

Coordinating Minister for Economic Affairs Accompanies the President of the Republic of Indonesia at the Opening Indonesian Pavilions and Indonesian – German Business Summit



**COORDINATING MINISTRY FOR ECONOMIC AFFAIRS
REPUBLIC OF INDONESIA**

PRESS RELEASE

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Coordinating Minister for Economic Affairs of the Republic of Indonesia Airlangga Hartarto accompanied the activities of the second day of President Joko Widodo's working visit in Germany to open the Indonesian Pavilion at the Hannover Messe in Hall 2 Fairgrounds, Hannover city, as well as visiting some co-exhibitors' booths and the opening ceremony of Indonesia-Germany Business Summit. At the event, as Chairman of the National Steering Committee for Indonesian Participation as Official Partner Country at the 2023 Hannover Messe, Coordinating Minister Airlangga welcomed President Joko Widodo and German Chancellor Olaf Scholtz.

In his remarks, Coordinating Minister Airlangga explained the meaning of the Infinite Journey theme as Indonesia's journey towards the future with optimism and the construction of the Phinisi ship which was built quite large in the middle of the Indonesian pavilion carries the meaning that Indonesia is a new global power that is ready to face various challenges in the future such as Indonesian Phinisi sailors who dare to sail the vast ocean.

"A total of 157 co-exhibitors occupying an exhibition area of 23,000 square meters consisting of government, educational and research institutions, the private sector and State-Owned Enterprises. Indonesia also displays the design of the Nusantara Capital City (IKN) as a future smart and sustainable forest city built by conserving forests. Indonesia's participation in this exhibition is primarily promoting the Making

Indonesia 4.0 road map, industrial cooperation, encouraging exports and foreign investment, and strengthening bilateral relations with Germany and European countries," explained Coordinating Minister Airlangga. Hannover Messe is one of the largest industrial and trade fairs in the world which is held annually in Hannover, Germany.

Furthermore, Coordinating Minister Airlangga also reported that 25 agreements had been signed, consisting of 4 (four) Government-to-Business (G-to-B) agreements and 22 Business-to-Business (B-to-B) agreements. "The total value of these agreements is around USD 1.98 billion or EUR 1.84 billion which will create jobs for around 80,000 people," explained Coordinating Minister Airlangga.

Coordinating Minister Airlangga reported a bilateral agreement by establishing the Indonesia-Germany Joint Committee for Economic Cooperation and Investment (Joint Economic and Investment Committee/JEIC) covering 12 sectors of cooperation in the fields of trade, industry, environment and energy, research and innovation, maritime, health, tourism, vocational training and education, and MSME development.

President Joko Widodo and German Chancellor Olaf Scholz welcomed and officially opened the Indonesian National Pavilion. In his remarks, the President explained the meaning of the Phinisi Ship which became the logo of Indonesia Partner Country at the 2023 Hannover Messe Exhibition. The Phinisi Ship symbolizes Indonesia's steps in accelerating efforts to transform Indonesia's industry towards industry 4.0 which in the end will contribute to the rise of the regional and global economy.

After the opening ceremony of the Indonesian Pavilion, President Joko Widodo and Chancellor Olaf Scholz and their delegation made an official walkabout several Indonesian co-exhibitors' booths, such as the IKN Authority, Nongsa Digital Park, Akebono Brake Astra Indonesia, and Festo Indonesia, followed by visits to several German co-exhibitors' booths.

After the review, the two national leaders opened the Indonesia-Germany Business Summit. The event involving the Indonesian Chamber of Commerce and EKONID Germany emphasized the close relationship and mutually beneficial cooperation and endeavours to be further enhanced through trade agreements in the form of Indonesia-European Union Comprehensive Economic Partnership Agreement (IEU-CEPA) which has now entered its 14th round and is being encouraged to accelerate its completion this year.

The concrete cooperation between the two countries is increasingly strengthening the steps to overcome supply chain obstacles and committed to building an investment climate. Germany was one of the contributors of Just Energy Transition Partnership (JETP) which was launched last year during Indonesia's G20 Presidency as part of Partnership for Global Investment and Infrastructure (PGII) for energy decarbonization. Another important partnership that is strengthened is coping with climate change and carbon neutrality. "These efforts are aimed at creating prosperity for the people of both countries," said Chancellor Olaf Scholz.

In his remarks at the Business Summit, the President explained that Indonesia's priority strategies for economic development were industrial downstreaming, energy transition, and IKN development. Industrial downstreaming aims to increase economic added value, maintain sustainability and the environment, and create jobs. Indonesia stated that it is ready to become a partner in the development of the semiconductor industry and joint production of electric vehicle batteries.

Regarding the energy transition, Indonesia's New and Renewable Energy potential is very large which can reach 434 GW. To develop it, Indonesia needs innovative financial support, transfer of high technology, and re-skilling labor.

Another priority is the construction of IKN with a smart & sustainable forest city design occupies a land area of 250 thousand hectares and 65% of the land is for tropical forests. President Joko Widodo emphasized that IKN was built based on green energy & green economy principles.

Also attending the event were the Minister of Industry, Minister of Foreign Affairs, Minister of BUMN, Minister of Investment, Minister of Cabinet Secretary, and Head of the IKN Authority Agency.
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