

IMPROVING INDONESIA-TAIWAN RELATIONS THROUGH COMPREHENSIVE ECONOMIC ARRANGEMENT

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INDONESIA-TAIWAN ECONOMIC RELATIONS

1. **Bilateral ties since 1970s**
2. **Indonesia and Taiwan economic cooperation:**
 - ✓ Trade
 - ✓ Investment
3. **Others:**
 - ✓ Capacity building: education, training, research
 - ✓ Indonesian migrant workers
 - ✓ Tourism

REGIONAL & GLOBAL DYNAMICS (1)

1. Indonesia as regional and global player

- National Vision → “World Maritime Axis or Fulcrum”
- Essence:
 - (1) strong, prosper and soverign in maritime sector
 - (2) role model of world economy

Sectors:

maritime, food, energy, industry, and infrastructure

2. Taiwan has high economic performance:

- ECFA between China and Taiwan
- FTA between Taiwan & New Zealand, Taiwan & Singapore

REGIONAL & GLOBAL DYNAMICS (2)

- ❑ ASEAN Plus Six (China, India, Japan, South Korea, New Zealand, Australia)
- ❑ Regional Comprehensive Economic Partnership (RCEP)
- ❑ Trans-Pacific Partnership (TPP)
- ❑ China and the world
 - ECFA (Economic Cooperation Framework Agreement) between China and Taiwan
 - Maritime silk road & economic belt
 - Establishment of AIIB

INDONESIA'S DOMESTIC PRIORITIES

1. Economic growth with equity
2. Poverty reduction
3. Sustainable development
4. Promoting substantial democracy
5. Fulfillment of basic rights:
 - house, food, clothes, education & health

LIPI-CIER JOINT STUDY

I. Opportunity:

- Land space
- Market access
- Natural resources
- SMEs → capacity building
 - human resources management
 - transfer of technology

II. CHALLENGES

1. R&D → innovation to develop trade
2. Trade regulation
3. Human resources
4. Environmental & resources management
5. Connectivity:
 - people
 - institution
 - infrastructure

THE WAY FORWARD

1. Evaluation of Indonesia's FTAs (bilateral & regional/ASEAN)
 2. Progress of special economic zone in Morotai island
 3. Common understanding about Indonesia-Taiwan comprehensive cooperation under the ECA scheme
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COMPREHENSIVE ECONOMIC ARRANGEMENT

- ❑ **Long term vision:**
 - Achievement
 - Approach

- ❑ **Road Map:**
 - program, activities & mechanism
(based on potential sectors)
 - dealing with gaps & problems
 - timeline & workplan

THANK YOU

