COORDINATING MINISTRY FOR ECONOMIC AFFAIRS
THE REPUBLIC OF INDONESIA

COUNTRY STATEMENTS: ENABLING RESILIENCE THROUGH SEAMLESS AND SUSTAINABLE CONNECTIVITY

PREPARED FOR

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THURSDAY, 29th SEPTEMBER 2022
The Excellencies Ministers;

The Honorable’s presenters, and panelists;

And Distinguished member states’ delegates.

Ladies and Gentlemen,

- In line with the global economic recovery from the pandemic Covid-19, the Indonesian economy managed to accelerate by 3.69% (YoY) by the end of 2021. This achievement shows that Indonesia has risen from the economic contraction that occurred in the previous year. In the first quarter of 2022, Indonesia continued the momentum at 5.01% (YoY). This significant growth has proven that the Government of Indonesia is on the track to creating a sustainable and positive economic wave.

- This exceptional economic performance is derived from Indonesia’s National Economic Recovery Program or PEN, which consolidates the government and various stakeholders in managing the Covid-19 crisis by encouraging increased business and economic activity in various sectors including Health services and social activities. We are optimistic that through these current strategies and plans, Indonesia could manage its economic growth and evade the threat of the middle-income trap.

- However, this recovery momentum must be maintained, mainly from various risks and challenges in the medium to long term, one of which is related to the issue of seamless and sustainable connectivity. On this special occasion, we would like to highlight some of Indonesia’s
current efforts in developing transportation connectivity, energy connectivity, and digital connectivity within the region.

[Transportation Connectivity Section]

Ladies and gentlemen,

- With the resumption of public mobility post-pandemic, we noted the need and importance to have integrated and sustainable public transport connectivity.
- To support this agenda, the Indonesian government has adopted National Strategic Projects or PSN that prioritizes critical infrastructure projects and strategic programs, including the development of public transport connectivity, toll roads, airport, and seaport by adding incentives to the project. This program has benefits not only to supporting our national connectivity but also enhancing regional transportation connectivity.
- This year, we’ve come into accord with several regional cooperations in transportation connectivity:
  - IMT-GT or Indonesia-Malaysia-Thailand Growth Triangle agreed on the sea and air connectivity development including opening more flights and cruise routes between member states and partner countries;
  - BIMP-EAGA or Brunei-Indonesia-Malaysia and Philippines East ASEAN Growth Area agreed on the strategic transportation corridor routes and development strategies.
  - Indonesia – Singapore Economic Working Group which has encouraged the implementation of a cross-border travel bubble.
- In bilateral cooperation, Indonesia and Japan agreed on the Jabodetabek Urban Transportation Policy Integration Project Phase 3 (JUTPI-3). This project aims to increase the capacity and coordination mechanisms of the related stakeholders in urban public transport development.

[Green Energy Connectivity Section]

The excellencies, and distinguished member states,

- Energy transitions are inevitable and must be faced. The sustainable and clean energy transition is one of the three priority issues for Indonesia’s G20 presidency this year. In adherence to that, Indonesia stands firmly committed to creating collective efforts, to foster the clean energy transition.

- In realizing sustainable energy, Indonesia’s Government put extensive attention upon the New Renewable Energy industry which reflects on Indonesia’s target of 23% renewable energy mix production by 2025; and the adoption of Nationally Determined Contribution or NDC during the COP 26 in Glasgow. This NDC become a concrete commitment and national strategy to achieve clean energy and climate resilience future through bilateral and multilateral cooperation.

- In achieving the Net Zero Emission target by 2060 or sooner, a significant emission reduction in the energy sector is close to zero. Indonesia has also planned comprehensive mitigation actions for 2050 (Long-Term Strategy for Low Carbon and Climate Resilience - LTS LCCR), which also includes plans to enhance the capacity of workforces and provision quality green jobs.
- The aforementioned plans and strategies complement the Government of Indonesia’s development of a Green Economy as a key to accelerating the post-pandemic economy recovery. Indonesia has several compensations and incentive policies, such as clean energy acquisition, energy transition mechanism (early retirement coal PP), conversion of dirty energy sources, carbon trading and carbon taxes.

- Bilaterally, Singapore and Indonesia have also closely collaborated on this front, including by signing an MoU on energy cooperation in developing renewable energies and increasing human resource capacity on January 2022.

[Digital Connectivity Section]

Delegates,

- Complementing our green plans, we are delighted to report on the development of digital connectivity.

- Government of Indonesia is developing Palapa Ring Network and Multifunction Satellite named SATRIA which upgrades national digital network capacity, backbone network resiliency, and increases national internet exchange points. These networks also are connected to international landing points. Indonesia also boosts sea cable investment, for example, the construction of submarine cables connected to the United States.

- In addition, we expect further Digital Infrastructure development in Indonesia since the groundbreaking of more than one big-scale data center in Batam, Indonesia.

[Closing - ASEAN Chairmanship]
The excellencies,

- Indonesia’s G20 presidency encourages us to foster our effort in Digital Transformation and Sustainable Energy Transition. We realized the urgency for collaboration and collective actions among related stakeholders is required more than ever before.
- Next year, Indonesia will be chairing the ASEAN, and we commit to continue strengthening the role of Asia in the global economy.
  o We have identified three working clusters as the overarching guide, Recovery-Rebuilding, Digital Economy, and Sustainability.
- Thus, we encourage all member states to discuss the green power corridor and call upon all member states to carry on the good collaborative relations within the Asia-Pacific region.

- I thank you all.

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