



**Business  
in Cockburn**  
CONNECT INVEST TRADE

Cockburn

# Global



## Green & Sustainable Indonesia



Chamber of Commerce  
and Industry WA



CONSULATE GENERAL OF VIETNAM  
IN PERTH – AUSTRALIA



Connect | Collaborate | Create



# Session 1:

Indonesia	
9.20am - 9.35 am	Trading with Indonesia Michael Carter
9.35am - 9.50am	Green and Sustainable Haryo Yudho Sedweo
9.50am - 10am	Question and Answer



## Michael Carter

### Head of International Trade and Investment Centre

### Chamber of Commerce and Industry WA

Navigating bi-lateral trade with Indonesia

# Cockburn Global 2023

INDONESIA





GOING  
GLOBAL



INDONESIA  
ECONOMIC  
SNAPSHOT



BUSINESS IN  
INDONESIA



TRADE  
WA-INDONESIA



FREE TRADE  
AGREEMENTS



CONSUMER  
TRENDS



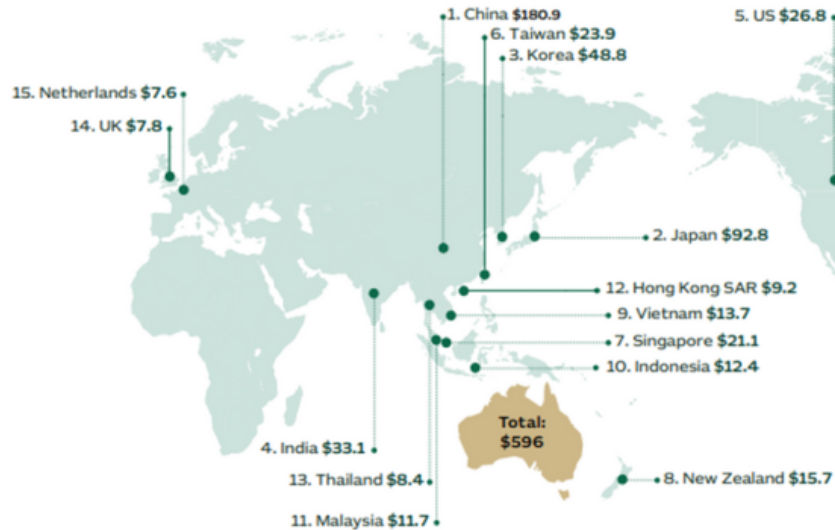
Content



# Australia's top export markets

Australia's top 15 export markets, 2021–22

A\$ billion



# Indonesia economic snapshot

US\$ 1.1

Largest economy in Southeast Asia



16th

Economy in the world

largest



268

4th most populous country in the world

million



# Indonesia economic snapshot

## 1 Services



## 2 Industry and construction



## 3 Agriculture



1

Services sector - biggest contributor to GDP. Including wholesale and retail; finance and banking.

2

Industry and construction sector - second biggest sector in Indonesia, which includes manufacturing.

3

Agriculture is the third largest contributor to the GDP.





# Doing business in Indonesia

- Understand the local culture and build relationships.
- Legal and regulatory requirements.
- Consider partnerships with local businesses.
- Conduct thorough market research and adapt to local preferences.
- Network actively to expand your connections.
- Be patient and flexible due to potential delays and bureaucracy.
- Maintain ethical business practices and transparency.
- Plan for logistical challenges in a country of islands.
- Manage risk through insurance and contingency planning.
- Understand local payment methods and currency.
- Explore government incentives for foreign investment.
- Invest in training and developing local talent.



# Why do business with Indonesia?

1

Rapidly growing middle class and the domestic consumption is strong.

2

The WA-East Java sister-state relationship boosts WA businesses in East Java with 40 million people.

3

99% of Australian exports enter duty free.

4

Labor-intensive manufacturing hub.

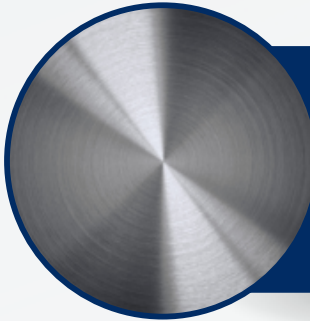




Key opportunities for  
WA



# WA top exports to Indonesia - AUD \$3.8 billion



## Iron ore

In 2021, Western Australia's exports to Indonesia of iron ore rose 57% to \$918 million.



## Petroleum

Indonesia is Western Australia's 6th largest export market for petroleum, and petroleum is the biggest export category from WA to Indonesia by value.



## Wheat

In 2021, wheat exports jumped from \$206 million to \$646 million which makes Indonesia Western Australia's largest export market for wheat.



## Live cattle

Indonesia was Western Australia's largest export market for live cattle in 2021. Beef is an important food in Indonesian culture and traditional cuisine.





# Free Trade Agreements

- The Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA).
- Almost all Australian goods (by value) enter Indonesia duty-free.
- Australia and Indonesia are also members of the ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA).
- Regional Comprehensive Economic Partnership Agreement (RCEP).



# WA top imports from Indonesia - AUD \$0.7 billion



## Manufactured goods

Manufactured goods is the largest category of imports to WA from Indonesia.



## Non-monetary gold

This category account for 9 % of total imports from Indonesia.



## Machinery and transport equipment

Machinery and transport equipment account for 17% of Western Australia's import from Indonesia.



# Consumer trends

1

Modern trade channels are the consumer preference.

2

E-commerce continue to increase,

3

Shift towards greater health-consciousness.

4

Recycled, sustainable or eco-friendly materials.

Issues causing greatest impact on shopping experience



Long delivery times.

52%

Large queues in-store.

48%





# How CCIWA help you



## Trade and Investment Consulting

**Utilise our suite of trade consulting services:**

- Market selection and channel entry strategies
- Business matching
- Export and import planning
- eCommerce support
- Understanding free trade agreements
- Seeking investment to grow your business on [wainvestments.com.au](http://wainvestments.com.au)



## Trade Documentation Services

**Rely on CCIWA to be your major authorised issuing body for export documents:**

- ATA Carnets
- Certificates of Origin
- Certification of products to carry the Australian Made, Australian Grown logo trademark
- Certificates of Origin CoO and including stamping for CoO's to 22 Arab countries.
- Corporate Declaration Stamping (Non- certificate of Origin)



## Registered TradeStart Partner

**Tap into Austrade's worldwide resources through TradeStart:**

- Support through Austrade's international network in 47 countries.
- Facilitation of business connections
- Export Grants
- Serving all industries in Western Australia





## Investors

Discover Western Australian projects  
currently seeking investment.



## Seeking investments

Promote your investment-ready project  
to national and global investors.



## Why invest in WA

Western Australia - your natural choice  
for investment and growth.





# Thank you



Mike Carter  
Head of International Trade and Investment



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## Haryo Yudho Sedweo

**Director of the Indonesian and Facilitating investments in Indonesia**

Discussing green and sustainable investment in Indonesia





# Indonesia's Investment Update

Green and Sustainable Investment in  
Indonesia

Perth, 11th October 2023

Indonesia Investment Promotion Centre  
(IIPC) Sydney





# Energy Transition for Sustainable Investment

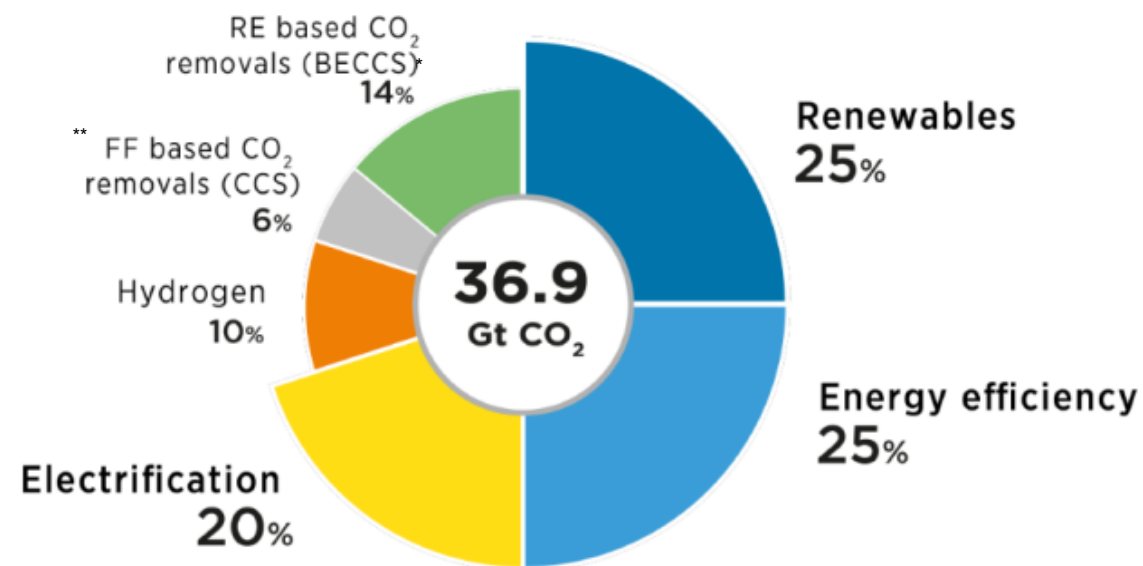
# Global Commitment : Net Zero Emission by 2050

## Renewable Energy is one of the Solution to Reducing Emission



196 countries in the world have signed the Paris Agreement  
Commitment to keep global temperature rise not exceeding 2°C

### Energy Composition in 2050

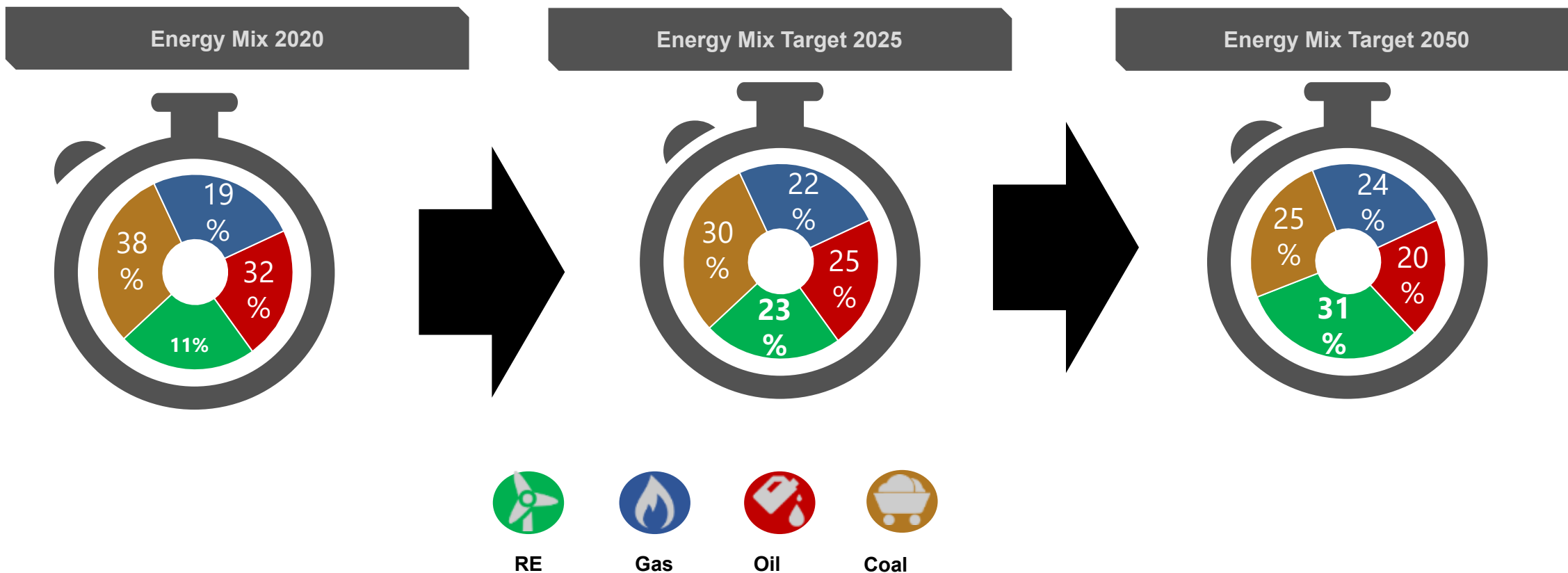


Source: IRENA, 2021.

90% of all decarbonization in 2050 will involve renewable energy through direct supply of low-cost power, efficiency, electrification, bioenergy with CCS and green hydrogen.

# The Urgency of the Energy Transition: Reliance on Limited Fossil Energy

## Energy Mix Target based on National Energy Plan (RUEN)



### Energy Mix Target:

RE targeted to reach 23% of the national energy mix by 2025, and 31% by 2050 (Government Regulation No. 79/2014 Concerning the National Energy Policy).



# ENERGY TRANSITION ROADMAP TO CARBON NEUTRAL

## 100% RE by 2060

**2021: Presidential Regulation for RE,  
Presidential Regulation for Retirement  
Coal, co-firing power plant, CCT,  
Conversion of diesel to Gas & RE**

**2022: RE Law, Electric stove 2 million RT/y**

**2024: Interconnection, smart grid & smart  
meter**

**2025: RE 23% dominated by photovoltaic**

- Electrification Ratio 100%,
- Electricity 1,217 kWh / capita,
- Pumped storage starts COD
- Emission reduction of 198 million tons of CO<sub>2</sub>.

**2031: Retirement coal power plant first  
stage sub-critical, interconnection  
between islands starts COD**

- No more diesel power plant
- Starts the utilization of Hydrogen for electricity
- Battery Use is getting bigger

**2035: RE 57% dominance of  
photovoltaic, Hydro, Geothermal**

- Electricity 2,085 kWh/capita,
- Reduced emissions of 475 million tons of CO<sub>2</sub>.

**2048: large-scale wave power plant  
from COD**

**2049: first nuclear power plant from  
COD**

**2050: RE 93% dominated by  
Photovoltaic, Hydro and Bioenergy**

- Decrease in sales of conventional cars,
- Electricity 4,299 kWh / capita,
- Decrease in emissions of 956 million tons of CO<sub>2</sub>.

The energy transition is carried out by applying the principles of green economy and sustainability, focusing among others on the development and utilization of the renewable energy sector and the development of the electric car ecosystem from upstream to downstream.

**2021-  
2025**

**2026-  
2030**

**2027: Gradual decline in LPG  
imports**  
**2030: RE 26.5% dominated by  
Hydro, Geothermal and  
Photovoltaic**

- No addition of fossil power plants after 2030
- EV 2 million cars and 13 million BBG 300 rb
- Jargas motors for 10 million homes,
- Utilization of Electricity DME 1,548 kWh / capita,
- Decrease in emissions of 314 million tons of CO<sub>2</sub>.

**2031-  
2035**

**2036-  
2040**

**2036: Retirement coal power plant  
second stage sub-critical,  
critical, & partial super critical**  
**2040: RE 66% dominance of  
Photovoltaic, Hydro &  
Bioenergy**

- Decrease in sales of conventional motors
- LED Lights 70%
- Electricity 2,847 kWh / capita,
- Decrease in emissions of 796 million tons of CO<sub>2</sub>.

**2041-  
2050**

**2051-  
2060**

**2051: Hydrogen Utilization  
gets more massive**

**2054: Remaining Combine  
Cycle Power Plant < 1 GW**

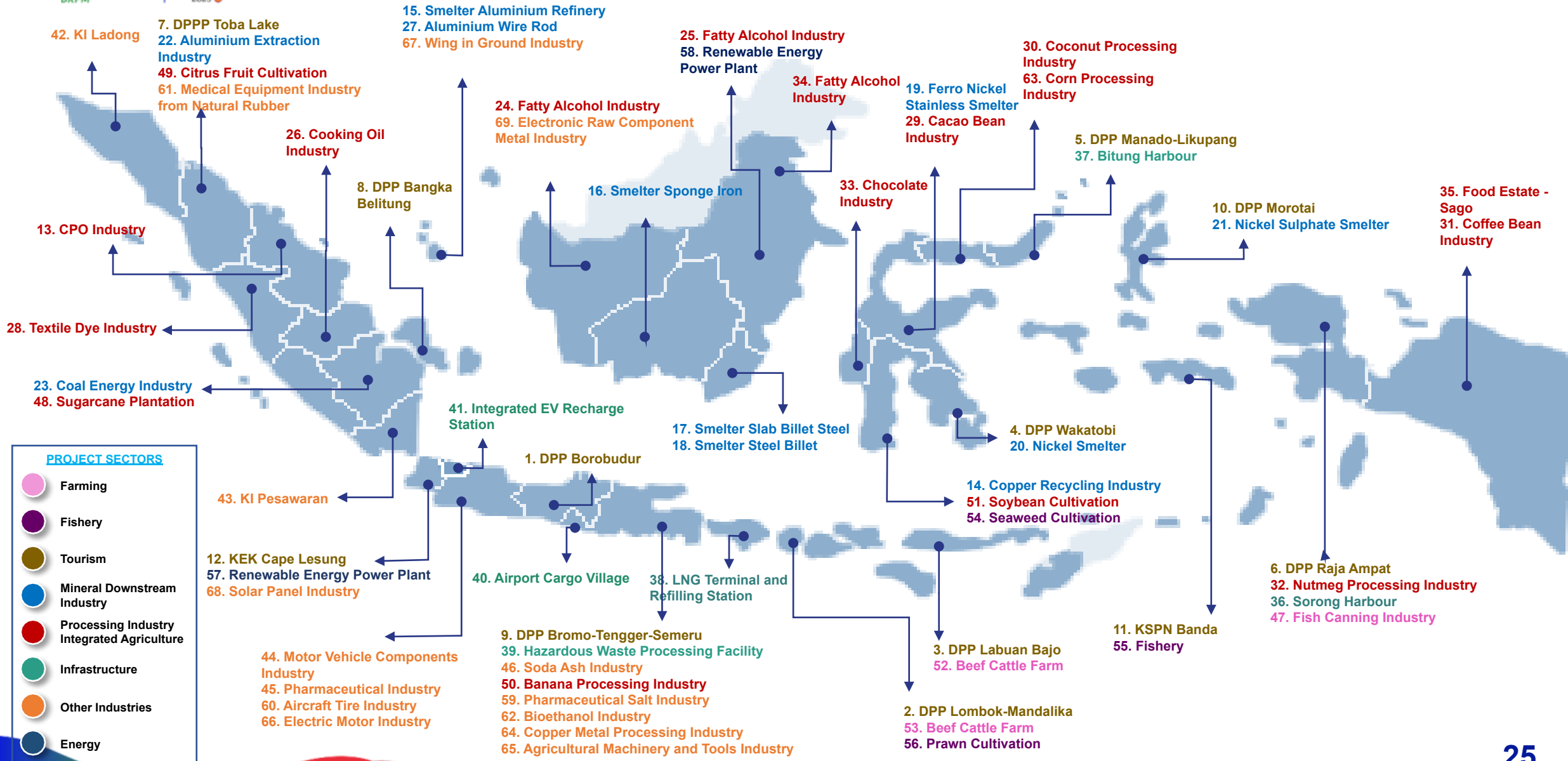
**2057: Remaining power plant < 1  
GW**

**2060: RE 100%, dominance of  
photovoltaic, Hydro and Wind**

- All electric-based motors,
- 52 million RT electric stove,
- Jargas 23 million SR,
- Electricity 5,308 kWh/ capita,
- Emission reduction of 1.526 million tons of CO<sub>2</sub>.

NZE

# Highlight Sector: 69 Projects Opportunity Map 2020-2022





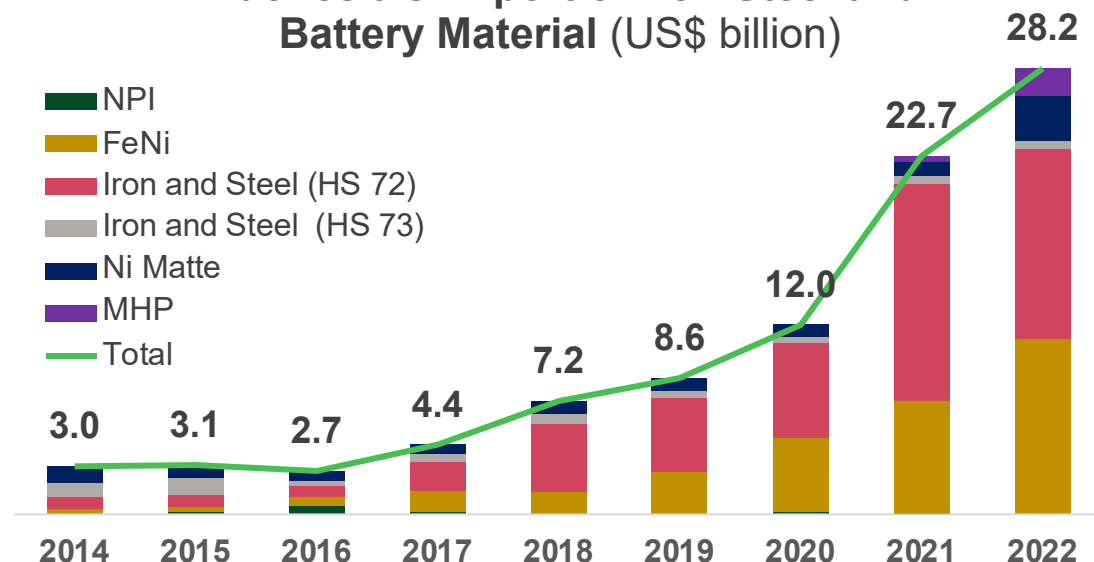
# The Development of the Electric Vehicle Ecosystem

# Indonesia's Huge Market Potential, Mineral Resources, and NRE Potential are Keys to Reach Indonesia's Vision to Become a Great Power Economy to Develop Form a High Value-Added Industrial Ecosystem

Mineral	Global Reserve		Global Production	
Indonesia	Rank	Share*	Rank	Share*
Nickel 	1	22%	1	36%
Bauxite 	6	4%	6	4%
Copper 	10	3%	9	4%
Gold 	6	4%	10	3%
Tin 	2	17%	2	23%

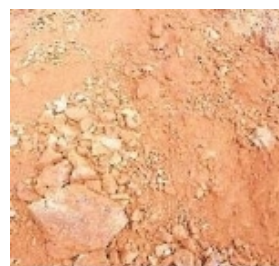
Source: United States Geological Survey, Trademap, CEIC, 2022. \*) Share to global

## Indonesia's Export of Iron Steel and Battery Material (US\$ billion)



### Downstreaming of Nickel

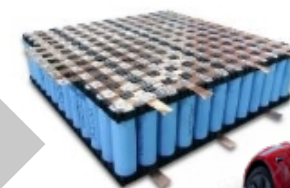
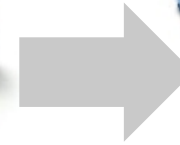
Ban on export of ores in 2023: **Bauxite, Copper, Tin**



**Previously:**  
Nickel ore export



**Currently:**  
Iron & steel export



**Next:**  
Battery & EV export<sub>1</sub>

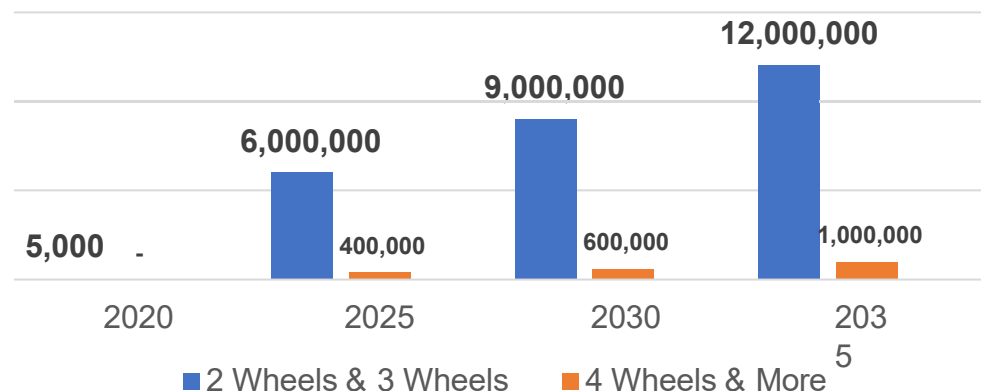


# Indonesia Sets Target of 1mn Electric Cars and 12mn Electric Motorcycles by 2035

## Some Policies Have Been Issued to Encourage Transformation to EV

### Target for Local Production of Electric Vehicle in Indonesia (2020 – 2035)

Source: Ministry of Industry Regulation No 6 Year 2022



Note:

- Total 4W-EV sold in Indonesia in 2021 was 685 unit
- Total 2W-EV sold in Indonesian in 2021 was around 12,000 unit (estimated)

By the end of 2021, there around **267 Unit of 4-Wheels Charging Stations in 224 locations** and **266 Unit of 2-Wheels Charging Station in 266 locations** have been installed.



Gas Station



Office



Hotel



Shopping  
Retails

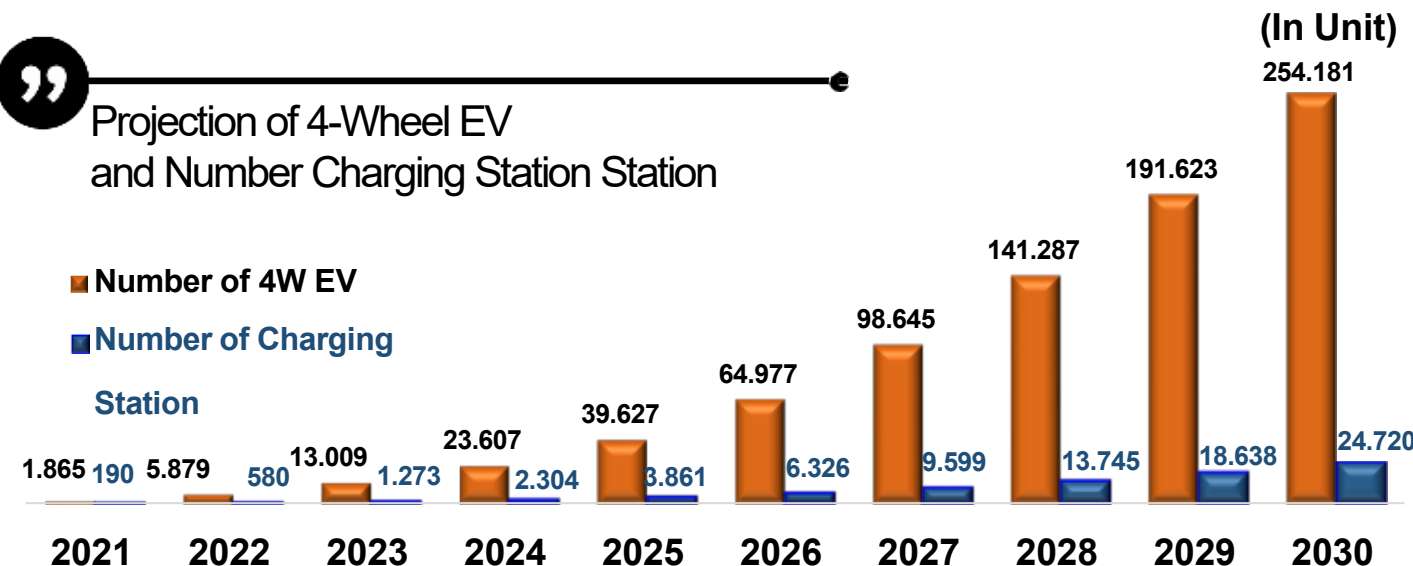


Parking  
Area

### Projection of Charging Station by Indonesia Electricity Company (PLN)

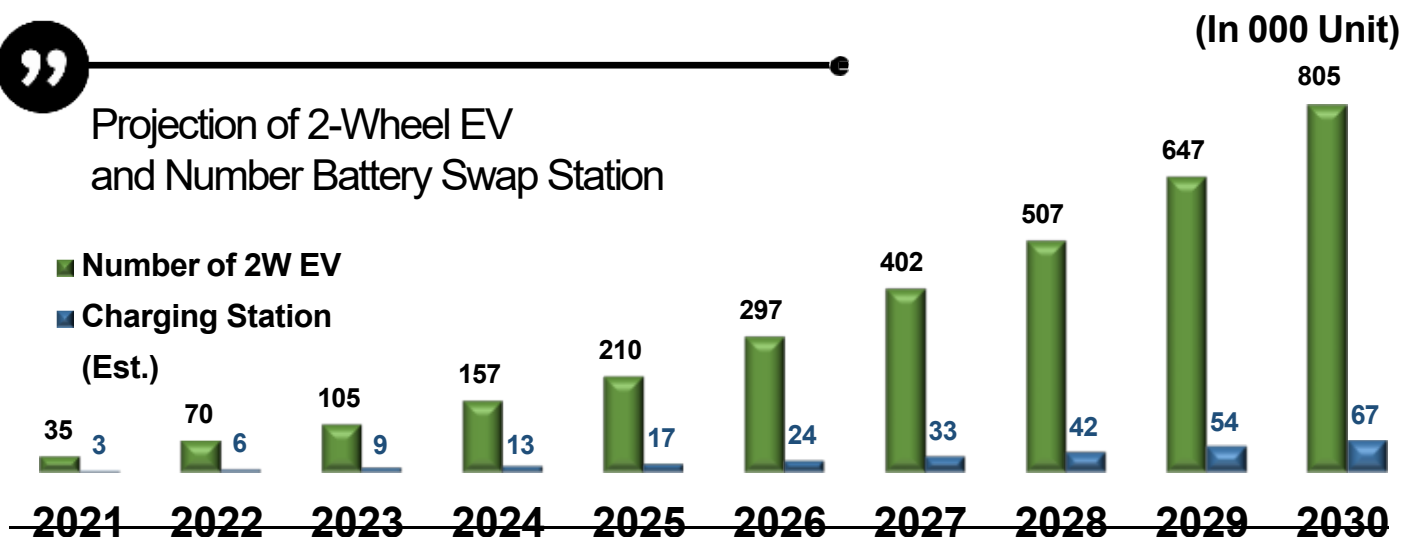
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Projection of 4-Wheel EV and Number Charging Station



”

Projection of 2-Wheel EV and Number Battery Swap Station



# Indonesia's New Capital City “Nusantara”



# Nusantara as Sustainable Forest City



65%

Tropical forest created  
through “reforestation”

- **Green frameworks:** Carbon-neutral city roadmap (launched at COP27), smart-city framework, and sustainable energy management framework, etc.
- **Green infrastructure:** Plant nurseries, immersive tunnel, animals’ corridors and bridges, etc.
- **Collaboration** with communities and civil society on forest protection by combining local wisdom (“cultural forest”) and international best practices.



25%

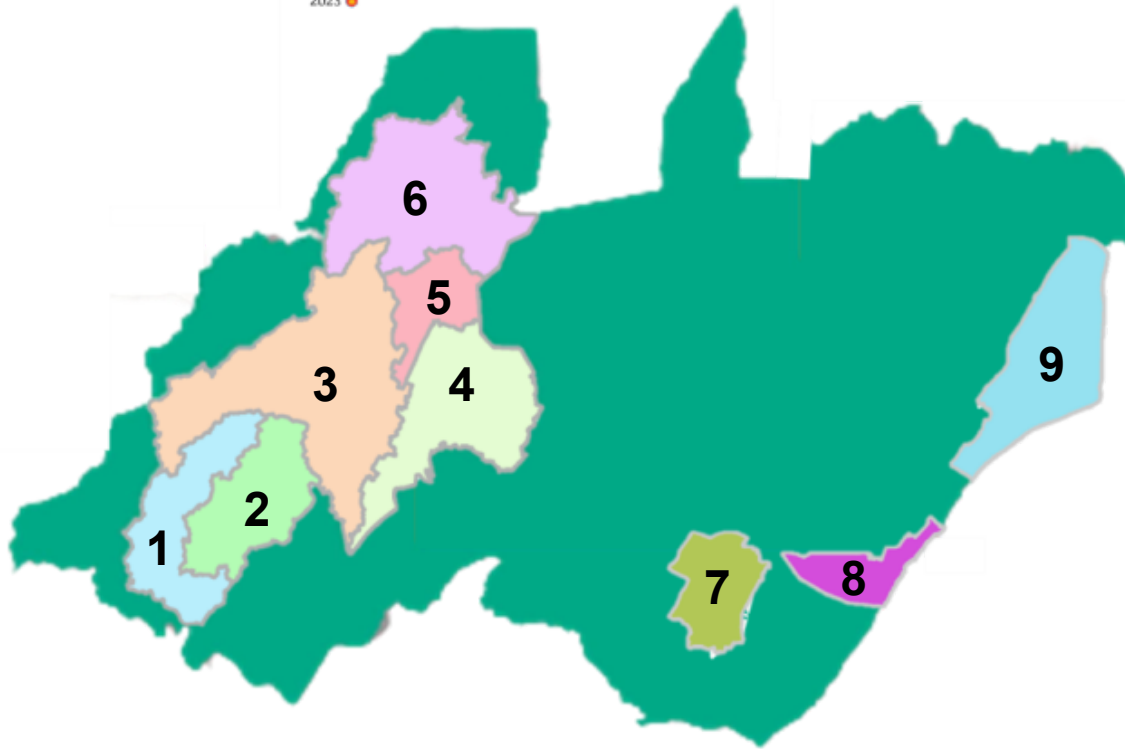
Highly-controlled urban  
area to minimize carbon  
footprint and emission

- **Design:** “10-minute city”; “sponge city”; city ecosystem that supports pedestrians, cyclists, and public transport users; etc.
- **Smart city instruments:** IoT-enabled infrastructure, smart meters, smart water and waste management, advanced mobility, healthy building, etc.
- **Policies:** 100% renewable energy mix by 2045, green certification for buildings, electric vehicles, carbon trading, open data, etc.



**Carbon-neutral, sustainable forest city by 2045**

# Nusantara Development Zones Plan



**1. South Nusantara**  
(6.753 Ha)  
Renewable Energy  
Rural Residential

**2. Government Administrative (KIPP)**  
(6.671 Ha)  
Government Administrative Center, Residential

**3. West Nusantara**  
(17.206 Ha)  
Economic Activities Center, Tourism, Regional Health Facility, and Higher Education Facility

**4. East Nusantara 1**  
(9.761 Ha)  
Higher Education Facility, R&D Center, Trade and Services, Offices, Health Facilities

**5. East Nusantara 2**  
(3.720 Ha)  
Amusement Parks and International Sport Center, Tourism, Trade and Services, Higher Education Facility

**6. North Nusantara**  
(12.067 Ha)  
R&D Center, Higher Education Facility, Offices and Tourism

**7. Simpang Samboja**  
Distribution Centers and Regional Commodities Trade, Residential

**8. Kuala Samboja**  
Agro and Food Industry Center, Residential

**9. Muara Jawa**  
General Facility Center, Agriculture and Fisheries Center, Residential

**Total Area** **256.172 Ha**

Nusantara Capital City  
Zone 1 to Zone 6 56.180 Ha

Nusantara Development Zone  
Including environmental and food security supporting zones 199.992 Ha





# Thank You

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# What's next?

**10.00-10.25am - Morning tea**