190, Indonesia
- 🌐 <https://regionalinvestment.bkpm.go.id/>