

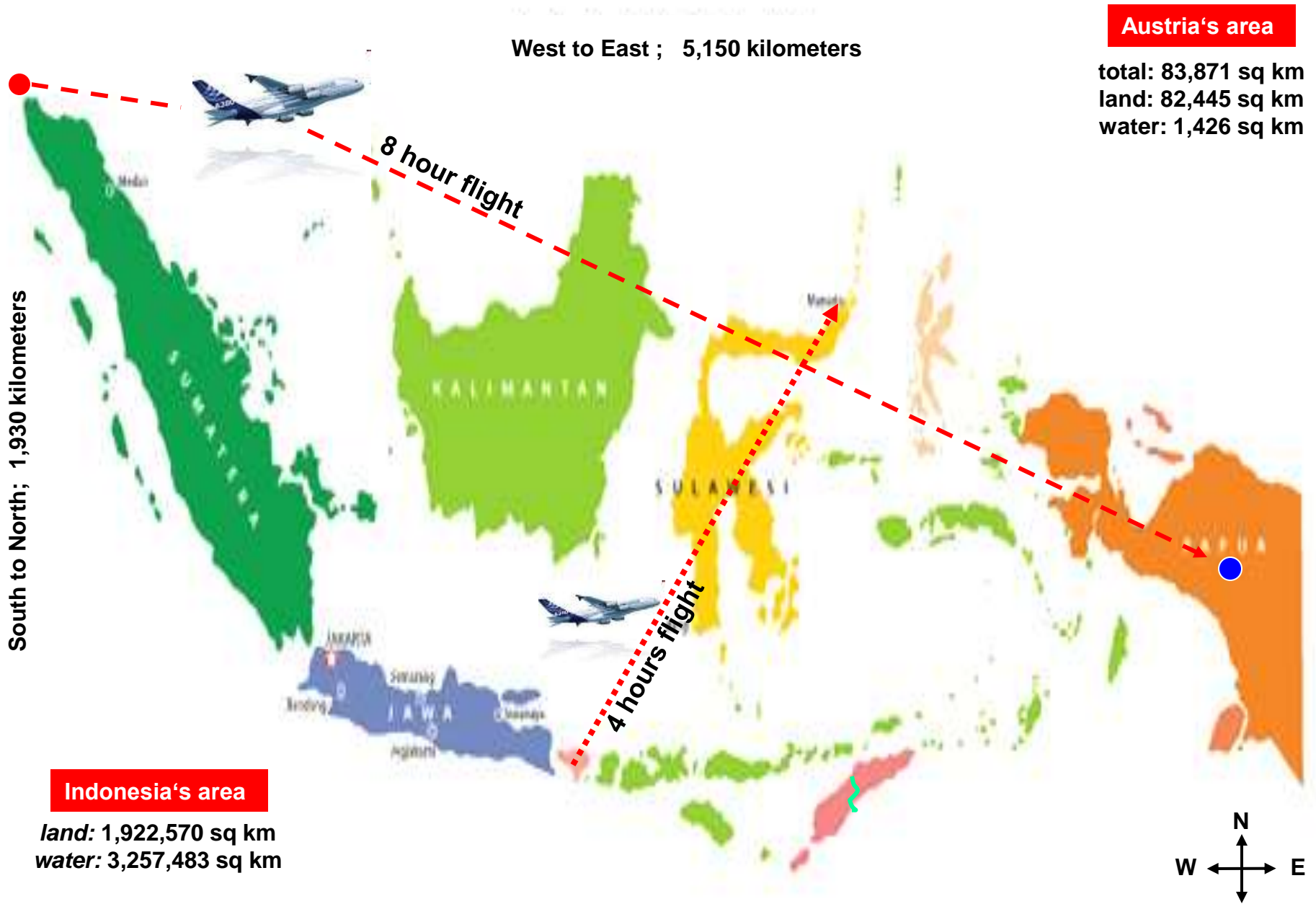


INDONESIA: AN EMERGING PROFILE IN GLOBAL AFFAIRS



Presented by
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Ambassador of the Republic of Indonesia

TAKE A LOOK AT THE VAST ISLANDS OF INDONESIA



Austria's area

total: 83,871 sq km
land: 82,445 sq km
water: 1,426 sq km

Indonesia's area

land: 1,922,570 sq km
water: 3,257,483 sq km

This range is similar to the United States from east coast to west coast or London (UK) to Istanbul (Turkey) S

INDONESIA'S BASIC FACTS



LOCATION

Southeastern Asia

TYPE OF GEOGRAPHY

Archipelago of 17,500 islands (6,000 inhabited); straddles equator; strategic location astride or along major sea lanes from Indian Ocean to Pacific Ocean

AREA SIZE

land: 1,922,570 sq km

water: 3,257,483 sq km

COASTLINE

54,716 km

CLIMATE

tropical; hot, humid; more moderate in highlands
Terrain: mostly coastal lowlands; larger islands have interior mountains

POPULATION

2010 242,965,000 (est)

2000 census 206,264,595

NATIONAL RESERVES

Foreign exchange reserves
have risen to US\$ 101 billion (Feb 2011)

GROSS DOMESTIC PRODUCT

GDP (PPP) estimate - Total US\$962.471 billion

Per-capita US\$4,156

GDP (nominal) estimate - Total \$539.377 billion

Per-capita US\$2,329

GDP REAL GROWTH

6.1% (2008), 4.4% (2009), 5.8% (2010), 6.4% (2011 est)

GOVERNMENT

Type: Independent republic.

Independence: August 17, 1945 proclaimed.

Constitution: 1945. Embodies five principles of the state philosophy, called Pancasila, namely monotheism, humanitarianism, national unity, representative democracy by consensus, and social justice.

Branches: Executive--president (head of government and chief of state) elected by direct popular vote.

Legislative--The People's Consultative Assembly (MPR), which includes the 560-member House of Representatives (DPR) and the 132-member Council of Regional Representatives (DPD), both elected to five-year terms. Judicial--Supreme Court is the final court of appeal. Constitutional Court has power of judicial review

RELIGION

Muslim 86.1%, Protestant 5.7%, Roman Catholic 3%, Hindu 1.8%, other or unspecified 3.4% (2000 census)

INDONESIA: WHERE SIZE DOES MATTER !

1. **THE LARGEST ARCHIPELAGO ON EARTH**
2. **THE FOURTH MOST POPULOUS COUNTRY IN THE WORLD**
3. **HOME TO THE WORLD'S LARGEST MUSLIM POPULATION**
4. **THE WORLD'S THIRD LARGEST DEMOCRACY**
5. **THE LARGEST MARITIME COUNTRY IN THE WORLD (93.000 km²)**
6. **THE LONGEST BEACHES (81.000 km, ALMOST 25% OF THE WORLD'S TOTAL**
7. **THE MOST TRIBES/ETHNIC GROUP IN THE IN THE WORLD (740)**
8. **THE MOST REGIONAL LANGUAGES IN THE WORLD (583)**
9. **HOME TO THE GREATEST MARINE BIODIVERSITY ON THE PLANET**
10. **THE LARGEST MANGROVE FOREST IN THE WORLD**
11. **HOME OF THE WORLD'S LARGEST LIZARD (KOMODO DRAGON, 3 Mtr)**
12. **HOME OF THE WORLD'S SMALLEST PRIMATE, THE PYGMY TARSIER 10cm)**
13. **HOME OF THE WORLD'S LARGEST FLOWER "RAFLESSIA ARNOLDI", 1 Mtr**
14. **PLACE WHERE THE OLDEST HUMANS DISCOVERED, PITHECANTHROPUS ERECTUS (1.8 million years)**
15. **WORLD'S LARGEST GOLDFISH DISCOVERED IN INDONESIA (2,5 meters)**
16. **SITE OF THE WORLD'S LARGEST BUDDHIST TEMPLE (42 meters = 10 levels and long-relief more than 1 km).**

ETC

POLITICAL CAPITAL AND STABILITY SCORE



GREATER STABILITY

- 2004 and 2009 general elections went smoothly with no violence despite reported irregularities
- Peaceful elections
- People's control and growing "civil society" + free media
- Enjoys political stability since 1999

GREATER DEMOCRACY

- Multiparty, open, just and fair general election
- SBY's Democratic Party won big in parliament in 2009
- People directly elected President SBY (2 terms)
- Capital Turnout by over 60% of all eligible votes
- Continuity in government means stability

GREATER GROWTH

- Focusing more on economy
- Stable GDP growth
- Currency has stabilized
- Ambitious development agenda
- Growth driven forces

WHAT OTHERS SAY ?

“Indonesia should be added to the famous BRIC grouping of fast-growing emerging markets that includes Brazil, Russia, India and China”,
Morgan Stanley, 2009

*“Create formula BIICS (Brazil, India, **Indonesia**, China and South Africa) by strengthening policy going for growth towards BIICS”*
Economic Policy Reform (EPR), OECD 2010,

“...Indonesia’s economy has proven resilient in midst of the global financial crisis and its Doing-Business rankings have improved steadily each year...”
Joachim von Amsberg,
The World Bank, 2010

“Indonesia's abundant natural resources are one of the main reasons we invest in Indonesia. We are proud to be part of Indonesia's success story”,
Madhu Koneru, CEO of
MEC Holdings, 2010

“Indonesia fulfills our investment criteria on every level: a young, growing and upwardly mobile population, an increasingly sophisticated customer base, strong GDP growth...”
Sheikh Abdullah Bin Mohammed Bin Saoud Al Thani, Chairman,
Qatar Telecom,
2010

RATING INDONESIA'S PERFORMANCE



BB+

- medium class and most satisfactory at the moment
- more prone to changes in the economy



Ba2

- “questionable credit quality”
- speculative investment, usually problematic to predict future development



BB

- more prone to changes in the economy
- speculative investment, usually problematic to predict future development



Economy is projected to accelerate further on the back of rising investment and improving credit conditions.

THE GROWING CONFIDENCE

THE UPGRADED RATING

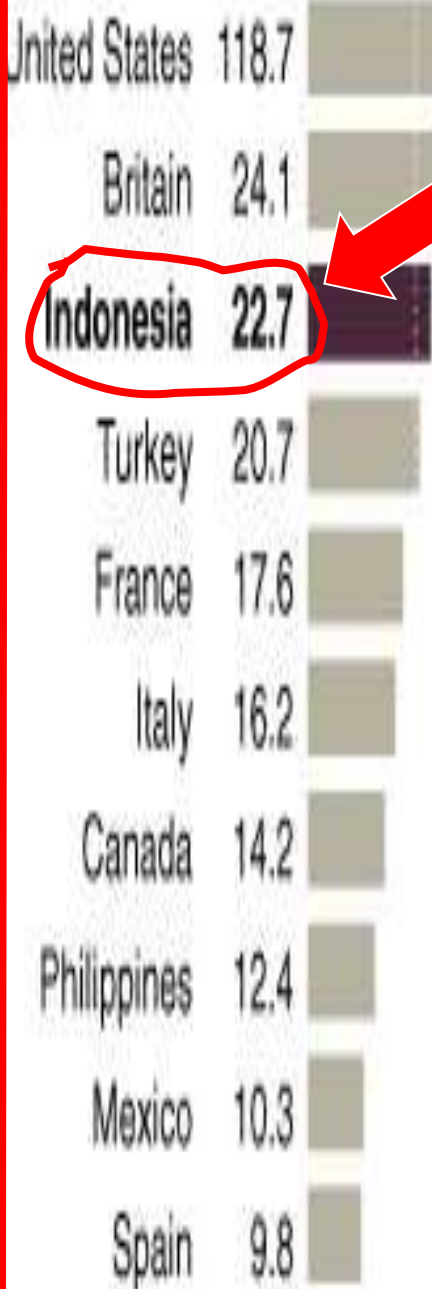
REMAIN CAUTIOUS

ON-GOING POSITIVE TRENDS

INDONESIA'S GLOBAL BRAND

- THE LARGEST LIQUID NATURAL GAS (LNG) PRODUCER IN THE WORLD (MORE THAN 20% OF WORLD TOTAL SUPPLY)
- THE LARGEST PLYWOOD EXPORTER IN THE WORLD THAT DOMINATES ALMOST 80% OF THE WORLD MARKET
- THE NUMBER ONE PRODUCER OF CRUDE PALM OIL (16 MILLION TONS PER-YEAR) AND ALONG WITH MALAYSIA DOMINATES 90% OF THE WORLD MARKET
- FIRST IN PRODUCING AGRICULTURAL PRODUCTS SUCH AS CLOVES AND NUTMEG
- THE RICHEST CORAL REEF IN THE WORLD LOCATED IN INDONESIA, (18% OF THE WORLD'S CORAL REEFS ARE IN INDONESIA)
- THE SECOND LARGEST TIN AND NATURAL RUBBER PRODUCER IN THE WORLD
- THE THIRD LARGEST CACAO PRODUCER IN THE WORLD
- SENSE MAGAZINE OF EUROPE NAMED BALI AS THE *BEST SPA DESTINATION* IN THE WORLD IN 2009
- THE COUNTRY WITH THE MOST BANKS AND FINANCIAL INSTITUTIONS BASED ON SYARIAH SYSTEM OPERATING IN INDONESIA (33 BANKS, 46 INSURANCE COMPANIES, AND 17 MUTUAL FUNDS)
- MEMBER OF THE G-20 AND FOUNDING FATHER OF ASEAN AND NON-ALIGNED MOVEMENT (NAM)
- ETC

NUMBER OF REGISTERED USERS, in millions



Checking Facebook

Countries with the largest number of registered Facebook users.

Source: Facebook THE NEW YORK TIMES

ONE OF THE WORLD'S FASTEST GROWING MOBILE CONSUMER MARKETS AND WILL BECOME THE THIRD LARGEST MOBILE MARKET

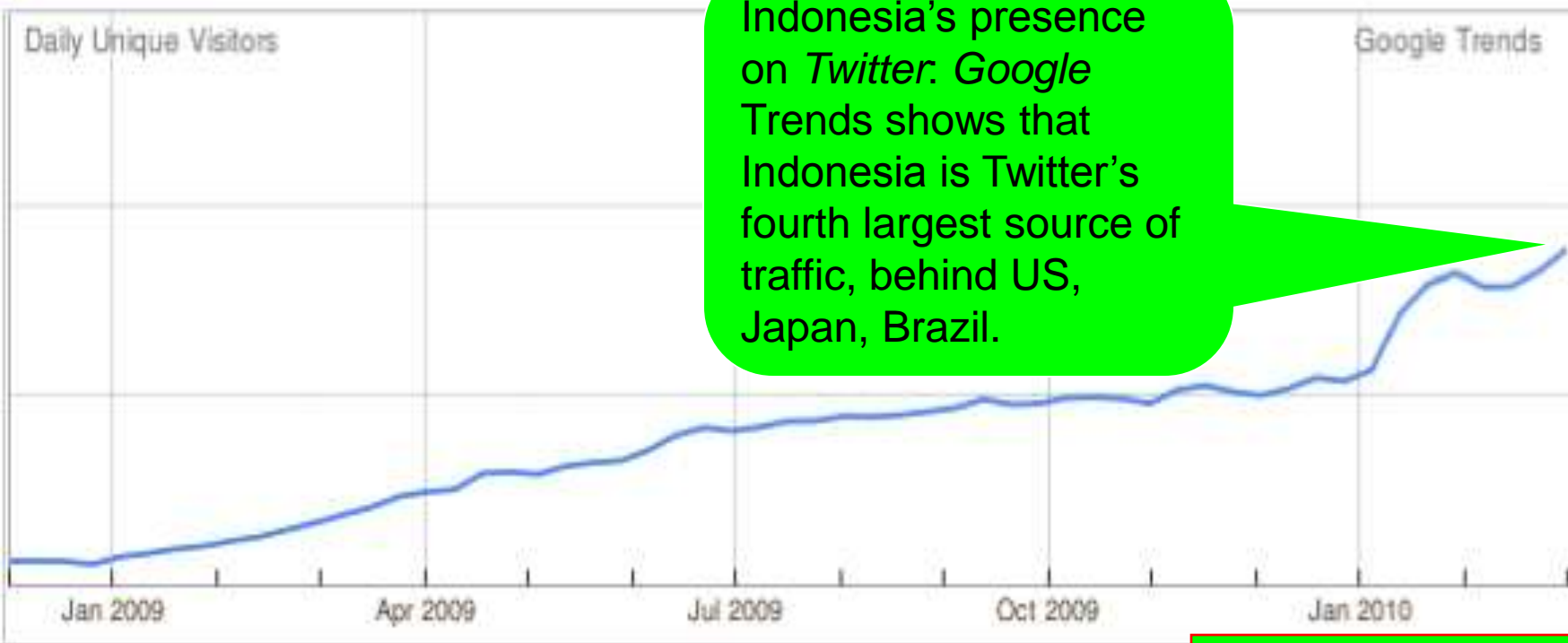
THE WORLD'S THIRD LARGEST MULTIMEDIA USERS

ONE OF THE TOP 20 INTERNET USERS IN THE WORLD

INDONESIA LEADS ONLINE GROWTH IN SOUTHEAST ASIA : YAHOO NET INDEX STUDY 2010

THE COUNTRY IS CONSIDERED TO HAVE ENORMOUS POTENTIAL AS AN ONLINE MARKET

INDONESIA RANKED #10 GLOBALLY IN 3G SUBSCRIBER GROWTH# ACCORDING TO MORGAN STANLEY



Indonesia's presence on *Twitter*. Google Trends shows that Indonesia is Twitter's fourth largest source of traffic, behind US, Japan, Brazil.

Ranked by: [Learn more](#)

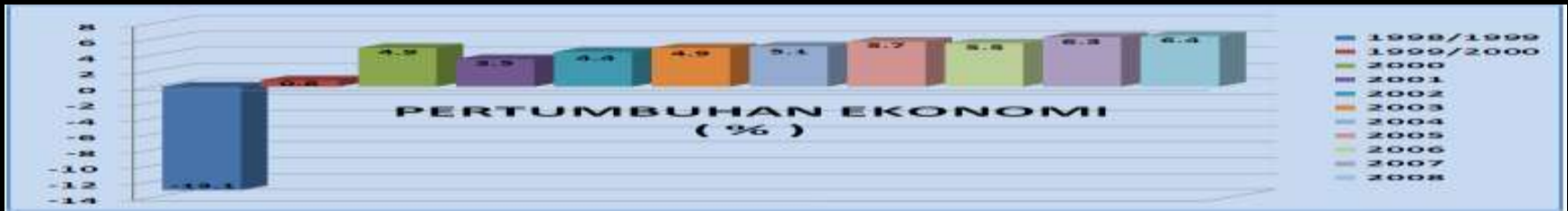


dominated by Indonesia

“trending topic”

- #FF
- #Nowplaying
- #Followfriday
- Tweeticlub
- I♥
- Panasonic Gobel**
- Justin Bieber
- Easter
- RCTI
- Putra Nababan

WHY INDONESIA ?



- Economic growth estimated at 5,8% (2010) and 6.5% (2011)
- Export and import plus investment growth continue to increase (yoy)

SOUND ECONOMY

- The top ten most abundant natural resources; petroleum, tin, natural gas, nickel, timber, bauxite, copper, fertile soils, coal, gold and silver

NATURAL RESOURCES

- Population 242,968,342 (July 2010 estimated)
- Urban population: 52% of total population (2008)

DEMOGRAPHICS

- “Demographic dividend”

- Large and growing younger generation
- Growing consumer purchasing power

DOMESTIC MARKET

- 35 to 40 million middle class
- Everything is about growth

- 140 billion US\$ invest target
- Various great opportunities

INVESTMENT CLIMATE

- Certainty and Legal Framework
- Improving system and procedure

- PD, Golkar, PDI-P, PKS, PAN, PPP, PKB Gerindra, Hanura

POLITICAL STABILITY

- The latest two general elections in 2004, and 2009. Direct vote, stable, multiparty, fair & open.

- Active and independent foreign policy

GLOBAL EXPOSURE

- Leading member of ASEAN, UN, G-20, NAM, ISO, APEC, ARF, ADB, D-8, EAS, FAO, G-15, G-77, IAEA, WTO, IBRD, ICAO, ICC, ICRM, IDA, IDB, IFAD, IFC, IFRCs, IHO, ILO, IMF, IMO, IMSO, UPU, WCO, WFTU, WHO, WIPO, WMO, Interpol, ITU, UNCTAD, UNESCO, IPU, OIC, UNWTO, etc

ON THE MOVE



INDONESIA'S MEGA PROJECTS



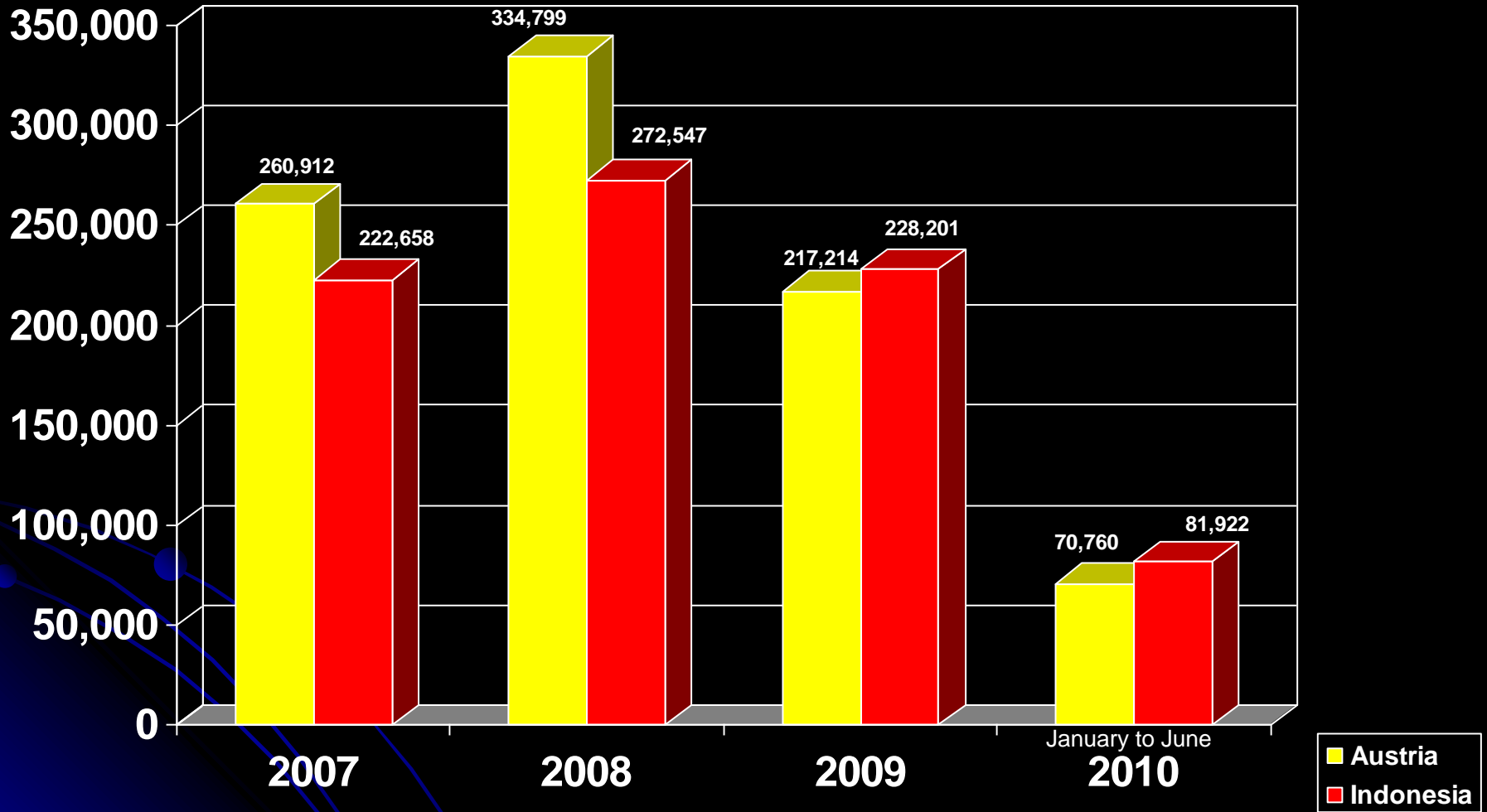
THE OTHER SIDES OF PROGRESS



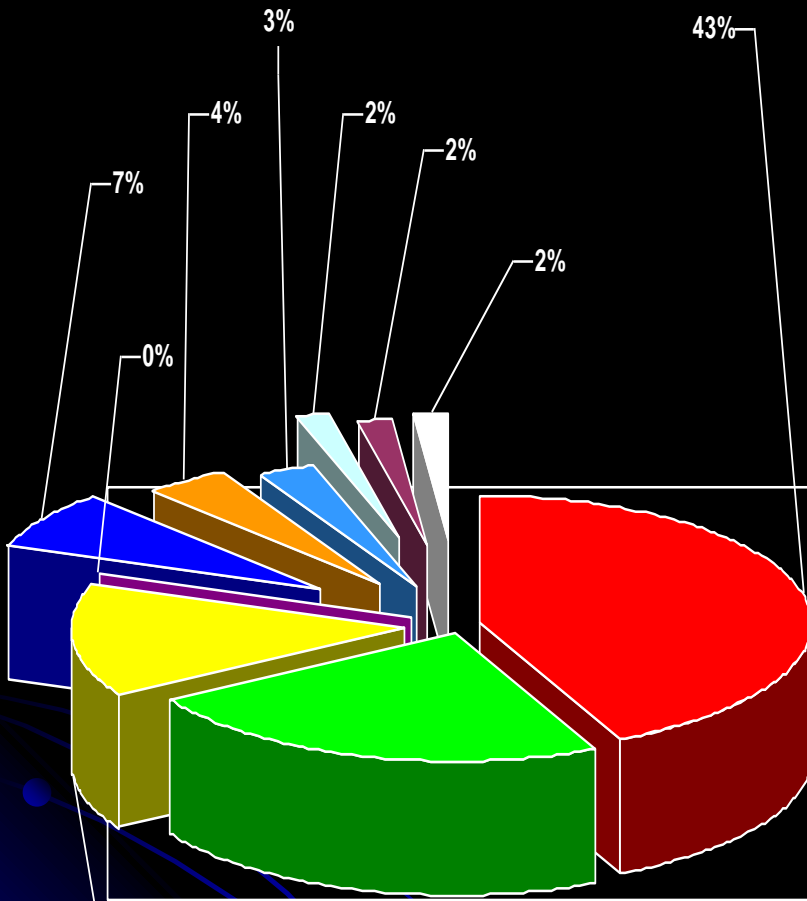
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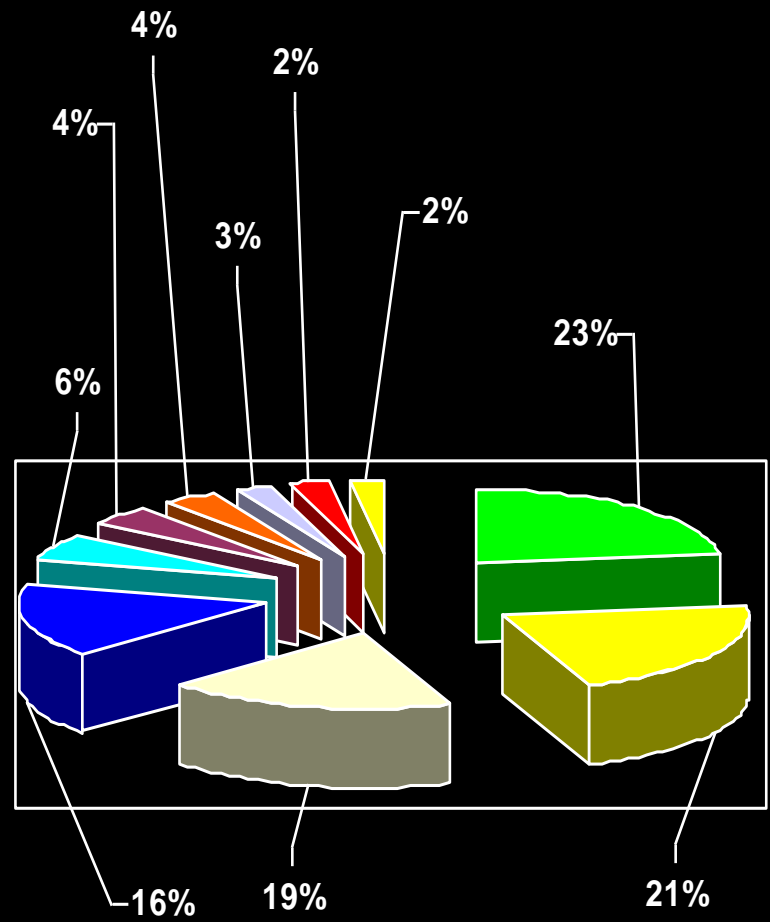
INDONESIA AND AUSTRIA BILATERAL TRADE (in Millions USD)



THE TOP TEN PRODUCTS, FROM AND TO AUSTRIA



- Electronic
- Pulp and Paper
- Optic
- Staple Fibers
- Articles of Iron or steel
- Machinery
- Iron and Steel
- Pharmacy
- Laminated Textile
- Vehicle other than railway



- Footwear
- Article of apparel (not knit)
- Furniture
- Vehicle other than rail way
- Artificial Flowers
- Electronic Equipment
- Article of apparel (knit)
- Rubber
- Music Equipment
- Games Sport

THE HIGHEST CONTACT



President Soekarno landed in Vienna Airport, 1964



President Soeharto met with President Thomas Klestil during a visit to Austria, 1972



President Thomas Klestil visited Indonesia in 1995

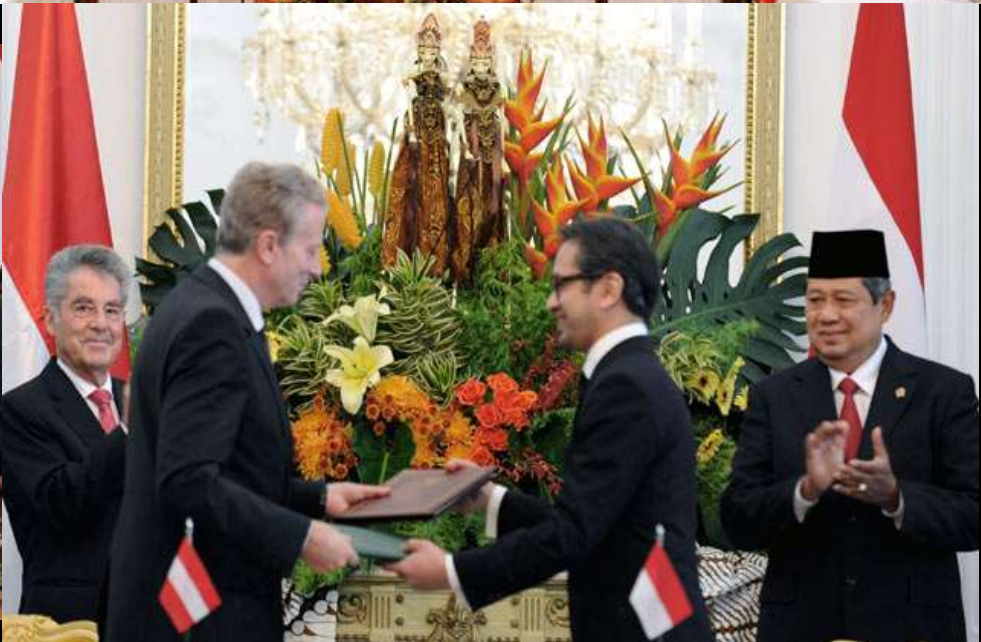


Austrian Chancellor, Wolfgang Schussel in talks with President Abdurrahman Wahid during ASEM III in Seoul, 2000

THE LATEST VISIT IN 2010



THE TALKS AND RESULTS



THE SYMBOL OF HARMONY



HEART BRAIN AND BACKBONE OF ASEAN

PROFILE ASEAN

- ❑ Founded in 1967 with 10 members, namely Indonesia, Malaysia, Thailand, Philippines, Singapore, Brunei Darussalam, Vietnam, Laos, Myanmar and Cambodia.
- ❑ By 2008, its combined GDP had grown to more than USD \$1.5 trillion with a population of approximately 580 million people (8.7% of the world population)
- ❑ ASEAN will have declared ASEAN Economic Community by 2015 – to create one single market and production base, a highly competitive region with equitable economic development and fully integrated into the global economy.

INDONESIA'S CONCENTRIC CIRCLE

- ❑ Indonesia is one of the founders of ASEAN, with the biggest population, the largest area, the richest natural resources and the highest GDP among all ASEAN members.
- ❑ Indonesia holds a strategic position in ASEAN where the ASEAN Secretariat Office and Foundation Office are located in Jakarta, Indonesia, and as of January 1, 2011 until the end of the year, Indonesia took on the mantle of ASEAN's Chair.
- ❑ Indonesia is the only G20 member from ASEAN playing an important role in bringing ASEAN interests in the G20 forum. Consequently, Indonesia will play a leading role in advancing ASEAN economic integration.

HEART BRAIN AND BACKBONE OF ASEAN



- Three Pillars in 2015
- ASEAN Dividend
- Sphere Beyond the Region
- ASEAN Driven Force
- Dynamic Equilibrium
- Regional Security Architecture

INDONESIA IN G-20

- China
- India
- South Korea
- **INDONESIA**
- Saudi Arabia
- Turkey
- United States
- Canada
- France
- Germany
- Italy
- UK
- Japan
- Russia
- Australia
- Brazil
- Mexico
- Argentina
- South Africa
- EU/ECB



- Stabilizing the global economy
- Stopping the haemorrhaging
- Gaining and recovering global trust,
- Executing counter cyclical measures, including introducing a coordinated global economic stimulus package.

65,5% of global population

88% of global GDP

80% of world trade



- No statutes
- No binding decisions (“peer review“)
- No headquarters
- No own administration and staff
- Rotating presidency
- Implementation through national states or multilateral institutions

IMF/World Bank

Permanent Guest: Spain

Special Guests

MAYA UBUD RESORT SPA



Balinese Massage



Flower Bath



Meditation



Spa Pavilion

THANK YOU

