



INDONESIA EFTA CEPA Opportunities Unfold

Prof. Dr. Muliaman Hadad
Ambassador of the Republic of Indonesia for
Switzerland and Liechtenstein

Reiterating Indonesia's Commitment of Openness for Trade and Investment

“ Trade Agreements could boost export and investment. These two are key in our economic policy and development ”

President Joko Widodo
Jakarta, 30 October 2019

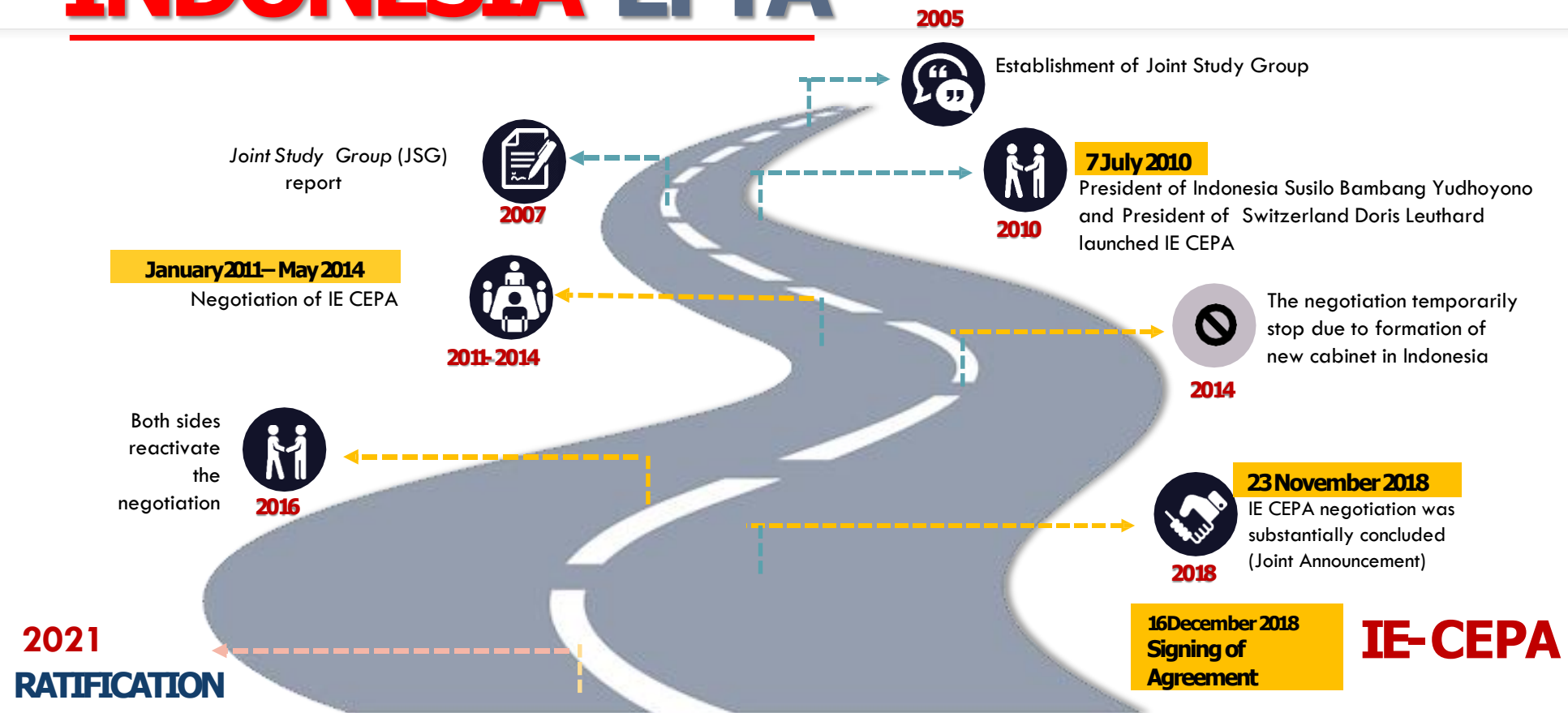


Size of Indonesia: from London to Afghanistan



Source: Simon Kuestenmacher

The Journey of **INDONESIA-EFTA**



The content of IE CEPA



Source: Ministry of Trade of Indonesia

Benefits of IE-CEPA



Indonesia will eliminate 8,656 tariff lines or 86.46% from total tariff lines and 98.81% of import value Indonesia from EFTA States.

Switzerland will eliminate 7,042 tariff lines or 81.74% from total tariff lines and 99.65% of import value Switzerland from Indonesia.



Norway will eliminate 6,333 tariff lines or 90.97% from total tariff lines and 99.75% of import value Norway from Indonesia.

Iceland will eliminate 8,100 tariff lines or 94.28% from total tariff lines and 99.94% of import value Iceland from Indonesia.



Preferential Tariff for Indonesia products:

- | | | | |
|--|-------------------|--|----------------------|
| | Palm oil | | Textiles |
| | Fisheries product | | Furniture |
| | Gold | | Electrical appliance |
| | Footwear | | Machinery |
| | Coffee | | Bicycle |
| | Toys | | Tyre |

Preferential Tariff for EFTA products:

- | | | | |
|--|-------------|--|-----------|
| | Gold | | Chemical |
| | Medicaments | | Mackerel |
| | Tanker | | Machinery |
| | Textile | | Juice |
| | Watch | | Parfume |

Way Forward



Intensify Trade, Tourism and Investment (TTI) Missions



Economic Cooperation and Capacity Building Program



Socialization of the benefit & opportunity of IE-CEPA to Stakeholders



Improving investment and business climate in Indonesia



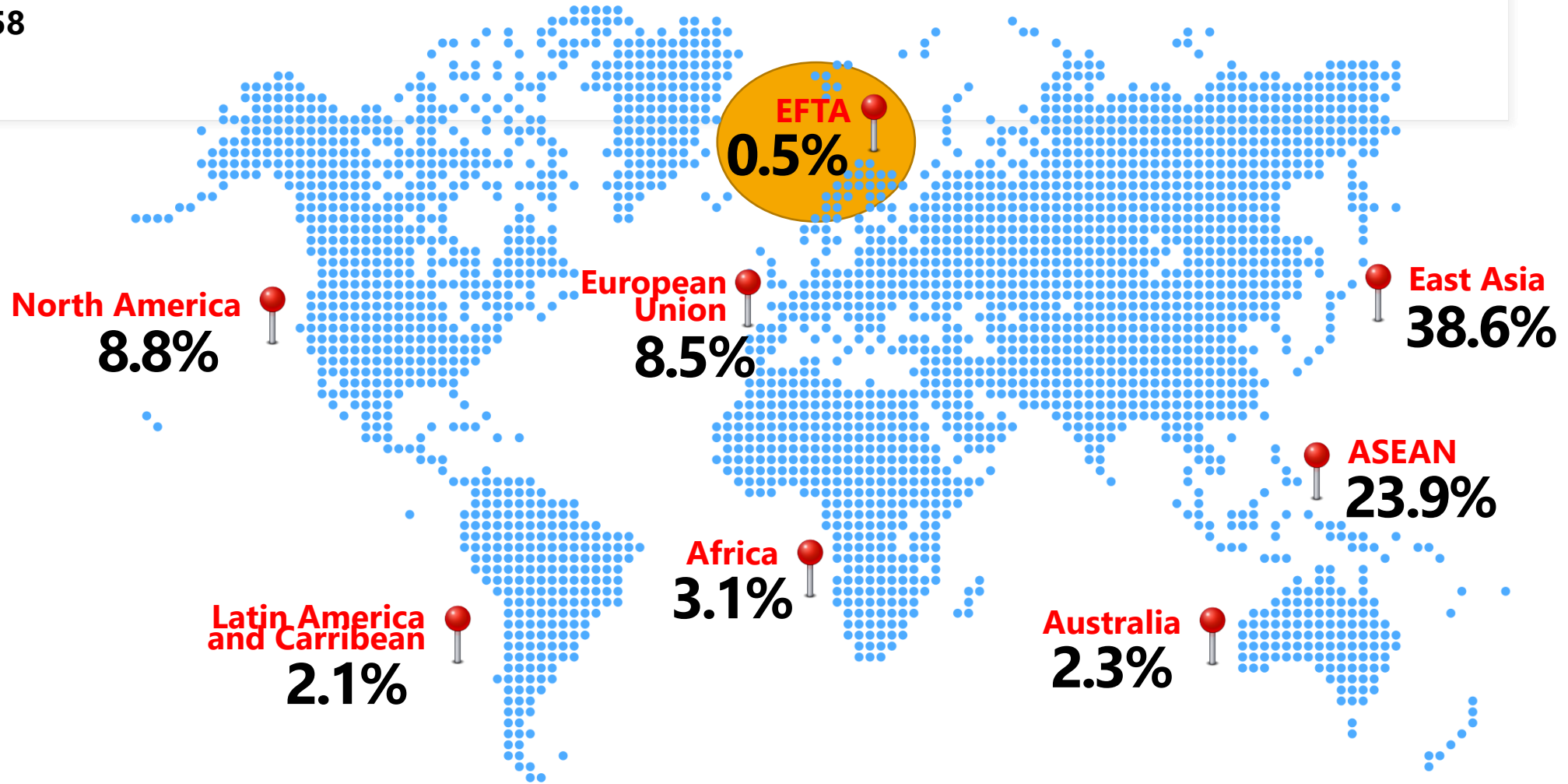
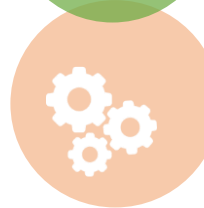
Indonesia's Global Trade (2019)

Total Trade: 338.958

Export: 167.683

Import: 171.275

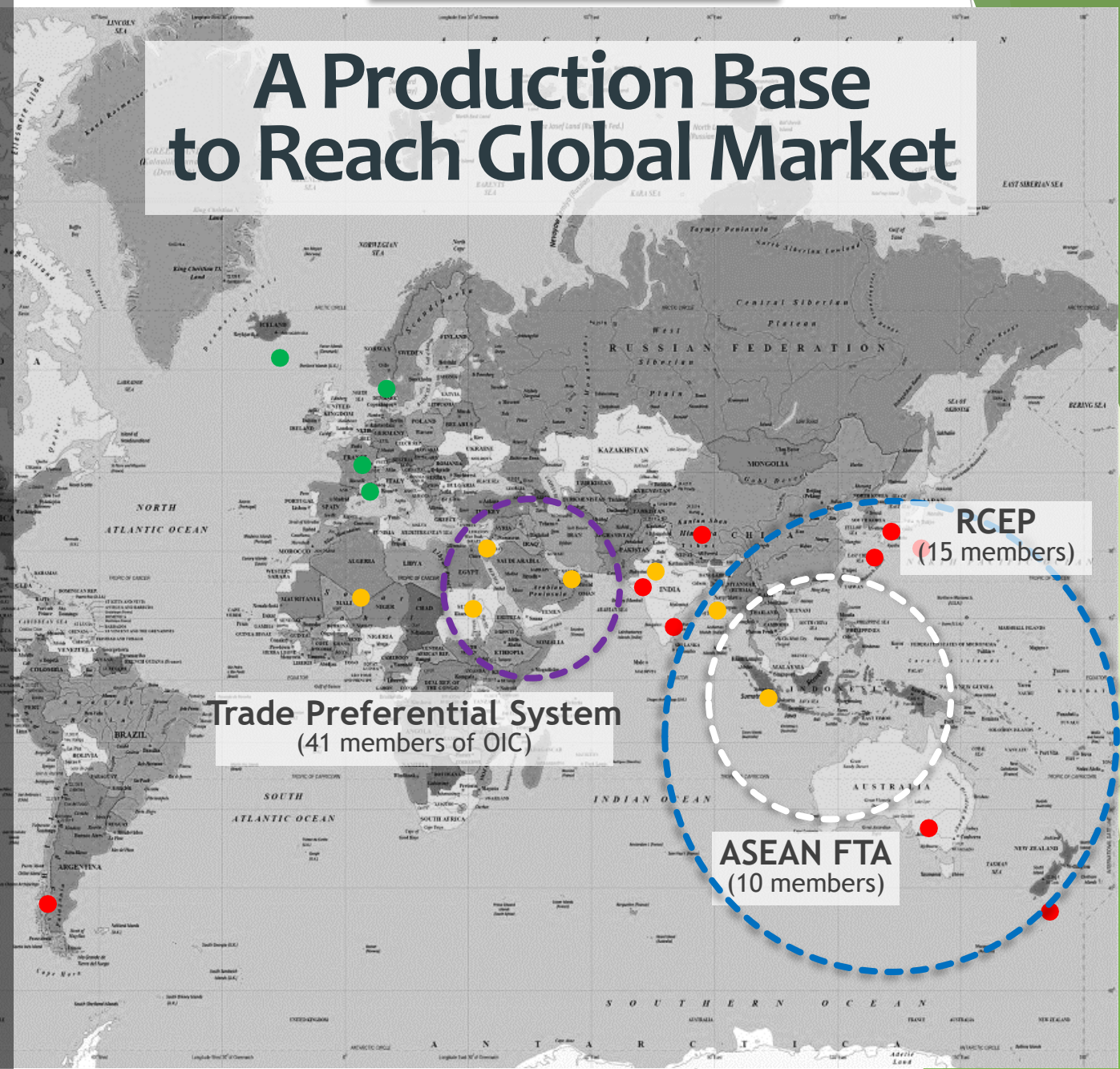
value in USD billion



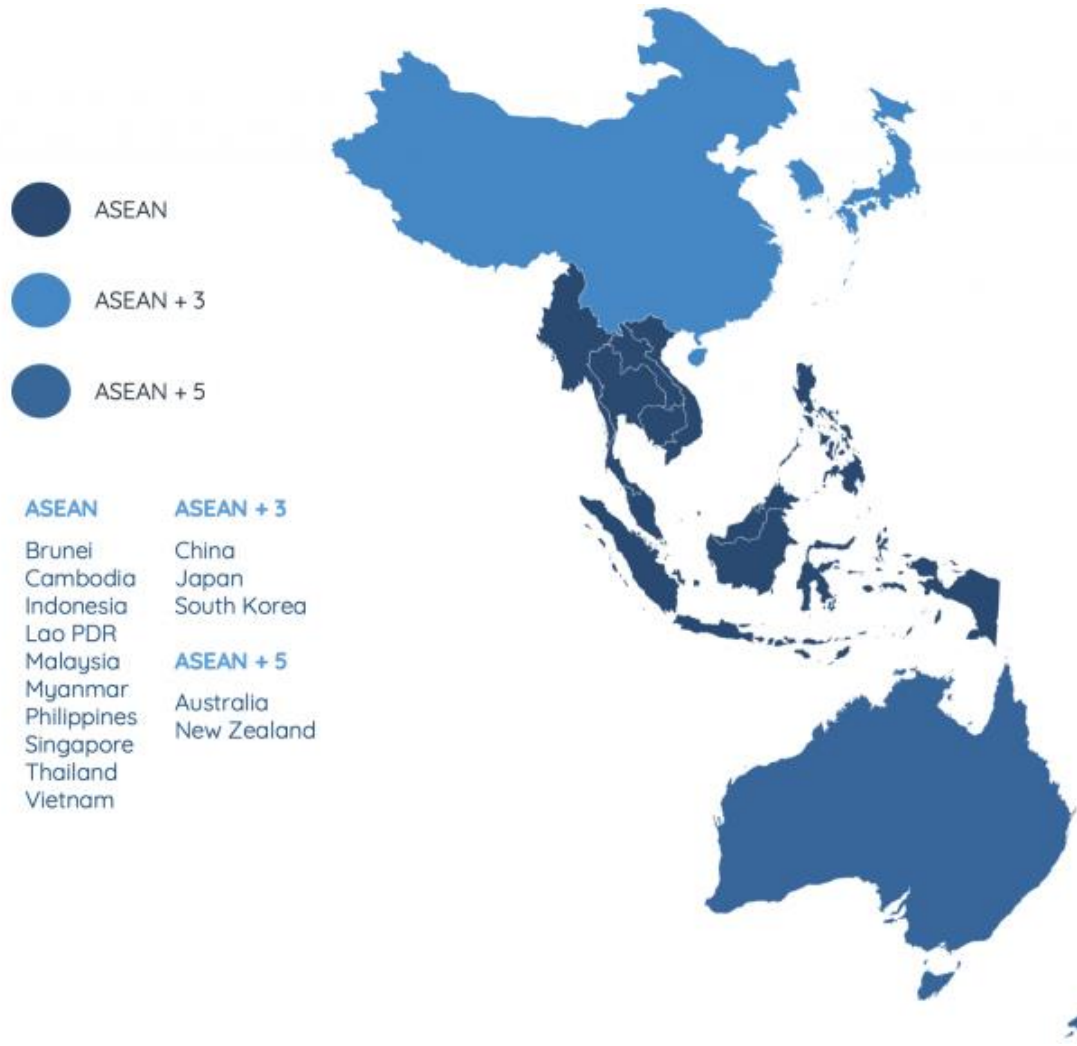


A Production Base to Reach Global Market

- **China**
 - ASEAN-China FTA
- **Japan**
 - Japan-Indonesia EPA
 - ASEAN-Japan CEPA
- **Korea**
 - Korea-Indonesia FTA
 - ASEAN-Korea CEPA
- **Pakistan**
 - Pakistan-Indonesia FTA
- **Hong Kong**
 - ASEAN-HK, China FTA
- **Australia**
 - Australia-Indonesia CEPA
 - ASEAN-Australia & NZ CEPA
- **New Zealand**
 - ASEAN-Australia & NZ CEPA
- **Chile**
 - Chile-Indonesia FTA
- **ASEAN FTA**
 - 10 members
- **Indonesia-EFTA**
 - Indonesia, Iceland, Norway, Lichtenstein, Switzerland
- **Regional CEPA (RCEP)**
 - ASEAN, Australia, China,
 - Japan, Korea, New Zealand
- **Trade Preferential System**
 - 41 OIC members
- **Preferential Tariff Agr.**
 - 8 developing countries



Regional Comprehensive Economic Partnership



RCEP Facts & Figures



Sustainability in Indonesia

For the Republic of Indonesia, implementing national development agenda is implementing SDGs.

- ✓ Inclusive and Consistent Economic Growth
- ✓ Achieving near universal education
- ✓ Sustaining Climate Action and Managing Disaster
- ✓ Innovative Development Financing

EFFORTS TO REDUCE DEFORESTATION IN INDONESIA AND DECREASE GLOBAL CLIMATE CHANGE

- ▶ **Moratorium palm oil expansion**
- ▶ **REDD+ (Reducing deforestation and forest degradation)**
- ▶ **Restoration (forests and peatland)**
- ▶ **Protecting High conservation value (HCV)**
- ▶ **Indonesia Sustainable Palm Oil (ISPO) – President Regulation (Perpres) No 44 /2020**
- ▶ **Oil palm intensification and replanting**

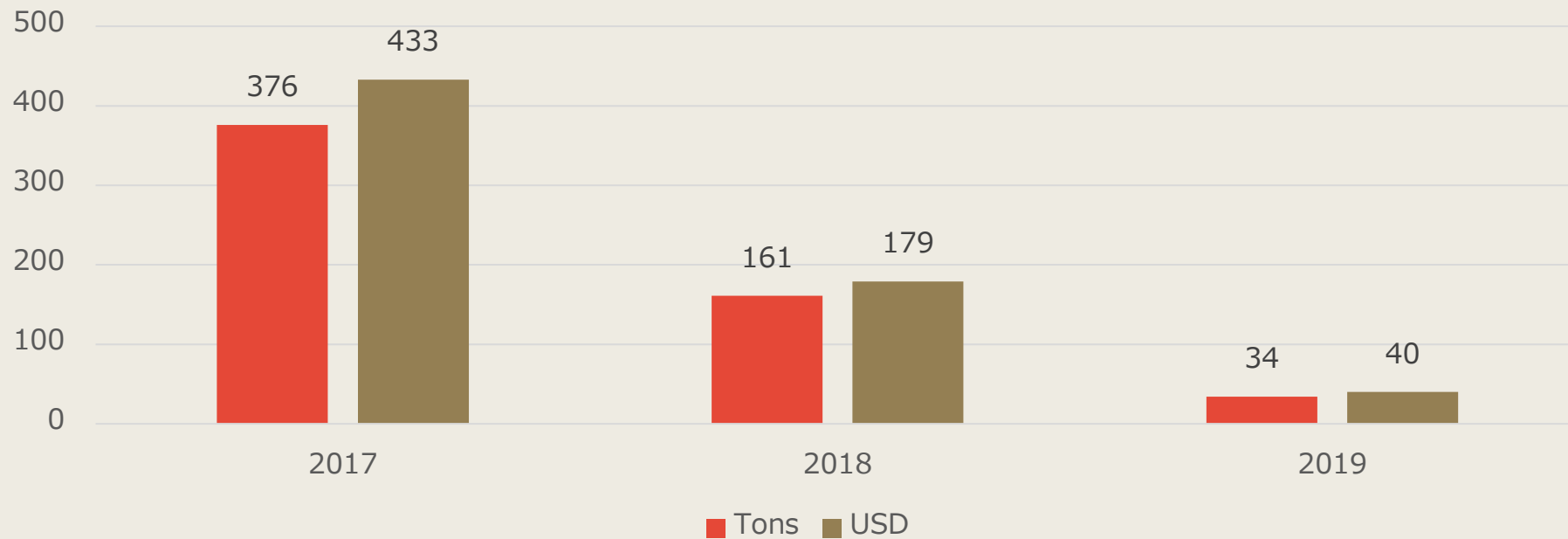
Sustainable Palm Oil

Sustainability requirements for palm oil

- The concern with respect to palm oil production conditions is addressed in Article 8.10 of the CEPA on sustainable management of the vegetable oil sector.
- In order to ensure environmentally, economically and socially sustainable production of vegetable oil, Indonesia is committed to effectively implement laws to protect primary forests, peatlands and related ecosystems

Indonesian Palm oil in Switzerland

Indonesian palm oil export to Switzerland, in tons & thousand USD



Bilateral trade Indonesia - Switzerland



Source: Swiss Federal Customs Administration

Bilateral trade Indonesia – Switzerland 2019-2020

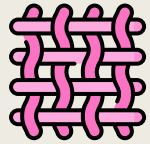
Export of Indonesia



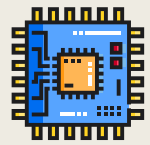
Gold HS 71
USD 613 million (USD 2,1 Billion in September 2020)



Footwear HS 64
USD 91 million (USD 76 million in September 2020)



Textile HS 62 & 61
USD 77 million (USD 67 million in September 2020)



Electronics HS 85
USD 30 million (USD 21 million in September 2020)



Essential oils HS 33
USD 13 million (USD 11 million in September 2020)



Coffee HS 09
USD 24 million (USD 19 million in September 2020)

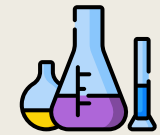
Import of Indonesia



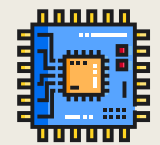
Turbine HS 84
USD 126 million (USD 51 million in September 2020)



Pharmacy HS 30
USD 71 million (USD 13 million in September 2020)



Chemical HS 29
USD 53 million (USD 55 million in September 2020)



Electronics HS 85
USD 55 million (USD 92 million in September 2020)



Watches S 91
USD 8 million (USD 3,4 million in September 2020)

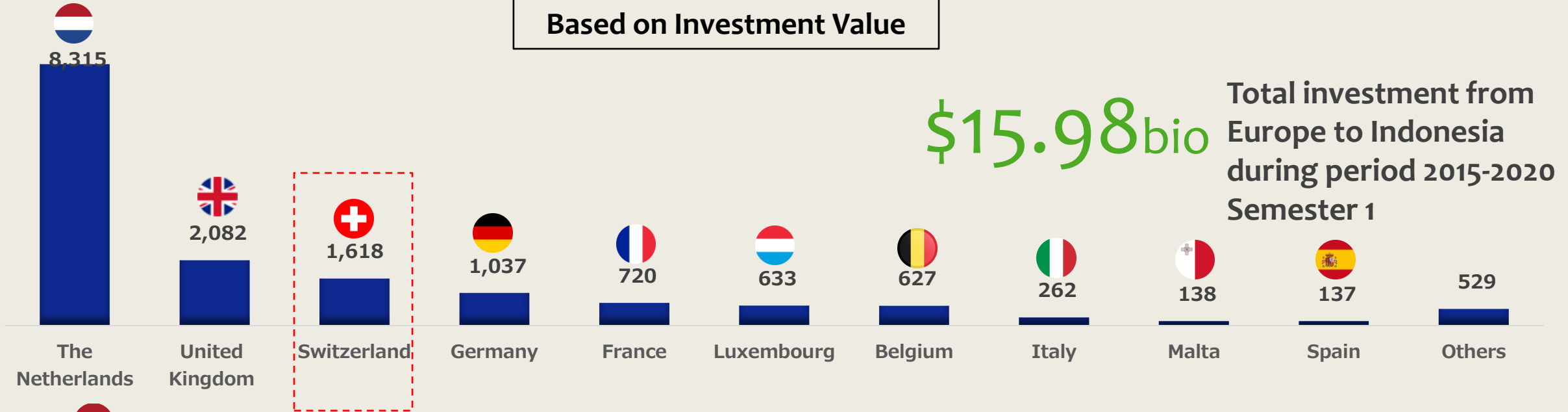


Chocolate S 18
USD 4 million (USD 2,3 million in September 2020)

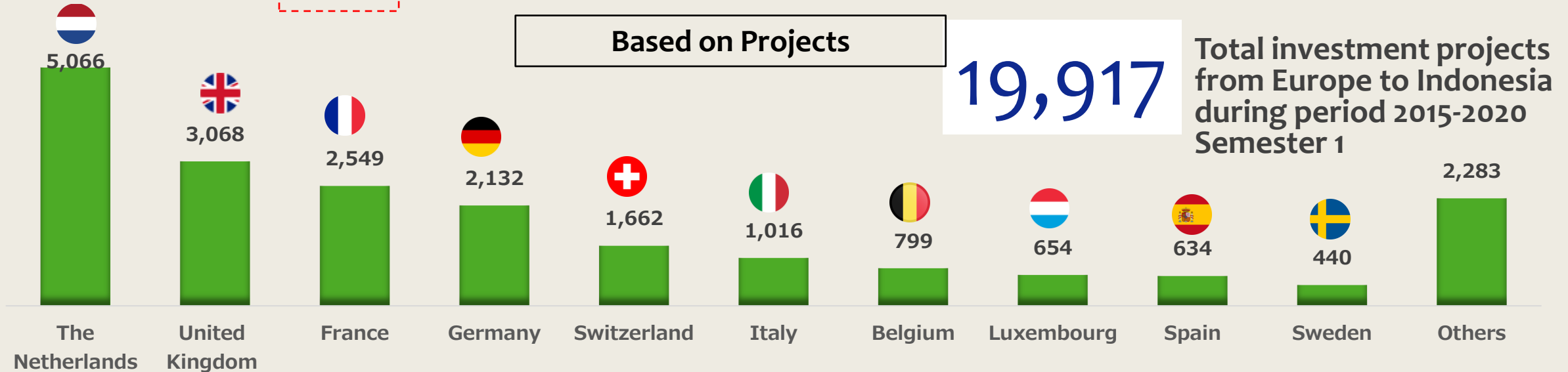
EUROPEAN FDI TO INDONESIA 2015 – 2020 Semester 1



Based on Investment Value



Based on Projects



Business sectors open to Foreign Investment



PRESIDENTIAL REGULATION OF THE REPUBLIC OF INDONESIA NUMBER 44 YEAR 2016

Agricultural sector	Trade Sector
Forestry sector	Tourism and Creative Economy sector
Marine Affairs and Fisheries sector	Transportation Sector
Energy and Mineral Resources Energy sector	Communication and Informatic Sector
Industrial Sector	Financial Sector
Defence and Security Sector	Banking Sector
Public Works Sector	Manpower Sector
Health Sector	Education Sector



ZURICH[®]
Nestlé
ABB

Schindler

Abbott

TISSOT

swatch+

Roche
Holcim

logitech
CREDIT SUISSE

ROLEX

...and some more...

Inaugural Meeting of the Swiss-Indonesian Chamber of Commerce (SwissCham Indonesia)
 Jakarta, 1 August 2018



More than 150 companies
Creating more than 20,000 jobs
Eager to enhance trade and investment



Thank You