

Joint Round Table

*Assessing Taiwan's New Southbound Policy*

Perspective from Indonesia:

Are Taiwan-Indonesia Ties  
Strengthening?

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JAAS Spring Convention

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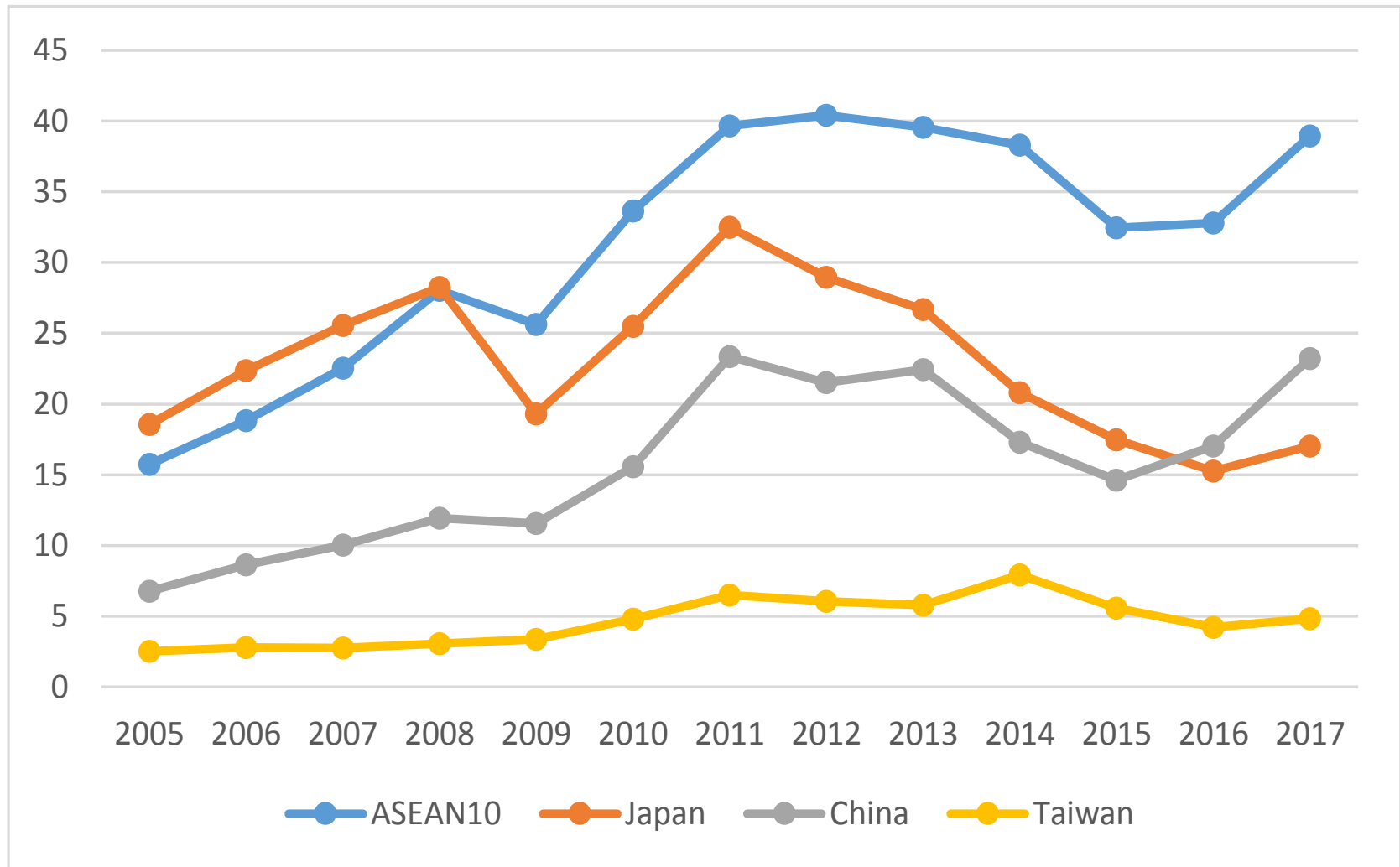
1. Events --- before & after the Policy
2. Evidence --- trade, investment, people's movement
3. Evaluation --- ties are strengthening?

# Recent Taiwan-related Events in Indonesia

- 2009- Strategic FDI invitation of targeted investors
  - Love call to Foxconn to make mobile phone components in Indonesia .... not realized yet
  - cf. Posco, Japanese automakers, Unilever, Barry Callebaut .... successfully realized
- 2017.5 The 1<sup>st</sup> Taiwan Expo in Indonesia
  - 18,188 (2017) → 21,285 visitors (2018.3)
- 2017.12 59 higher education institutes in Taiwan and Indonesia concluded MOU

# Taiwan in Indonesia's Export

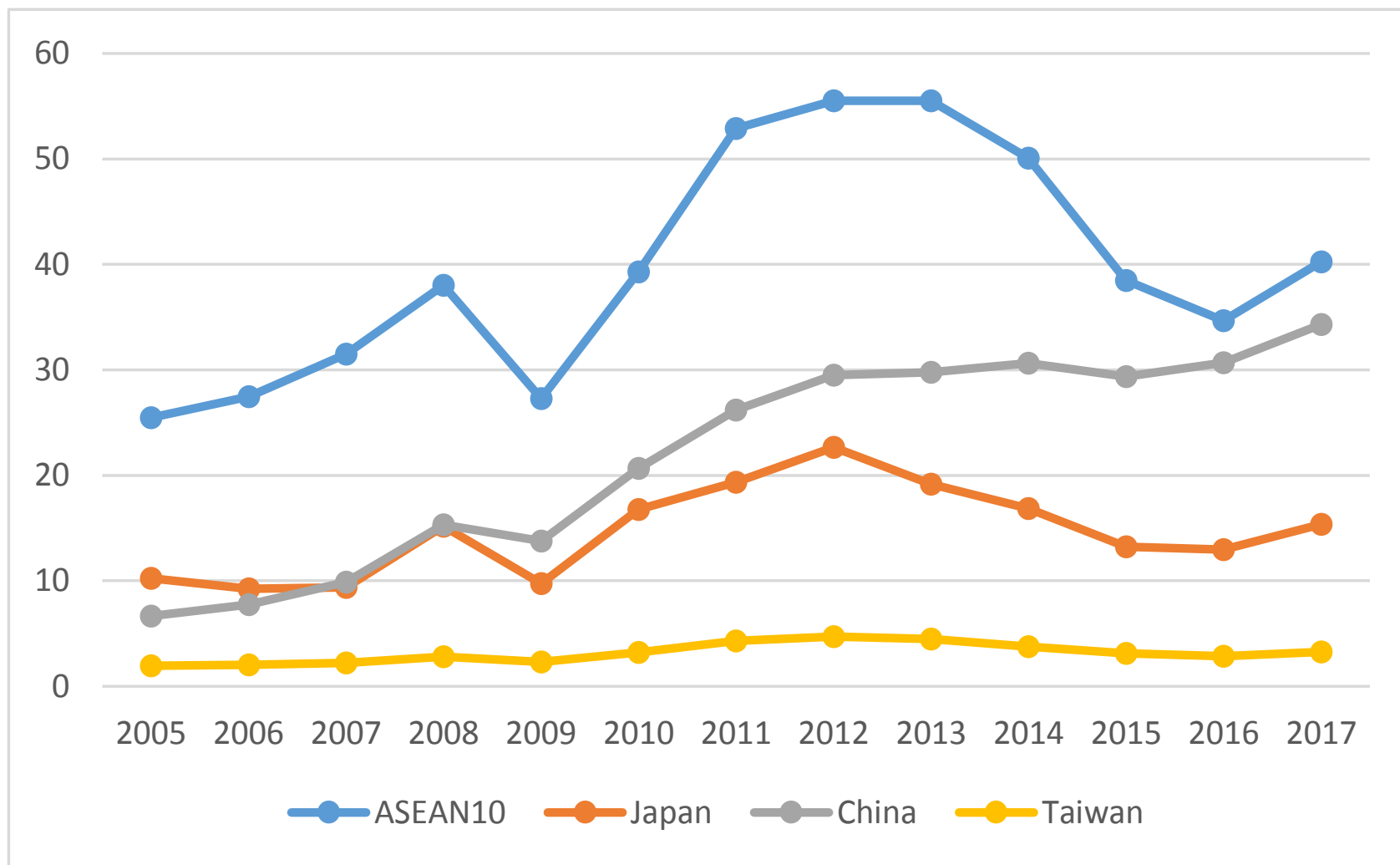
(US\$ billion, 2005-2017)



Source: Bank Indonesia, *Indonesian Economic and Financial Statistics*.

# Taiwan in Indonesia's Import

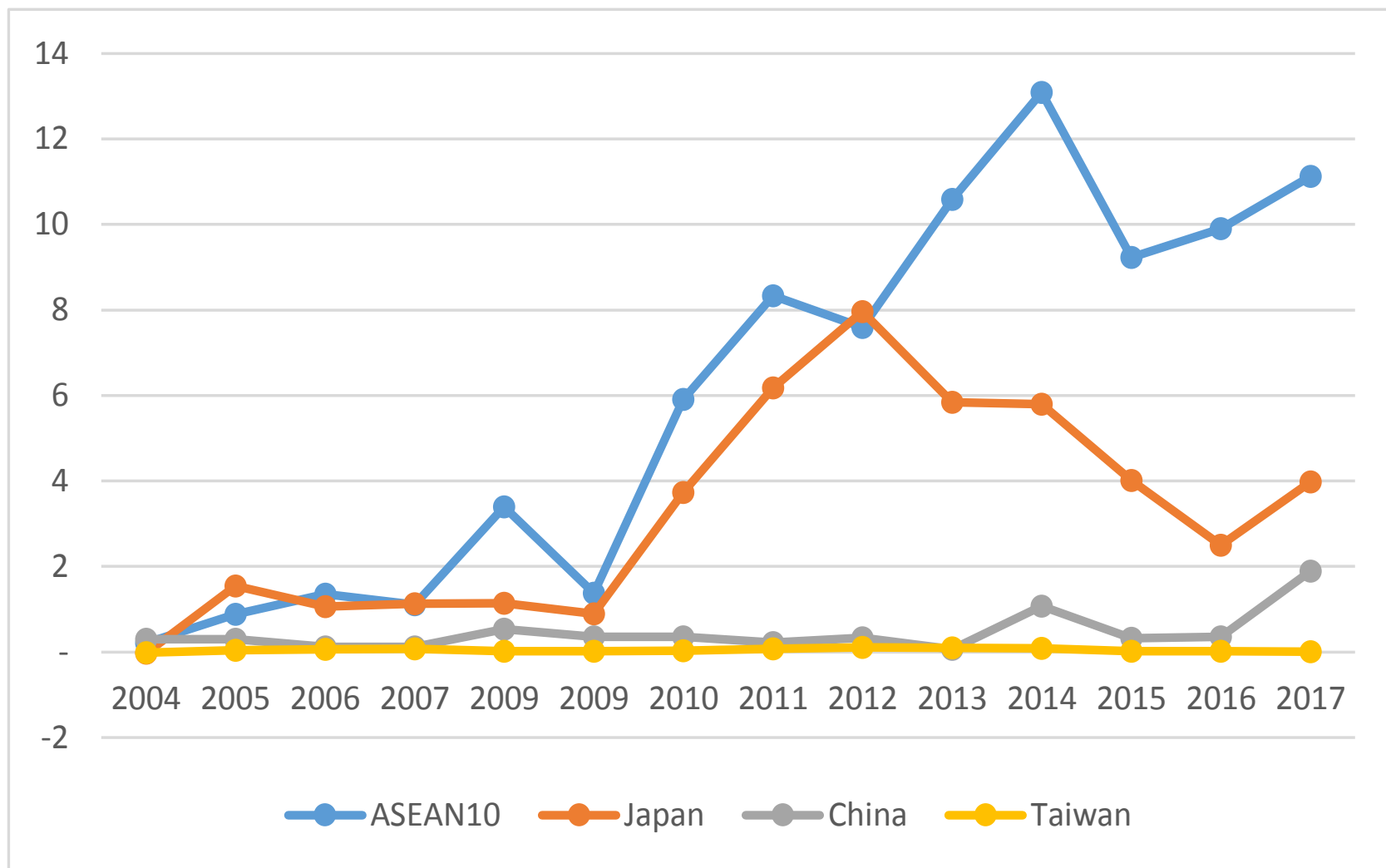
(US\$ billion, 2005-2017)



Source: Bank Indonesia, *Indonesian Economic and Financial Statistics*.

# Taiwan in FDI Inflow into Indonesia

(US\$ billion, 2004-2017)



Source: Bank Indonesia, *Indonesian Economic and Financial Statistics*.

# Movement of People (2017)

Indonesia to Taiwan			Taiwan to Indonesia		
Overseas laborforce			Tourist		
Destination	No. of person	growth (%)	Origin	No. (thousand)	growth (%)
1 Malaysia	88,991	2	1 China	1,972	36
2 Hong Kong	68,103	372	2 Singapore	1,513	3
3 Taiwan	62,823	-12	3 Malaysia	1,238	1
4 Singapore	13,379	-24	4 Australia	1,188	-1
5 Brunei	6,623	-19	5 Japan	538	5
			6 India	485	29
			7 Korea	379	10
			8 UK	361	10
			9 USA	331	12
			10 France	269	7
			11 Germany	261	12
			12 Taiwan	211	1
Total	261,820	12	Total	11,792	12

Souce: Indonesian Laborforce Placement and Protection Agency/  
Ministry of Tourism.

## Ties are strengthening?

- The Taiwan-Indonesia ties are historical.  
= Chinese migrants from Fujian/Fukien (common language, food, therapy, family ties, business experts, etc.)
- After 2017, the New Southbound Policy is pushing the bilateral ties in creating “events”.
- But, the impact of the Policy is not yet visible in light of activating the bilateral flows in trade, investment, and people’s movement.