



## INFORMATION

## Ministry of Foreign Affairs Webinar Series on Invest in Indonesia Presentations

On February 25<sup>th</sup> 2021, IBAI have joined a virtual seminar on Indonesia "Open for Business" with the theme "Invest in Indonesia: Opportunities in Asia's Economic Powerhouse" held by The Ministry of Foreign Affairs. This seminar opens a series of activities that are more focused on priority sectors throughout 2021 held by the Directorate General America and Europe Together with BKPM and related ministries as well as Indonesian Representatives in the European Region.

Vice Minister of Foreign Affairs, Mahendra Siregar opened the seminar by explaining Indonesia's superior position in the context of geo-political dynamics that is able to strengthen strategic partnerships with major powers in the Region, particularly China and the US. Indonesia's excellence as a foreign investment destination is also supported by the realization of the "Asian Century" which made the Asian region, especially Indonesia the center of global economic growth, including after the Regional Comprehensive Economic Partnership (RCEP) agreement. Economically, Asia contributed more than 50 % growth in world GDP with the highest economic growth in the G-20 group of countries. "ASEAN and RCEP make this region more economically integrated", said Mahendra.

Coordinating Minister for the Economic Affairs Airlangga Hartarto in his key remarks conveyed the projection of Indonesia's economic growth which will rebound in 2021 to above 5%. This will increase in the following year due to positive post-reform sentiment through the issuance of the Omnibus Law and its 51 implementing regulations.

"This economic growth is supported by growth in household consumption, investment, government spending and exports", said Airlangga. Based on the latest economic indicators, there has been an improvement in industrial activity, an improvement in the consumer confidence index, an increase in people's business credit (KUR) which is expected to contribute to economic growth. In the digital economy sector, there has been a growth in transactions / financing through fintech and increased investment realization as a positive response to government policies.

The 4 main speakers in the panel session were Chairman of the EU-ASEAN Business Council, Donald Kanak; CEO of Siemens Indonesia, Prakash Chandran; Chairman of the Indonesian Chamber of Commerce and Industry, Rosan P. Roeslani; and Head of the Toll Road Regulatory Agency, Prof. Dr. Danang Parikesit. From this discussion session, it was noted that several European companies such as Siemens, have been in Indonesia for more than 100 years and still committed to develop their business in Indonesia.

As the largest economy in Southeast Asia, Indonesia is targeting to double the percentage of investment from Europe, which is currently only 10% of total investment to ASEAN. "One of the strategies is directly targeting potential sectors, marketing and assistance strategies," said the Director General of America and Europe, Ngurah Swajaya. "The government realizes this. Therefore, the Ministry of Foreign Affairs together with BKPM took the initiative to collaborate with all stakeholders to systematically "Target potential sectors that will be carried out throughout 2021 with the support of Indonesian representatives in Europe, as well as take advantage of the positive momentum that has been built since the enactment of the Omnibus Law and its 49 implementing regulations," added Ngurah Swajaya.

Six priority sectors that are targeted and have the potential to increase investment in Indonesia are **Chemicals, E-Commerce, Electronics, Pharmaceuticals, Infrastructure, Food and Beverages and Garments.**

The virtual seminar "Invest in Indonesia" was attended by more than 575 investors and potential investors from various European countries. This activity will be followed by follow-up activities with a focus on priority sectors as above.

Reference:

- Ministry of Foreign Affairs Webinar Series on Invest in Indonesia Presentations

If you require a copy of the reference document above, please do not hesitate to contact [research@ibai.or.id](mailto:research@ibai.or.id).

Thank you for your attention and hope this information would be valuable for you

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