

## **PM'S WELCOME REMARKS AT THE INDONESIA-SINGAPORE INVESTMENT FORUM, 7 SEPTEMBER 2017, MARINA BAY CRUISE CENTRE**

Your Excellency Joko Widodo, President of the Republic of Indonesia

Ibu Iriana Joko Widodo

Excellencies

Distinguished Guests, Ladies and Gentlemen

Today is a special day. A golden jubilee for Singapore and Indonesia, as we celebrate 50 years of diplomatic relations, and the achievements we have accomplished together throughout the decades as partners and friends.

Singapore and Indonesia have had enduring economic and collaborative ties. We have weathered economic challenges, financial crises, and business uncertainties together, and remained resilient throughout. We are among each other's top trading partners. We receive the largest number of tourist arrivals from each other. And for several years, Singapore has been the top investor in Indonesia.

Indonesia's economy is on a positive trajectory. GDP growth is on an upward trend. Macroeconomic indicators show good performance. And its large market with a rising middle class and increasing urbanisation positions Indonesia well for continued future growth. Bapak President has also been putting in place measures geared towards enhancing the business environment.

As neighbours, our economies are interlinked, our markets interdependent, and our goals complementary. For example, Singapore focuses on exports to drive growth and looks for more markets for our companies to expand into. Indonesia has

a big domestic market of around 250 million people and wants to attract foreign investments. Singapore investments in Indonesia are wide-ranging, from infrastructure projects and finance services to retail and F&B. In Singapore, we have more than 2,000 Indonesian business operating here, including restaurants that Indonesians and Singaporeans alike enjoy. Companies from third countries too have recognised our joint value proposition and have established themselves in both Singapore and Indonesia, operating complementary functions in each of our markets.

We - both the public and private sectors - must exert maximum effort to ensure that these strong economic relations are sustained.

- The Singapore and Indonesian governments work closely to spearhead activities and enable opportunities for businesses. This investment forum is an example.
- Business missions is another. And most recently, the establishment of the Indonesia-Singapore Business Council, or ISBC, helmed by Singapore's Economic Development Board (EDB) and Indonesia's Investment Coordinating Board (BKPM). The ISBC will provide a platform for business leaders in specific sectors to discuss and implement ideas.
- To help Singapore companies interested in the Indonesian market, Singapore government agencies like EDB, International Enterprise Singapore (IE Singapore), and the Singapore Tourism Board (STB), have offices in Indonesia. Likewise, Indonesia's BKPM has an investment promotion centre in Singapore. The Singapore Business Federation (SBF) also has good connections with Indonesia's Chamber of Commerce and Industry (KADIN). Complementing these are the direct B-to-B links you form with one another that bring immeasurable value to the ecosystem.

Today's investment forum focuses on the theme of tourism. This is apt. Just last year, Indonesia received 12 million international tourists, of which nearly one-and-a-half million, or more than 12%, were from Singapore. This has potential to grow, especially if connectivity can be enhanced and the right infrastructure developed. Indonesia has endless appeal, rich in culture and natural beauty. One way to maximise sight-seeing in the archipelago and bring large amounts of tourists is via cruises. Companies recently signed MOUs with Indonesian authorities to develop berths and marinas. STB is working with Indonesia to form a Cruise Tourism Task Force so that all the authorities involved, from immigration and customs to those in charge of ports and infrastructure, can develop a holistic plan. Bapak President Joko Widodo and his Ministers have identified ten priority tourism destinations in Indonesia for development and this presents business opportunities. International Enterprise Singapore has already brought leisure and property development companies like SUTL, KOP, and Ascott to Sulawesi, Sumatra, and East Java for them to consider developing hotels, attractions, and MICE facilities there. Ascott recently opened its first Citadines property in Makassar and plans to open more serviced residences in Jogjakarta and Bandung.

Besides tourism, there is business potential in many other sectors in Indonesia. Our companies have capabilities that match Indonesia's priority sectors. In infrastructure development for the transport and energy sectors, for instance. Indonesia is interested in growing its digital economy. Likewise, Singapore is looking into smart solutions for our nation. Technology is the new frontier for both our economies and we can benefit from learning and growing together. The start-up scene is vibrant in both our countries. We have jointly established start-up networking platforms like EV Hive and Block 71 in Jakarta to promote the cross-fertilisation of experiences and ideas. There are also exciting growth opportunities in the Indonesian regions, some of which are detailed in International Enterprise Singapore's recent publication titled "Going East – Indonesia Beyond Jakarta".

I am delighted to see so many of you here today embodying the close relations of our countries as you network and build relationships with one another.

We could not have grown our bilateral economic relations successfully without our countries' close collaborations, and the partnerships you forge and networks you catalyse. I am sure I can speak for Bapak President in saying that we both look forward to seeing not just successful business projects blossom between our countries, but firm friendships as well.

Thank you.