

MINISTER GAN KIM YONG CO-CHAIRS 11TH SINGAPORE-INDONESIA SIX BILATERAL ECONOMIC WORKING GROUPS MINISTERIAL MEETING

1. Minister for Trade and Industry Gan Kim Yong co-chaired the 11th Singapore-Indonesia Six Bilateral Economic Working Groups (6WG) Ministerial Meeting with Indonesia's Coordinating Minister for Economic Affairs Airlangga Hartarto on 14 July 2021.
2. The 6WG is an important platform for Singapore-Indonesia economic cooperation and spans six key areas: (i) Batam-Bintan-Karimun and other Special Economic Zones (SEZ); (ii) Investment; (iii) Manpower; (iv) Transport; (v) Agribusiness; and (vi) Tourism. At the meeting, the Ministers recognised the continued economic challenges posed by the COVID-19 pandemic and reaffirmed their commitment to strengthen bilateral ties in order to overcome the pandemic together.
3. The Ministers also discussed key achievements and future economic initiatives under the 6WG, such as the official designation of the Nongsa Digital Park (NDP) as a Special Economic Zone (SEZ), the ongoing developments in the Kendal Industrial Park (KIP), and other ongoing economic programmes¹. These initiatives provide a platform for Singapore and Indonesia businesses to strengthen networks and identify new opportunities for collaboration. The Ministers also welcomed the entry-into-force (EIF) of the Singapore-Indonesia Bilateral Investment Treaty (BIT)², and looked forward to the timely EIF of the Singapore-Indonesia Avoidance of Double Taxation Agreement (DTA). These agreements provide investors in both countries with more certainty and promote greater investment flows.
4. The Ministers recognised the importance of deepening cooperation in emerging areas, such as the digital economy, technology and innovation, and sustainability. They committed to redouble efforts to strengthen cooperation in these areas to allow Singapore and Indonesia to seize opportunities in the rapidly evolving world. These include the development of smart and sustainable townships, and smart technologies to improve existing manufacturing solutions.
5. Singapore and Indonesia share close trade and investment ties. In 2020, Indonesia was Singapore's seventh largest trading partner with bilateral trade reaching S\$48.8 billion, while Singapore was Indonesia's third largest trading partner in 2018. Singapore has also been Indonesia's top investor since 2014, with investments spread across various sectors including manufacturing, energy, and logistics.

Ministry of Trade and Industry
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¹ These include sector-specific business matching programmes and capacity-building programmes to further boost investments in both countries.

² The Singapore-Indonesia Bilateral Investment Treaty (BIT) entered into force on 9 March 2021.

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