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"THE 29th TRADE EXPO INDONESIA"
8-12 OCTOBER 2014
at Jakarta International Expo (JIExpo), Kemayoran - Jakarta, Indonesia
Organized by: Ministry of Trade, The Republic of Indonesia
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The 29th Trade Expo Indonesia 2014 is set to open on 8 - 12 October 2014. Following its previous shows, Trade Expo Indonesia 2014 will showcase best Indonesian export products ranging from industrial, mining, agricultural to Craft sectors.

Last year, Tradexpo Indonesia successfully attracted more than 9,000 buyers from over 100 countries, and generated in total trade transactions valued at over US$ 1.5 billion. The fact that thousands of buyers from many countries come to visit Resources (Tradexpo) Indonesia every years demonstrates a high commitment of our trading partners around the world; and also a solid prove that Indonesia is one of the potential and reliable suppliers of qualified and competitive consumer products. Therefore, you and your associates are cordially invited to pay a visit to The 29th Trade Expo Indonesia 2014, from 8 - 12 October 2014 at Jakarta Fairground, Kemayoran, Indonesia.

Main Products: Automotive Components, Cocoa, Coffee, CPO, Electricity & Electronics, Footwear, Furniture, Rubber & Rubber Products, Textile and Textile Products,
Potential Products: Essential Oil, Processed Foods, Handicrafts, Medical Herbs, Jewelry & Accessories, Leather & Leather Products, Medical Instruments & Appliances, Medical Herbs, Spices.

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RI GOVT EXPANDS MANDATORY SNI TO 66 MORE PRODUCTS: The government will expand the mandatory use of the Indonesian National Standard (SNI) industrial benchmark to 66 more products this year as part of its efforts to improve the quality of local products ahead of the launch of the ASEAN Economic Community (AEC) in 2015. The mandatory SNI will cover 66 more products this year. They will include food and beverages, electronics, textiles and textile products, the Industry Ministry’s director general for industrial policy, Arryanto Sagala stated recently. Arryanto said that besides to provide consumers with more protection from harmful products, the increase in SNI coverage would also be needed to curb the influx of foreign goods, especially after the ASEAN single market was implemented at the end of 2015. National standardization would become more urgent because with the implementation of the AEC, goods from other ASEAN countries would be able to enter Indonesia without any tariff barriers, he said. But, foreign goods should also comply with the SNI standard if they enter the Indonesian market. As of March 2014, the Industry Ministry has imposed the mandatory SNI on 94 products, which comprise six agro-based products; 12 food and beverages; 25 basic metals, iron and steel; 12 fertilizers and petrochemicals; three athletic shoes and leather goods; and one for textiles and textile products. Industry Minister MS Hidayat said that the establishment of the ASEAN single market would create a bigger market for Indonesian companies. With the SNI, local manufacturers will be able to improve the quality of their goods and services, he added. (Source: Thejakartapost March 21, 2014)

RI TO SPEED UP RAILWAY CONSTRUCTION IN SOUTH SUMATRA: The Indonesian central government wants to speed up implementation of a project to build a double-rail track in southern Sumatra. The railway project mainly for the transport of coal from Tanjung Enim to the seaport of Tanjung Api-api in South Sumatra has long been delayed. Implementation of the project would be facilitated by simplifying the licensing procedure, head of investment division of the railway directorate general Prasetyo B stated reporters before a meeting with South Sumatra Governor Alex Noerdin. Prasetyo said the government encourages immediate implementation of the project to facilitate coal transport. State-owned coal producer Bukit Asam has a large coal mine in Tanjung Enim, but transport problem has been a big hurdle in its plan to increase production. Prasetyo said there have been a number of investors interested in carrying out the project but agreement have yet to be reached. He said investors are required to cooperate with the provincial administration or a state company. He said there is no regulatory restriction , adding the government is ready to help remove any hurdles. (Source: Antaranews March 25, 2014)

BIOGAS POWER PLANTS FOR RURAL AREAS: The government will increase the capacity of the country’s biogas power plants, especially in rural areas, in a bid to provide electricity for villagers. Energy and Mineral Resources Ministry (ESDM) deputy director for bioenergy Edi Wibowo said in a seminar on biogas energy in Jakarta recently that the capacity of a biogas power plant in Kalimantan would be increased to 2 megawatts (MW) from less than 1 at present. East Kalimantan is an area where many of its citizens do not have electricity, said Edi. The government has built two biogas power plants in Belitung and Riau, with a capacity of 1.2 MW and 1 MW, respectively. Biogas power plants have become a priority for the government to help increase the electricity supply for rural areas, including in East Kalimantan, Edi said. Indonesia’s energy consumption is still heavily dominated by fossil fuels, in which oil contributes 50 percent of the total energy consumption, said Indonesia Chamber of Commerce and Industry’s (Kadin) head of technology Andhika Prastawa. Meanwhile, the use of renewable energy is still less than 5 percent of total energy consumption, while bioenergy is less than 1 percent, Andhika continued. “As an agricultural-based country, Indonesia has abundant renewable energy sources, especially bioenergy, stated Andhika. (Source: Jakartapost March 3, 2014)

NUTMEG SUPPLIES FROM NORTH SULAWESI PROVINCE: : North Sulawesi Province supplies about 70% of the world demand for nutmeg, a local plantation official stated. North Sulawesi should maintain its position as the worlds largest nutmeg supplier,” Refly Ngantung, the secretary of North Sulawesi Plantation Services, stated. He elaborated that the Worlds annual need for nutmeg accounted for about 20 thousand tons. The major nutmeg producer districts in North Sulawesi are Sitaro Islands, Sngihe and Talauld.

RI’S EXPORTS OF CBU CARS PROJECTED TO INCREASE: Indonesian export of completely built up (CBU) cars is projected to increase to 200 thousand this year from 170 thousand last year, according to Industry Minister MS Hidayat. The competitiveness of Indonesian automotive products continued to increase, he added when launching the maiden export of Toyota Vios cars to the Middle East recently. The improving competitiveness can be gauged from the increase in the exports of both CBU and completely knocked down (CKD) cars in the past few years. He added that Indonesia exported 125 thousand CBU cars in 2012 and 170 thousand CBU cars in 2013. The export of CBU cars is expected to increase to 200 thousand in 2014. The export of CKD cars rose to 105 thousand in 2013 from 100 thousand in 2012. The Industry Ministry predicted the export of CKD cars will reach a record high of 110 thousand this year. To achieve the target, the government will continue to improve a number of policies, which may encourage foreign auto producers to develop the industry in Indonesia. The minister further praised the Toyota auto company for turning Indonesia into a hub for its automobile production to meet the demand from export markets. For the first time, TMMIN exported 1,000 Vios sedans to nine Middle Eastern countries, including Saudi Arabia, United Arab Emirates and Kuwait. TMMINs President Director Masahiro Nonami said the export of Vios sedans is part of the companies plan to increase CBU car exports by 30 percent in 2015. In 2013, TMMIN exported 118 thousand cars, accounting for nearly 70 percent of the countrys overall car exports. (Source: Antaranews March 26, 2014)
Their production, among others, is exported to countries in Asia, Europe and Africa. The exportation of nutmeg is the most stable among those of other North Sulawesi's commodities. The province routinely realizes the exportation of this commodity with a relatively stable volume. In the meantime, North Sulawesi Province exported seven commodities to the United States in 2013, stated Head of local Trade and Industry Affairs Office Olvie Atteng.

The seven commodities are palm cooking oil, coconut cooking oil, canned fish, copra, coconut powder, fresh fish and palm fat acid, elaborated Olvie Atteng. Olvie added that 54,228 tons or US$44,882 million worth palm-cooking oil were exported to the U.S. Meanwhile, coconut cooking oil exports reached 51,369 tons worth US$77,723 million. Copra exported in 2013 reached 222 tons or US$2,395 million and the coconut powder exports reached 20.6 tons worth US$23,373. In addition to the plantation products, other commodities that have high demand in the U.S. are fisheries products such as canned fish and fresh fish, Olvie pointed out. Canned fish exports to U.S. were 1,052 tons or US$11,231 million, while fresh fish exports reached 59.1 tons worth US$629,209. Olvie hoped that the commodities from North Sulawesi will find new markets to earn as much foreign exchange as possible. The Trade and Industry Affairs Office will facilitate the exporter to realize that hope. (Source: Antara news March 17, 2014)

S U M A R O R O N G AIRPORT IN WEST S U L A W E S I INAUGURATED: Deputy Transportation Minister Bambang Susantono inaugurated the operation of Sumarorong Airport at Mamasa district in West Sulawesi province recently. This airport aims to strengthen economic connectivity as part of fair distribution of development, Bambang stated after inaugurating Sumarorong Airport. He noted that with the ease of flow of goods and passengers to Mamasa by using air transportation, the economic development in the region could be strengthened. He pointed out that the Sumarorong Airport was expected to ease the access to Mamasa district, which is situated in a mountainous area, and could be reached within 8 hours by overland transport from Makassar city in South Sulawesi. But with air transportation, following the operation of Sumarorong Airport, it will take only one hour from the same city, he elaborated. According to Bambang, the airport was built at a cost of Rp107 billion from the state budget, but its runway will be extended. They are going to extend the Sumarorong Airports runway from 900 meters to 1.2 thousand meters in 2014 to increase the number of flights because the number of passengers is expected to increase, the deputy transportation minister noted. (Antara News, March 12, 2014)

B A L I ' S C E R A M I C P R O D U C T S E X P O R T E D TO S I N G A P O R E : The Indonesian tourist resort province of Bali exported about 61.92 percent of its ceramic products worth US$1.47 million to Singapore in 2013, a regional government spokesman stated. Bali's ceramic products in various designs and produced by skilled local handicraft-men are able to win overseas markets. This boosted Bali's foreign exchange income, the Bali Regional Governments Public Relations Head I Ketut Teneng stated. He stated that the ceramic-based cottage products were also exported to the United States (10.81 percent), Australia (4.22 percent), Britain (1.95 percent) and Hong Kong (0.48 percent). Besides, some 1.09 percent were also exported to Italy, 3.10 percent to Spain, 0.88 percent to France and 13.10 percent to other countries. Teneng said that the ceramic product exports in 2013 increased 40.1 percent from 354,190 pieces in 2012 to 475,484 pieces in 2013. Bali is Indonesia's most popular province. It saw the number of tourist arrivals in the resort island in January 2014 jump 20.06 percent to 279,671 from 232,935 in the same period last year. Tourism observer Dewa Nyoman Putra said recently nearly 95 percent of tourists traveling to Bali had stated their wish to visit the world-renowned tourist resort again some time in the future. Meanwhile, 5 percent of them visited Bali for businesses and social activities, among others, he said. More than 3.27 million tourists visited Bali last year, outstripping its target of attracting 3.1 million foreign tourists. According to the provincial Tourism Agency, the number of tourist arrivals in Bali last year represented a 13.37 percent increase from 2,892,019 a year earlier. (Source: Antaranews, March 9, 2014)

RIPLANS TO ISSUE THIRD PACKAGE OF ECONOMIC MEASURES: The Indonesian government is planning to introduce a third package of economic measures to improve the performance of the countries current account, Coordinating Minister for Economic Affairs Hatta Rajasa stated. The third package of measures is designed in such a way that it will attract foreign investors to reinvest their profit in the country instead of bringing it back home, he said. Hatta said the government will also continue its oil-to-gas conversion program to reduce oil and gas imports which have so far contributed a lot to the countries trade deficit. To prevent the national economy from the impact of global economic slowdown, the government introduced a first package of economic measures in late August 2013. The first package of measures was aimed to curb the widening current account deficit, stabilize the rupiah's exchange rate, maintain high economic growth, improve peoples purchasing power, and keep inflation rate in check. Later in December 2013, the government introduced a second package of economic policies to reduce the import of consumer goods and encourage exports. The two packages of measures have proven effective to lower the countries current account deficit to 3.2 percent of the national gross domestic product (GDP) in late 2013 from 4.4 percent in the second quarter of 2013. (Source: Antaranews, March 6, 2014)

M A L A N G T O H A V E C O N TA I N E R T E R M I N A L: Government of Malang, East Java, opens an opportunity for investors to build a container terminal in the area in order to increase revenue. Malang Mayor Moehammad Anton in Malang stated beside increasing the region's revenue (PAD), the presence of the container terminal is also one solution to parse the traffic and congestion in the city. With the container terminal, large trucks to the Malang district does not have to pass through the city of Malang. Currently large trucks have to go through the center of Malang and causing congestion on
Kota Batu and Malang Regency. (Source: Business News March 26, 2014)

RI TO BECOME LARGEST FURNITURE EXPORTER IN THE WORLD: Indonesia is aiming for the top five largest furniture exporter in the world the next 5 years with a target export value of US$5 billion by 2019. Trade Minister Muhammad Lutfi said Indonesia actually has a huge potential to rule the world furniture market. Furniture made from wood and rattan is one of the flagship products from Indonesia. With the potential of natural resources and human resources, Indonesia should be able to be a leader in the furniture industry of Southeast Asia, especially towards the Asean Economic Community (AEC) by 2015. Of the world’s total furniture exports worth US$124 billion in 2013. However, since 2012, there are some added values,” said Chairman AKRI Sunoto. Senior Economist at the Center of Reform of Economics (CORE) Ina Primiana explained furniture is the largest key industry in Indonesia, as raw materials can be directly taken out from the country. Statistics shows that exports of wooden furniture in 2013 reached US$1.2 billion, with the main countries such as the United States, Japan, France, and UK. Rattan furniture export value was US$219.8 million and grew 2.18% in the last 5 years. Growing trend was also experienced by export handicraft products at the level of 4.61% during 2009-2013, with the total value reaching US$669.1 million in 2013 and the main purpose of the US market, Japan, UK, Germany, and Hong Kong. “To achieve the target set at US$5 billion in 5 years, we need at least 20% growth per year. So, at least annual export growth should reach US$1.2 billion in 2019,” said Sunoto. This year, businesses are targeting furniture exports, including craft, in order to reach US$3 billion. According Sunoto, there are eight absolute requirements which should be met in order for the furniture industry competition. The terms include ensuring an adequate supply of raw materials, creating superior design, promoting as well as conducting periodic marketing. (Source: Bisnis news March 12, 2014)

FOREIGN CONSTRUCTORS FLOURISH IN INDONESIA: Ministry of Public Works reveals in 2013 the number of foreign contractors in Indonesia reaches 302 companies, rising by 9.81% than the previous 275 companies. Head of Construction Agency, Ministry of Public Works, Hediyanto W. Husaini, said the increasing number of construction firm or foreign contractors in the country indicates that construction market in Indonesia is getting attractive. “There is constant addition of 30 contractors each year since 2011,” he said. From the total foreign contractor of 2013, he continued, the number of non-Asean company reached 286 companies, while there were only 16 Asean companies. Non-Asean companies were from Japan and South Korea (81 companies respectively), 53 Chinese, and 4 Indian companies. Most of foreign contractors in Indonesia deal in energy sector since the projects are worth more than IDR100 billion. Hediyanto emphasized foreign contractor indeed can only participate tender worth more than IDR100 billion, on one condition that it must cooperate with local contractor, while for goods contract, it must be over IDR20 billion, and for consultant, it must be over IDR10 billion. Though rising, in 2007 foreign contractors in Indonesia once extremely dropped to 118 companies than in 2006 at 167 companies. Head of Investment Management, Ministry of Public Works, Moch Natsir said the decline was because some companies did not extend their business and some of them were suspended. Besides, some companies began to feel the impact of 2008 crisis. This was seen from the decline of US and European contractors from 58 companies in 2006 to 16 contractors in 2007. The number of Japanese contractors also declined from 80 to 55 companies. On the contrary, Chinese companies rose from 9 in 2006 to 25 in 2007. “They might have felt the impact of crisis since they have branches outside Indonesia,” he said. (Source: Bisnis.com March 6, 2014)

CAR PRODUCTION CAPACITY REACHES 1.37 MILLION UNITS: Indonesian Automotive Industry Association (Gaikindo) recorded domestic production capacity for four-wheeled vehicles during 2013 reached 1.37 million units. The number was derived from 12 manufacturing plants owned by automotive brands from Japan, Europe, and South Korea. The largest production capacity is in PT Astra Daihatsu Motor (ADM) manufacturing plants which reached 500,000 units during the 12 months. The second position is PT Toyota Motor Manufacturing Indonesia (TMMIN) which reached approximately 200,000 units, while the third is Suzuki plants which reached 140,000 units of vehicles. Non-Japanese brand which localizes the assembly is Mercedes-Benz, Chevrolet, and Hyundai. Throughout the last years they respectively manufactured 25,000 units, 6,000 units, and 27,000 units of vehicle. (Source: Bisnis.com March 4, 2014)

RI’S COFFEE DOMINATES COFFEE MARKET IN EGYPT: Indonesia’s coffee gains more popularity in Egypt, it even grabs 70% of coffee’s market share in the country. After 20 years, the product has now been dominating the country’s coffee market. The coffee import to Indonesia reaches 12,000-15,000 tons every year. Previously, Egypt imported coffee from a number countries including Brazil, Vietnam, and Turkey. Trade Attaché at the Indonesia’s Embassy for Cairo Fetnayeti Winarko has confirmed Shaheen’s testimony. “Within the last few years, Indonesia’s coffee always places the first spot in Egypt’s import list,” she said. As an example, the Indonesia’s coffee export in January-November 2013 was at US$32 million from total US$47 million of Egypt’s coffee export. Yet, the import along the period fell by 9.43% compared with the same period in 2012 of US$35.32 million. Other than Shaheen, several Egypt’s businessmen who have built business with Indonesia also gave their testimonies. Generally, they were all admired Indonesia’s trade products quality. (Source: Bisnis.com March 4, 2014)

FIVE INFRASTRUCTURE PROJECTS INAUGURATED IN BATAM: Five infrastructure projects in Batam were inaugurated in order to support oil fuel (BBM) usage reduction in the region. Deputy Minister of Energy and Mineral Resources (ESDM) Sulisworo said the use of gas power plants (PLTG) will be increased to replace...
BIOFUEL EXPORTS PROJECTED TO INCREASE BY 22% : Domestic biofuel producers expect exports to increase 22.22 percent to 2.2 million kiloliters this year on higher overseas demand. Indonesian Biofuel Producers Association (Aprobi) executive director Paulus Tjakrawan said that half of the total demand would likely come from China and India, and the remainder from other markets, such as Australia, South Korea and Taiwan. The rise in demand in these countries is partly attributed to new programs that qualify biofuel as a renewable energy source. The business group projects the country's total biofuel output to reach 5.6 million kiloliters this year, double last year's total, as producers anticipated a huge jump in domestic consumption. Late last year, the government issued a new policy to raise the portion of biodiesel in fuel blending that is set to take effect this year. Domestic use is expected to account for up to 3.5 million kiloliters, more than triple what it was last year. (Source : The Jakarta Post March 18, 2014)

BIGGER PRODUCTION OF PROCESSED SEAWEED INDUSTRY : Twelve companies in the seaweed industry and the government are aiming for bigger production of processed seaweed before selling it to both local and overseas markets. Deputy Industry Minister Alex Retraubun said, quoting Maritime Affairs and Fisheries Ministry data, that the country's raw seaweed production capacity was 7.9 million tons per year last year and was expected to increase to 10 million tons this year. But it only processed 15,638 tons at 18 seaweed-processing units operating throughout the country last year. Of the 18 processing units, five produce jelly, two refined carrageenan and 11 semi-refined carrageenan. Most of the processing units are located in East Java, West Java and South Sulawesi. There are 500 end-products that can be processed from raw seaweed, proof that it is a commodity with a lot of potential for development.” Alex said that until last year, more than half of the total raw seaweed production was exported, mostly to China. Indonesia shipped 151,000 tons of dry seaweed last year, a 13 percent decline from 174,000 tons in the previous year, according to the Industry Ministry’s data. (Source : jakartapost March 1, 2014)

EXPANSION OF SEVERAL PETROCHEMICAL PROJECTS : The expansion of several petrochemical projects currently underway in several parts of the country will enable Indonesia to achieve self-sufficiency in the production of olefin, aromatic and other petrochemical products by 2020, an industry group has said. The Indonesian Olefin, Aromatic and Plastic Industry Association (INAplas) said that the expansions and construction of new plants would increase production capacity by between 30 percent to 40 percent in the next three to five years, from the current capacity of 3.9 million tons per year. Several investors have announced plans to increase production capacity or build new factories this year so, with the news as well as the expanded factories, we hope to no longer need imported petrochemical products by 2020, INAplas vice president Suhat Miyarso said after a seminar in Jakarta. Suhat said 12 construction projects will be carried out this year, of which five are the expansion of existing plants, while seven are the construction of new plants. The five expansions are to increase companies’ production capacity of certain petrochemical products. Japan-based Nippon Shokubai, for example, will increase capacity of its acrylic acid plant in Banten, West Java, while Polychem Indonesia will increase its mono ethylene glycol production in Banten and PT Petrokimia Butadiene Indonesia (PBI) will increase the capacity of its butadiene plant. Meanwhile, PT Chandra Asri Petrochemical (CAP) will increase its naphtha cracker production capacity in Banten and PT Asahimas Chemical will increase capacity of its polyvinyl chloride plant, also in Banten. “The five expansions are expected to be completed in 2015 and will be able to start operating in the same year,” said Suhat, who is also Chandra Asri’s vice president for corporate relations. New plants will be built by South Korean Honam Petrochemical Corp., which is planning a naphtha cracker facility in Banten, PT Synthetic Rubber Indonesia, which will build a styrene butadiene rubber (SBR) and polybutylene terephthalate (PBT) plant in Banten and PT Unilever Oleochemicals Indonesia, which is planning an oleo chemical plant. German petrochemical company Ferrostaal Industrial Projects will also work together with Chandra Asri to build a methanol-to-olefin (MTO) plant in Papua. State-owned oil and gas company PT Pertamina will build three refineries, one of which is a joint venture with PT Global Chemical Public Company Limited (PTTGC). Suhat said that the completion dates for the new plants vary, though most are expected to be finished between 2017 and 2020. “In total, the investment for the 12 construction projects is worth US$39 billion,” Suhat said, adding that each of the three refineries being built by Pertamina would cost $10 billion. According to INAplas chairman Amir Sambodo, investment in the country’s petrochemical industry in 2013 was around $7 billion to $10 billion. With the national demand for petrochemical products at 4.3 million tons per year and the country’s production capacity only 3.9 million tons, Indonesia still imports petrochemical products from countries such as Malaysia, Singapore, Thailand, China and several Middle Eastern countries. According to INAplas, the value of petrochemical imports to Indonesia reaches up to $8 billion per year. The Industry Ministry’s director for basic chemicals, Muhammad Khayam said that there were many obstacles for the country to develop and excel in the petrochemical industry. “There is still a tendency to export oil and gas, which is needed for industrial raw materials, such as naphtha, condensate and gas. Infrastructure such as seaports, access roads, power plants and pipelines is also lacking,” he said. Khayam added that petrochemical product imports from Malaysia, Singapore, China and Middle Eastern countries are also an obstacle to overcome. (Source : Jakarta Post March 13, 2014)
Implementation of ASEAN-India Free Trade Agreement (AIFTA) has contributed a lot to increase the trade relations between our two nations. The bilateral trade between Indonesia and India has reached to US $16.80 billion in the year 2012 which has resulted to set a target of US $ 45 billion for the year 2015. This is a tremendous achievement if we compare the figure of the year 2004 when the bilateral trade figures reached only up to US $4.5 billion.

### Main items of India's Exports to Indonesia
Petroleum products, telecommunication equipment's and parts, hydrocarbons and derivatives, oil seed, motor vehicle for goods transportation, animal feed, cotton, flat rolled product, alloy steel.

### Main items of India's Imports from Indonesia
Fixed vegetable fats & oils, Coal, Copper ores, natural rubber, pulp & waste paper, alcohols & phenols, hydrocarbon, machine tools, medicinal and pharmaceutical products, fertilizers, paper and paperboard, carboxylic acids, dyeing/tanning extracts, other chemical products

### Potential Areas of Synergy
Machine tools and hand tools. Forging, foundry and dies, Electric motors and switches, Pumps and Compressors, Transmission towers, Cement, sugar and fertilizer plants, Power generating machinery, Computer software, Wood, paper & pulp, Palm oil, LNG & Gas

Further there is immense scope for both countries to increase their ties and cooperation in the fields of science and technology, agriculture, ecological conservation, information technology, biotechnology and other areas of common interest.

### INDIAN INVESTMENT IN INDONESIA
India's investment in Indonesia is continuously increasing in various sectors such as textiles, metal, automotive, machinery, coal and electronics. Indian investors operating in India are among others Tata, Reliance, Bajaj and TVS. While targeting the origin of the ASEAN countries, Japan, South Korea, and Taiwan which has been the main investment sources, BKPM now targets new investors from the Middle East region, China, and India. In regards to potential investment, Indonesia offers investment opportunities in various sectors such as energy (conventional as well as renewable energies), Food, Infrastructure, Mining, Automobile, Power, Manufacturing, Agriculture, Textile and Information Technology.

### STATISTICAL OF FOREIGN DIRECT INVESTMENT REALIZATION BY COUNTRY OF ORIGIN

<table>
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Source: Indonesian Investment Coordinating Board (BKPM):
1. Excluding of Oil & Gas, Banking, Non Bank Financial Institution, Insurance, Leasing, Mining in Terms of Contracts of Work, Coal Mining in Terms of Agreement of Work, Investment which licenses issued by technical/sectoral agency, Porto Folio as well as Household Investment.
2. P: Total of Issued Permanent Licenses
4. Data received by BKPM until December 31, 2013
India's investment in Indonesia is continuously increasing in various sectors such as textiles, metal, automotive, machinery, coal and electronics. Indian investors operating in India are among others Tata, Reliance, Bajaj and TVS. While targeting the origin of the ASEAN countries, Japan, South Korea, and Taiwan which has been the main investment sources, BKPM now targets new investors from the Middle East region, China, and India. In regards to potential investment, Indonesia offers investment opportunities in various sectors such as energy (conventional as well as renewable energies), Food, Infrastructure, Mining, Automobile, Power, Manufacturing, Agriculture, Textile and Information Technology.

Indonesia now looks India as a leading potential partner country. Lately investment has started flowing from Indonesia to India With One Indonesian company, the Salim Group has invested in real estate and infrastructure projects in India Other Indonesian companies who have recently expanded in India are;

- Samudra Shipping Line Ltd, Mumbai - Logistics, Cargo Services
- Tanindo Seeds Int, Ltd, Bangalore - Seeds, Agriculture Products
- Garuda Food, Bangalore - Food & Beverages
- Indofood, Kerala - Food Products
- Inbisco India Private Ltd, Chennai - Biscuits, Coffee, Candies, Chocolate
- Japfacomfeed, Pune - Production of poultry feed and breeding
- PT. Quantum Select Indonesia - Placement Services

**INDONESIA - CURRENT ECONOMIC DASHBOARD**

**EXCHANGE RATE**

1 US$ = 11,886
1 Euro = 16,257.08 1 ¥ JPY = 116.47
1 £ GBP = 19,794.95 1¥ CNY = 1,946.29
1 SGD = 9,349.94 1 AUD = 10,703.36
(Transaction - average)
(Source: Bank Indonesia, Feb 14, 2014)

**FOREIGN DIRECT INVESTMENT**

**TRADE**

- **Export, Dec 2013:**
  - Oil & Gas = US$ 3,405.1 mln
  - Non Oil & Gas = US$ 13,578.5 mln
- **Import, Dec 2013:**
  - Oil & Gas = US$ 4,222,0 mln
  - Non Oil & Gas = US$ 11,236,5 mln
- **Total = US$ 15,458,5 mln**
- **Dec, Balance:**
  - US$ 1,525.1 mln (surplus)

- **Full year 2013:**
  - Total exports = US$ 182.57 bln
  - Total imports = US$ 186,63 bln
  - Trade Balance = US$ -4.06 bln (deficit)

(Source: BPS - Overview of Indonesian Export and Imports in October 2013)

**GDP GROWTH RATE**

- 2013 (Q4) = 5.72%
- Full year 2013 = 5.78%
- 2012 = 6.2%
(Source: BPS, TradingEconomics)

**RATINGS**

- Credit Rating:
  - S&P : BB+, Stable
  - Moody's: Baa3, Stable
  - Fitch: BBB-, Stable

**INDONESIA NEWSLETTER (March 2014)**
Trade Balance: Indonesia’s trade balance in February 2014 experienced a surplus of USD785.3 million. This was mainly a result of the large amount of surplus in non oil and gas sector reaching USD1.59 billion. In the other hand, the balance of oil and gas sector suffered a deficit of USD0.80 billion. From the trade volume aspect, on February 2014 Indonesia recorded a surplus by 32.64 million tons. It was encouraged by the surplus in non oil and gas sector for 32.93 million tons. On the subject of export, BPS recorded that Indonesia’s export in February 2014 rose by 0.68 percent to USD14.57 billion compared to that of January 2014. However, the import rate in February 2014 decreased by 2.96 percent compared to the export rate in February 2013. Cumulatively the export rate in January to February 2014 reached USD29.04 billion, or declined by 4.44 percent compared to the same period last year. The same went for non oil and gas export that declined by 5.12 percent. Meanwhile, Indonesia's export in February 2014 reached USD13.78 billion, or declined by 7.58 percent compared to that of January 2014. When it is compared to the figures recorded in February 2013, the import declined by 9.98 percent. Cumulatively, import in January to February 2014 reached USD28.70 billion or declined by 6.70 percent compared to the same period last year,” he added.

The cumulative figures of import comprised the oil and gas import for USD7.01 billion (declined by 7.89 percent) and non oil and gas import for USD21.69 billion (declined by 6.31 percent)

### BALANCE OF TRADE OF INDONESIA - Period : 2009-2014 (February 2014)

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<th>NO</th>
<th>Description</th>
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<th>TREND(%) 2009-2013</th>
<th>Jan-Feb* 2013</th>
<th>2014</th>
<th>CHANGE(%) 2014-2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>EXPORT</td>
<td>116,510.0</td>
<td>157,779.1</td>
<td>203,496.6</td>
<td>190,020.1</td>
<td>182,551.8</td>
<td>11.45</td>
<td>30,391.1</td>
<td>29,042.9</td>
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<tr>
<td></td>
<td>- OIL &amp; GAS</td>
<td>19,018.3</td>
<td>28,039.6</td>
<td>41,477.0</td>
<td>36,977.3</td>
<td>32,633.0</td>
<td>14.53</td>
<td>5,221.2</td>
<td>5,162.0</td>
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<tr>
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<td>- NON OIL &amp; GAS</td>
<td>97,491.7</td>
<td>129,739.1</td>
<td>162,019.6</td>
<td>153,042.8</td>
<td>149,918.8</td>
<td>10.80</td>
<td>25,169.9</td>
<td>23,880.9</td>
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<td>II</td>
<td>IMPORT **</td>
<td>96,829.2</td>
<td>135,653.3</td>
<td>177,435.6</td>
<td>191,689.5</td>
<td>186,828.7</td>
<td>18.03</td>
<td>30,763.5</td>
<td>28,701.5</td>
<td>-7.07</td>
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<tr>
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<td>- OIL &amp; GAS</td>
<td>18,980.7</td>
<td>27,412.7</td>
<td>40,701.5</td>
<td>42,564.2</td>
<td>45,265.4</td>
<td>24.34</td>
<td>7,608.3</td>
<td>7,008.2</td>
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<td>- NON OIL &amp; GAS</td>
<td>77,848.5</td>
<td>108,250.6</td>
<td>136,734.0</td>
<td>149,125.3</td>
<td>141,362.3</td>
<td>16.34</td>
<td>23,155.2</td>
<td>21,693.3</td>
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<td>III</td>
<td>TOTAL</td>
<td>213,339.3</td>
<td>293,442.4</td>
<td>380,332.2</td>
<td>381,709.8</td>
<td>359,180.5</td>
<td>14.57</td>
<td>61,154.6</td>
<td>57,744.8</td>
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<td>- OIL &amp; GAS</td>
<td>37,069.0</td>
<td>55,452.3</td>
<td>82,178.6</td>
<td>79,541.4</td>
<td>77,899.4</td>
<td>19.68</td>
<td>12,220.5</td>
<td>12,170.2</td>
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<td>- NON OIL &amp; GAS</td>
<td>175,340.2</td>
<td>238,990.1</td>
<td>308,153.8</td>
<td>302,168.1</td>
<td>281,281.1</td>
<td>13.36</td>
<td>48,325.1</td>
<td>45,574.2</td>
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<td>IV</td>
<td>BALANCE</td>
<td>19,660.8</td>
<td>22,115.8</td>
<td>26,061.1</td>
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<td>-4,075.9</td>
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<td>341.4</td>
<td>191.97</td>
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<td>- OIL &amp; GAS</td>
<td>37.8</td>
<td>626.9</td>
<td>775.5</td>
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<td>-12,853.4</td>
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<td>-2,937.1</td>
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<td>19,623.2</td>
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<td>-28.57</td>
<td>2,014.7</td>
<td>2,187.6</td>
<td>8.56</td>
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</tbody>
</table>

Source: BPS, Processed by Trade Data and Information Center, Ministry of Trade, Republic of Indonesia

### SOURCING FROM INDONESIA

**10 Main Products of Indonesia for Exports**: Textile and Product Textile, Electronic, Rubber and Article thereof, Palm Oil, Forest Products, Footwear, Automotive, Shrimps, Cocoa, Coffee

**10 Potential Products of Indonesia for Exports**: Leather & Leather Products, Medical Instrument and Appliances, Medicinal Herb, Processed Food, Essential Oil, Fish & Fish Products, Handicraft, Jewellery, Spices, Stationery Non Paper.

**INDONESIAN TRADE EVENTS CALENDAR FOR YEAR 2014**

<table>
<thead>
<tr>
<th>EVENTS</th>
<th>DATES</th>
<th>LOCATION</th>
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</thead>
<tbody>
<tr>
<td>JAKARTA CONVENTION CENTRE</td>
<td>JAKARTA INTERNATIONAL EXPO</td>
<td><a href="http://www.jcc.co.id">www.jcc.co.id</a></td>
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<tr>
<td>INDONESIAN EXHIBITION COMPANIES ASSOCIATION</td>
<td>(ASPERAPI)</td>
<td><a href="http://www.ieca.or.id">www.ieca.or.id</a></td>
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</tbody>
</table>

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19, ALTAMOUNT ROAD, CUMBALLA HILL, MUMBAI - 400 026, INDIA.
TEL : (91-22)23511678/23530900/23530940 FAX : (91-22)23510941/23515862
E-mail : kjrimumb@bom3.vsnl.net.in Website : www.kjrimumbai.net