

Executive Summary

Jakarta as the capital city acts as both the central government and economic activities in Indonesia. As a result, the city becomes the center of industrial area, thus have significant implication on energy consumption. Based on the various form of energy source, oil fuel is the biggest energy consumption, followed by biomass, gaseous fuel, and coal.

Among those form of oil fuel, solar oil has been one of the primary fuel mostly used by industrial businesses, either for the production process or for the distribution. For the last couple of years, there has been an increasing amount of non-subsidized solar oil, from 1.9 million kiloliters per year to 2.5 million kiloliters. With that in mind, Pertamina was forced to import solar oil from overseas countries to meet the domestic gap needs.

PT. WastEconomic as an Indonesian company intends to help in reducing the scarcity of non-subsidized solar oil, especially in Cikarang, Karawang, and Jakarta region. Supported by the Pyrolysis Technology, PT. WastEconomic are able to transform various kinds of plastic wastes with the help of biomass hence becoming solar cetane number 48. The output product is ensured to match the standard requirement of Pertamina. Not only will it act as a solution to the solar oil scarcity, but it will also help future customers of PT. WastEconomic in decreasing the air pollution around their business area. The brand of the product produced by PT. WastEconomic is called “WastEconomic”.

The target markets to WastEconomic solar oil are addressed to industrials area around Cikarang and Karawang region whose total amount of solar oil daily consumption is more than 500 liters. The company is using two distribution channels, which are PT. WastEconomic sales office and an appointed outsourced distributor. The company's sales persons are dedicated to deliver the best services and a handful team of account executives will help PT. WastEconomic in retaining both client satisfactory and the customers as well.

The financial projection of PT. WastEconomic for the next nine years are indicated by the NPV amount of 190 billions of rupiah with a discounted payback period of not more than 5.5 years (for most-likely scenario). It also resulted in IRR of 53%, which is higher than the required cost of funding at 18%. Starting on the second year, PT. WastEconomic will reach its OPM at a minimum of 30% with a minimum growth of 5% per annum. On top of that, the company also confident to ensure the amount of ROI for more than 60%.

