

PRESS RELEASE

The “37th Trade Expo Indonesia” encourages Indonesian exporters to explore the Australian market
Increase in the two-way export volume of Indonesia – Australia in Q2 2022 sign of recovery

JAKARTA, 22 October 2022 – The Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA) provides ample opportunity for Indonesian exporters to explore the Australian market. In addition to removing all Australian import duty tariffs, the agreement also promotes the potential powerhouse partnership between Indonesian and Australian businesses.

The continuing growth during the second quarter of 2022 has improved goods trade relations between the two countries and serves as a positive backdrop for Indonesian exporters to expand their business to Australia. According to Statistics Indonesia, total Indonesia-Australia trade value has increased within the last eight months (January – August 2022) to more than 8 per cent compared to the total trade of 2021. Non-oil and gas products dominated the trade between the two countries.

Some Indonesian and Australian business actors shared their respective experiences in a business forum on the sidelines of the 37th Trade Expo Indonesia in Tangerang (22/10), co-hosted by the Indonesian Ministry of Trade, the Indonesia Trade Promotion Center in Sydney, the Indonesian Embassy in Canberra, the Australian Embassy in Jakarta, and the IA-CEPA Economic Cooperation Program Katalis. As many as 25 Australian businesses participated at this year’s event, which was held from 19 to 23 October 2022.

“As the 13th largest economy in the world and with proximity to Indonesia, Australia could be a larger trade partner for Indonesia. The Indonesia-Australia Comprehensive Economic Partnership Agreement, which serves as the most comprehensive and profound international trade agreement compared to the other bilateral agreements, is expanding market access and enhancing the competitiveness of agriculture, fishery, industry and forestry, including MSME products. We must take advantage of all these to obtain maximum benefit,” said **Didi Sumedi, the Director General of National Export Development of the Trade Ministry.**

“By optimising the implementation of the IA-CEPA, there are existing opportunities to boost Indonesian exports to Australia, including through small and medium enterprises, which are the backbone of the Indonesian economy. We hope the 37th Trade Expo Indonesia will increase the contribution of SMEs to Indonesian export value, especially in penetrating the Australian market,” said **HE Siswo Pramono, the Indonesian Ambassador for Australia.**

Both Indonesian and Australian industries could benefit from raw material resources supply within competitive prices given the complementary nature of trade of both countries.

“IA-CEPA brings opportunities to Indonesian and Australian businesses to expand and diversify the existing partnerships. It is more than just a trade agreement and serves as a key framework for the next phase of the Indonesia-Australia economic partnership. This agreement also strengthens and builds productive and export capacity to support both countries’ economic growth and employment creation,” said **HE Penny Williams, the Australian Ambassador for Indonesia.**

Following the business forum, a separate event was held to introduce the IA-CEPA Economic Cooperation Program Katalis. Backed by both the Indonesian and Australian governments, Katalis has



been in operation since 2021, offering support for commercial activities that meet its investment criteria.

“We would like to engage with Indonesian and Australian business communities to maximise the benefits of the IA-CEPA in various sectors. Katalis is currently supporting several commercial activities, including cacao export pilot project from Indonesia to Australia and third markets, market assessment for mangosteen products from East Java, commercial partnerships with educational and vocational training platforms, and others,” said **Paul Bartlett, the Director of ECP IA-CEPA Katalis.**

The investment criteria of Katalis include financial or in-kind co-contribution; mutual benefit to Indonesia and Australia; alignment with bilateral and/or regional interests; catalytic outcome; gender equity and social inclusion; political feasibility and practicality; as well as Indonesian and Australian comparative advantage.