

(CHECK AGAINST DELIVERY)

SPEECH BY
THE PRESIDENT OF THE REPUBLIC OF
INDONESIA

AT A

BUSINESS LUNCHEON

BERLIN, 4 MARCH 2013

Bismillahirrahmanirrahim,

Assalamualaikum Warahmatullahi Wabarakatuh,

**Your Excellency Philipp Rosler, Vice Chancellor and
Minister for Economy and Technology of Germany,**

**Mr. Peter Loscher, President of the Asia Pacific
Committee for German Business,**

Distinguished guests, ladies and gentlemen,

**It is a pleasure for me to be here today, in this
dynamic and historical city of Berlin. I am happy to
have the opportunity to meet with leaders of
prominent businesses and captains of industries
from Germany and Indonesia.**

On my trips overseas, I always look forward to the opportunity to meet with the business and industry community. From my observations, this community is innovative in creating economic opportunities and becoming the engine of economic growth. Therefore, for me, business forums such as today's never fail to inspire and motivate constructive dialogue and discussion.

I fondly recall my meeting with Chancellor Angela Merkel and the Indonesian and Germany business leaders in Jakarta last July. During that important meeting, I appreciated the many new ideas and proposals on how to intensify our bilateral economic relations.

As a follow-up to that meeting in Jakarta, today's event should provide a forum not only to strengthen existing partnerships, but also to develop new ones. Your presence here truly reflects the enthusiasm and readiness to further enhance Indonesian-German economic relations.

I am pleased to note the intensified exchanges between our two business communities. Just last January, a German business delegation joined Minister Dirk Niebel during his visit to Indonesia. And last month, a strong business delegation accompanied Minister Guido Westerwelle to Jakarta.

Likewise, the Indonesian Embassy in Berlin, together with the Indonesian Investment Coordinating Board, organized a business forum in

Dusseldorf in November last year. The Indonesian Chamber of Commerce and Industry has also been very active in keeping contacts with the German business community.

Therefore, I believe this is the time for our two countries to take advantage of the flourishing business-to-business contacts. We must capitalize on this positive momentum.

Distinguished ladies and gentlemen,

This morning I had a fruitful discussion with President Joachim Gauck. We are pleased with the state of our bilateral relations, which have become further enhanced under the comprehensive partnership framework. We are determined to

strengthen our commitment to fulfill this partnership with mutually beneficial cooperation.

The Jakarta Declaration, which Chancellor Merkel and I launched in July last year, provides a compass to chart the future direction of our bilateral cooperation. A multi-faceted cooperation covering all aspects of relations: from politics and defense industry, to education and tourism. And, *Insyah Allah*, God willing, I will open the International Tourism Bourse with Chancellor Merkel tomorrow.

I am proud that this year, Indonesia is the partner country for this prestigious tourism exhibition. In the coming April, Indonesia will also be the partner country for the BAUMA construction and infrastructure exhibition in Munich. All of this

exposure of Indonesia's potential will hopefully generate further interest among German businesses and people.

Ladies and gentlemen,

German companies were among the first to invest in Indonesia. For example, Siemens has been one of the leading companies in developing Indonesia's telecommunications. In fact, since 1855, long before we gained our independence, Siemens pioneered the development of telegraph services in the archipelago. It opened its first office in Surabaya in 1909.

From then onwards, Germany has become one of the most important investors in Indonesia. As you all may know, from the year 2000 until 2012,

Germany's investment in Indonesia reached 1.2 billion US Dollars. I am confident that we will see a further increase in Germany's investment in Indonesia in the years to come.

With hard work, I am also confident that we will be able to meet our bilateral trade target of 12 billion US Dollars in 2015. The trend is encouraging. In 2011, our bilateral trade value reached 6.7 billion US Dollars. And in 2012, these numbers increased to 7.2 billion US Dollars.

Distinguished guests,

There are numerous business opportunities springing up in Indonesia. These are supported by strong economic fundamentals. We continue to adopt prudent economic and development policies,

including a disciplined fiscal policy. In the last five years, Indonesia has experienced a sustained economic growth, which is only second to China in the Asia-Pacific. Many observers are predicting that Indonesia will become one of the top ten world economies within the next two decades.

In line with this growing recognition, we are also playing a more prominent role in regional and global economic issues. As the current Chair of APEC, and together with other members of the forum, Indonesia will ensure a continued momentum for economic growth and resilience in the Asia-Pacific. Indonesia will also host the WTO Ministerial Meeting in December. With active participation from prominent WTO countries, such as Germany, we

hope to pave the way towards the conclusion of the Doha Development Agenda.

Indonesia's economic growth is also supported by a solid political stability. We are the world's third largest democracy. And we have proven that democracy, Islam and modernity can thrive together. Our experience in democratic transformation has often been referred to as a model for countries who aspire to become democratic.

Blessed with a growing middle class, rich natural resources, and a large number of young and educated workforce, Indonesia is a natural partner for Germany.

Indonesia and Germany are both members of the G20, the world's premier economic forum.

Germany is the fourth largest economy in the world, and the largest in Europe. Indonesia, on the other hand, ranks 15th in the world and the largest economy in Southeast Asia.

Indonesia and Germany have agreed to further develop cooperation in five main sectors: trade and investment; health; education; research and technology; and defense industry. In addition, we have agreed to strengthen cooperation in three other main sectors: food, energy and transportation.

I therefore would like to invite the German business and industry community to be our partner in developing Indonesia's sustainable economy. I believe that Indonesia's current and future economic growth will be beneficial to its partners. We

welcome greater partnership in the fields of innovation, technology, and renewable energy. I believe that Germany is a world leader in these fields.

I also would like to invite all of you to be our partners in the implementation of the Master Plan for the Acceleration and Development of Indonesia's Economy, or MP3EI. The masterplan will accelerate the mushrooming of new centers of growth throughout the archipelago; from Medan on the island of Sumatera; Bandung and Surabaya on Java; Palangkaraya in Kalimantan; Makassar in Sulawesi; to Merauke in Papua.

I assure you that your investment in Indonesia is well-placed. You are not only tapping into our potentials, but also benefitting from our strategic

location at the heart of a growing market in East and Southeast Asia.

Lastly, I invite all captains of industry and business community of Germany to take part in building a long-lasting friendship for the common prosperity of our nations. And, I wish to leave you with one message: more trade, more investment, and more tourists.

Thank you.

Wassalamu'alaikum warahmatullahi wabarakatuh.

Berlin, 4 March 2013

PRESIDEN REPUBLIK INDONESIA

DR. H. SUSILO BAMBANG YUDHOYONO