Indonesia rejects Apple's $100 million investment offer

AFP — Indonesia has rejected an Apple $100 million investment proposal aimed at lifting a ban on iPhone 16 sales, saying it lacks the "fairness" required by the government.
Indonesia last month prohibited the marketing and sale of the iPhone 16 model over Apple's failure to meet local investment regulations requiring that 40 percent of phones be made from local parts as the country seeks to boost investments from giant tech companies.

Following the ban, Apple offered to increase its investments in Indonesia by $100 million to allow the new phone to be sold domestically.

But Industry Minister Agus Gumiwang Kartasasmita said Apple had not met the government's requirements, especially when compared with the tech giant's investments in other countries.

"Currently, Apple still has not invested in production facilities or factories in Indonesia," he said in a statement released late Monday.

He said the ministry urged Apple to immediately set up a production facility or factory in Indonesia "based on the fairness principles" so the company does not have to file an investment scheme proposal every three years.

Despite the sales ban, the Indonesian government still allows iPhone 16 to be carried into Indonesia if they are not being traded commercially.

The government estimates about 9,000 units of the new model have entered the country that way.

Indonesia also banned the sale of Google Pixel phones for failing to meet the 40 percent parts requirement.

About 22,000 Google Pixel phones entered the country this year despite the ban.

AFP