

Meeting Indonesian Communities in Germany, Coordinating Minister Airlangga Emphasized the Important Role of the Diaspora in Indonesia's Development



**COORDINATING MINISTRY FOR ECONOMIC AFFAIRS
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The government consistently seeks to strengthen bilateral cooperation to support national economic growth, one of which is with Germany. Recorded in 2022, the total trade between Indonesia and Germany reached US\$7.04 billion and the realization of German investment in Indonesia amounted to US\$195.5 million. With this potential, the government continues to encourage downstream strategic policies to increase added value and build more optimal cooperation.

On the sidelines of a series of working visits in Germany to attend the opening of the 2023 Hannover Messe, the Coordinating Minister for Economic Affairs Airlangga Hartarto took the time to hold a meeting with the Indonesian Diaspora in Germany, Saturday (15/04), at the Indonesian Embassy, Berlin. Starting the meeting, the Coordinating Minister Airlangga explained the global geopolitical conditions that affected world energy prices, to Indonesia's policy of absorbing price increases in electricity and fuel subsidies reaching more than Rp500 trillion.

"Inflation is relatively under control. Indonesia's economic growth in 2022 could reach 5.3% (YoY), or the second highest in the G20 after Saudi Arabia," Coordinating Minister Airlangga explained.

The total value of Indonesia's trade with the European Union was recorded at US\$26 billion, still lagging behind Vietnam, which recorded a trade value with the European Union of more than US\$60 billion. "One that plays a big role in the high value of Vietnam's bilateral trade with the European Union is the existence of a free trade agreement," said Coordinating Minister Airlangga.

Furthermore, Coordinating Minister Airlangga also emphasized that the cooperative relationship between Indonesia and the European Union can be improved, one of which is by encouraging the acceleration of the completion of the Indonesia-European Union CEPA (IEU-CEPA) negotiations which started in 2016. With the IEU-CEPA agreement, it is expected that various trade barriers such as the issue of palm oil discrimination, the lawsuits against mineral resources (nickel) at the WTO, and the issue of deforestation can be resolved.

Coordinating Minister Airlangga also explained the potential for a recession in 2023, which is only 3%. Indonesia's handling of Covid-19 has also been recognized as one of the best by the World Health Organization (WHO).

"During Indonesia's Presidency of the G20 last year, Indonesia managed to set the tone, including achieving a consensus from all member countries that agreed on the G20 Bali Leaders' Declaration, including unifying

the position of Russia and the G7 countries which were at odds over the war in Ukraine. Indonesia considers it necessary to maintain a balanced relationship with all countries in the world. The success of Indonesia's diplomatic approach is highly appreciated by other countries," explained Coordinating Minister Airlangga. Later this year, Indonesia also served as Chairman of ASEAN and strive to produce various important breakthroughs, including digital economic integration in the ASEAN region.

On this occasion, Coordinating Minister Airlangga also explained further about Indonesia's excellence in natural resources processing to the great potential in the form of abundant human resources that can be utilized to support national development. For this reason, Coordinating Minister Airlangga considers it necessary for Indonesia to accelerate the development process by utilizing its demographic bonus.

In addition, another important issue that emerged at the meeting was the encouragement of increased cooperation between industry and secondary education institutions, namely Vocational High Schools (SMK). "The Indonesian government is very focused on human resource development. When setting a target of increasing income per capita from US\$4000 to US\$12,000, one thing that must be built is human resources. As proof of its seriousness, the Indonesian government has even provided incentives in the form of a super deduction tax of up to 200%," emphasized Coordinating Minister Airlangga. The Indonesian Diaspora abroad is also expected to encourage concrete cooperation in the national development agenda.

Also present on the occasion were the Minister of Industry, Indonesian Ambassador to the Federal Republic of Germany, Secretary of the Coordinating Ministry for Economic Affairs, Deputy for Coordinating International Economic Cooperation of the Coordinating Ministry for Economic Affairs, Deputy for Trade and Industry Coordination of the Coordinating Ministry for Economic Affairs, Assistant Deputy for European Economic Cooperation, Africa, and Middle East of the Coordinating Ministry for Economic Affairs, representatives of the Indonesian Student Association (PPI) in Germany, and representatives of the Association of Indonesian Professionals and Scholars (IASI) in Germany. (dep7/dft/dlt/map/fsr/hls)

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