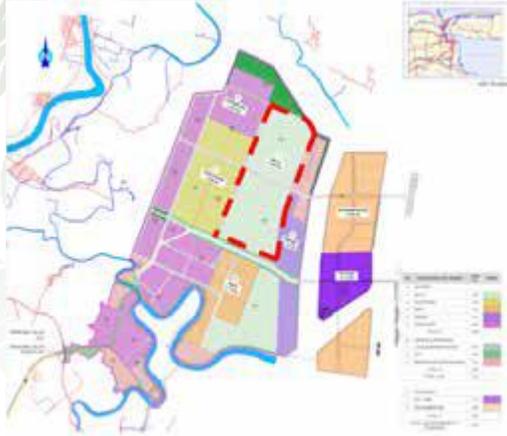


# 1. Copper Metal Processing Industry (1 of 2)



## Project Description

Govt. Regulation No. 14 of 2015 concerning the 2015-2035 National Industrial Development Master Plan has mandated that the downstream industry of copper metal is included in the priority industries that must be developed to increase added value. In Indonesia, the copper processing industry only consists of 2 factories producing copper cathodes, 11 copper rods industry, and 45 copper cables and conductor industry. Indonesia does not yet have the copper pipes industry. This copper metal downstream industry will later be directed to produce 3 final products with the main raw material in the form of copper cathodes of 400.000 tons/year. The KBLI used are 24203 (Non-ferrous Metal Milling Industry) and 46620 (Whole Metal and Metal Ore Trading).

The average value of Indonesian copper tube imports in 2015-2021 reached 10,564 tons/year, all of which were used to meet the needs of the household electronics industry. For the copper rod type the average value reaches 9,280 tons/year, where in the last 3 years the value of imports has exceeded exports. Globally, the CAGR of copper wire in 2023-2030, the increase from 2 in precision reaches 5.76% while that of copper pipes & tubes reaches 3.3%. Labor during the operational period of 200 people. The 2022 minimum wage is IDR 4.372.030

## Key Investment Highlight

<b>Location</b>	Gresik SEZ - JIPE, Manyar District, Gresik Regency, East Java Province
<b>Est Investment Value</b>	USD 1.1 B / IDR 17.19 T
<b>Total Area/Land Status</b>	20 Ha (8 Ha Copper Rod & Wire, 8 Ha Copper Tube, 4 Ha Open Area), building rights certificate (SHGB)
<b>Business Scheme</b>	Private Investment
<b>Project Owner</b>	Ministry of Investment/ Indonesian Investment Coordinating Board
<b>Financial Feasibility</b>	WACC : 9.94 %; IRR : 15.99%; NPV: USD 454,691,002 / IDR 7.1 T; PP : 11 years 4 months

## Contact Person

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# 1. Copper Metal Processing Industry (2 of 2)

## MARKET ANALYSIS

- From 2015-2021, the average value of Indonesian copper tube imports reached 10,564 tons/year, all of which were used to meet the needs of the household electronics industry.
- For the copper rod type, the average value reaches 9,280 tons/year, where in the last 3 years the value of imports has exceeded exports.
- Globally, the CAGR of copper wire in 2023-2030 is predicted to increase to 5.76%, while that of copper pipes & tubes will reach 3.3%.

## PRODUCTION TARGET



- Raw Material : Copper Cathode – 400000 ton/year
- 1st Product : Copper Rod & Wire – 300000 ton/year
- 2nd Product: Copper Tube – 100000 tons/year

## TECHNICAL ANALYSIS

The production of copper tube and copper rod & wire has similarities, namely similarities in raw materials, smelting processes, and also casting. However, the difference is that in the **tube extrusion process** there is a solid ram to produce a product in the form of a pipe. The price for the raw material for the copper cathode obtained is USD 8000/ton Cu with product selling prices, namely:

- Copper Tube : USD 12500/ton Cu
- Copper Rod/wire : USD 9400/Ton Cu

### Process Production Flowchart

