

## News Release

### **UOB and Indonesia's Investment Coordinating Board sign MOU to facilitate investments into Indonesia**

*First-of-its-kind collaboration that enables investors to apply  
for a Principle Licence directly in Singapore*

**Singapore, 4 December 2015** – United Overseas Bank (UOB) and Indonesia's Investment Coordinating Board (BKPM) today signed a Memorandum of Understanding (MOU) aimed at increasing foreign direct investments (FDI) into, and trade with, Indonesia. The MOU marks BKPM's first collaboration with a non-Indonesian bank in Southeast Asia.

BKPM is an investment agency under the direct supervision of the President of the Republic of Indonesia, Mr Joko Widodo, that supports FDI into Indonesia as well as Indonesian companies venturing overseas.

As part of the collaboration, BKPM will enable UOB's clients to apply for their Indonesia Principle Licence directly in Singapore without having to travel to Indonesia. This is a first-in-the-market service provided by UOB through BKPM's The Indonesia Investment Promotion Centre (IIPC) Singapore. The Principle Licence is the first licence a foreign company must obtain to incorporate an entity in Indonesia. UOB will also support Indonesian investors who are looking to expand overseas via BKPM's IIPC<sup>1</sup>.

Mr Sam Cheong, Head of UOB Foreign Direct Investment Advisory Unit, said that Indonesia is a major investment destination for both global and Asian companies. In 2014, Indonesia was the second largest recipient of FDI inflows into ASEAN, receiving US\$28.5 billion investments.<sup>2</sup> In particular, China's FDI into Indonesia has increased more than four times over the past three years, growing from US\$141 million in 2012 to US\$800 million in 2014.<sup>3</sup>

"Huge business opportunities are arising from increased trade connectivity within the region, which will be further boosted by the upcoming implementation of the ASEAN Economic Community (AEC). In addition, under China's One Belt One Road (OBOR) initiatives, we expect trade and investment between China and Southeast Asia to continue growing. With more than 200 branches and offices in Indonesia, UOB's timely collaboration with BKPM will make it more convenient for companies to capitalise on these trends.

<sup>1</sup> BKPM's Indonesia Investment Promotion Centres are located in Singapore, Tokyo, London, Abu Dhabi, New York, Seoul, Sydney and Taipei.

<sup>2</sup> "Domestic and Foreign Direct Investment Realisation in Quarter IV and January – December 2014", January 2015, BKPM

<sup>3</sup> 2015, BKPM

## News Release

“Our clients are already tapping on the large-scale infrastructure projects and increasing trade flows along the OBOR to deepen their presence in this region. Being the largest economy in Southeast Asia, Indonesia is also attracting many of our Chinese clients who are also eager to harness the tremendous market potential to diversify their customer base and to upgrade their manufacturing capabilities”, he said.

Under the auspices of the MOU, BKPM will assist UOB’s clients to seize business opportunities in Indonesia through the Bank’s FDI Advisory Unit<sup>4</sup>, which was specially set up to help companies realise their regional expansion ambitions. Through this unit, businesses will have access to the Bank’s full suite of corporate and personal banking products and tap on UOB’s network with various government agencies, business associations and professional service providers in the region.

### **MOU underscores UOB’s existing partnerships**

Since the set-up of UOB FDI Advisory Units four years ago, UOB has helped nearly 700 clients expand in the region. The MOU with BKPM adds to the existing partnerships and close ties that UOB has with other trade promotion agencies and industry partners, including the China Council for the Promotion of International Trade to increase foreign investment and trade between China and Southeast Asia.

Recently, UOB also collaborated with BKPM to host an event in Shanghai for the Bank’s clients, where more than 100 participants attended and held one-on-one consultation sessions with BKPM representatives to understand better the investment opportunities in Indonesia.

Mr Franky Sibarani, Chairman of BKPM, said, “We are delighted to offer investors a smoother path for investing in Indonesia. This MOU brings together the complementary strengths of UOB’s long-established regional network and BKPM’s as leading government agency for FDI to help regional businesses expand into the country. This will help to promote investments in Indonesia across major sectors such as the infrastructure, maritime, import substitution, export oriented, agriculture, downstream mining, industrial estate and tourism industries.”

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<sup>4</sup> UOB is the only bank in Southeast Asia with established FDI Advisory Units that support companies in expanding across markets. The nine UOB FDI Advisory Units are located in mainland China, Hong Kong, India, Indonesia, Malaysia, Myanmar, Singapore, Thailand and Vietnam.

## News Release

### About United Overseas Bank

United Overseas Bank Limited (UOB) is a leading bank in Asia with a global network of more than 500 offices in 19 countries and territories in Asia Pacific, Western Europe and North America. Since its incorporation in 1935, UOB has grown organically and through a series of strategic acquisitions. UOB is rated among the world's top banks: Aa1 by Moody's and AA- by Standard & Poor's and Fitch Ratings respectively.

In Asia, UOB operates through its head office in Singapore and banking subsidiaries in China, Indonesia, Malaysia, Thailand and the Philippines, as well as branches and representative offices.

UOB plays an active role in the community, focusing on art, children and education. It has, over more than three decades, held the longest-running art competition in Singapore, the UOB Painting of the Year, which has since been extended across Southeast Asia. In recognition of its contributions to the arts, UOB was conferred the Singapore National Arts Council's Distinguished Patron of the Arts Award for the eleventh consecutive year in 2015. UOB also encourages its employees across the region to be involved in its regular volunteer activities. This includes the annual UOB Heartbeat Run which is held in China, Indonesia, Malaysia, Singapore and Thailand.

### About BKPM

BKPM is the Investment Coordinating Board of the Republic of Indonesia. As the primary interface between business and government, BKPM is mandated to boost domestic and foreign direct investment through creating a conducive investment climate. Restored to Ministerial status in 2009, and reporting directly to the President of the Republic of Indonesia, this investment promotion agency's goal is not only to seek more domestic and foreign investment, but also seek quality investments that improve social inequality and reduce unemployment.

The agency works as a proactive advocate for investments as well as a matchmaker for investors. Since November 2014, BKPM is chaired by Franciscus M.A Sibarani or known as Franky Sibarani.

### For media queries, please contact:

UOB  
Juliette Leong  
Group Strategic Communications and Customer Advocacy  
Email: [Juliette.LeongPL@UOBgroup.com](mailto:Juliette.LeongPL@UOBgroup.com)  
Tel: (65) 6539 3990

UOB  
Cheow Kai Jian  
Group Strategic Communications and Customer Advocacy  
Email: [Cheow.KaiJian@UOBgroup.com](mailto:Cheow.KaiJian@UOBgroup.com)  
Tel: (65) 6539 4062

BKPM  
Ariesta Indriasari P.  
Head of Legislation, Public Relations, Secretary to the Chairman Bureau  
Jl. Jend. Gatot Subroto No. 44  
Jakarta 12190 - Indonesia  
Tel: +62 526 9874 / +62 816 194 6825  
E-mail: [humas@bkpm.go.id](mailto:humas@bkpm.go.id)