

POST MISSION REPORT

PARLIAMENTARY SECRETARY JONATHAN O'DEA, MP, VISIT TO THE INDONESIA-AUSTRALIA BUSINESS WEEK (IABW) 2017 JAKARTA, INDONESIA 5-8 MARCH 2017 MISSION REPORT

MISSION PURPOSE

To represent the Premier of New South Wales at the Indonesia-Australia Business Week (IABW) held in Jakarta, Indonesia from 5 March – 8 March 2017. The purpose of the event was to further strengthen our relationship with this priority market and gather intelligence about the economic and political environment in Indonesia.

Through a series of meetings, Mr O'Dea, Parliamentary Secretary to the Premier and Treasurer, sought to develop links with senior business leaders, government leaders, and Australian officials on-the-ground to promote investment opportunities in NSW.

The key objectives and desired outcomes of the mission were to:

- Reinforce the importance of the NSW-Indonesia relationship and strengthen this relationship by developing productive government to government and business links.
- Attract foreign direct investment into NSW by exploring interests with potential Indonesian partners and participating in industry-specific networking events.
- Gather market intelligence to understand opportunities and challenges for trade and investment in Indonesia.
- Encourage deeper educational links between NSW and Indonesia.
- Advance NSW's Sister State Relationship with Jakarta.

MISSION DESCRIPTION

In March 2017 Mr O'Dea travelled to Jakarta, Indonesia to the IABW in Jakarta, Indonesia. In so doing, Mr. O'Dea attended a series of meetings with in-country Australian officials, Indonesian business stakeholders and Indonesian government officials.

MISSION BACKGROUND

The Honourable Steven Ciobo MP, Federal Minister for Trade and Investment, led a mission to the IABW in March 2017. Mr O'Dea's attendance presented an opportunity to further strengthen our trade and investment ties with Indonesia, promote NSW capabilities at sector-specific events, and advance NSW's Sister State Relationship with Jakarta. It was also an opportunity to hold one-on-one meetings with key Indonesian Government and business stakeholders.

The IABW Meeting

- The IABW was an opportunity to hold one-on-one meetings with key Indonesian Government and business stakeholders.

- The IABW 2017 followed the success of Indonesia Australia Business Week held in November 2015. IABW 2017 was more narrowly-focussed and attracted around 150 Australian delegates.
- Focus industry sectors for the IABW 2017 were selected to match capabilities and interest amongst Australian businesses, with realisable commercial potential. IABW 2017 is part of Austrade's promotional programming, with some sectors being the focus of stand-alone activities later in the year.
- Mr. O'Dea had the opportunity to explore interests with potential Indonesian partners, participate in industry-specific networking events to increase the understanding of doing business in Indonesia, and enhance existing and create new relationships with Indonesian businesses.

Indonesian Economy

- Indonesia is Australia's largest ASEAN trading partner and 13th largest trading partner globally with two-way trade valued at \$15.3 billion in 2015-16.
- There is rapid development occurring in e-commerce in Indonesia, with estimates that total online transactions in 2016 would reach US\$30 billion (approx. AU\$39 billion). There is also an increasing demand for cyber security technology in Indonesia, particularly from sectors such as defence, infrastructure and banking.
- Service exports from Australia to Indonesia totalled \$1.287 billion in 2015, with education and travel-related services being the biggest component. There is significant scope to increase NSW services exports to Indonesia.

Indonesia-NSW Economic Relationship

- Indonesia is a priority market for the NSW Government, reinforced by our longstanding Sister State Relationship with Jakarta, renewed in October 2015. (Memorandum of Understanding (MoU) originally signed on 30 May 1994.)
- Indonesia is the 14th largest merchandise export market for NSW and the 18th largest two-way trading partner overall. In 2015-16, NSW merchandise exports to Indonesia totalled \$477.8 million.
- Trade between NSW and Indonesia is predominantly in education, professional services, premium food and beverage, and agriculture.
- In 2015-16, bilateral merchandise trade between NSW and Indonesia was valued at over \$1.43 billion. NSW merchandise exports into Indonesia totalled \$477.8 million.
- Service exports from Australia to Indonesia totalled \$1.288 billion in 2015-16, with education and travel-related services being the biggest component.
- Student numbers remain high. There has been a 25 per cent increase in Indonesian student enrolments in NSW between 2013 and 2015, totalling approximately 11,000 YTD December 2015.
- There remains scope to further increase services exports to Indonesia, particularly in education.

Key Outcomes

Strengthened the NSW-Indonesia relationship

Attendance at the IABW 2017 by a NSW Parliamentarian representing the NSW Premier is a strong signal of the NSW Government's commitment to NSW-Indonesia relations.

Participation in the IABW and with Indonesian Government officials such as the Deputy Coordinating Minister for Economic Affairs enabled Mr. O'Dea to strengthen our relationship with Indonesia.

Promoted investment opportunities in NSW

Meetings with Indonesian business stakeholders provided an opportunity to exchange knowledge and share information about NSW's capabilities across a range of key sectors such as VET development in the infrastructure sector, financial services technology and higher education to promote NSW as an educational leader and encourage greater Indonesian student enrolment.

Gathered market intelligence

Attending the IABW provided the NSW Government with market intelligence about the current and emerging opportunities, shared areas of interest, future areas for further collaboration, and future challenges for trade and investment in Indonesia.

Meetings with the In-Country Representative of the University of Sydney and the Austrade Senior Trade Commissioner, Ms. Sally Yates, provided further intelligence on future commercial opportunities and market initiatives.

OFFICIAL DELEGATION

Mr Jonathan Richard O'DEA, BA, LL.M, MBA MP
Parliamentary Secretary to the Premier and Treasurer

ESTIMATED COSTS AND DETAILS OF TRAVEL

Minister	Parliamentary Secretary for Trade and Investment, Major Events and Tourism
Portfolio	Trade, Tourism, Major Events, Sport
Destination(s) visited a) Countries b) Cities	a) Indonesia b) Jakarta
Dates of travel a) Departure date b) Return date	a) Sunday 5 March, 2017 b) Wednesday 8 March, 2017
Number of official travel days	Four Days

Number of accompanying	
a) Minister's staff	a) N/A
b) Government officials	b) N/A
Accompanied by spouse	
a) in an official capacity	a) N/A
b) in a private capacity	b) N/A
Costs	
Airfares	
a) Minister and Minister's staff	a) \$3,990,54
b) Government Officials	b) N/A
Accommodation (includes any meals/incidentals charged to room)	
a) Minister and Minister's staff	a) \$622.98
b) Government officials	b) N/A
Official Hospitality	
a) Minister and Minister's staff	a) Nil
b) Government officials	b) Nil
Other Expenses	
a) Official gift presentation	a) Nil
b) Ground transport	b) Nil
c) Meals and refreshments	c) Nil
d) Other miscellaneous costs	d) Nil
TOTAL estimated travel cost	\$4,693.52
Currency conversion rate	1AUD = 10095.74 Indonesian Rupiah Date of conversion 4 April 2017

Note: the above costs are still subject to finalisation. A number of the costs will be incurred by the Department of Premier and Cabinet as operating costs.