

IFG Progress Digest

Indonesia-China Economic Relationship: How to Mitigate the Potential Downturn?

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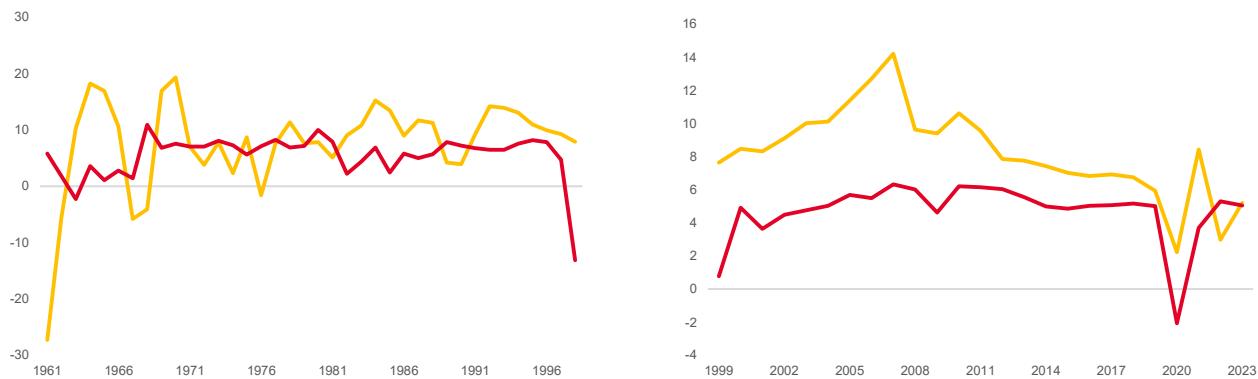
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- *China is expected to experience an economic slowdown in the years to come, stemming from several factors including but not limited to high debt burden, property crisis, intensifying government control, and aging population.*
- *Given the entanglement to the Chinese economy in terms of international trade and investment, Indonesia must pursue new growth avenues in the future by diversifying its export market and foreign investor base.*

China is currently one of Indonesia's most important trading partners and FDI donors. More specifically, China is Indonesia's topmost export destination (constitutes more than 25% of total export in 2023) as well as one of the largest foreign investors to the country (constitutes more than 14% of total inbound FDI in 2023), second only to Singapore. Consequently, China's economic growth should be an important factor to Indonesia's. We even found that using a simple linear regression of quarterly growth data,

Exhibit 1. Annual GDP Growth of Indonesia (Red) and China (Yellow), Pre-Reform (1961-1998) & Post-Reform (1999-2023)



Source: World Bank, IFGP Research.

China's GDP growth is a statistically significant explainer of Indonesia's GDP growth, both in before-1998 period, after-1998 period, and all period (detailed more below). This sheds light on how the two economies are interconnected.

While Indonesia has been enjoying a positive growth which is partly supported by China, the latter's economy is expected to slow in the coming years. Arguably, one of the most contributing elements to the dim outlook is the excessive use of debt to finance its development, in addition to other structural factors. In this IFG Progress Digest, we will try to uncover the nature of China-Indonesia economic

relationship in terms of trade and investment and outline the potential strategy that the Government of Indonesia may venture into in order to mitigate the potential downturn. Additionally, we also include a brief section discussing several probable reasons behind China's decline.

Correlation Between the Growth of China and Indonesia
 Both countries began as sovereign nations not long apart from each other. Indonesia gained independence on August 17, 1945, while China gained it on October 1, 1949, indicating that their starting points for nation-building were quite close. Based on GDP growth data from the World Development Indicators by the World Bank from 1961 to 2023, Indonesia and China exhibit interesting trends worth understanding (see Exhibit 1). At first, the growth of two countries seem to move differently. China's growth was much more volatile than Indonesia's in the early 1960s up to the early 1970s, where the two countries started to sustain a robust growth.

In 1998, both Indonesia and China had a major event. During that period, Indonesia had just emerged from the New Order regime and moved into the reformation period. At the same time, China's economy reached a pivotal point under the leadership of Zhu Rongji. His administration initiated the "Three Reforms," which focused on state-owned enterprise reform, financial system reform, and administrative reform. These reforms became a turning point for China to transition to a market economy and laid the foundation for economic growth in the following period. Hence, this "post-reform" period is where both economies started to move hand-in-hand. We can see that in the aforementioned period, the trajectory looks similar, a rise (fall) in China's GDP growth is generally associated with a rise (fall) in Indonesia's GDP

Exhibit 2. Simple Regression Estimation of China's Quarterly GDP Growth to Indonesia's Quarterly GDP Growth

VARIABLES	(1) All Periods	(2) Before 1998	(3) After 1998
China	0.247** (0.119)	2.905*** (0.810)	0.124* (0.0673)
Constant	2.337** (1.085)	-26.66*** (8.438)	3.714*** (0.596)
Observations	121	20	101
R-squared	0.035	0.417	0.033

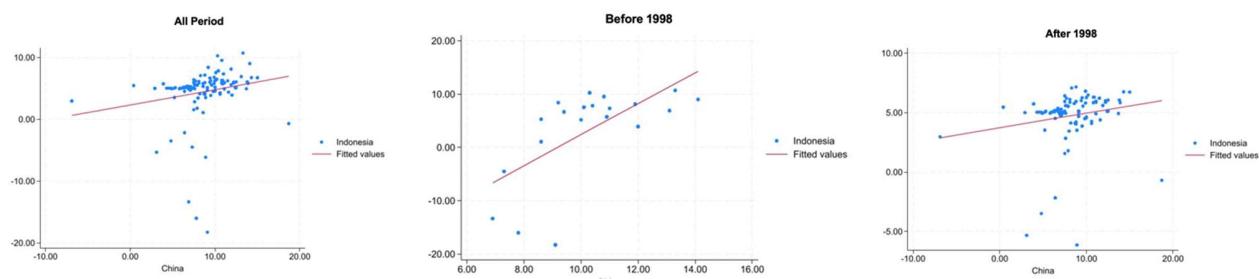
Standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Note: The data period is 1994Q1 until 2024Q1. Due to data limitations, the observation for the "before 1998" regression only has 20 data points and must be interpreted with extra caution.

Source: CEIC, IFGP Research.

Exhibit 3. Scatterplot of Indonesia's Quarterly GDP Growth vs China's Quarterly GDP Growth



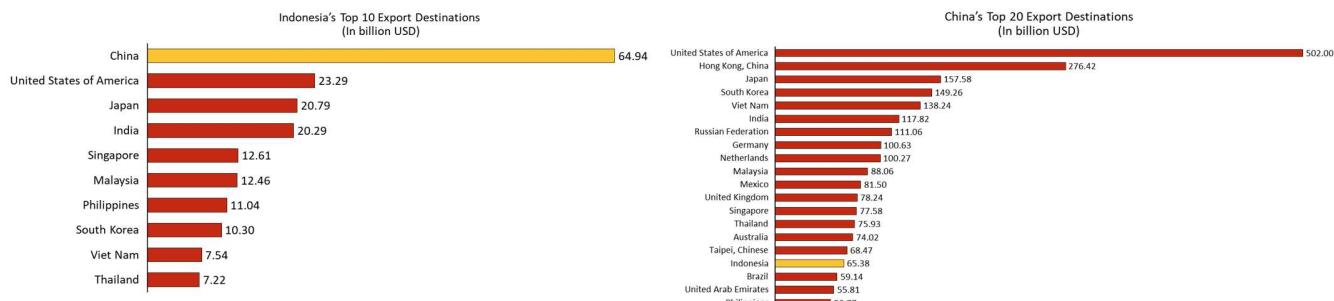
Source: CEIC, IFGP Research.

growth as well.

To examine the relationship numerically, we conduct a simple linear regression of both economies' quarterly year-on-year growth data from CEIC (see Exhibit 2). Our regression estimates yield interesting result. We found that China's economic growth had an effect on Indonesia's economic growth, especially since the reformation. Regression is done with a split sample of observations (before-1998 and after-1998). For the overall economic growth from within the entire sample of 1991Q1 to 2024Q1, the result is significant at the 95% confidence level. Specifically, a one percentage-point

increase in China's growth is expected to increase Indonesia's growth by 0.247 percentage-point. This relationship also holds true for the after-1998 period, where the result is significant at the 90% level and shows that a one percentage-point increase in China's growth is expected to increase Indonesia's growth by 0.124 percentage-point. We will not delve into the result for before-1998 period since the observation is constrained by data limitation and thus the interpretation might be inaccurate. Exhibit 3 displays the positive association between Indonesia's and China's

Exhibit 4. Indonesia-China's Top 10 Export Destination, 2023



Source: World Bank, IFGP Research.

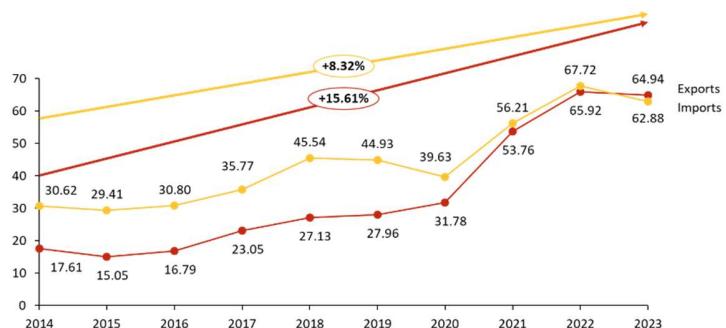
quarterly GDP growth in the shape of scatterplots.

The interrelationship can be explained by how Indonesia engages with China's international economic cooperation initiatives. At the time after the reformation, China had opened its economy with other countries and participated in various international cooperation between countries. Even today, Indonesia and China are involved in multiple international economic cooperation such as the Regional Comprehensive Economic Partnership (RCEP), Asia-Pacific Economic Cooperation (APEC), and ASEAN-China Free Trade Area (ACFTA).

Examining the data, in terms of exports (see Exhibit 4), China is Indonesia's largest export destination in 2023, with an export volume of \$64.94 billion or equivalent to 25.09% of all Indonesian export to other countries. In contrast, Indonesia's economy only contributes to 1.93% of China's overall exports in international trade with a volume of \$65.38 billion, ranking 17th out of all countries. This shows how asymmetrically interrelated the relationship of Indonesia and China is.

If analyzed within the past 10 years through changes in the volume of exports and imports between Indonesia and China (see Exhibit 5), it can be seen that initially China had a dominance of products in Indonesia's market through import with a gap of about twice the exports of Indonesia. However, the growth of Indonesia's exports has made the gap narrower since 2020 (one year after Indonesia's downstream policy was implemented). Using the CAGR method, we can see that Indonesia's exports to China have shown growth that is almost twice the growth of Indonesia's imports from China (15.61% CAGR for export vs 8.32% CAGR for import) over the past 10 years.

Exhibit 5. Growth in the Value of Exports and Imports of Indonesia to China (In USD billion), 2014-2023



Notes: The difference in figures between Indonesia's imports to China and China's exports to Indonesia occurs due to calculations that include FOB & CIF in the value.

Source: Trade Map, IFGP Research

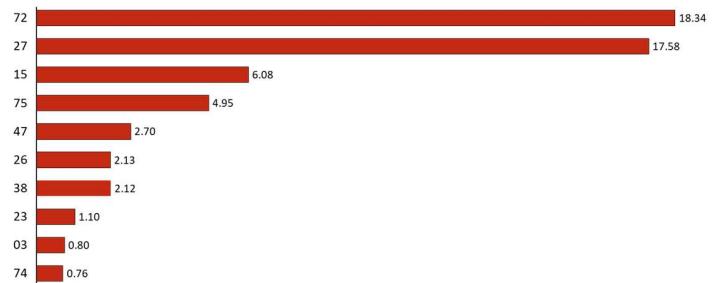
Trade Dynamics Between Indonesia and China

If seen more in depth, particularly the top 10 export products of Indonesia to China in 2023 (see Exhibit 6), we see that these products are mainly categorized under HS Codes 72, 27, 15, 75, 47, 26, 38, 23, 03, and 74. These exports are largely dominated by raw materials. In contrast, when we look at Indonesia's top 10 imported products from China (see Exhibit 7), they fall under HS Codes 84, 85, 39, 72, 73, 87, 29, 94, 27, and 54, which consist mostly of intermediate and final goods. This preliminary analysis indicates that while Indonesia exports raw materials to China, it imports higher-value intermediate and final products from China, highlighting a trade dynamic where Indonesia's exports are at a lower stage of the production chain compared to its imports from China.

In addition, there was a shift in the export as well as import composition, as shown in Exhibit 8. The analysis is divided into two periods, between the beginning of the reformation, which is 2001-2010 and the halfway to the present, which is 2011-2023. Changes in Indonesia's exports between these periods can be seen. At the beginning of the reformation, the dominance of Indonesia's exports was still contributed by petroleum and agricultural goods. However, during the middle period until now, HS Code 72 (Iron and Steel) and 26 (Ores, Slag, and Ash) have become two of Indonesia's top 5 export products, indicating that the contribution of exports in Indonesia's steel industry and mineral mining to China has increased significantly. This indicates that Indonesia's downstreaming policy might have an export-orientation towards China.

When compared to the development of Indonesia's top 5 imported products from China, the dominance of high-tech goods is still high. There was a difference in oil mining materials which are no longer at the top since they were replaced by plastic materials and organic chemicals. This raises the question of whether Indonesia's downstream processing can advance further. To actually see whether it is indeed the case that Indonesia is producing raw materials for China and then re-import higher value-added goods, we must examine the product composition at a deeper level (possibly at 6-digit HS code). Nevertheless, this section is only intended to provide a high-level overview of the development of what products are being exported to and imported from China.

Exhibit 6. Indonesia's Top 10 Export to China (In USD billion), 2023



Description :

HS Code 72 (Iron and steel), 27 (Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes), 15 (Animal, vegetable or microbial fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes), 75 (Nickel and articles thereof), 47 (Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or paperboard), 26 (Ores, slag and ash), 38 (Ores, slag and ash), 23 (Residues and waste from the food industries; prepared animal fodder), 03 (Fish and crustaceans, molluscs and other aquatic invertebrates), & 74 (Copper and articles thereof).

Source : Trade Map, IFGP Research

Exhibit 7. China's Top 10 Export to Indonesia (In USD billion), 2023



Description :

HS Code 84 (Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof), 85 (Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles), 39 (Plastics and articles thereof), 72 (Iron and steel), 73 (Articles of iron or steel), 87 (Vehicles other than railway or tramway rolling stock, and parts and accessories thereof), 29 (Organic chemicals), 94 (Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; luminaires and lighting fittings, not elsewhere specified or included; illuminated signs, illuminated nameplates and the like; prefabricated buildings), 27 (Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes), & 54 (Man-made filaments; strip and the like of man-made textile materials).

Source : Trade Map, IFGP Research

Exhibit 8. The Development of Export-Import Composition from Indonesia (Reporting Country) to China (Partner Country)

Years	HS	2001-2010	HS	2011-2023
Top 5 Product Export Indonesia to China	27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes.	27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes.
	15	Animal, vegetable or microbial fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes	72	Iron and steel
	40	Rubber and articles thereof	15	Animal, vegetable or microbial fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes
	29	Organic chemicals	26	Ores, slag and ash
	47	Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or paperboard	47	Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or paperboard

Years	HS	2001-2010	HS	2011-2023
Top 5 Product Import Indonesia from China	84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof
	85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles
	27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes.	72	Iron and steel
	72	Iron and steel	39	Plastics and articles thereof
	73	Articles of iron or steel	29	Organic chemicals

Source: Trade Map, IFGP Research.

Foreign Direct Investment from China

In terms of FDI (see Exhibit 9), China is one of the largest FDI donors for Indonesia. From data taken from 'National Single Windows Indonesia' (NSWI) in 2023, China is the second largest country that provides FDI for Indonesia with a volume of \$7.44 billion, equivalent to 14.80% of the total FDI entering Indonesia that year. The growth of Chinese FDI to Indonesia itself has been fluctuating since 2014 but has an overall increasing trend (see Exhibit 10).

In Exhibit 11, the top 10 sectors receiving FDI from China are shown. Metal industry (excluding machinery and electronic industry) is the largest sector contributing to the value of FDI by China to Indonesia with an investment of \$3.43 billion (46.1% of total Chinese FDI). Followed by transportation, storage & communication with \$1.52 billion (20.9% of total Chinese FDI), and the Chemical and Pharmaceutical industry with \$0.77 billion (10.3% of total Chinese FDI). Other notable sectors include Real Estate, Electricity, Non-Metallic Minerals, Mining, Trade & Repair, Construction, and the Food Industry, with investments ranging from \$0.42 billion to \$0.07 billion.

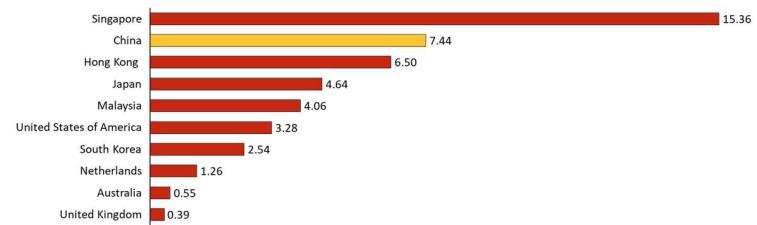
Given how the Chinese distribute their capital, it can be concluded that their investments in Indonesia have focused on Indonesia's metal, infrastructure, and health sectors. Anecdotal evidence shows that this is aligned with China's assistance in developing the new capital city's transportation modes¹, China's investment in major infrastructure projects such as the Whoosh! China Indonesia Fast Train (KCIC), and the support from China to achieve Indonesia's goal to transform public health by conducting a bilateral investment agreement in Chengdu².

Snapshot of China's (Alarming) Economic Trajectory

China's miraculous growth has been transforming the global economy. Ever since the Deng Xiaoping's administration implemented the "open-door" policy in the 1980s, foreign investments and international goods have been coming in and out of China, spurring the country's growth. The result of this movement in terms of statistics are indeed striking. With an average economic growth of more than 10% since 1980 up until 2007, China has shifted from being one of the poorest countries in Asia, with a real per capita GDP of \$156 in 1978, to an upper-middle-income country by 2022, with a real per capita GDP of \$12,720³. Accordingly, China's Total Factor Productivity (TFP) had been rising at an average rate of 4.5% per year from 1980 to 2007⁴. Aligned with the liberalization effort, China joined the World Trade Organization in 2001, boosting its merchandise trade with the world. According to the World Bank Open Data, in 2023, China's total trade (export + import) is at 33.4% of its GDP.

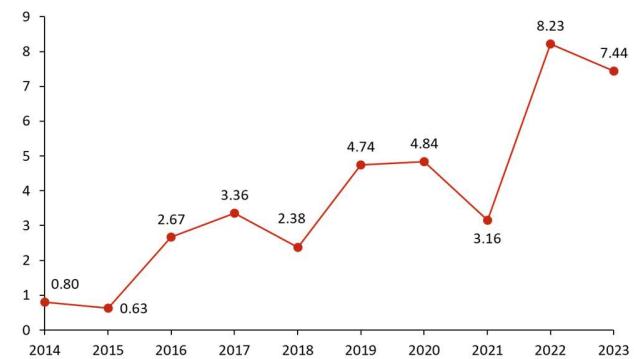
Nowadays, China is the second largest economy in the world with a GDP of \$17.7 trillion in 2023. However, China's economy is expected to experience a slowdown in the coming years, practically alerting the global economy. The

Exhibit 9. Indonesia's Top 10 FDI Donors (In USD billion), 2023



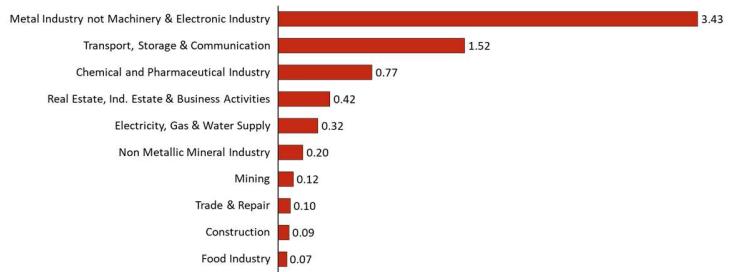
Source : NSWI, IFGP Research

Exhibit 10. Chinese FDI to Indonesia (In USD billion), 2014–2023



Source : NSWI, IFGP Research

Exhibit 11. Top 10 FDI from China to Indonesia by Sector (In USD billion), 2023



Source : NSWI, IFGP Research

¹ PwC. (2024). *Jokowi invites China to build transportation modes in IKN*. PwC. <https://www.pwc.com/id/en/media-centre/infrastructure-news/april-2024/jokowi-invites-china-to-build-transportation-modes-in-ikn.html>

² Ministry of Foreign Affairs. (2018). *Indonesia-China Health Investment Cooperation Discussed in Chengdu*. <https://www.kemlu.go.id/beijing/en/news/25807/indonesia-china-health-investment-cooperation-discussed-in-chengdu>

³ TuftsNow. (2023). *Why Is China's Economy Slowing Down?* <https://now.tufts.edu/2023/1/20/why-chinas-economy-slowing-down>

⁴ Zhu, X. (2024). *China's Productivity Challenge*. <https://www.economics.utoronto.ca/public/workingPapers/tecpa-771.pdf>

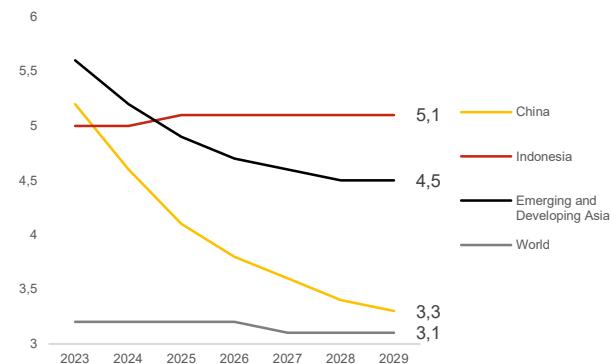
IMF projected that the Chinese's economic growth will moderate to only 3.3% by 2029 (see Exhibit 12). Several structural and political factors have contributed to this number. Arguably, the decline in the housing market has been one of the major drivers of the weakening growth. The property sector has historically contributed to approximately 20-25% of China's GDP, indicating high dependency of its economy to the sector⁵. In recent years, however, property sales have plummeted. In 2022, residential property sales dropped by around 12% year-on-year (see Exhibit 13). This led to reduced investment returns and financial instability for property developers. For instance, Evergrande, one of the largest property developers, had liabilities exceeding \$300 billion at its peak.

The housing crisis is also related to another major factors of the Chinese future economic calamity, significant debt burden. Many studies have analyzed the actual debt burden of the Chinese economy, given how the country was utilizing debt as the primary driver of economic development in the high-growth decades. A report by Fidelity shows that combining national government, local government, corporate debt, and household (mostly mortgages) debt, the figure is a staggering 300% total-debt-to-GDP ratio⁶. Another study by the Wall Street Journal argued that local governments in China has a combined "off-the-book" debt up to \$11 trillion (approximately 64% of 2023's GDP)⁷. Surely the limited fiscal space will be a hindrance to China in expanding its economy in the future.

Another factor contributing to the decline include the increased uncertainty stemming from the escalation of government control over businesses. The Chinese government has imposed strict regulations over private sector matters. For instance, in 2021, Alibaba was fined \$2.8 billion for anti-competitive practices⁸. Similarly, the ride-hailing giant Didi faced regulatory scrutiny just after its IPO, which led to its removal from app stores and a significant drop in its stock price⁹. This lowers the confidence in the Chinese market.

Finally, the Chinese society is facing a demographic challenge of aging population. While the one-child policy had been a successful program in controlling the population growth back then, it has backfired recently. The country's birth rate hit a record low in 2022, with only 6.77 births per 1,000 people¹⁰. It is even expected that one-third of the population will be over 60 years old by 2050¹¹, implying elevated dependency ratio and a result, less room for economic growth.

Exhibit 12. Projected Real GDP Growth (YoY % change) of Indonesia & China, 2024–2029



Source : IMF, IFGP Research

Exhibit 13. Residential Property Sales in China, 2006–2022



Source : Fidelity, IFGP Research

⁵ Global Treasurer. (2024, April 29). *Understanding China's Real Estate Crisis*. The Global Treasurer. <https://www.theglobaltreasurer.com/2024/04/29/understanding-chinas-real-estate-crisis/>

⁶ Fidelity International. (2024, January 25). *How China keeps its debt in order*. <https://www.fidelityinternational.com/editorial/article/how-china-keeps-its-debt-in-order-e1feea-en5/>

⁷ The Wall Street Journal. (2024). *Trillions in Hidden Debt Drove China's Growth. Now It Threatens Its Future*. <https://www.wsj.com/world/china/china-economy-debt-borrowing-33f08b5e>

⁸ The New York Times. (2021). *China Fines Alibaba \$2.8 Billion in Landmark Antitrust Case*. *The New York Times*. <https://www.nytimes.com/2021/04/09/technology/china-alibaba-monopoly-fine.html>

⁹ NPR. (2021). *China Removed Didi From App Stores, Accused The Company Of Violating Security Rules*. <https://www.npr.org/2021/07/12/1015371400/china-removed-didi-from-app-stores-accused-the-company-of-violating-security-rules#:~:text=submenu%20or%20Music>

¹⁰ South China Morning Post. (2023, January 18). *7 takeaways from China's 2022 population figures*. <https://www.scmp.com/economy/economic-indicators/article/3207109/china-population-7-takeaways-2022-figures>

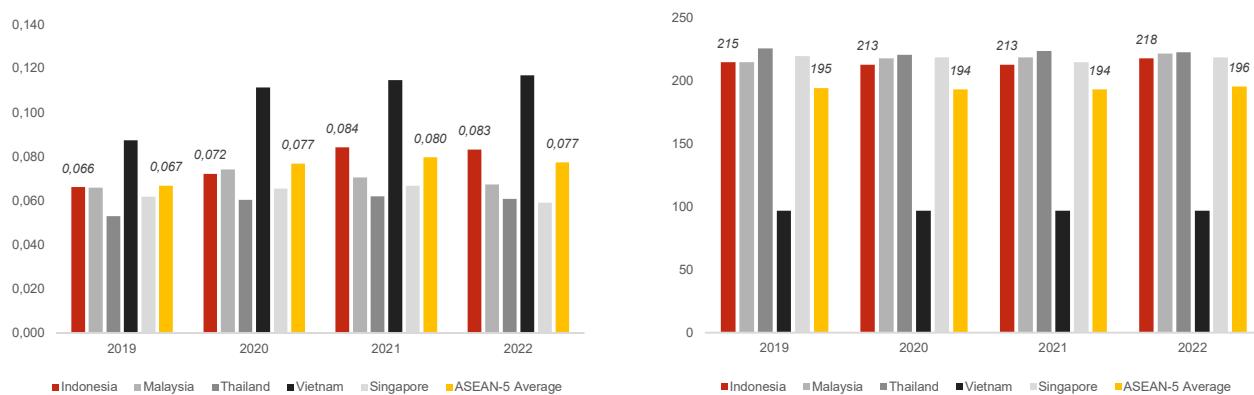
¹¹ China Daily. (2018, July 20). *Elderly to take up one-third of Chinese population by 2050*. <https://global.chinadaily.com.cn/a/201807/20/W5b51ff41a310796df4df7c78.html>

The Way Forward for Indonesia

Given how entangled Indonesia's economy is with China, the latter's economic deceleration would give rise to stagnation in the former's, *ceteris paribus*. Of course, Indonesia must be creative in its international economic policy toolbox to cushion the negative "spillover" from China's descend.

One prominent strategy to pursue is to diversify Indonesia's export market and foreign investor base. As can be seen in Exhibit 14, Indonesia's Market Concentration Index is slightly higher than select ASEAN-5 average since 2021 although the number of markets is higher¹². This indicates that Indonesia is in dire need to diversify its export since it has been concentrated to only a few markets (including, of course, China). While it is hard to measure foreign investment

Exhibit 14. Market Concentration Index (L) & Number of Markets (R) for Select ASEAN Countries, 2019–2022



Source: World Integrated Trade Solutions (WITS), IFGP Research.

concentration, we can argue that most of Indonesia's FDI is still coming from China (and Singapore), as can be seen in Exhibit 8. Therefore, diversification in foreign investor base is also mandatory.

Diversifying can be achieved by undergoing internal regulation streamlining efforts as well as actively reaching for new bilateral, regional, or multi-regional economic cooperation. While it is true that domestic regulation needs to be "slimmed down" to promote growth in international trade and investment (the scope of which specific regulations to amend is outside of this paper), there are in fact several "low-hanging fruits" related to economic cooperation that the government can ripe. There are currently numerous free trade agreements (FTAs) under negotiation, including "substantial" agreements such as the Indonesia-EU Comprehensive Economic Partnership Agreement and the ASEAN-Canada FTA. Appendix 1 provides a comprehensive list of Indonesia's current (in effect) and future (under negotiations) FTAs. Expediting the implementation of these 'future' FTAs may promote trade and investment diversification right away.

¹² The Market Concentration Index is constructed using the Herfindahl-Hirschman method by the World Integrated Trade Solutions (WITS) where higher values indicate that export is concentrated to only a few markets. For more details, refer to the WITS website: https://wits.worldbank.org/WITS/WITS/TradeIndicatorsHelp/TradeOutcomes_Help.htm

Additionally, Indonesia may also consider to further its interest in joining the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). The CPTPP is a trade pact signed by Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, United Kingdom (recently joined in 2023), and Vietnam which aims to eliminate 98% of tariffs among members. These countries make up to approximately 13.4% of world's GDP, making it an enormous market.

Joining CPTPP will not only provide better market access to its members, but also promote the quality of domestic regulation, due to the strict requirement of "regulatory harmony" with CPTPP members in several challenging areas including environmental standards and labour safety standards. Coordinating Ministry for Economic Affairs stated that the current domestic regulation is already 70% aligned with the CPTPP agreement¹³. Betterments in domestic regulation will thus promote international trade and investment relationship even with non-CPTPP members due to higher business certainty and quality of regulation. If implemented, these efforts will mitigate the effects from Chinese moderation by gradually diversifying Indonesia's path to robust growth.

¹³ Jakarta Globe. (2024, May 2). UK Backs Indonesia's CPTPP Trade Pact Push. <https://jakartaglobe.id/news/uk-backs-indonesias-cptpp-trade-pact-push>

Appendix 1 – List of Indonesia's Current (In Effect) and Future (Under Negotiations / Proposed) FTAs

Name of Agreement	Status	Year Since First Initiation
Indonesia-United States Free Trade Agreement	Proposed/Under consultation and study	1997
East Asia Free Trade Area (ASEAN+3)	Proposed/Under consultation and study	2004
ASEAN-People's Republic of China Comprehensive Economic Cooperation Agreement	Signed and In Effect	2005
Comprehensive Economic Partnership for East Asia (CEPEA/ASEAN+6)	Proposed/Under consultation and study	2005
ASEAN-EU Free Trade Agreement	Proposed/Under consultation and study	2007
ASEAN-Republic of Korea Comprehensive Economic Cooperation Agreement	Signed and In Effect	2007
ASEAN-Japan Comprehensive Economic Partnership	Signed and In Effect	2008
Indonesia-Japan Economic Partnership Agreement	Signed and In Effect	2008
ASEAN-Pakistan Free Trade Agreement	Proposed/Under consultation and study	2009
ASEAN-Australia and New Zealand Free Trade Agreement	Signed and In Effect	2010
ASEAN-India Comprehensive Economic Cooperation Agreement	Signed and In Effect	2010
India-Indonesia Comprehensive Economic Cooperation Arrangement	Negotiations launched	2011
Indonesia-Taipei, China FTA	Proposed/Under consultation and study	2011
Preferential Tariff Arrangement-Group of Eight Developing Countries	Signed and In Effect	2011
Indonesia-Pakistan Free Trade Agreement	Signed and In Effect	2013
Free Trade Area of the Asia Pacific	Proposed/Under consultation and study	2014
Indonesia-Peru FTA	Proposed/Under consultation and study	2014
ASEAN-Eurasian Economic Union Free Trade Agreement	Proposed/Under consultation and study	2016
Indonesia-Eurasian Economic Union	Proposed/Under consultation and study	2016
Indonesia-Ukraine Free Trade Agreement	Proposed/Under consultation and study	2016
Indonesia-Kenya Free Trade Agreement	Proposed/Under consultation and study	2017
Indonesia-Nigeria Preferential Trade Agreement	Proposed/Under consultation and study	2017
Indonesia-Türkiye Comprehensive Economic Partnership Agreement	Negotiations launched	2017
Indonesia-Gulf Cooperation Council Free Trade Agreement	Proposed/Under consultation and study	2018
Indonesia-South Africa Free Trade Agreement	Proposed/Under consultation and study	2018
Indonesia-Sri Lanka Free Trade Agreement	Proposed/Under consultation and study	2018
Indonesia-Tunisia Preferential Trade Agreement	Negotiations launched	2018
ASEAN-Hong Kong, China Free Trade Agreement	Signed and In Effect	2019
Indonesia-Chile Free Trade Agreement	Signed and In Effect	2019
Indonesia-Colombia Free Trade Agreement	Proposed/Under consultation and study	2019
Indonesia-Morocco Preferential Trade Agreement	Negotiations launched	2019
Indonesia-Mozambique Free Trade Agreement	Signed but not yet In Effect	2019
Australia-Indonesia Comprehensive Economic Partnership Agreement	Signed and In Effect	2020
Indonesia-Republic of Korea Free Trade Agreement	Signed but not yet In Effect	2020
ASEAN-Canada FTA	Negotiations launched	2021
Canada-Indonesia Comprehensive Economic Partnership Agreement	Negotiations launched	2021
Indonesia-European Free Trade Association Free Trade Agreement	Signed and In Effect	2021
Indonesia-European Union Comprehensive Economic Partnership Agreement	Signed and In Effect	2021
Regional Comprehensive Economic Partnership	Signed and In Effect	2022
Trade Preferential System of the Organization of the Islamic Conference	Signed and In Effect	2022

PT. Bahana Pembinaan Usaha Indonesia (Persero)

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 [@ifg_id](#)

Indonesia Financial Group (IFG)

Indonesia Financial Group (IFG) adalah BUMN Holding Perasuransian dan Penjaminan yang beranggotakan PT Asuransi Kerugian Jasa Raharja, PT Jaminan Kredit Indonesia (Jamkrindo), PT Asuransi Kredit Indonesia (Askrindo), PT Jasa Asuransi Indonesia (Jasindo), PT Bahana Sekuritas, PT Bahana TCW Investment Management, PT Bahana Artha Ventura, PT Bahana Kapital Investa, PT Graha Niaga Tata Utama, dan PT Asuransi Jiwa IFG. IFG merupakan holding yang dibentuk untuk berperan dalam pembangunan nasional melalui pengembangan industri keuangan lengkap dan inovatif melalui layanan investasi, perasuransian dan penjaminan. IFG berkomitmen menghadirkan perubahan di bidang keuangan khususnya asuransi, investasi, dan penjaminan yang akuntabel, prudent, dan transparan dengan tata kelola perusahaan yang baik dan penuh integritas. Semangat kolaboratif dengan tata kelola perusahaan yang transparan menjadi landasan IFG dalam bergerak untuk menjadi penyedia jasa asuransi, penjaminan, investasi yang terdepan, terpercaya, dan terintegrasi. IFG adalah masa depan industri keuangan di Indonesia. Saatnya maju bersama IFG sebagai motor penggerak ekosistem yang inklusif dan berkelanjutan.

Indonesia Financial Group (IFG) Progress

The Indonesia Financial Group (IFG) Progress adalah sebuah *Think Tank* terkemuka yang didirikan oleh Indonesia Financial Group sebagai sumber penghasil pemikiran-pemikiran progresif untuk pemangku kebijakan, akademisi, maupun pelaku industri dalam memajukan industri jasa keuangan.