

Media Update

6 October 2022

Freeport Indonesia and BKPM Call on Uncen to Galvanize Transformation of the National Economy Through Downstream Industry

Jayapura – On Thursday (6/10) at Cenderawasih University (Uncen), Jayapura, Papua, PT Freeport Indonesia (PTFI) in conjunction with Investment Minister/ Head of Investment Coordination Board BKPM Bahlil Lahadalia delivered a scientific address under the heading “Economic Transformation Through Downstream Activity Using Local Wisdom”. The event was part of a series of visits made by the Investment Ministry and PTFI to six higher education institutions in Indonesia, as part of a collaborative initiative with the education community to create a generation of young Indonesians with an understanding of the importance of downstream industry activity in bringing about economic transformation to meet global challenges.

In his presentation, **Investment Minister Bahlil Lahadalia** recounted Indonesia successfully posted 5.44% economic growth (yoy) in the 2nd quarter of 2022 and kept the inflation rate at 4.4% amid the dynamics posed by global economic challenges. “This success is a reflection of Indonesia’s economic resilience. In order to perpetuate this achievement, downstream industry activity acts as a crucial instrument to generate added value and encourage creation of a progressive, inclusive, just, and sustainable Indonesia. In the private sector, PTFI has pioneered investment in Papua that plays a vital part in the region’s economic growth. This contribution will be increasingly manifested through the downstream effort that is development of the PTFI copper smelter in Gresik, which is targeted for completion in 2024,” **Bahlil** conveyed.

In addition to placing stress on downstream activity as part of a national agenda to boost economic growth and achieve development goals, Bahlil voiced the hope that Papuans would become increasingly involved in developing Papua’s economy. As such, the private sector is needed to play a part in building the local economy by empowering local businesses and MSMEs. Companies are required to collaborate with industry operators in the vicinity of their operating area to ensure local businesses directly and optimally benefit from the presence of company operations.

Meanwhile, **Freeport-McMoRan Chairman of the Board and Chief Executive Officer (CEO) Richard C. Adkerson** asserted PTFI, as an inseparable part of Indonesia consistently supports government agendas. “Over the 55 years of PTFI’s journey in Indonesia, we have inscribed a track record of providing real benefits and added value for Indonesia. For instance, we are building the world’s biggest single-line smelter with a capacity of 1.7 million tons per year in Gresik. By means of a US\$ 3 billion investment, PTFI will be contributing even more to the

downstream activity agenda the government has launched,” **Richard C. Adkerson** stated on the same occasion.

In consonance with the scientific address delivered by Bahlil Lahadalia and Richard C. Adkerson, Uncen emphasized the importance of collaborating with the government, the private sector, and higher education institutions to support economic transformation and improve the quality of human resources in Indonesia, in particular in Papua. “This kind of multisector synergy will boost acceleration of the national agenda. We also appreciate the contribution made by PTFI for Uncen in developing the Science and Partnership Building, conducting public lectures, affording internship opportunities for students, and engaging in various academic activities. All of these work towards achieving an Indonesia that is progressive, inclusive, just, and sustainable,” **Cenderawasih University Rector Dr. Ir. Apolo Safanpo, ST., MT** stated.

On the same occasion, PTFI signed a Memorandum of Understanding (MoU) together with the Investment Ministry and Uncen. “PTFI is an inseparable part of Indonesia and Papua. In this regard, Uncen is one of our principal partners with a vision to build Papua for the glory of Indonesia. In addition to providing Rp 45 billion worth in scholarship grants and educational facilities at Uncen, signing of this MoU underscores the parties’ commitment to undertake joint research for a sum of 1.5 billion rupiahs,” **PTFI President Director Tony Wenas** said in conclusion.

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