

COCOA BUTTER & COCOA POWDER PROCESSING INDUSTRY

POLEWALI MANDAR REGENCY, WEST SULAWESI PROVINCE

WHY INVEST ?



MARKET OPPORTUNITIES

COCOA PROCESSING INDUSTRIES IN INDONESIA



PROJECT PROFILE

- INDUSTRY TYPE**
Cocoa Processing Industry
KBLI : 10731
- INVESTMENT VALUE**
Rp 956.05 billions
- LAND AREA**
Located in area of 10 hectares
- INDICATIVE LOCATION**
Kuajang Village, Binuang District, Polewali Mandar Regency, West Sulawesi Province
- PRODUCTION OUTPUT CAPACITY**
Cocoa Butter 12,250 tons/year
Cocoa Powder 12,250 tons/year
Cocoa Shell/Husk 10,050 tons/year
- SOURCE OF RAW MATERIALS**
Raw Material availability is 33.44 thousand tons/year

Potential Raw Material From West Sulawesi Province

- Pasangkayu Regency (2019)**
Plantation area: 12,802 ha
Production: 5,637 tons/year
- Central Mamuju Regency (2019)**
Plantation area: 14,851 ha
Production: 6,529 tons/year
- Mamuju Regency (2019)**
Plantation area: 39,681 ha
Production: 10,411 tons/year
- Mamasa Regency (2019)**
Plantation area: 14,959 ha
Production: 7,231 ton
- Majene Regency (2019)**
Plantation area: 13,159 ha
Production: 8,128 tons/year
- Polewali Mandar Regency (2019)**
Plantation area: 48,930 ha
Production: 33,438 tons/year



INFRASTRUCTURES

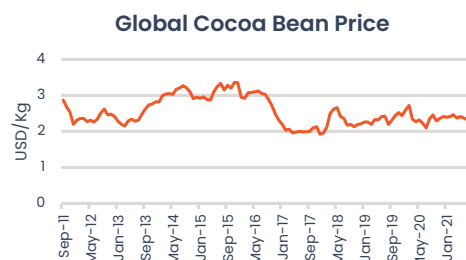
- DRAINAGE AND SEWAGE**
Periodic drainage network is available
- NEIGHBORHOOD ROAD**
8 meters wide district road is available
- TRANSPORTATION ROUTE**
1,20 km from Trans Sulawesi Road
14,50 km from Class II National Port of Tanjung Silopo
- ELECTRICITY NETWORK**
Polewali Mandar sub-station with capacity of 50 MW
- COMMUNICATION NETWORK**
BTS network and cable internet are available
- CLEAN WATER SUPPLY**
Raw water sources from Lantora River and IPA Amola Binuang with capacity of 30 liters/second
- DISASTER VULNERABILITY**
Low susceptibility on a stable geological site

SUPPLY

The cocoa production capacity of Polewali Mandar People's Plantation is **33,438 tons/year** with industrial uptake:

- 3% Local Processing Industries
- 97% Processing Industries outside West Sulawesi Province (for Export & supply to Makassar Industrial Estate)

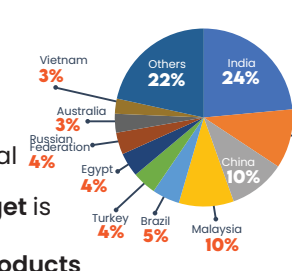
Production Input capacity Target is 35 thousand tons/year (49% from cocoa plantation products in West Sulawesi Province)



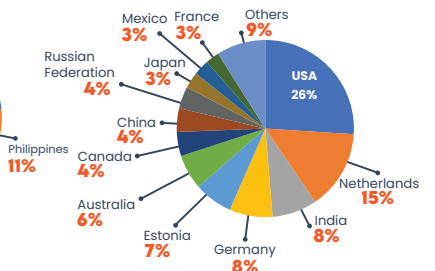
DEMAND

Export Destination Countries

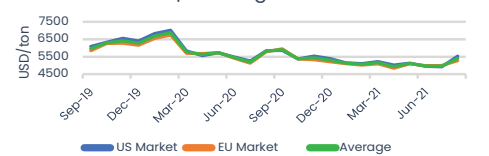
Cocoa Powder (HS 1805)
Year 2020



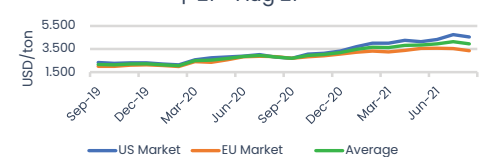
Cocoa Butter (HS 1804)
Year 2020



Cocoa Butter Price ICCO per Ton
Sep-21 - Aug 21



Cocoa Powder Price ICCO per Ton
Sep-21 - Aug 21



FINANCIAL FEASIBILITY

1	WEIGHTED AVERAGE COST OF CAPITAL (WACC)	11.58%
2	INTERNAL RATE OF RETURN (IRR)	17.20%
3	NET PRESENT VALUE (NPV)	Rp 481.84 billion
4	PAYBACK PERIOD	7 Years 5 Months



LABOR FORCES

250 labors
Labor needs during operation

West Sulawesi Province Minimum Wage
Rp 2,67 million



ACCESSIBILITIES

Accessibilities from Project Location

- LAND ROUTE**
Trans Sulawesi Road (1,20 km)
to Makassar City (245 km)
- SEA ROUTE (CARGO PORT)**
to Port of Tanjung Silopo (14,50 km)
to Port of Nasional Parepare (92,20 km)
to Port of Makassar (245 km)
- AIRWAY**
Tampa Padang Mamuju Airport (229 km)
Sultan Hasanuddin Airport of Makassar (245 km)



GOVERNMENT SUPPORT

FISCAL INCENTIVES

- Super Tax Deduction**
Minister of Finance Regulation Number 153/PMK.010/2020
- Facilitation BPHTB Tax Payment**
Letter of the Regent of Polewali Mandar Regency Number B-39/Setda/Eko & SDA/XI/2021
- Import Duty Exemption**
Minister of Finance Regulation No. 188/PMK.010/2015 concerning the Second Amendment to the Regulation of the Minister of Finance No. 176/PMK.011/2009

NON-FISCAL INCENTIVE

- Ease of Licensing**
Ease of business licensing through OSS-RBA
- Polewali Mandar Regency Government Program**
- Cocoa Farmers Empowerment
 - Plantation's Pest Organism Control Movement
 - Cocoa Plant Rejuvenation
 - Construction of Facilities & Infrastructure