

OPPORTUNITY INDONESIA 2015

INDONESIA BANKING

A Bridge for Economic Growth

EDUCATION

Singapore Supports Batam
Polytechnic in New Ship
Building Course

Adding New Momentum to an Old Friendship

PAGE 07



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Spirits of Metal

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*Congratulations and Best Wishes
to the People and the Government of
the Republic of Indonesia on their
70th Anniversary of Independence*



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INDONESIA

LIVING UP TO ITS POTENTIAL

There have been many shared milestones in the rich and enduring friendship between Singapore and Indonesia, and yet, the year 2015 marks a special occasion

As Singapore celebrates its Golden Jubilee joyously, Indonesia stands shoulder-to-shoulder, as more than a close neighbour or a key trading partner. With President Joko Widodo's recent maiden State Visit in July, the nearly five decade-old relationship found new momentum. Indonesia and Singapore have turned a new page with the signing of critical agreements and tie ups in e-government, tourism, youth and sports, and cooperation between the respective business chambers of both countries. The recent State Visit also underpinned the close relations between the leaders of the two countries.

This National Day, Indonesia has more reasons to celebrate. Thanks to the new government's monetary policy, robust economic growth and sound public finances, the country is experiencing a boom in foreign direct investment, especially in key sectors such as infrastructure, mining, maritime and health. The recent positive credit rankings and economic outlook projected by agencies such as Standard & Poor, Moody's and Fitch stand testament to Indonesia's growth story. Adding to this, the new government under President Widodo just rolled out huge investment projects worth approximately

US\$13.62 billion injecting a much needed buoyancy into the economy.

This issue of Opportunity Indonesia reflects the hope, confidence and enthusiasm Indonesians feel towards their great country. As the nation stands tall amidst a turbulent global economy, the new government led by President Widodo is all set to weather the storm and come out a winner. With so much success and positivity to share, we are also bringing readers the exclusive growth story of Indonesian companies that have begun their new operations in Singapore and are growing from strength to strength. Not to be forgotten are the inspiring tales of Singaporean organisations that have successfully tapped into the burgeoning Indonesian market and made their mark in Indonesia.

As we join the world in congratulating the Republic on its 70th National Day, I will leave the readers with President Joko Widodo's parting remarks while on his visit to Singapore, "Best time to invest in Indonesia is now. Invest early in Asean's largest economy."

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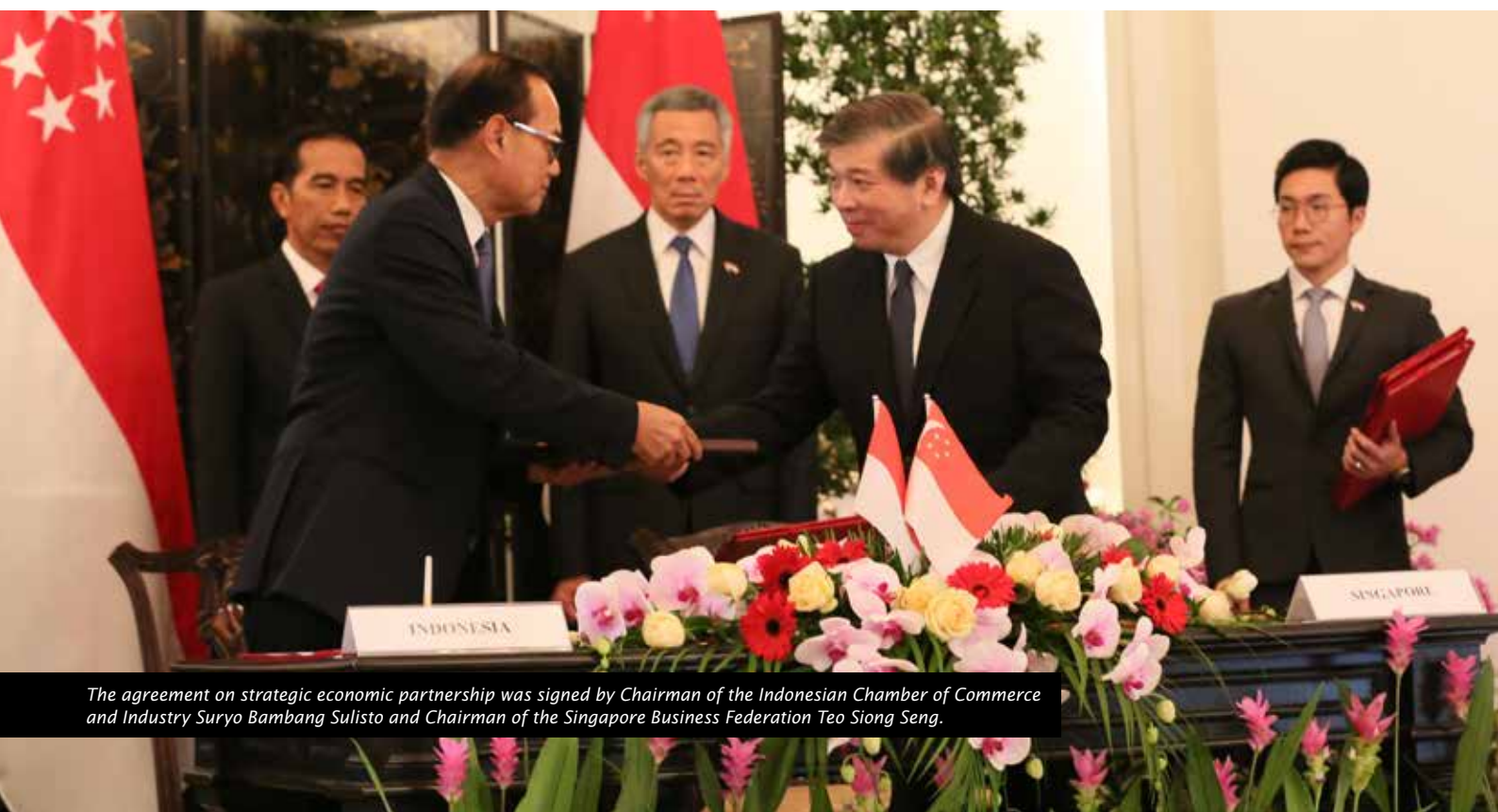
SURPASSING GLOBAL EXPECTATIONS

Ambassador of the Republic of Indonesia to Singapore, Andri Hadi, is a man with a mission. With an objective to intensify economic diplomacy and aid in achieving the target of economic growth from 5.10 per cent in 2014 to 8 per cent by 2019, His Excellency shares his insights with **Nomita Dhar** on the roadmap for progress laid out by his government.

THE STATE VISIT OF JOKO WIDODO, PRESIDENT OF THE REPUBLIC OF INDONESIA HAS JUST CONCLUDED, PLEASE BRIEF US ON THE HIGHLIGHTS OF THE VISIT?

During President Joko Widodo's first State visit to Singapore, the leaders renewed their commitment to enhance cooperation in the fields of investment, tourism, education and vocational training, intelligence, as well as cooperation between the armed forces of both countries. During the visit, three agreements were also signed, namely the Memorandum of Understanding on Electronic Government, Memorandum of Understanding on Youth and Sports and Strategic Cooperation Agreement between the Indonesian Chamber of Commerce and Singapore Business Federation.

The success of the recent State visit is a reflection of the excellent bilateral relations that exist between Indonesia and Singapore which continues to develop towards a more balanced, constructive, and beneficial cooperation for both countries.



The agreement on strategic economic partnership was signed by Chairman of the Indonesian Chamber of Commerce and Industry Suryo Bambang Sulisto and Chairman of the Singapore Business Federation Teo Siong Seng.



President Tony Tan Keng Yam and Mrs Mary Tan hosted a State Banquet in honour of His Excellency Joko Widodo, President of the Republic of Singapore and Ibu Iriana at the Istana on 28 July 2015.

SINGAPORE AND INDONESIA HAVE ALWAYS SHARED EXCELLENT BILATERAL RELATIONS. PLEASE SHARE SOME HIGHLIGHTS OF THIS YEAR'S COOPERATION TO TRADE?

On 7 September this year, Indonesia and Singapore will mark their 48th anniversary of diplomatic relations. I am confident that our bilateral relations with Singapore will extend way beyond that mark, given the good and longstanding relations that we already have been enjoying in many sectors of our extensive bilateral relations.

It is worthy of note that on the economic front last year, Singapore was the first largest investor in Indonesia with foreign direct investment amounting to USD 5.8 billion with 1,302 projects. During the first semester of 2015, Singapore contributed 1,338 projects with a value of USD 2.3 billion, thus making Singapore one of the three biggest foreign direct contributors in Indonesia.

I also wish to point out that Indonesia is the fourth largest trading partner for Singapore after China with bilateral value trade accounting to S\$ 72.4 billion, or 7.4 per cent of Singapore's total external trade which in 2014 reached S\$ 982.7 billion or about US\$ 744.5 billion.

Turning to people-to-people relations, there are currently around 200,000 Indonesian citizens residing in Singapore from various groups.

With regard to political, defence and security cooperation, the state of our bilateral relations remain excellent and channels for dialogue are always open to resolve all kinds of issues.

PLEASE SHARE SOME INFORMATION ON THE INVESTMENT COORDINATING BOARD. WHAT ROLE WILL IT PLAY IN FACILITATING BUSINESSES FROM SINGAPORE THAT WISH TO SET UP OPERATIONS IN INDONESIA?

With an intention to expedite investment procedures, overcome the bureaucracy red tape and to facilitate investment, President Joko Widodo has instructed the Investment Coordinating Board, or BKPM, to simplify investment licensing procedures. For that reason, starting on 26 January 2015, BKPM has launched an integrated One Stop Service on Investment.

This One Stop Service integrates 20 ministries and institutions under the BKPM office, thus enabling potential investors to submit, obtain permit and licences as well as other facilities all under one roof instead of having to visit different offices. All applications are also submitted and collected through the BKPM office.

The next phase of this process is to expand a National One Stop Service that includes the regional authorities, namely the provinces, regencies and cities, all under one roof. With the new arrangement, the minimum processing time that usually takes 1125 days can be simplified to only 221 days.

ASEAN INTEGRATION IS LIKELY TO BRING GROWING OPPORTUNITIES TO THE REGION, INDONESIA BEING THE BIGGEST COUNTRY HAS A SPECIAL ROLE TO PLAY, YOUR COMMENTS.

We cannot emphasise enough the importance of ASEAN for Indonesia, as it is one of the cornerstones of Indonesia's foreign policy. As we approach the establishment of the ASEAN Community, Indonesia and all ASEAN countries will continue to work towards the realisation of the ASEAN Community 2015.

ASEAN is also in the middle of the process of devising the ASEAN Post-2015 Vision. ASEAN deems the Post-2015 Vision necessary to ensure peace, prosperity and stability in the region that will benefit the peoples of ASEAN. In this connection, Indonesia also believes that the Blueprint and Plan of Action of ASEAN Community Vision 2025 should not be considered as the second version of the ASEAN Community Blueprint but as a means to ensure the continuity and sustainability of the ASEAN Community Building process.

COULD YOU BRIEF US ON THE INITIATIVES ON ANTI-TERRORISM ISSUE?

Terrorism and the rise of ISIS and Foreign Terrorist Fighters (FTF) remain a dangerous issue and a cause of concern.

The Indonesian government has adopted a thorough strategy to address the ISIS threat, among others by publicly prohibiting ISIS from conducting its activities in Indonesia. The Government had also arrested several people in Indonesia who were allegedly involved in activities affiliated to ISIS and presumed to potentially carry out terrorist acts. The Ministry



President Joko Widodo was accompanied by Minister of Administrative Reform Yuddy Chrisnandi, Minister for Finance Bambang Brodjonegoro, Coordinating Minister for Human Development and Culture Puan Maharani, Coordinating Minister for Economic Affairs Sofyan Djalil, Minister for Foreign Affairs Retno Marsudi and Minister of Defense Ryamizard Ryacudu.

of Foreign Affairs has also called upon all Indonesian citizens travelling or residing abroad to stay away from ISIS conflict areas. There are four preventive measures that have been implemented to address the ISIS issue, namely:

- By preventing the establishment of ISIS agents, as well as the spread of ISIS doctrine in Indonesia;
- Cooperating intensively with religious clerics and leaders, and leaders in the communities at home, so that these clerics and leaders could assist by advocating the negative influence of the ISIS doctrine;
- Blocking the broadcast of the ISIS doctrine through social media, including through YouTube;
- Monitoring Indonesians travelling out of Indonesia to a number of countries that may become their transit countries to get to the region where ISIS is based and carries out its activities.

KINDLY SHARE WITH OUR READERS THE GOVERNMENT'S EFFORTS TO DEVELOP INDONESIA AS A MARITIME NATION.

During the 9th East Asia Summit in Nay Pyi Daw, Myanmar on 13 November 2014, President Joko Widodo conveyed Indonesia's vision as a Maritime Fulcrum which will put forward Indonesia's identity as a maritime nation and an archipelagic State. This Maritime Fulcrum consists of five main pillars -

1. Cultivating a maritime culture, which means that Indonesia will restore and revive our maritime culture and identity as a country with more than 17,000 islands. In turn, awareness of maritime culture would produce generations who will have ocean-going/outward looking views;
2. Preserving and managing maritime resources, which means that Indonesia will utilise, preserve and secure our maritime resources. This is particularly important as Indonesia aims to be a country of 10,000 USD per capita with the significant contribution of a maritime economy;
3. Developing maritime infrastructure and connectivity, by which Indonesia will prioritize the development of maritime infrastructure and connectivity.

4. Maritime cooperation through diplomacy, which will be done through promoting strategic and comprehensive maritime cooperation and partnership as well as developing new global norms whenever accepted at the global level; and
5. Building a strong maritime defense through maritime safety and security. As a fulcrum of the two oceans, Indonesia is obliged to build and to strengthen its maritime defense capability in order to deter threats from the inside and outside, such as in combating transnational crime.

As a maritime and archipelagic State, Indonesia will therefore secure our maritime interests by integrating two strategic seas – the Indian Ocean and the Pacific Ocean – as the focus of our foreign policy. Indonesia will defend its maritime sovereignty and sovereign rights, protect its marine resources and ensure the safety and security of Indonesia's seas. Indonesia will also strive to work with neighbouring countries to resolve both maritime and land boundaries.

All five pillars of the maritime fulcrum as stated earlier are intertwined and thus require diplomacy in order to succeed. Infrastructure, for instance, will be better served through inviting foreign investments, which means a strong element of economic diplomacy in infrastructure development in Indonesia.

Moving ahead, Indonesia also seeks to establish a comprehensive National Ocean Policy, with Law No. 32 Year 2014 on Seas as the basis for ocean governance and policy.

ON THE OCCASION OF SINGAPORE CELEBRATING ITS GOLDEN JUBILEE THIS YEAR, WHAT MESSAGE WOULD YOU LIKE TO SHARE WITH SINGAPOREANS?

Singapore is home to a large number of Indonesians from students and domestic workers to businessmen and many others. I therefore would like to take this opportunity to convey my heartfelt appreciation to the government and the people of Singapore for their warm welcome. I would also like to congratulate Singapore on its 50th anniversary. Majulah Singapura.

ADDING NEW MOMENTUM TO OLD FRIENDSHIP

President Joko Widodo's first State Visit to Singapore further bolstered strong economic and security ties and cooperation on e-government, youth and sports development as well as tourism.



Indonesia's President Joko Widodo with Singapore's Prime Minister Lee Hsien Loong after witnessing a signing ceremony for a Memorandum of Understanding between both countries in Singapore on July 28, 2015



President Joko Widodo (left) and Singapore Prime Minister Lee Hsien Loong (right) oversee the signing of the MoU between Indonesia's Minister of Administrative and Bureaucratic Reform Yuddy Chrisnandi (front L) and his Singapore counterpart Yaacob Ibrahim (front R) on 28 July 2015 at Istana presidential palace in Singapore.

It was a time to celebrate an old friendship, establish new ties and strengthen existing bonds, and to this end, President of the Republic of Indonesia Joko “Jokowi” Widodo’s maiden official visit to Singapore added a “new momentum” to build trust and mutually beneficial relations. Accompanied by First Lady Iriana Joko Widodo and a high-level ministerial delegation, the President in his two day visit, 28-29 July 2015, underscored the closely connected nature of the relationship, and the efforts of both governments to bring about mutual benefits for the people of Singapore and Indonesia. The President and his delegates were given a warm welcome in an official honouring ceremony at the Istana on Tuesday 28 July, the first day of his visit. This was followed by a call on President Tony Tan Keng Yam and a meeting with Prime Minister Lee Hsien Loong. President Jokowi was later hosted to lunch by PM Lee. Later, both presidents witnessed a certificate presentation ceremony for the Technical and Vocational Training Programme in Ship Building, which was organised by Temasek Foundation and ITE Education Services in partnership with Batam Polytechnic. The same evening, President Jokowi was honoured with a State Banquet by President Dr Tan.

The highlight of the visit, however, was the three crucial agreements signed by both leaders in the fields of cooperation of e-government, youth and sports development, tourism and strategic partnership between business chambers of both countries.

INKING OF VITAL AGREEMENTS

President Jokowi accompanied by Coordinating Minister for Economic Affairs Sofyan Djalil, Foreign Affairs Minister Retno Marsudi, Minister of Administrative Reform Yuddy Chrisnandi, Minister of Youth and Sports Affairs Imam Nahrawi, and Trade Minister Rahmat Gobel signed three Memoranda of Understanding (MoU) on cooperation in strategic fields.

- i) The MoU on Electronic Government Cooperation (e-governance) between the Ministry of Administrative and Bureaucratic Reform of the Republic of Indonesia and the Ministry of Communications and Information of the Republic of Singapore, will enable the sharing of experiences and knowledge on the development of electronic government;
- ii) The second MoU between the Ministry of Youth and Sports of the Republic of Indonesia and the Ministry of Culture, Community and Youth of the Republic of Singapore, primarily aims to bolster collaboration on youth and sports development between Indonesia and Singapore;
- iii) The third MoU is a Strategic Cooperation agreement between the Indonesia Chamber of Commerce and Industry (KADIN) and the Singapore Business Federation (SBF). The agreement will further enhance economic cooperation between the two business chambers.

"TODAY, I AM GLAD TO WITNESS THE SIGNING OF MOUS ON E-GOVERNANCE, AND YOUTH AND SPORTS AFFAIRS BECAUSE THE AGREEMENTS WILL ADD NEW DIMENSIONS TO THE CLOSE RELATIONS BETWEEN INDONESIA AND SINGAPORE"

- PM Lee at a press conference with President Jokowi after the signing ceremony, which was held at the Singaporean Presidential Palace.

The agreement on e-governance was signed by Administrative Reform Minister Yuddy Chrisnandi and Singaporean counterpart Yaacob Ibrahim. The document on youth and sports affairs was signed by Youth and Sports Affairs Minister Imam Nahrawi and Singaporean Minister of Culture, Youth and Social Affairs Lawrence Wong. The third agreement was inked by Chairman of KADIN Suryo Bambang Sulisto and Chairman of SBF Teo Siong Seng.

For Indonesia, Singapore remains its largest investor and bilateral trade with Indonesia has been

on an upward trend especially in the last decade, reaching \$72.4 billion last year. In 2014, Singapore invested US \$5.8 billion (S\$7.9 billion) in the country's economy. Post the signing of agreements, President Jokowi also addressed the business community at the Singapore-Indonesia Business Dialogue organised by SBF and KADIN.

TACKLING CHALLENGES TOGETHER

At the joint press conference on 28 July both the leaders expressed their concern about the rise of extremist terror threats. "We both worry about Islamic State in Iraq and Syria (ISIS). We both have nationals from our countries involved in terrorist activities, including in the Middle East," PM Lee said. According to Straits Times, over 500 Indonesians are estimated to have joined ISIS. Singapore's Home Affairs Ministry also said it had detained a 51-year-old Singaporean for trying to join the group. President Jokowi added that the two nations will share information on terrorism and militant group ISIS to tackle the threat together. The press conference also saw both leaders jointly celebrate the successful meetings and agreements which can further build on already established ties. Both leaders also agreed to work jointly on attracting more Singapore investors, especially to the special economic zone of Batam, Bintan and Karimun. "Indonesia is looking seriously at setting up a special unit to settle problems in the zone, which has been



The document on youth and sports affairs was signed by Youth and Sports Affairs Minister Imam Nahrawi and Singaporean Minister of Culture, Community and Youth Lawrence Wong



First Lady Iriana and President Joko Widodo honoured during Orchid Naming Ceremony at the National Orchid Garden on 29 July. The orchid was christened Dendrobium Iriana Jokowi, after the Indonesian First Lady.

hit by such woes as rising costs and labour disputes,” President Jokowi said.

The leaders further expressed their hope to visit the planned Kendal Industrial Park in Semarang, which is a joint venture between SembCorp and Indonesian property developer Jababeka. Mr Lee said, “It is a sign of our friendship, our cooperation and the potential for us to work more closely together for mutual benefit.” Cooperation on tourism and in defence also was discussed where PM Lee agreed that strong cooperation between both armed forces had to extend beyond “the top level, down to the ranks” to deepen mutual understanding.

Indonesia also conveyed its appreciation to the Singapore Government for protecting the rights of Indonesian citizens and workers in Singapore, Mr Jokowi’s communications team added.

AN ORCHID TO REMEMBER BY

Orchid being the national flower of Singapore symbolising the country’s hardiness and resilience, added a new name to its collection. During the second day of his official State Visit President Joko Widodo and his wife Iriana had an orchid named after them. The orchid was christened Dendrobium Iriana Jokowi, after the Indonesian First Lady, during their visit to the National Orchid Garden on 29 July. According to reports in Jakarta Post on the same day, President Jokowi said, “It’s really incredible! Strengthening a friendship can be carried out not only via a formal meeting, a meeting between two diplomats. This can be conducted by having an orchid hybrid named after my wife, Iriana Jokowi. The way to strengthen a friendship like this is really impressive. This is a flower diplomacy.”

Dendrobium Iriana Jokowi is an orchid hybrid measuring an average 5.6 centimetres with white petals

that have shiny yellow brownish nuances. When it blooms, the orchid takes on a light reddish purple.

AN EXCERPT FROM PRESIDENT JOKO WIDODO’S KEYNOTE ADDRESS AT THE BUSINESS COMMUNITY DIALOGUE

“As you may know, two of my children went to school in Singapore, my family and I like Singapore, we respect Singapore, we admire Singapore. In recent weeks I have talked about the world being in a major transition. The boom of commodities has come to an end, the boom of emerging markets has come to an end, but the social media revolution has just begun, the smart phone revolution has begun. Around the world, around the region and also in Indonesia. One economic cycle has come to an end and new economic cycle is beginning, we have to overhaul our economies, we have to reinvent our societies.

***As a parting remark,
President Jokowi said***

**“MY VISIT TO SINGAPORE
WHICH IS A KEY PARTNER
HAS PROVIDED A 'NEW
MOMENTUM' TO BUILD TRUST
AND MUTUALLY BENEFICIAL
RELATIONS.”**

Few months ago we lost a great man, Singapore legend, Mr Lee Kuan Yew. His passing marks the end of an era, but to honour him lets work together to make it a beginning of a new era also. This year, Singapore celebrates its 50th Anniversary as a nation, we have



President Joko Widodo delivers his Keynote address at the Singapore-Indonesia Business Dialogue on 28 July 2015



KADIN Indonesia Chairman, Suryo Bambang Sulisto



Singapore Indonesia Business Dialogue jointly organized by SBF and KADIN Indonesia at Shangri-la Hotel Singapore, moderated by SBF Chairman Mr S.S. Teo (second from left). Also in attendance, Coordinating Minister for Economic Affairs Sofyan Djalil (extreme left), Minister for Finance Bambang Brodjonegoro (second from right) and Minister for State Owned Enterprises Rini Soemarno (extreme right).

seen what the last 50 years can bring, what can the next 50 years also bring?

Let me begin by updating you on what we are doing in Indonesia right now, we are investing in education and building our infrastructure. Since December of last year we have distributed 21.4 million Indonesia smart cards for students, during this time we have also distributed 86.4 million Indonesia tag cards for people. Earlier this year we have done the expansion of port of Kuala Tanjung in North Sumatra together with an integrated industrial zone, we have launched another major port expansion in Sulawesi. In September, we will launch another major expansion port of Saurabh in Papua Province. We have launched construction of Trans Sumatra highway, we have taken the power

project at Central Java, a project that was stuck for four years. At \$4 million, the project is designed to be the largest coal fire power station in Southeast Asia when finished.

The people of Indonesia are wise and they understand that there is no gain without pain, there is no sustainable development without hard work, and there is no progress without sacrifice. In 1997 to 1998 when the ASEAN financial crisis struck, the situation was extremely difficult and the outlook was full of uncertainty, yet many brave investors from Singapore and Malaysia, USA invested in Indonesia and reaped the benefits. We must fight corruption, bureaucracy and continue reforming. But as businessmen, we know there is risk when we seek reward. So don't wait until it's all done - invest early."



President Joko Widodo along with Singapore President Dr Tony Tan Inspect the Guard-of-Honour during the Welcoming Ceremony at Istana.

PRESIDENT TONY TAN KENG YAM'S SPEECH AT THE STATE BANQUET IN HONOUR OF PRESIDENT JOKOWI

“Your State Visit to Singapore highlights the warm friendship between Singapore and Indonesia. I look forward to welcoming you back to Singapore on 9 August when you join us for our National Day Parade and Golden Jubilee celebrations.”

Singapore is celebrating its Golden Jubilee of nationhood this year. Next year, Singapore and Indonesia will mark our 50th year of diplomatic relations. While this will be a significant milestone for our two countries, it should not be forgotten that the links between us are actually rooted well before the last five decades. Merchants and traders have plied the sea-routes across the Straits of Malacca and the Java Sea for centuries, buying and selling spices, crafts and other goods. Many Singaporean families can trace their ancestry to locations in Sumatra, Java, Sulawesi and Kalimantan. This shared heritage can still be seen and felt in present-day Singapore, in locations such as Kampong Java and Bugis Village. Popular Indonesian cuisine such as satay, nasi padang and gado gado have found an important place in satisfying the Singaporean palate. And artistic traditions like wayang kulit, kuda kepang and angklung music continue to be enjoyed in Singapore by both the young and old alike.

Singapore's excellent relationship with Indonesia continues to be underpinned by close relations between the leaders of the two countries, strong defence cooperation, and significant and constantly growing economic collaboration. Singapore and Indonesia are each other's major trading partners. Singapore has consistently been one of the top investors in Indonesia, and we are also each other's largest source of tourism arrivals.

Singapore and Indonesia have developed an excellent track record of cooperating closely to resolve complex issues, in the spirit of friendship and mutual benefit. In that spirit, our two countries can look forward to the ratification of the Singapore-Indonesia Eastern Boundary Treaty which will conclude all outstanding bilateral boundary issues between Singapore and Indonesia.

I am therefore glad that Singapore and Indonesia have signed three MoUs today on e-government, youth and sports, and cooperation between the Indonesian Chamber of Commerce (KADIN) and the Singapore Business Federation. These MoUs are another indication of the multifaceted nature of our cooperation across a range of sectors. I hope that we will continue to actively seek out new opportunities for such mutually-beneficial collaboration, even as we build on and deepen our cooperation in existing areas.

RENEWING INTEREST IN BBK ZONE

According to recently published report in GIVnews.com following President Joko Widodo's two-day state visit to Singapore, some investors from the island state have expressed interest to develop real estate, the maritime sector and logistics zones in Batam. The President, in his speech at the business dialogue in Singapore, strongly invited investors from Singapore to set up business in Batam and its surrounding islands. The Singaporeans' investments reach a combined US\$1.3 billion, Investment Coordinating Agency (BKPM) Head Franciscus "Franky" Sibarani told reporters in Jakarta on Thursday 30 July, according to Detik.com.

BKPM UPS THE ANTE FOR FOREIGN INVESTMENTS



BADAN KOORDINASI PENANAMAN MODAL

The greatest benefit for foreign investors is the proactive role played by BKPM as the primary interface between the Indonesian government and businesses.



Franciscus Sibarani, BKPM Chairman.

Critical to the Indonesian government's game plan for its economic growth are the operations of its National Investment Coordinating Board, the wing which investors recognise as BKPM—a catchy acronym for the Badan Koordinasi Penanaman Modal. Headed by Chairman Franciscus Sibarani, BKPM is set up with an objective to promote both domestic and foreign direct investment, while also boosting the nation's trade and investment opportunities at various forums. BKPM, which has a proactive agenda, is able to use these opportunities to update participants on the government's policies, while

simultaneously setting the mood for a healthy and cordial interface between government and the business community. BKPM reports directly to the President of the country, thus arming the organisation with a great deal of clout as the primary representative of the government, whose focus is to accrue investments of high quality. The agency also plays a role in improving social inequality and counters the issues of unemployment, by ensuring equal investment distribution across vital sectors.

GUIDANCE UNLIMITED

BKPM has honed its skills as a master operator in its twin role as promoter of investment opportunities and a matchmaker for potential investors. It offers investors a range of free consultancy services from start to the post-investment stage. It provides a ton of information on the investment opportunities and business climate in Indonesia to pave the way for executing an informed strategy for investing in the sector of one's choice.

Several foreign desks have been opened up at BKPM, to streamline the dissemination of information, updates on policies and paperwork: this dedicated service has been set up with the explicit intent of helping companies understand the opportunities and process of investing in Indonesia—BKPM now has the European Union Desk, the Taipei Economic and Trade Office served through the Taiwan Desk, Japan JICA Investment Promotion Policy Advisor (Japan), Korea's Small and Medium Business Corporation and the Kingdom of Saudi Arabia IDB Group Business Forum (THIQAH) — Outreach & Events Management Officer & Lead Business Systems Analyst IDB Group Business Forum – THIQ.

Furthermore BKPM has opened offices in some of the world's most important financial markets—London, New York, Singapore, Tokyo, Sydney, Abu Dhabi, Seoul and Taipei, as part of their services to potential investors and to support the entry and successful establishment of foreign business into Indonesia.

SERVICES

The BKPM is a one-stop hub for services for Direct Investment Approvals in Indonesia. It handles matters such as investment licenses and facilities, services on access rights and online investment system, sectoral licenses—and also serves as

platform for grievance redresses. It offers guidance on application procedures and even helps track the status of one's application.

BKPM is the concerned government body for the approval of all Direct Foreign Investment. Foreign investors have two routes for investment in Indonesia—as a legal entity: Limited liability company with foreign shareholders (PMA) or Representative Office (not a tax objective). BKPM does not have this jurisdiction in certain sectors such as the banking and financial sectors (approval only through Financial Service Authority), oil and gas, mining, forestry etc. BKPM's website (www2.bkpm.go.id) provides a complete list of these sectors.

BKPM is responsible for the approval of The Principal Licence of Investment (IP). The organisation also issues non-license facilities; apart from that it also provides facilitation and co-ordination with other agencies. It is mandatory for foreign investors to submit to BKPM periodic investor activity reports summarising the investment progress and any obstacles to their investment activities. Its website sends out a reminder notification when need be.

One has to liaise with the BKPM for all foreign investments, investments in multiple provinces and high priority areas, investments related to national defence etc. BKPM also issues Principal Licences (IPs) for new investments, expansions, change of investments and mergers. It provides a Business Licence (IU) for the same categories; IU to foreigners for Representative offices (KPPA) and also an IU for a Trade Company Representative Office (SIUPSA).

In the non-license segment BKPM offers a machinery import duty facility; material import duty facility; recommendation for income tax facility; importer identification number for produce (API-P); general importer identification number (API-U); Plan to hire foreign worker (RPTKA); recommendation for work visa (TA.OI) and permit to hire foreigner worker (IMTA).

ADVANTAGE BKPM

BKPM is the most powerful arm in the Indonesian government for foreign investors to get things cracking, as it reports directly to the head of the state. As the primary interface between the government and business, its job is to facilitate the smooth flow of foreign investment in the country by its proactive procedures and processes, information services and co-ordination with other agencies as well as the provinces and districts where such opportunities exist.



HOW TO APPLY

- Register at online-spipise.bkpm.go.id
- Log in fill the form and upload documents
- Retrieve the license/non license from the BKPM office by showing the printout of notification email

HOW TO REGISTER TO OBTAIN ONLINE LOGIN

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PAVING THE WAY FOR GREATER COOPERATION

KADIN and SBF tie-up opens door to new level of cooperation.

PLEASE SHARE IN DETAIL THE STRATEGIC COOPERATION AGREEMENT. WHAT CAN BE EXPECTED FROM THIS MOU?

KADIN and SBF entered into a collaborative MoU in 2004. Now, the MOU has been upgraded to a Strategic Cooperation Agreement signed on 28 July 2015 and witnessed by President Joko Widodo and Singapore Prime Minister Lee Hsien Loong. As the level of commitments of the parties are real and practical, the parties will enhance economic cooperation by forming a Joint Committee to implement the objectives and provide real support to SMEs.

HOW CAN KADIN FACILITATE BUSINESS BETWEEN INDONESIA AND SINGAPORE?

We can facilitate things for them through a newly formed Joint Committee made of KADIN and SBF's best entrepreneurs.

THE GOVERNMENT HAS PLEDGED TO REVITALIZE THE INDONESIAN ECONOMY SETTING A TARGET OF 7 PER CENT BY 2018, IS IT ACHIEVABLE?

There are at least three factors that fundamentally affect the economic growth:-

1. Domestic political model and postures. If these are wisely developed, the confidence (both domestic and international) will give rise to economic growth. Wise leadership is the key. The President must select and use people with "knowledge, understanding and wisdom". It is said that fools make people suffer.
2. Global and regional economic matrix and interdependencies. One must start by understanding and mapping these models and, with some level of knowledge, understanding and wisdom, rather well defined models will give good guidance to grow economy in the current and near term global economic conditions. To do this, one need to be at rest in his/her soul and possesses high level of understanding and wisdom.
3. Human character. If most of people in power or influence such as politicians, businessmen, leaders in all other aspects of a civil society have a decent level of righteousness and responsibilities toward fellow citizens, country and fellow human beings, the distortions and inefficiencies of economic wheels can be reduced significantly resulting in higher economic and human index growth. In such a case, 7% or more is achievable.

Indonesia has been making the headlines for all the right reasons across the world media. From President Joko Widodo's recent agreements in Singapore to the flourishing FDI flow in the country, Indonesia is positioning itself as a top investment destination. Opportunity Indonesia caught up with Dr. Michael Goutama, Vice-Chairman of Indonesian Chamber of Commerce and Industry Singapore Committee (KADIN) to bring his take on the booming business scene in Indonesia.

RECENTLY, THE PRESIDENT OF INDONESIA WAS ON HIS FIRST OFFICIAL VISIT TO SINGAPORE. WHAT IN YOUR OPINION DOES THIS VISIT BRING FOR THE BUSINESS COMMUNITY?

Singapore is an important partner for Indonesia in terms of size of trade, investment, bilateral and regional cooperation. We are particularly honoured to witness the signing of a Strategic Cooperation Agreement with SBF and to hold an international business dialogue session to signify the beginning of a new level of cooperation. Kadin and SBF will work jointly to enhance economic cooperation by forming a Joint Committee to implement the objectives of the agreement and provide support to SMEs. With these new impetuses, we hope Singapore companies will find Indonesia a good business partner and a good place for investments.



PLEASE BRIEF US ON KADIN'S PRESENCE IN SINGAPORE AND HOW CAN THE COMPANIES LEVERAGE ON IT?

KADIN has a Singapore Committee to liaise with all stakeholders in Singapore. It has worked very well with BKPM, Indonesia Embassy in Singapore, SBF and IE Singapore.

MANY ESTABLISHED COMPANIES WHO ARE CURRENTLY DOING BUSINESS IN INDONESIA EXPRESSED CONCERN ON DIFFICULTIES ON THE GROUND. CAN KADIN HELP IN RESOLVING SUCH ISSUES?

Nowhere in the world does such a Utopia exist where a business can say that it has no concerns or difficulties.

KADIN is an apex chamber set up by Indonesian Law. There are a few hundred associations such as APINDO, HIPMI, etc acting as the umbrella of KADIN. KADIN and these associations always take their members concerns seriously and try to find solutions, including lobbying with the government.

WHAT IS YOUR ADVICE TO SINGAPORE BUSINESSES?

Indonesia ranks 15th in world economy and will grow enough to rank seventh in the next 15 to 20 years. Indonesia will spend a few trillions of dollars in the next 20 years. The domestic and labour competitiveness are still the "pull factors". By invoking some level of wisdom and cultural intelligence, in many people's opinion, Indonesia is the easiest place to make money.

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SINGAPORE F&B PRODUCTS SHARE SHELF SPACE AT JAKARTA SUPERMARKETS



The Food Hall in collaboration with International Enterprise (IE) Singapore held the opening ceremony of Singapore Fair 2015 at the FoodHall Plaza Senayan on 20 March 2015.

Photo: <http://foodhall.co.id>

In a first-of-its-kind initiative, Singapore SMEs in the food and beverage (F&B) sector tap into Indonesia's rapidly-growing consumer market with the help of IE Singapore and The FoodHall.

Over 100 food products from 14 Singapore F&B companies were brought to Indonesian consumers through the Tasty Singapore Food Aisle in Jakarta Supermarkets. This representation is a first for Singapore's F&B sector.

The collaboration, brought about by International Enterprise (IE) Singapore and The FoodHall, one of Indonesia's largest gourmet supermarkets, showcases Singaporean offerings through the Tasty Singapore Food aisle, available across three main FoodHall stores in Jakarta's Central Business District.

The initiative aims to give a heads-up to Singaporean SMEs in the F&B sector to penetrate Indonesia's highly competitive retail market. The range of food products that will be available for sale includes beverages, cooking pastes, sauces and premium snacks.

BOOST IN SALES

The soft launch of the food aisle in January 2015 helped Singapore companies chalk up a 46 per cent increase in sales. In addition, nine Singapore companies have had new food products listed in the FoodHall as a result of this promotion; out of these five are new to FoodHall. These include Chuen Cheong Food Industries, Lam Soon Singapore, Khong Guan Flour Milling, Gryphon Tea Company and Super Group.

According to Mr Tan Soon Kim, Assistant CEO of IE Singapore, "Branding and promotion are critical activities for Singapore companies in the consumer sector when venturing overseas. By clustering our F&B companies and working with premium supermarkets to create exclusive

shelf space for their products, we are allowing them to collectively market to Indonesian consumers."

In agreement with Mr Tan's observations, Executive Director of Gryphon Tea Company, Mr Lim Tian Wee explained, "Gryphon Tea has been present in Indonesia since 2012 and has been successful in penetrating the food service channel. I am confident that the Tasty Singapore Food Aisle project will give us additional exposure in a growth market such as Jakarta."

CELEBRITY INDONESIAN CHEFS ADD EXTRA HYPE

Renowned Indonesian celebrity chefs Rinrin Marinka and Chandra added that extra hype to the proceedings by specially developing local recipes based on Singapore food products. Over a period of two weeks, the chefs conducted cooking demonstrations at FoodHall to showcase the use of these food products in everyday Indonesian cooking.

EXPONENTIAL GROWTH OF INDONESIA'S F&B SECTOR

Within the ASEAN region Indonesia ranks third for Singapore's food export market. Singapore's F&B exports to Indonesia have grown at a compound annual rate of 11.5 per cent over the past five years—reaching S\$781.1 million in 2014. The F&B sector is one of the fastest growing sectors today with total investments expected to grow around 40 per cent year-on-year. Shopping at large format supermarkets or mass grocery retail stores have tripled from 2006, to reach US\$37.5 billion in 2014. **Source: IE Singapore**

A BRIDGE FOR ECONOMIC GROWTH

With Singapore rapidly emerging as a gateway to the Asia-Pacific region, the biggest bank in Indonesia, Bank Rakyat Indonesia (BRI) is here to help bridge the business gap between the two countries. **BY NOMITA DHAR & YEO CHAI JING**

BANK RAKYAT INDONESIA IN SINGAPORE
The economic power of a country is shored up by its banks and their capabilities. In the international stage, only the best can succeed in a highly competitive environment. Bank Rakyat Indonesia (BRI) plans to mark its footprint in Singapore and the Asia-Pacific region, with a charged agenda for bridging their economies through its extensive services and network.

EXCERPTS FROM INTERVIEW WITH IBU AZIZA, GENERAL MANAGER OF BANK RAKYAT INDONESIA, BRI'S SINGAPORE BRANCH

WHAT BROUGHT YOU HERE AND WHAT IS THE AGENDA OF THE BANK?

Basically we are the largest bank in Indonesia and also the oldest. We also have the most extensive network and have been serving in Indonesia's banking industry quite some time now. The reason we are here is that we wanted to create a bridge for business, from Indonesia to Singapore—especially to the Asia-Pacific region and SEA, because of our many clients—of which we have over 50 million in Indonesia. We have been quite big in the MSME (micro small medium enterprises) sector, but over the last 10 years

we have also been involved in government projects and have started serving corporates as well. This makes up 25% of our loan broker portfolio. Many of these corporates, especially SOE (state owned enterprises), have established entity in Singapore and other countries in the region because they want to have a presence in Asia. This also makes perfect sense because of the ASEAN integration. We are yet to officially launch BRI.

MANY NEW INDONESIAN FIRMS HAVE STARTED LOOKING FOR A FOOTHOLD HERE—YOUR TAKE ON THIS?

Because it is a major hub, Singapore has started replacing Hong Kong as the Asia-Pacific headquarters for many firms in the banking industry. It is not just getting clients for banking activities, we can also get a better exposure to more international banking opportunities here to raise funds and tap a wider market. We want use these opportunities, in terms of funding, to benefit Indonesia. We can also introduce our banks and clients to other businesses here, so they might invest more in Indonesia.



HOW DO YOU PROMOTE THE BANK AND ITS SERVICES HERE? WHAT ARE SOME OF THE ACTIVITIES THAT ARE IN PLACE FOR YOU TO REACH YOUR POTENTIAL CUSTOMERS, WHO COULD BE ONWARD LINKAGES FOR BUSINESS WITH INDONESIA?

We have less than 10,000 banks across Indonesia and ours is the biggest with over 1, 00,000 employees. We are closely linked with the economic activity in Indonesia —that means that all investors and companies with interests in Indonesia wish to be connected with our banks. This massive coverage of Indonesia is represented by us in Singapore and other overseas branches as a bridge of economic activity. We want to serve them from end to end, be they small enterprises or big.

YOU WANT TO BE AT THE FOREFRONT OF TRADE AND FINANCE IN INDONESIA— HAVE YOU HAD DEALINGS WITH INTERNATIONAL CLIENTS WHEN YOU WERE IN INDONESIA? IS IT EASY TO GET FUNDING?

With 50 million clients —and being quite active in corporate, SOE and big private enterprises we are helping facilitate expansion of business in a big way. Since we have the widest network, we are collaborating with some other multinational firms who have divisions dealing with this. They have limited branches in Indonesia and they cooperate with us. In trading, the bank has dealings with the 10 big treasury firms. BRI is a public listed company in Indonesia and maintains excellent business. It has a micro business with a high profit margin.

IF I AM AN INVESTOR BASED IN SINGAPORE AND I WANT TO EXPAND, HOW WOULD YOU HELP ME?

Using our wide networks, we will help you spread your business. We have agents in many places in Indonesia. We know the potential in each province in Indonesia. So we will address your needs by matching them with the potential business platforms in Indonesia. We will find you partners for your business. There will be representatives from the bank to follow and guide you in Indonesia. We will check your financial status and business target market, partnership, business type, business info, business plan, business history.

BRI BANKS ON RURAL INDONESIA

BRI was established in Purwokerto, Central Java in 1895 as the first state-owned bank in Indonesia. In the post-independence era, BRI morphed into the PT. Bank Rakyat Indonesia (Persero) on 1st August 1992. By November 2003 BRI had gone public —and by 2008, 43.21% of the shares were owned by the public because of high investor confidence and interest. BRI became one of the leading commercial banks in Indonesia, with its primary focus on microfinance in rural Indonesia, rather than a corporate portfolio.

CONGRATULATIONS

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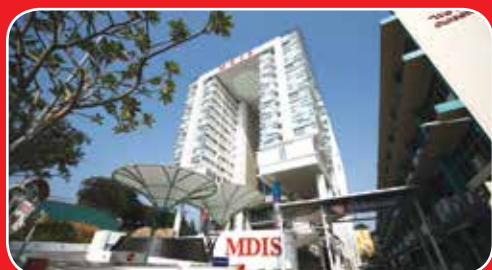


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MDIS: AN EDUCATION DESTINATION IN SINGAPORE FOR INDONESIAN STUDENTS

With a history dating back to 1956, the Management Development Institute of Singapore, better known as MDIS, has been committed to lifelong learning for decades.

With strategic partnerships with highly acclaimed universities from Australia, France, the United Kingdom and the United States of America, MDIS has enabled the dreams of thousands of its graduates.

As part of this commitment, MDIS moved to its new campus in Stirling Road, Singapore in 2004. The S\$35 million campus occupies a three-hectare land area and boasts of well-equipped classrooms, life sciences and computer laboratories, a hospitality training centre, a mass communications studio, engineering laboratory and workshop, as well as a fashion studio. The campus also has an amphitheatre to house art performances and other events, as well as fully-equipped sports facilities such as a gymnasium and badminton courts.

Ensuring that students living abroad can still feel at home, MDIS creates a dynamic environment for learning, living and meeting new friends from all over the world. The MDIS Residences@Stirling is an S\$80 million 15-storey student hostel. Officially opened in 2011, it is the largest built by a private education institution. The eco-friendly hostel consists of 782 air-conditioned rooms, 14 suites, a lecture theatre and cafeteria.

Singapore is less than a two-hour flight away from Jakarta. With a safe, secure and comfortable environment, it has drawn a large number of Indonesians to its shores. MDIS boasts a strong and vibrant Indonesian community with its own campus club KUMIS (Kumpulan Mahasiswa Indonesia di MDIS), founded in 2010.

Our graduates include Gibran Rakabuming Raka, son of Indonesian President Joko Widodo.



Gibran Rakabuming Raka, Son of Indonesia's President Joko Widodo, Bachelor of Science (Hons) in Marketing (2010), University of Bradford, UK

"TO BE A BETTER PERSON, A BETTER ENVIRONMENT IS ALSO NEEDED TO ACHIEVE IT; THEREFORE I'M REALLY GRATEFUL TO BE ABLE TO STUDY IN MDIS. MY CURRENT 'WORK-LIFE BALANCE' IS BALANCING MY TIME PURSUING MY DEGREE IN BUSINESS STUDIES AND CHANNELLING MY HOBBY THROUGH SOME ACTIVITIES IN BOTH MDIS BUSINESS CLUB AND BADMINTON CLUB SIMULTANEOUSLY. IT HAS TRAINED ME WELL IN MANAGING MY TIME."



KEVIN ADITYA, MDIS STUDENT, KUMIS PRESIDENT (2015 - 2016)

SINGAPORE SUPPORTS BATAM POLYTECHNIC IN NEW SHIP BUILDING COURSE

Batam Polytechnic will soon offer ship building course with the support of Temasek Foundation (TF) and ITE Education Services (ITEES).

BY PRIYA RAMAKRISHNAN



Prior to the State Banquet, both Presidents witnessed the presentation of certificates for the Temasek Foundation (TF) – Institute for Technical Education (ITE) Education Services Technical and Vocational Training Programme in Ship Building in Batam. With the support of Economic Development Board and Indonesia's Coordinating Ministry for Economic Affairs, Batam Polytechnic will roll out training curriculum and implement technical training in ship building and design course.

In a move to enhance Indonesia's efforts to develop training curriculum and implement technical training for its ship building industry, Singapore's Temasek Foundation (TF) and the ITE Education Services (ITEES), are collaborating with Batam Polytechnic on implementation of a new course on Ship Building and Design. It is supported by Singapore's Economic Development Board and Indonesia's Coordinating Ministry for Economic Affairs.

This will be the first time that a full-fledged Ship Building and Design course will be offered for vocational students in the area. The course will also be accessible to interested students from Bintan and Karimun.

Since the 1990s, a number of shipping companies have sited their facilities in the Batam-Bintan-Karimun region. The shipping industry's skilled labour requirements have also evolved over the years. In order to meet these evolving requirements to support the shipping industry, Indonesia's Coordinating Ministry for Economic Affairs spearheaded the

need to build capabilities of skilled labour in the Batam-Bintan-Karimun region to serve the maritime sector.

THE TRAINING PROGRAMME CONSISTS OF THESE COMPONENTS

- A one-week Leaders Training Programme;
- A three-week Curriculum Design, Development and Assessment Programme for Master Trainers; and
- A three-week Technical Training for Master Trainers.

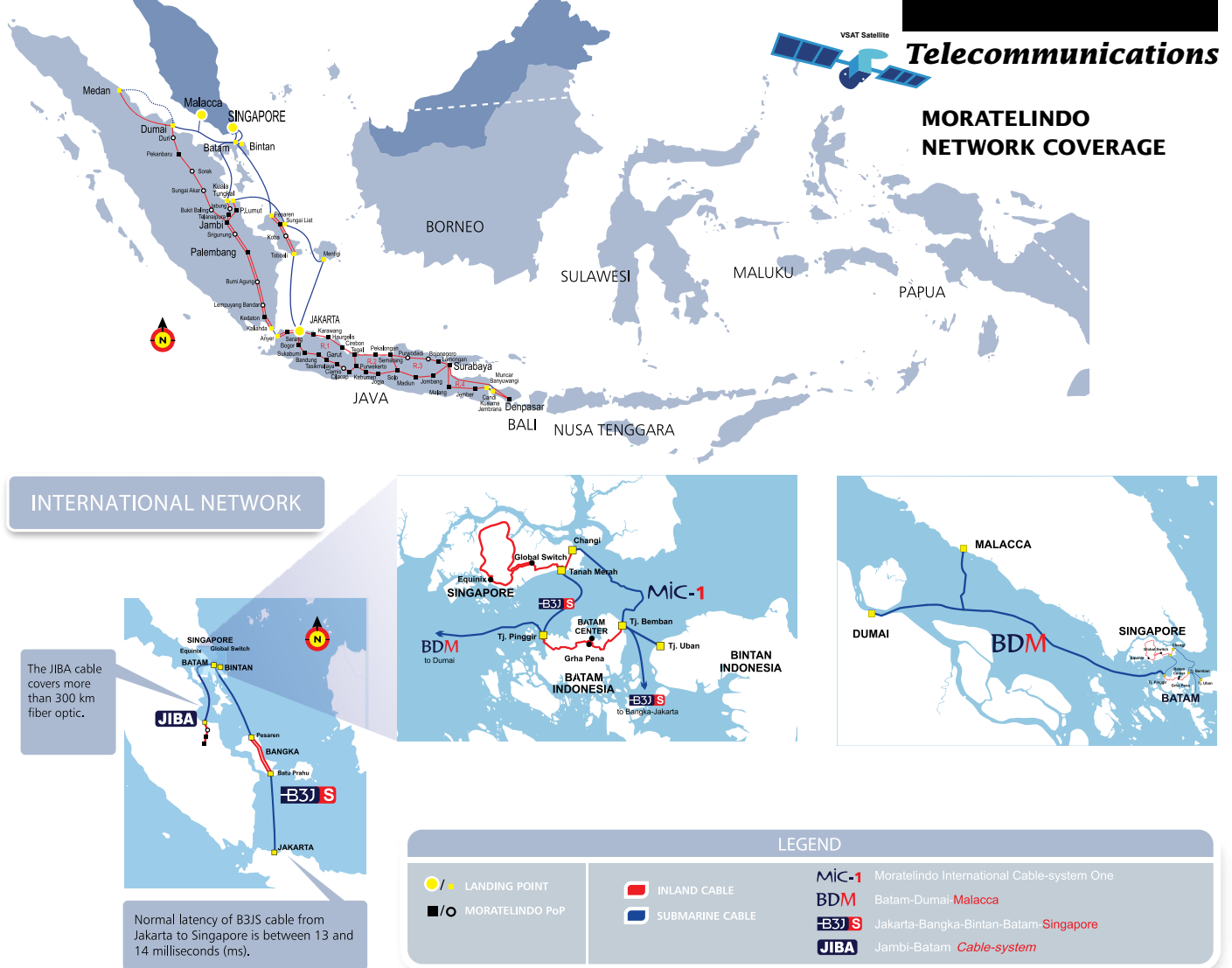
Around 40 teachers and specialists enrolled for a programme which trained them on the know-how to develop the course this year. It was jointly organised by Batam Polytechnic and Singapore's TF-ITEES. The training commenced in January 2015 and they are in turn rolling out further training for 100 more curriculum developers and specialists in the Batam-Bintan-Karimun region to enhance their knowledge.

SUCCESSFUL COLLABORATIONS

Since 2009, TF and ITEES have collaborated on 22 TVET training programmes in 12 countries, covering Thailand, the Philippines, Indonesia, China and Myanmar. To date, these 22 programmes have reached out to more than 2,000 participants, and have enabled the exchange of experiences, best practices and ideas, and to enhance capabilities in TVET in the region.

TRAINING FUTURE LEADERS

Batam Polytechnic is a vocational institution under Indonesia Ministry of Education and Culture. It is a key TVET institution in Batam and industry partners such as the Batam Shipyard and Offshore Association are keen to work closely with Batam Polytechnic to provide internship opportunities to the students so that the students can be work-ready upon graduation.



PIONEERS BECOME ACE NETWORK PROVIDERS

Given the burgeoning demand for internet services, Indonesia and Singapore can look forward to stronger ties that bind. **BY S. THAVANESAN**

Possessing the fourth largest mobile market in the world (with 278 million subscribers), Indonesia is not averse to expanding its telecommunication infrastructure beyond its homeland—powered by four main submarine cable operators in Singapore.

One of those operators is Moratel International Pte Ltd (Moratel), the sole international arm of PT Mora Telematika Indonesia (PT Moratel), a Jakarta-based broadband company.

Spearheading Moratel's operations in Singapore is Managing Director Mr Lim Hock Koon. Notably, he was the man who pioneered Internet services in Singapore with his company — Technet, which later on morphed into a commercial internet service provider known more popularly as Pacific Internet. In an exclusive interview with Opportunity Indonesia, Mr Lim shares his thoughts on the submarine cable scene in Singapore and Indonesia.

TELL US SOMETHING ABOUT MORATEL.

Basically Moratel International is the first international

subsidiary of PT Moratel, a telecom infrastructure provider based in Indonesia. We began operating way back in 2008 with a submarine cable installation, known as MIC-1 (Moratelindo International Cable-system One), from Indonesia to Singapore. Recently we have just set up the second cable, MIC- 2.

PT Moratel's main focus is on domestic telecommunications in Indonesia, with its network spanning across Sumatra, Jakarta and Bali— covering over 80 per cent of the Indonesian population.

We basically provide telecommunication services— particularly submarine cables capacity that carry both voice and data services. Our clientele base is mainly telecommunication operators and Internet service operators, as well as large corporations around Indonesia. Similar companies like us are PT. Telekomunikasi Indonesia International (Telin) and Indosat — they also have submarine cables into Singapore. Currently there are four main submarine cable operators who own sub-marine cable into Singapore.

WHY SET UP IN SINGAPORE?

We chose Singapore because it is one of the South East Asian submarine cable hubs. We bring our submarine cables from Indonesia into Singapore so that from here, we can connect to the rest of the world.

A majority of the submarine cable traffic from Indonesia transits or terminates through Singapore. Singapore opened the submarine telecommunications market way back in the 2000s. There are a lot of international submarine cables from Europe, North Asia and the United States which land in Singapore. So we come here not only to connect to local telecom companies but also other international telecom companies like PCCW global, TATA Communications, NTT Communications, China Unicom, China Telecom, GTT Communications, Telstra etc. It is impossible to lay submarine cables all over the world. The typical way to do it is to lay it at a hub point such as Singapore or Hong Kong. However, Hong Kong is about a few thousand km away, whereas Singapore is about 1000 km away.

WHAT ARE THE CHALLENGES YOU HAVE FACED OPERATING IN SINGAPORE AND HOW DO YOU DEAL WITH THEM?

When you lay a cable in the sea, the biggest threat is ship anchoring. With Indonesia being a very big country, there are many shipping routes to Singapore and as such a ship would not be able to know the precise locations of the cables in general.

When a ship anchor cuts your cable, the repair process can take up to one month. This is a very long period of time. Imagine not having internet service for one month! As such,

what we do is we lay multiple paths instead of only one, and we also have our own team of cable repair servicemen. So if there is any disruption or cable cut, our own cable repair team can be dispatched to the scene in a relatively shorter time and carry out the repair. We have achieved that quite well as our past records have shown. Also in the event of an emergency, there are reciprocal reinforcement arrangements in place where we can tap on other cable providers' cables to restore our traffic.

SINGAPORE IS CURRENTLY HEADING TOWARDS THE ELECTIONS, AND WE'VE HAD THE ELECTIONS IN INDONESIA AS WELL WITH A NEW GOVERNMENT IN PLACE. WHAT IMPLICATIONS DOES A CHANGE IN GOVERNMENTS HAVE IN TERMS OF YOUR INDUSTRY?

I personally do not think that there is much significance or a direct relationship between that and the industry. Of course if there is an unstable political situation in any country then businesses will be affected for sure. However if you look at Indonesia and Singapore, the political climate has been pretty stable. Telecommunication is a very crucial infrastructure for the modern world today. Our medium for communication globally has been reduced to mobile phones and we have internet services as well. This is what keeps economies in the world going around as in good times, people need communication. During tough times, people need even more communication! So I think this is an industry that is always growing. And as technology evolves, the cost of these services is always going to drop.



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PLAYING HOST TO THE WORLD

Indonesia is one of world's top favourites when it comes to international conferences and business summits.

A destination that can refresh a weary mind with its rich cultural diversity, soothe the soul with its ethereal landscape blessed with abundant natural wonders and touch the heart with its warm and welcoming hospitality – wonderful Indonesia is an idyllic choice for international conferences, exhibitions and conventions.

The MICE industry (meetings, incentives, conventions and exhibitions) has increasingly becoming a focus of tourism development in Indonesia thanks to its rising demand. This is particularly true with cities such as Bali and Jakarta which have played host to many international summit meetings.

Capital city Jakarta, Bali, Manado, Bandung, Yogyakarta and several other major cities in Indonesia are just the right venues to stage various events at any scale. Bandung was the venue of the historic first Asian-African Conference in 1955, while Manado hosted the acclaimed Ocean Conference in 2009.

INFRASTRUCTURE SUPPORTING MICE INDUSTRY

From door-to-door transportation, places to stay, mouth watering meals, shipping, to city tours, the country welcomes tourists especially for the purpose of MICE. Indonesia is also at a geographical advantage, thanks to its central location in Southeast Asia. In an effort to establish itself as a regional and global MICE hub, the country set up a Directorate of Meetings, Convention, Incentive and Events Development. The directorate

is focused on developing human resources, facilities and other standards necessary for Indonesia to become a “quality MICE destination”.

INDONESIA'S LARGEST CONVENTION CENTRE

Jakarta, the bustling capital city - a sprawling mega-metropolis is home to the country's biggest convention centre. The Jakarta Convention Centre spans 120,000 sq.m and is strategically located. The Balai Sidang Jakarta Convention Centre also has a fully equipped business centre to support meetings and conferences. An independent 6,000 space car park is located immediately in front of the convention centre and a selection of mid- to high-range hotels are within walking or short driving distance.

TRADE SHOWS IN HISTORIC BANDUNG

Fondly known as Paris of Java, the historic city of Bandung is a major centre for creativity and learning. With Jakarta just two hours away, it is one of the idyllic destinations for meetings and conventions. The Bandung Convention Centre which was established in 2010 to develop it as a premier destination for MICE activities in Indonesia offers one stop services for various conventions and trade shows.

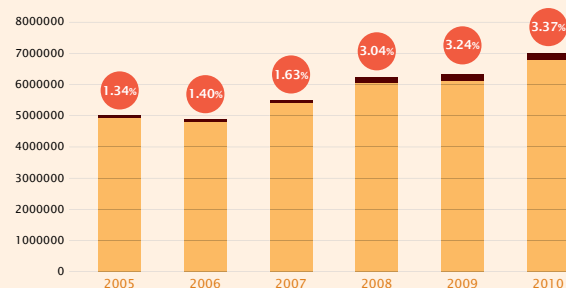
CONFERENCES AT AN ISLAND RETREAT

Bintan and Batam Islands with their close proximity to Singapore and world class facilities for hosting international events are also great choices for MICE events. In recent years, Batam and Bintan have become popular destinations for visitors from Singapore and Malaysia. Furthermore, Asian and European visitors flock to the islands for its first class golf courses, duty free shopping, beach resorts and delicious seafood restaurants.

BOARD MEETINGS AT BREATHTAKING BALI

Business becomes a pleasure the minute you step into exotic Bali. In keeping with its role as a leading MICE destination, Bali is well connected to the rest of the world via major airlines and road network. As one might expect from a destination that hosts major international conferences on a regular basis, state-of-the-art teleconferencing services can be arranged to connect a meeting in Bali with virtually anywhere in the world.

MICE TOURIST

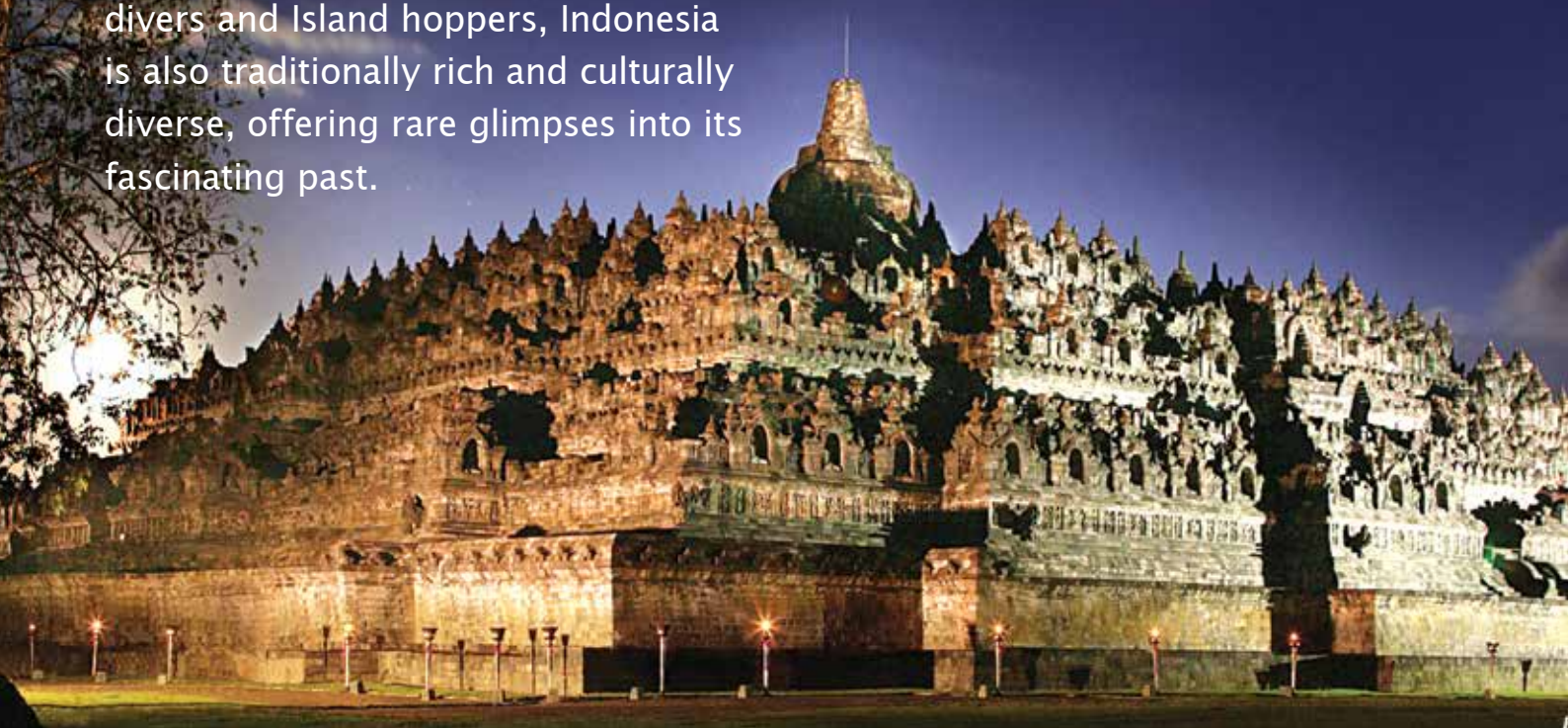


Year	2005	2006	2007	2008	2009	2010
Total Visitors	5,002,101	4,871,351	5,505,759	6,234,497	6,323,730	7,002,944
MICE	67,147	68,118	89,770	190,970	205,037	236,082
Share	1.34%	1.40%	1.63%	3.04%	3.24%	3.37%

Data : Survey M TCE

ISLANDS OF ADVENTURE

Home to more than 18,000 Islands, the archipelago is on every intrepid traveller's bucket list. A heaven for snorkellers, scuba divers and Island hoppers, Indonesia is also traditionally rich and culturally diverse, offering rare glimpses into its fascinating past.



MOUNT BROMO: WITNESSING A THE FASCINATING SUNRISE, EAST JAVA

Located some 4 hours drive from Surabaya, the capital of East Java, Mount Bromo is a part of the Bromo Tengger Semeru National Park that covers a massive area of 800 sq km. While it may be small when measured against other volcanoes in Indonesia, the magnificent Mt Bromo will not disappoint with its spectacular views and dramatic landscapes. At 2392 meters tall, Mt Bromo is not among the tallest of Indonesia's mountains but its stunning beauty lies in its incredible setting.

The eerie landscape has spawned countless legends and myths. Mt Bromo has particular significance for the Tengger people who believe that this was the site where a brave prince sacrificed his life for his family. The people here appease the Gods once a year during the annual Kasada festival where offerings of vegetables, chickens and money are thrown into the crater of the volcano.

▲ BOROBUDUR: A WONDER OF INDONESIA HISTORY, CENTRAL JAVA

The magnificent Borobudur temple is the world's biggest Buddhist monument, an ancient site widely considered to be one of the world's wonders. Built in the 9th century during the reign of the Syailendra dynasty, the temple's design in Gupta architecture reflects India's influence on the region, yet there are enough indigenous scenes and elements incorporated to make Borobudur uniquely Indonesian. This awe inspiring monument is truly a marvel. After a visit here you will understand why it is Indonesia's most visited tourist attraction and a famous icon of Indonesia's cultural heritage. Located on the island of Java, the temple sits majestically on a hilltop overlooking lush green fields and distant hills. It covers an enormous area, measuring 123 x 123 metres. The monument is a marvel of design, decorated with 2,672 relief panels and 504 Buddha statues. The architecture and stonework of this temple has no equal. And it was built without using any kind of cement or mortar! The structure is like a set of massive interlocking Lego blocks held together without any glue.



◀ **GREEN CANYON: SECRET PARADISE AT PANGANDARAN, WEST JAVA**

Green Canyon, yes, make no mistake it's not America's Grand Canyon, but it is Pangandaran's Green Canyon on the southern coast of West Java. Originally called "Cukang Taneuh" - the local Sundanese meaning for Soil Bridge - Green Canyon has a 3 meter wide bridge made up of soil above the twin cliffs on both river banks. This natural wonder is surely a spectacular scene that you will not find anywhere else.

The *ketinting* will then take you on a ride down the river, splitting the clear green water and creating small wave on both sides. From the boat, you will see green forest trees along the banks, and sometimes snakes or lizards jumping into the river, or coming up to surface. As the boat slows down and makes its last turn, an astonishing view jumps right in front of your eyes. Twin cliffs standing tall on each side of the river, with stalactites and stalagmites overhead, and crystal clear water below. You may think that this may be the Garden of Eden.



▲ **AMBON: THE ORIGINAL SPICE ISLANDS**

The tiny islands of Ambon, Banda, Saumlaki, Ternate and Tidore - among the thousands of islands in the Moluccas seas - changed the course of world history from the 15th century onwards. These islands were what triggered the European Age of Exploration. Ambon is blessed with many white beaches ideal for skin diving and snorkeling. Experienced divers should try diving off Tanjung Setan (Satan's Cape) at the far southern tip of Seram.



▲ **SIPISO-PISO WATERFALL, NORTH SUMATRA**

Set in the beautiful highlands of North Sumatra, the stunning Sipiso-piso waterfall is located on the North side of Lake Toba, 24 kms from Kabanjahe. This long but narrow waterfall drops 120 meters into an impressive gorge. This thundering waterfall is popular with visitors who come to photograph this magnificent natural wonder. Surrounded by a lush green mountainscape and with a rainbow forming at the base of the waterfall, it's hard to imagine a more impressive subject for a photograph.

The waterfall can be viewed from gazebos near the food and souvenir stands. From Berastagi it is a 45 minute to Sipiso-Piso waterfall.



◀ **PURA ULUN DANU BATUR, BALI**

Standing enchantingly backed by the magnificent Mount Batur overlooking its vast picturesque Lake, Pura Ulun Danu Batur is regarded as the second most important temple after Bali's mother temple, Pura Besakih.

This temple is the core of all water temples in Central Bali. It is paramount among all water temple systems which has great authority over all irrigation systems that draw water from Lake Batur in Bali's famed Subak landscape. This unique system, which is a recognized UNESCO World Cultural Heritage Site, comprises not only the technical aspects of rice cultivation and irrigation but is moreover part and parcel of social and religious unity on Bali.

INDONESIA STANDS TALL AMIDST A TUMULTUOUS GLOBAL ECONOMY

As the country stands poised on the threshold of a burgeoning economy, positive credit rankings and economic outlook from major economy watchers has strengthened investor confidence.

On May 21, 2015, Standard & Poor's Ratings Services revised its outlook on the long-term sovereign credit ratings on Indonesia from stable to positive.



THE WORLD BANK IN ITS PRESS STATEMENT EXPRESSED ITS CONFIDENCE IN THE COUNTRY.

“ Despite slowing down in recent years, Indonesia's growth trajectory remains impressive. The country's gross national income per capita has steadily risen, from \$2,200 in the year 2000 to \$3,524 in 2014. Today, Indonesia is the world's fourth most populous nation, the world's 10th largest economy in terms of purchasing power parity, and a member of the G-20. It has made enormous gains in poverty reduction, more than halving the poverty rate since 1999, to 11.3 percent in 2014.

The investment climate, though generally positive, faces continued regulatory uncertainties, shortcomings in infrastructure provision, and adjustments in minimum wages. However, the establishment by the Investment Coordination Board of a One-Stop-

Service for business licensing has encouraged investors. ”



MOODY'S INVESTORS SERVICE SAYS THAT INDONESIA'S STABLE OUTLOOK ON THE RATING IS supported by policy efforts to improve macro-economic balances in the face of lower prices for Indonesia's commodity exports and global financial uncertainty. The rating agency forecasts, “ Indonesia's GDP will grow by about 5 per cent in 2015, similar to the growth seen in 2014. While this is slower than the annual average 6.2 per cent growth Indonesia achieved between 2010 and 2013, it compares favourably to the global average and the performance of similarly rated peers. The credit positive developments on Indonesia's sovereign rating outlook would include evidence of institutional strengthening, effective implementation of infrastructure investment plans and increased resilience to global economic and financial volatility.

An example of policy efforts is the recent elimination of gasoline subsidies and the cap on diesel subsidies, which will lower the government's current expenditure and redirect government resources towards capital investment. In addition, to guard against generalized

inflation from higher fuel costs after subsidy reforms, Bank Indonesia has maintained a tighter monetary policy stance. ”



ACCORDING TO STANDARD & POOR'S, “ The ratings on Indonesia balance the country's low per capita income and developing policy and institutional settings against the improved credibility of its monetary policy, buoyant economic growth, and sound public finances.

Another ratings constraint is Indonesia's low GDP per capita, which we estimate at US\$3,600 in 2015. The country is a major commodity exporter of natural gas, coal, palm oil, and petroleum. Its growth slowed to an estimated 5 per cent in 2014, from 5.6 per cent in 2013, because of weaker prices and lower demand from China. We expect GDP to expand by 5.5 per cent (4.4 per cent in GDP per capita terms) in 2015, supported by high public sector investment (about 5.3 per cent higher). Our projection is for Indonesia's GDP to average 5.9 per cent over 2016-2019 (5 per cent in GDP per capita terms).

The positive outlook indicates the possibility that we could raise our ratings on Indonesia over the next 12 months if the government achieves its stated objective of improving the quality of expenditure. ”

Indonesian Cultural House

*Learn about Indonesian Beautiful
and
Diverse Culture*

Objectives:

Rumah Budaya Indonesia is established on 23 March 2007 than revitalized on 13 December 2013 and has the following purposes:

1. As an educational centre to preserve, develop and nurture Indonesia's culture and heritage
2. As a means to promote Indonesia's tourism potentials through the showcasing of cultural performances and organization of workshops, seminar and trainings.
3. As a way to attract awareness, tap into the creativity and develop the talent & potentials of Indonesian students and society as well as other national to learn about the arts and culture of Indonesia.
4. As a medium to establish cultural collaboration with Singapore and foreign educational Institutions.

Programme:

1. Training and development of art and culture of Indonesia's various regions.
2. Traditional music and dances courses for foreigners
3. Rental sources for traditional customs, musical instruments and various Indonesian displays.
4. Provide instructors for externals trainings.
5. Provide seminar, workshops and presentation of Indonesian culture and heritage.

Traditional Dances

Students and members of Rumah Budaya Indonesia will be taught by skilled instructions in performing traditional dances from various regions of Indonesia, such as from Sumatera, West Java, Jakarta, Central Java, Bali, and Kalimantan.

Traditional Music

Students and members will also be provided the opportunity to learn about playing traditional Indonesian musical instruments, such as Angklung, Arumba, Kolintang, Gamelan, Campur Sari, Kecapi Suling, etc

Cuisine & Language

Member will also be given the chance to know about Indonesia's Cuisine and, even learn it's official language, Bahasa Indonesia.

For Further Information:

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