

## PT FREEPORT INDONESIA

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Media Update

24 May 2023

### **FOREIGN MINISTRY BRIEFS AMBASSADORIAL CANDIDATES ON INVESTMENT IN DOWNSTREAMING AT FREEPORT SMELTER**

**Gresik** – On Wednesday (24/5), several candidates for the positions of Republic of Indonesia ambassador extraordinary and plenipotentiary and consul general visited the project site for the second smelter belonging to PT Freeport Indonesia (PTFI) located in the Gresik Special Economic Zone (KEK) in East Java. The visit by the delegation from the Ministry of Foreign Affairs to the smelter project was for a briefing on the importance of the role of investment in support of downstreaming, which is a government focus in 2023 in the area of investment.

**Foreign Ministry Expert Staff on Interorganizational Relations, Muhsin Syihab** who was also present at the PTFI smelter project site elucidated on the important role the Indonesian envoys will assume as investment ambassadors engaging in economic diplomacy on the world stage. “I am escorting ambassadorial candidates who will soon be stationed in assigned countries, as well as consul general candidates who will be placed in friendly countries, as we deem economic diplomacy, along with foreign investment to be important. This is very much in line with national leadership policy. In particular, lately the President of the Republic of Indonesia has in various forums reiterated the need for downstreaming to his counterparts. This smelter project plays an important part in translating this policy from our national leadership,” Muhsin stated during the visit. He added, the smelter development process engages large numbers of nationals, and state-owned enterprises, and this underscores the importance of sustaining Indonesia’s economic self-reliance.

In 2022, Indonesia succeeded in garnering investment in downstream industries for mineral commodities amounting to Rp 171.2 trillion or approximately 14 percent of the total sum of investments, of Rp 1,207 trillion. This achievement is not dissociated from PTFI earnestness in making contributions to Indonesia through investment in the world’s biggest single-line smelter, with Rp 25 trillion as of the end of 2022 out of a total planned investment of USD 3 billion, or equivalent to Rp 45 trillion.

“The downstreaming of mineral products is continuously developing and investments made in this sector are proven to have provided significant benefits for Indonesian businesses and the Indonesian nation. Through such support for the national downstreaming policy as with development of the Manyar smelter, PTFI is optimistic Indonesia will be able to push investment in competitive downstream industries at the global level,” **PTFI Deputy President Director Jenpino Ngabdi** asserted.

As of April 2023, development of PTFI’s second smelter had achieved 66.84 completion, sooner than the target approved by the Indonesian government. Physical construction for the smelter will be completed in December 2023, allowing for operation of the copper concentrate refining facility to begin in May 2024. At the full operation stage, PTFI’s second smelter will have a capacity to process 1.7 million dry metric tons of copper concentrate into 600,000 tons of copper cathode per year.

Photo	Caption
	PTFI Deputy President Director Jenpino Ngabdi (right) details PTFI smelter development progress to Foreign Ministry Expert Staff on Interorganizational Relations Muhsin Syihab (middle), accompanied by PTFI Vice President of Government Relations and Smelter Technical Support Harry Pancasakti (left) during the visit made to the smelter development project site in the Gresik KEK in East Java on Wednesday (24/5).
	Republic of Indonesia ambassador extraordinary and plenipotentiary and consul general candidates visiting the site of PTFI’s second smelter development project located in Gresik KEK in East Java on Wednesday (24/5). The Foreign Ministry delegation visited the smelter project to be briefed on the importance of investment for downstreaming that is an investment focus of the Indonesian government in 2023.