



eurocham



An action co-funded by  
the European Union

## PRESS RELEASE

### INDONESIA INVESTMENT AND ECONOMIC OUTLOOK 2018

**JAKARTA, 8 February 2018** – Following last year’s success, the European Business Chamber of Commerce (Eurocham) in partnership with the Indonesia Investment Coordinating Board (BKPM) organised the “Indonesia Economic and Investment Outlook 2018”.

This event discussed expected investment and economic developments in Indonesia for the coming year. Specifically, the outlook highlighted the importance of human capital development for the improvement of the economic and investment climate in the country.

Referring to human capital, the Chairman of Eurocham Indonesia, Mr. Ulf Backlund, stated that European companies operating in Indonesia are committed to continue developing the skillset of their employees.

*“We understand the importance of having high quality workers with excellent integrity. Therefore, it is a priority for European companies in Indonesia to contribute to transfer of technology and knowledge”,* said Ulf Backlund.

H.E. Vincent Guérend, European Union Ambassador to Indonesia, commended the work done by Eurocham to provide inputs and share best practices to improve economic growth and investment climate in Indonesia. He also noted that the conclusion of the European Union – Indonesia Comprehensive Economic Partnership Agreement (EU–I CEPA), currently entering its fourth round, would provide a much needed boost to the Indonesian economy.

*“With EU–I CEPA, a stable, predictable, and transparent long-term framework for bilateral trade and economic relations is in the making, providing more confidence, stimulating more trade and FDI. The CEPA, will bring not only European capital investment and advanced technology but also technical know-how and innovation, investment in R&D, and human resources and skill development,”* said Ambassador Guérend.

The Chairman of BKPM, Thomas Lembong, concurred; he valued highly bilateral relationship between the EU and Indonesia. According to Tom, contribution from European business and the European Union have supported economic growth in Indonesia and have helped Indonesia to accelerate and improve economic and investment climate.

*“This is evident from the participation of European businesses in giving their recommendations on the Deregulation Packages, which was helpful for Indonesia to get away from the middle income trap. The human capital development in Indonesia should also be a medium for collaboration between the government and private sector. Businesses have an important role to develop Indonesia in this aspect for the upcoming years,”* stated by Tom.

In addition to discussing the economy and investment in Indonesia, this event also addressed the role of the special Task Force for the Acceleration and Effective Implementation of Economic Policy, which was established at the office of the Coordinating Minister for Economic



eurocham



An action co-funded by  
the European Union

Affairs since 2016 and consists of four working groups. The task force aimed to accelerate the implementation of the sixteen deregulation packages issues to date.

Representing Working Group I of the Task Force, Tom Lembong explained that the government is still accelerating the implementation of all Deregulation Packages, which includes considering the inputs from businesses in various sectors. Tom added, "President Jokowi's administration will continue to take various deregulation measures to provide ease doing business for investors and companies. Various economic reform programs that have been undertaken in the last 3 years are beginning to show results and are recognized by a number of international agencies such as the World Bank, UNCTAD, and rating agencies. BKPM is optimistic that the target of investment realization in 2018 of Rp765 trillion can be achieved."

Throughout 2017, Indonesia maintained its positive trend in regards to economic growth and investment climate. The export volume has picked up to USD 123.36 billion, an increase of 17.36% compared to the previous year<sup>1</sup>. The EU remained as the third most important exports market for Indonesia with exports value of USD 16.3 billion. Meanwhile, according to BKPM report, realization of Foreign Direct Investment (FDI) in 2017 reached Rp 692.8 trillion, growing 13.1% compared to 2016, exceeding the government target of Rp 678.8 trillion.

-- end --

*Media Contact:*

Rizka Novaria  
Communications Manager, EuroCham Indonesia  
WTC 5, Lantai 13, Jl. Jend Sudirman Kav 29-31 Jakarta 12920  
Telephone: +62 21 5710085  
Email: [rizka.novaria@eurocham.id](mailto:rizka.novaria@eurocham.id)

Ariesta Riendrias Puspasari  
Head Bureau of Legislation, Public Relations, and Executive Administration, BKPM  
Jl. Jend. Gatot Subroto No.44 Jakarta 12190  
Telephone: 021-5269874  
E-mail: [humas@bkpm.go.id](mailto:humas@bkpm.go.id)

---

<sup>1</sup> <http://www.thejakartapost.com/adv/2017/12/14/2018-economic-outlook-its-time-to-invest-no-need-to-wait-any-longer.html>