



**Asia-Pacific  
Economic Cooperation**

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**2019/SMEWG/WKSP/007**

Session 2.3

## **Indonesia Economy Report**

Submitted by: Indonesia



**Capacity Building Workshop on APEC Micro,  
Small, and Medium Enterprises Marketplace  
Utilization**

**Manila, Philippines  
30-31 October 2019**

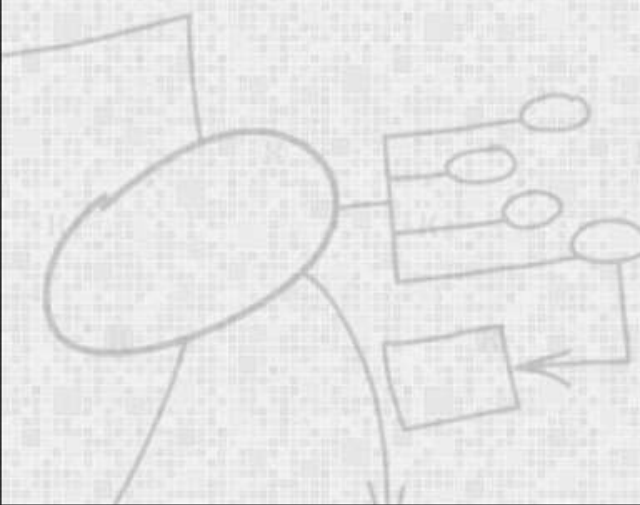


THE MINISTRY OF COOPERATIVES AND SMALL AND MEDIUM ENTERPRISES  
REPUBLIC OF INDONESIA

# INDONESIA ECONOMY REPORT

Capacity Building Workshop Series  
APEC MSMEs Marketplace Utilization  
30-31 October 2019  
Manila, Philippines

Presented By:  
Wisnu Tri Baskoro





## HUMAN RESOURCES

Population By Age :

- 0-14 y.o 27.3%
- 15-64 y.o 66.5%
- Above 65 y.o 6.1 %



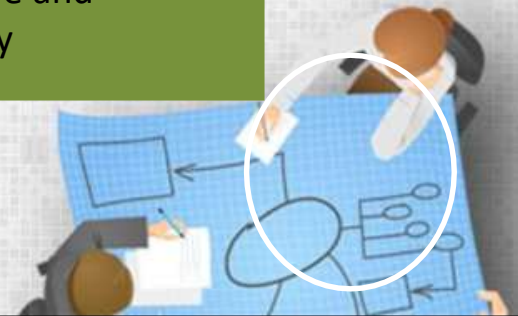
## SOCIAL AND CULTURE

- Official language : Bahasa
- Indonesia has 742 local languages and 1.340 Ethnic Groups. 41% is Javanese Ethnic, 15.5% Sundanese, 3.5% Bataknese, 1.6% Balinese, 38.4% Others



## NATURAL RESOURCES

Abundant Renewable and Unrenewable Energy





# INDONESIA ECONOMICS RESOURCES

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264 Million  
Population



US\$ 1 Trillion  
National GDP  
(16<sup>th</sup>)



US\$ 78,9 million  
Economy Creative GDP  
(category)

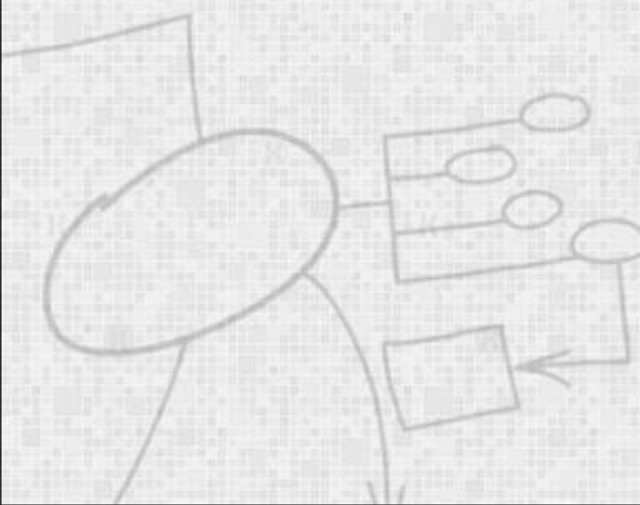


170 Million  
Internet User  
(18%)



2020  
Demographic  
Bonus

Economic Growth 2017  5,2%





# Current Condition of Indonesia SMEs

SMEs is the Backbone of National Economic

## TOTAL : 62.920.077 UNIT

### SMEs Contribution:

- 1. GDP : 62,57%
- 2. Labour : 96,99%
- 3. Non-oil & gas Export: 16,45%  
(Data BPS 2017)

### Big-sized

Omzet/year more than Rp 50 Billion  
Asset more than 10 Billion

### Medium-sized

Omzet/year Rp 2,5 Billion - Rp 50 Billion  
Asset Rp. 500 Million - Rp 10 Billion

### Small-sized

Omzet/year Rp 300 Million - Rp 2,5 Billion  
Asset Rp. 50 Million s.d. Rp 500 Million

### Micro-sized

Omzet/year up to Rp 300 Million  
Asset up to Rp. 50 Million



**ROOF:**  
Big-sized  
± 5.460 Unit (0,01%)

**PILLAR :**  
Medium-sized  
± 58.627 Unit (0,09%)

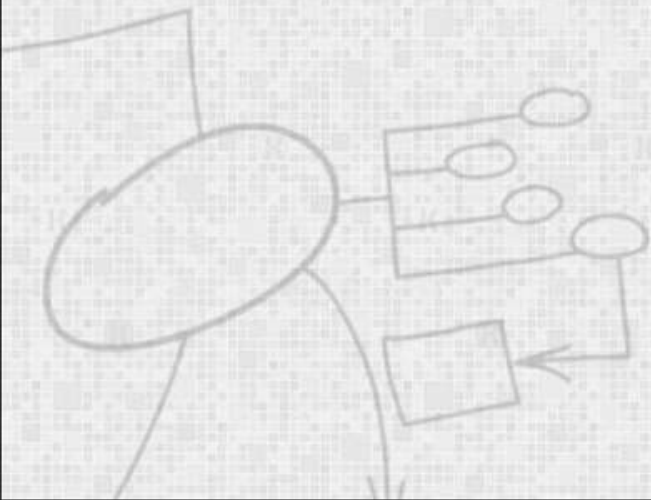
**FOUNDATION:**  
Small-sized: 757.090  
(1,20%)

Micro-sized :62.106.900  
(98,7%)





# COOPERATIVES AND SMEs DEVELOPMENT





# Organization Structure





# SMEs PROMOTION AND PRODUCT MARKETING

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# Functions of SMESCO

1. Provide Marketing Information;

2. Facilitate Marketing Infrastructures;

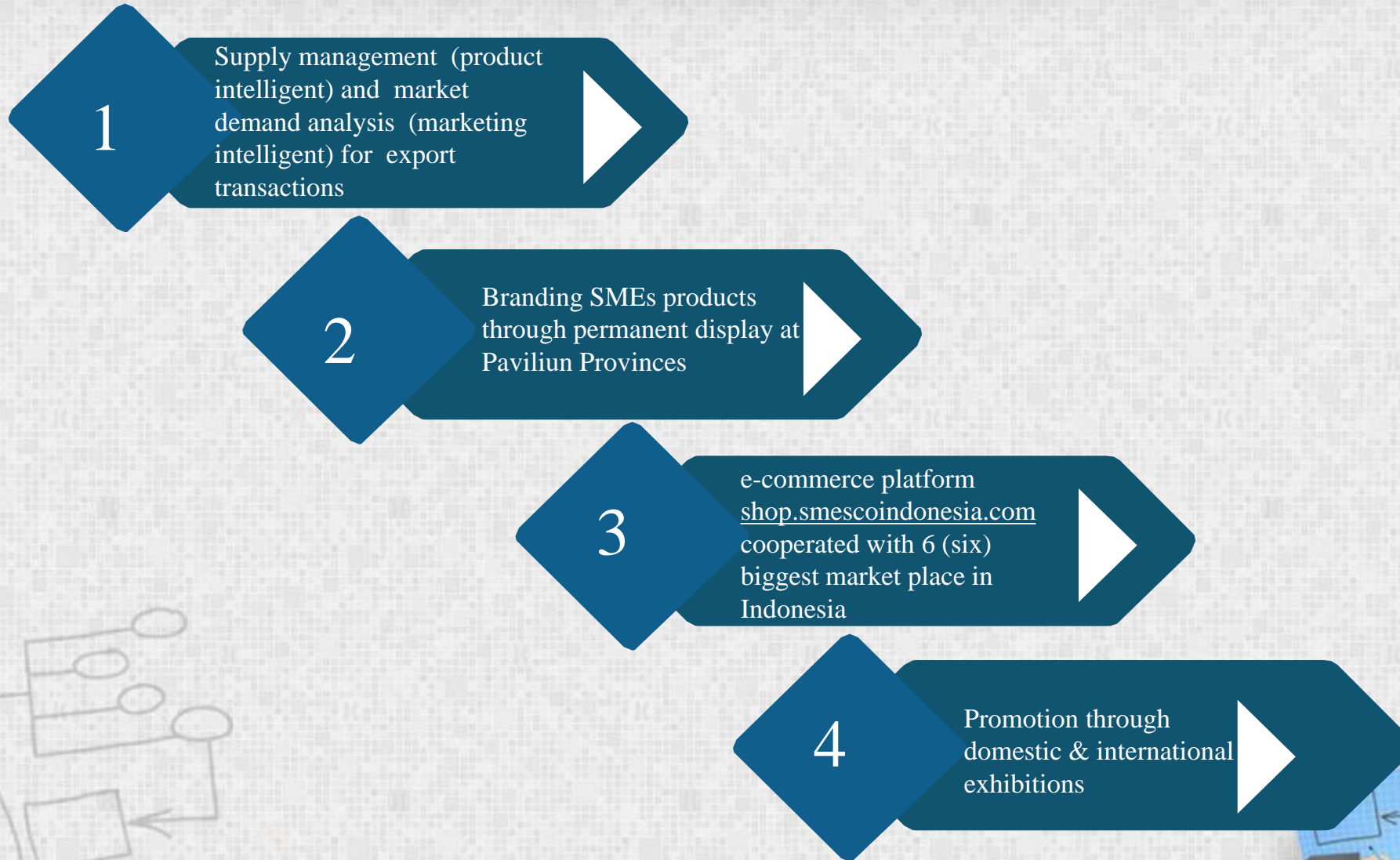
3. Provide Market Consultation;

4. Provide Product Promotion, Marketing Network and Product Distribution;

5. Provide Management Skill Training and Technical of Marketing;

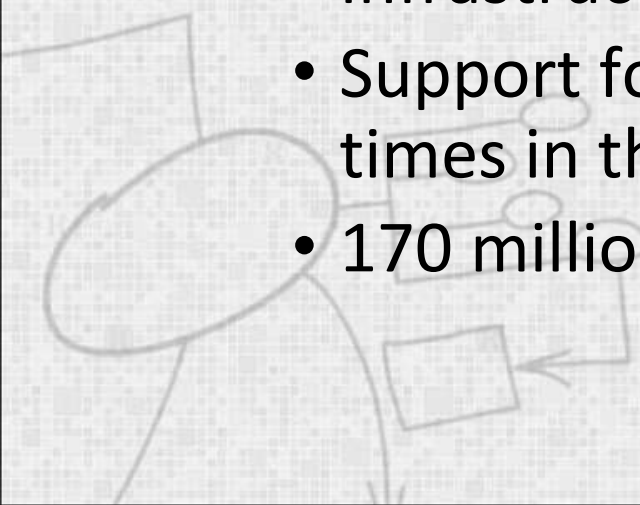


# STRATEGY OF PROMOTION AND MARKETING SERVICES



# Opportunities for Foreign MSMEs entering Indonesian Market

1. Globalization: The Indonesian Government is trying to reduce barriers to trade and investment by providing convenience from an operational standpoint, when carrying out import activities as long it's legal (i.g: optimization of utilization of Bonded Logistics Center)
2. Deregulation policy: reduction of state regulation in importing goods from abroad -> become easier (simplified the regulations)
3. Changes in the business ecosystem in Indonesia.
  - Infrastructure: Transportation access, new airport, toll-road
  - Support for business digitalization: Internet speed increasing 4 times in the last 10 year
  - 170 million internet users



# Opportunities for Foreign MSMEs entering Indonesian Market

4. Digital based business: e-commerce platform. Foreign MSMEs can sell their products in Indonesia through this platform  
(logistics, delivery)
5. Business partnership. Find “the right” local partner  
(communication, trust, reputation, track record, good financial management)
6. Government support (facilitate in business matching, international exhibition in Indonesia)

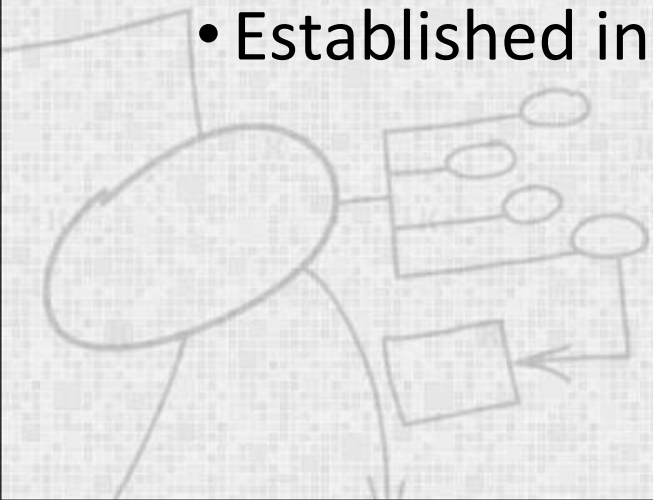
Foreign MSMEs may take advantage of programs from the Indonesian government in organizing business forum, business matching and Exhibition



# Opportunities for Foreign MSMEs entering Indonesian Market

## Success Story:

- PT. EOK ECO INDONESIA (South Korean Company)
- Market survey, quality and price
- Design, Interior company – sign board, eco design
- Client: KEB Hana Bank in Indonesia
- Established in 2014



# Opportunities for Foreign MSMEs entering Indonesian Market

- First entry through Green Business Centre (GBC) for domicile permit
- GBC is business incubator for Korean and Indonesian SMEs under the form of matching-fund by the two governments
- GBC registered in Ministry of SMEs and Startups of South Korea and Ministry of Cooperatives and SMES of Republic of Indonesia
- GBC help to find the right consulting for license: company establishment, tax and legal
- GBC facilitate the marketing by cooperate with Indonesian Government to participate in business matching
- 4 years running and now PT. EOK ECO INDONESIA have their own office in Jakarta





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wonderful  
indonesia



**Thank You**  
**Terimakasih**

**INDONESIA**

