

Indonesia

KEY FACTS

Official name: Republik Indonesia
(Republic of Indonesia)

Head of State: President Susilo Bambang Yudhoyono (from 2004; re-elected 8 Jul 2009)

Head of government: President Susilo Bambang Yudhoyono

Ruling party: Coalition of 10 political parties led by Partai Golongan Karya (Golkar) (Party of the Functioning Groups), Partai Demokrasi Indonesia-Perjuangan, (PDI-P) (Indonesian Democratic Party-Struggle) and Partai Keadilan Sejahtera (PKS) (Prosperous Justice Party) (from 1 May 2009)

Area: 1,919,443 square km
(17,508 islands)

Population: 244.47 million (2012)*
(237,641,326; 2010, census figure)

Capital: Jakarta, on Java

Official language: Bahasa Indonesia

Currency: Rupiah (Rp) = 100 sen

Exchange rate: Rp10,272.50 per US\$ (Jul 2013)

GDP per capita: US\$3,592 (2012)*

GDP real growth: 6.23% (2012)*

GDP: US\$878.20 billion (2012)*

Unemployment: 6.20% (2012)*

Inflation: 4.26% (2012)*

Oil production: 918,000 bpd
(2012)*

Natural gas production: 71.10 billion cum
(2012)

Balance of trade: US\$8.68 billion
(2012)*

* estimated figure

In October 2013 Reuters reported that thousands of Indonesian workers had taken to the streets of Jakarta, demanding that the government raise wages and fuelling fears that labour costs in South-east Asia's biggest economy were beginning to be uncompetitive. An estimated 7,000 members of the country's largest labour unions marched through the centre of Jakarta to the presidential palace to press their case for no less than a 50 per cent increase in the minimum wage and improved social welfare. The demands added to the pressures building up on President Susilo Bambang Yudhoyono to improve the lot of low income workers ahead of the parliamentary and presidential elections due in 2014.

An article by the Asia Foundation's country representative in Indonesia, Sandra Hamid, and featured in the *Bulletin of Indonesian Economic Studies* (BIES), observed that 'Indonesia was a successful but flawed democracy: while the electoral process has worked well, the quality of democratic governance is less encouraging. Missing from the equation between elections and democracy, however, is political accountability.' In the view of Ms Hamid it is the Indonesian political parties' obsession with coalition building as a route to political power that has made it difficult for voters to attribute success or failure to elected officials. Coalition government allows politicians to send contradictory messages and in 2012 religious minorities – which are neither banned nor protected – paid a heavy price for the lack of accountability and leadership. Ms Hamid noted that in Jakarta an outsider, Joko Widodo, had won the gubernatorial election despite facing an incumbent backed by a broad coalition. His victory illustrated that coalition building in Indonesia did not guarantee success and that the Indonesian electorate is mature enough not to be swayed by appeals to religious and ethnic sentiment. This, said Ms Hamid, gave heart to those hoping to strengthen democracy and democratic values in Indonesia.

Economic strains...

In 2013 there began to be signs of pressure on the Indonesia economy. Although for

some time the Indonesian economy seemed to be doing quite well, in 2013 growth was showing signs of slowing and inflation was rising; the balance of payments was under pressure and the value of the rupiah had slumped. That apart, all was well! The longer-term factors in the Indonesian slump included a whole range of unaddressed issues which had been of concern to Indonesia's chattering classes for many months. If there was indeed cause for some gloom, the resultant introspection had also begun to have an effect on government policies. Government sources had been at pains to stress that whatever remedies were being adopted to stimulate the flagging economy, they were not in the least protectionist. As a rule, Asian countries, especially those which are members of the Association of Southeast Asian Nations (Asean) grouping, do not do trade protection. Government officials preferred to focus on how the policies being adopted would strengthen the Indonesian economy by providing greater economic security which would shield both Indonesian producers and consumers from the vagaries of uncertain international conditions.

If the overall objective of strengthening domestic industries and emphasising key goals such as food and energy security was to be achieved, it was hardly surprising that a number of the policies adopted in recent years could be considered rather interventionist and in some cases could be described as less than free trade measures. But not all the government's initiatives had succeeded. Those seen in the mining sector had not been markedly successful in promoting growth – on the contrary. Output had also been falling steadily in the important oil sector, a previous source of strong revenue during the 1980s and 1990s. Indonesia had gone from being a net oil exporter to an oil importer, with the resultant strains on the balance of payments.

Many investors certainly saw certain government initiatives as excessively interventionist. In a dirigiste fashion, mining firms in various industries had been told to install smelters and to process their resources before export. Government



directives to this effect were expected to be implemented regardless of whether additional processing in Indonesia was profitable or not. Unfortunately, the misguided policies appeared to have had the unintended effect of holding back export growth while at the same time adding to an already increasing national import bill.

The short-term problem for Indonesia was that international financial markets had become more wary of investing in emerging markets. The slowdown in China's once dizzy economic growth had led to a fall in demand for Indonesia's exports. Secondly – and with no obvious direct link to Indonesia, indications from the US that the period of loose monetary policy might be drawing to an end had led to something approaching a capital flight from emerging markets. A third reason was that the problems confronting India might spread to other Asian countries.

In response to this deteriorating situation, the Indonesian authorities had reacted relatively quickly. In August 2013, Indonesia announced a bunch of revisions to its fiscal and monetary policies in response to the pressures in the financial and trade markets. Also in August Bank Indonesia (the central bank) increased interest rates to seven per cent. Some commentators saw the dip in Indonesia's economic fortunes as a welcome shot across the bows. The Indonesian government had a relatively strong economic team with experience of one financial crisis already under their belts. Vice President Boediono has many years of experience in both monetary and fiscal policy matters, including during the Asian Financial Crisis of the late 1990s. He is supported by the minister of finance, Dr Chatib Basri, and

the Governor of Bank Indonesia, Agus Martowardojo, both of whom are known for their firm commitment to sound economic policies. Such skills and such policies looked likely to be required in 2013–14.

... but not too much stress?

The Asian Development Bank in its 2013 *Asian Development Outlook* painted a relatively rosy picture of Indonesia's economic position. Gross domestic product (GDP) growth at 6.2 per cent in 2012 was based on robust private consumption and a better performance in fixed capital investment. Net exports fell, acting as a drag on GDP growth. Private consumption picked up to increase by 5.3 per cent, the strongest pace in 4 years and it contributed almost half of total GDP growth on the expenditure side. Consumption got a lift from increases in employment and wages as well as lower inflation. Sales of automobiles rose by nearly 25 per cent, even though Bank Indonesia, raised minimum down payments on loans to buy cars and motorcycles.

Fixed investment accelerated to 9.8 per cent in 2012, building on the previous year's increase of 8.8 per cent and was the source of 2.4 percentage points of GDP growth. Driving factors included an improved investment climate (but see Economic Strains above), a record of solid economic growth over recent years and the expansion of credit. Outlays on buildings and infrastructure rose by 7.5 per cent and investment in machinery and equipment increased by a strong 12.7 per cent. Renewed efforts to improve public infrastructure saw the central government's capital spending rise by 18.9 per cent. As a result, the ratio of fixed capital

formation to GDP rose to 33.2 per cent, the highest in at least 20 years.

Foreign direct investment (FDI) surged by 26.1 per cent to US\$23.6 billion, nearly half into manufacturing and 17 per cent into mining (the data excludes investment in oil and gas). Investment in inventories also rose sharply. The service and manufacturing sectors were key drivers from the supply side. Services expanded by 7.7 per cent, contributing more than half of total growth. Telecommunications continued to record double-digit expansion owing to buoyant demand for mobile telephone and internet services. Growth in manufacturing decelerated to 5.7 per cent, reflecting weaker export markets. Mining output was lacklustre, showing growth of just 1.5 per cent, largely a result of declining crude oil extraction. Oil production fell by 42,000 barrels a day (bpd) to 860,000bpd in 2012, the outcome of ageing oil fields and low investment over many years. (A decade earlier production was more than 1.1 million bpd (see Energy below). Construction recorded solid expansion of 7.5 per cent in 2012. A good harvest of food crops lifted growth in agriculture to 4.0 per cent. Rice production rose by 5.5 per cent to 8.9 million tons, which generated rice surpluses estimated at 5.7 million tons.

Merchandise exports fell by 6.3 per cent in US dollar terms, weighed down by sagging demand in major markets and lower prices for export commodities. Exports of manufactured goods declined by 6.7 per cent. Shipments of commodities including coal and palm oil fell when measured by value despite higher export volumes. Merchandise imports, in contrast, rose by 8.3 per cent, reflecting buoyant fixed investment, which required imported capital

goods and growth in imported inputs for the expanding manufacturing industries. Imports of consumption goods were virtually flat, discouraged by a depreciating rupiah. These developments – lower exports and higher imports – narrowed the trade surplus by 76 per cent to US\$8.4 billion. The current account shifted into deficit, equivalent to 2.8 per cent of GDP, the first deficit since 1997. This put downward pressure on the rupiah, which depreciated by 8.0 per cent against the US dollar in 2012.

Strong inflows of portfolio investment and FDI produced a substantial surplus in the capital and financial account. Portfolio investment nearly tripled to US\$9.2 billion in 2012 and net FDI inflows were a record at US\$19.9 billion. Foreign holdings of government bonds jumped by US\$3.4 billion to US\$28.0 billion. Indonesia's balance of payments recorded a small surplus and gross international reserves had increased by year-end to US\$112.8 billion, which was cover for 6.1 months of imports and government payments on foreign debt. The good harvest, lower global food prices and the postponement of increases in government-controlled fuel prices brought down inflation to an average of 4.3 per cent in 2012, the lowest in 12 years. Inflation generally has trended down over recent years, reflecting the adoption of inflation targeting in 2005 and improved management of supply-side price pressures

through an official inflation task force. Food prices started to edge up late in 2012.

New jobs generated last year exceeded the number of entrants into the labour market. The unemployment rate fell from 6.6 per cent to 6.1 per cent in the 12 months to August 2012, though the rate of under-employment was barely changed at 29 per cent. In a positive development, employment in the formal sector rose by 6.4 per cent, or 2.7 million jobs, in this period, mostly in manufacturing and construction. Informal-sector employment fell by 2.3 per cent, or 1.5 million jobs, as workers left agriculture. Poverty declined by 0.7 percentage points to 11.7 per cent in the 12 months to September 2012. Contributing factors were lower food price inflation, higher wages for agricultural and construction workers and better incomes for farmers.

In the context of subdued inflation and a sagging global economy, Bank Indonesia lowered its policy interest rate by 25 basis points to 5.75 per cent in February 2012 and reduced its overnight deposit facility rate by 25 basis points to 3.75 per cent. Although the central bank later reversed the cut in the overnight deposit rate to drain excess liquidity, it maintained the policy rate at 5.75 per cent. A requirement since March 2011 that banks disclose base lending rates to the public helped to bring down lending interest rates in 2012. Growth in credit remained high at 23.1 per

cent, with loans for investment up by just over 27 per cent.

Fiscal policy was also set to counter the impact of the global slowdown on the domestic economy. The government raised spending and widened the budget deficit target to 2.2 per cent of GDP in 2012, double the actual deficit in 2011 of 1.1 per cent. As it turned out, shortfalls in government spending held the budget deficit to 1.8 per cent of GDP. Central government debt fell to 24.0 per cent of GDP, maintaining a downward trend. Reflecting the country's better performance over recent years, Moody's actually raised Indonesia's rating to investment grade Baa3 in January 2012 and Fitch reaffirmed its investment grade rating BBB- in November 2012.

Indonesia's economic growth was forecast to pick up to 6.4 per cent in 2013 and to 6.6 per cent in 2014, underpinned by robust private consumption, the improving investment performance and a gradual pickup in world trade. The 6.6 per cent growth rate, projected for 2014, would be the highest in 15 years. Private consumption was expected to quicken in 2013, fuelled by rising employment, a 30 per cent increase in average minimum wages, a 7 per cent rise in public service wages and a tax break from January 2013, when the government raised the income threshold at which income tax is payable. With parliamentary elections scheduled for April 2014 and a presidential election in July 2014, election-related spending is likely to contribute to consumption from the second half of 2013. A consumer survey conducted by Bank Indonesia in February 2013 showed an upturn in consumer confidence from a dip late in 2012.

Investment, both private and public, looks likely to maintain a healthy rate of expansion. Support for this projection comes from the upgrades in sovereign credit ratings, lower interest rates, increased budget allocations for infrastructure and a lengthening record of good GDP growth. A US\$2.7 billion expansion by the auto maker Toyota over the next 4 years was one of several large FDI-funded investments. Businesses planned significant increases in investment in the first half of 2013, according to a survey in late 2012.

Energy

In 2013 Indonesia found itself increasingly committed to a reorientation of its energy production away from exports to cope with increased demand from growing domestic consumption. Although production has tailed off in recent years,

KEY INDICATORS

Indonesia

	Unit	2008	2009	2010	2011	2012
Population	m	231.01	234.35	237.64	241.03	*244.47
Gross domestic product (GDP)	US\$bn	511.50	539.40	706.70	845.70	*878.20
GDP per capita	US\$	2,238	2,329	3,015	3,509	*3,592
GDP real growth	%	6.0	4.6	6.2	6.5	*6.2
Inflation	%	9.4	4.8	5.1	5.4	*4.3
Unemployment	%	8.4	7.9	7.1	6.6	*6.2
Oil output	'000 bpd	1,004.0	1,021.0	986.0	942.0	918.0
Natural gas output	bn cum	69.7	71.9	82.0	75.6	71.1
Coal output	mtoe	141.1	155.3	188.1	199.8	237.4
Exports (fob) (goods)	US\$m	139,291.0	119,480.0	158,074.0	191,713.1	*187,346.5
Imports (fob) (goods)	US\$m	115,981.0	84,347.0	127,447.0	156,869.3	*178,670.3
Balance of trade	US\$m	23,309.0	35,133.0	30,628.0	34,843.8	*8,676.2
Current account	US\$m	126.0	10,746.0	5,654.0	2,070.0	*-24,183.0
Total reserves minus gold	US\$m	49,597.0	63,563.0	92,908.0	105,000.3	*108,837.0
Foreign exchange	US\$m	49,339.0	60,572.0	89,970.0	101,966.8	*105,907.0
Exchange rate	per US\$	9,699.00	8,977.50	9,080.40	9,740.66	*9,628.40

* estimated figure

Indonesia is still – according to the US government’s Energy Information Administration (EIA) – a ‘significant and well-established player in the international oil and gas industry’, this despite the fact that its production has failed to keep up with domestic demand of late. According to the EIA, Indonesia’s total primary energy consumption grew by over 50 per cent between 2001 and 2010.

International oil companies, particularly Chevron, dominate Indonesia’s upstream oil sector. State-owned energy company PT Pertamina must balance its needs as a corporation against its mandate as a national oil company to meet domestic demand. Indonesia ranked 20th among world oil producers in 2011 (21st for crude oil and condensate production), accounting for approximately 1 per cent of the world’s daily production of liquid fuels. With oil first discovered in 1885, the hydrocarbon sector became an important part of Indonesia’s economy. The oil and gas industry, including refining, contributed approximately 7 per cent to GDP in 2010, according to data from Indonesia’s National Bureau of Statistics. Indonesia was a member of Organisation of the Petroleum Exporting Countries (Opec) from 1962 to 2009. However, the combination of growing domestic oil consumption, the natural maturing of Indonesia’s oil fields and limited investment into reserve replacement caused Indonesia to become a net importer of both crude oil and refined products by 2004. Indonesia suspended its Opec membership in January 2009 to concentrate on meeting demand at home.

According to the *British Petroleum Statistical Review of World Energy June 2013* Indonesia had 3.7 billion barrels of proven oil reserves as of end-2012. Total oil production continued to decline from a high of nearly 1.7 million bpd in 1991 to just under 0.9 million bpd in 2012. Of this total, approximately 900,000bpd was crude oil and lease condensate production. This fell short of the government’s production goal of 945,000bpd for that year (already reduced from an original target of 970,000bpd). While production of refined petroleum products has increased since 1998, crude and condensate production has declined at an annual rate of 3.8 per cent between 1998 and 2011.

Indonesia’s natural gas production has increased by over a third since 2005. While Indonesia still exports about half of its natural gas, domestic consumption is increasing. According to the EIA, Indonesia was the world’s eighth largest net exporter of natural gas in 2011. The majority

of exports go to Japan as LNG shipments and to Singapore via pipeline connections. Indonesia was also the third-largest exporter of liquefied natural gas (LNG) in 2011, following Qatar and Malaysia. Expected growth in gas demand led the government to pursue policies that secure domestic LNG supplies for the local market.

In 2012, Indonesia produced 71.1 billion cubic metres of natural gas. Production grew at an annual rate of about two per cent over the previous two decades and Indonesia’s 2012 gas production was the tenth-highest in the world. In 2011, Indonesia became the world’s largest exporter of coal by weight. Indonesia has 5.5 billion tonnes of recoverable coal. It has been government policy to encourage the use of coal in the power sector, due to the relatively abundant domestic supply and as a way to reduce the use of expensive diesel and fuel oil.

Risk assessment

Politics	Fair
Economy	Good
Regional stability	Fair

COUNTRY PROFILE

Historical profile

It is thought that Negroid peoples came to Irian Jaya from East Africa around 30,000 years ago. Melanesians arrived later; the resultant population migrated throughout the islands of what is now Indonesia. Later settlers arrived from India, Burma and China. Islam spread to Indonesia as a result of strong trading links with the Arabian Peninsula.

1511 The Portuguese arrived in Indonesia, looking for spices. The Spaniards followed, bringing Christianity to the region. 1799 The Dutch spread control of the territory through the United East India Company. They gradually extended their control throughout the entire region. The Portuguese maintained East Timor.

1924 The Partai Komunis Indonesia (PKI) (Indonesian Communist Party) was established. It was first active among trade unionists and rural villagers. The rural areas came to be the PKI’s main power base.

1942–45 The islands of the Dutch East Indies were occupied by the Japanese. After the Second World War the Dutch regained control. Nationalist leader Ahmed Sukarno returned from internal exile and organised the fight for independence from Dutch colonial rule.

1945 In a speech in July Sukarno urged the adoption of the *Panca Sila* (Five Principles) as the ideological basis of the new state. The five principles were nationalism,

internationalism (or humanitarianism), democracy, social justice, and belief in God.

1949 After four years of insurgency The Netherlands recognised the independence of Indonesia. A federal constitution was introduced, giving limited self-government to the 16 constituent regions. Ahmed Sukarno as leader of the Partai Nasional Indonesia (PNI) (Indonesian Nationalist Party), assumed the presidency. The Dutch retained control of West Papua; the Portuguese retained control of East Timor.

1950 The constitution was dissolved and the country adopted a unitary political structure. Sukarno was elected president. 1955 Sukarno won Indonesia’s first general election. Political instability prompted Sukarno to dissolve parliament and a period of autocratic rule ensued.

1962 Dutch authority for West Papua was passed to UN administration.

1963 Authority for West Papua was transferred to Indonesia.

1964 Indonesia laid claim to areas of Borneo which had been granted to Malaysia on its independence, leading to a three-year guerrilla conflict on the Malaysian border, which severely damaged the Indonesian economy.

1965 A failed *coup d’état* by the PKI resulted in the deaths of hundreds of thousands of left-wing activists.

1967 Sukarno transferred full emergency power to General Suharto, commander of the Indonesian armed forces.

1968 General Suharto became president.

1975 Portugal granted independence to its colony of East Timor.

1976 East Timor was invaded by Indonesia and became a province. This annexation was never officially recognised by the UN.

1985 Australia recognised Indonesia’s incorporation of East Timor.

1997 The South-East Asian economic crisis caused the rupiah to plummet in value.

1998 Suharto, re-elected in March, was forced to resign on 21 May after accusations of corruption and widespread public disturbances as the country’s economy reached near collapse. He was succeeded by Bacharuddin Jusuf Habibie.

1999 A UN sponsored referendum on independence was supported by the population of East Timor. Anti-independence militia rampaged through East Timor until UN administration is imposed and the Indonesian government agreed to grant it independence. Abdurrahman Wahid was elected president of Indonesia by the People’s Consultative Assembly.

2000 Ex-president Suharto’s trial, on corruption charges, collapsed. Ethnic, religious and separatist violence in several provinces grew.

2001 The IMF halted further loans citing the government’s inability to tackle

corruption. Wahid was voted out of office for his alleged involvement in two financial scandals. Vice President Megawati Sukarnoputri (daughter of Indonesia's first president, Ahmed Sukarno) was sworn in as president.

2002 Indonesia, Malaysia and the Philippines signed a pact to counter terrorism. The government and separatist rebels in Aceh province signed a peace agreement giving greater autonomy and free elections to Aceh in exchange for disarmament by rebels. Constitutional changes included the posts of president and vice president to be by popular vote. A bomb planted by Islamic fundamentalists on the island of Bali, and targeted at Western tourists, killed 202 people. The International Court of Justice awarded the disputed islands of Sipadan and Ligitan to Malaysia.

2003 The Aceh peace accord failed; martial law was imposed. Three Bali bomb suspects were found guilty and sentenced to death.

2004 Susilo Bambang Yudhoyono won the presidential elections. An earthquake off the island of Sumatra caused a devastating tsunami that struck coastal areas throughout the region, particularly the peninsula of Aceh on Sumatra island. The final estimate for Indonesia was 167,000 dead or missing and 572,126 displaced.

2005 An agreement was signed between the leaders of Indonesia and Timor-Leste, recognising the location of their shared land border. The government withdrew the last troops from Aceh province, following the disbanding of the military wing of the Gerakan Aceh Merdeka (GAM) (Free Aceh Movement) a few days earlier.

2006 Legislation was introduced extending partial home rule to Aceh. Local elections were held in Aceh for a governor and other officials. The Partai Hati Nurani Rakyat (Partai Hanura) (People's Conscience Party) was founded by retired General Wiranto, formerly of the Golkar party.

2008 Former president (1967–98) Suharto died. The government was forced to raise fuel prices by around 30 per cent, in line with global prices; this led to civil unrest. Global oil prices fell at the end of the year allowing subsidies to be re-introduced.

2009 In parliamentary elections, 38 political parties and 11,219 candidates (of which 30 per cent were required to be women candidates), took part. Incumbent, President Susilo Bambang Yudhoyono (commonly known as SBY) (DP coalition) was re-elected with 60.8 per cent of the vote. A 10-party coalition was formed from all political parties that won seats in the elections. An earthquake of 7.9 magnitude struck centred off the island of

Sumatra, killing over 500 people, as buildings collapsed in the city of Padang.

2010 Darmin Nasution was approved as governor of Bank Indonesia (the central bank). There had been no permanent governor for 14 months. Religious violence increased in secular Indonesia, as the hard-line Front Pembela Islam (FPI) (Islamic Defenders Front) targeted Christians and other minority religious minorities and popular night-time entertainment venues. All illegally harvested wood and wood products were banned from export; official certificates, proving timber was legally sourced became mandatory. A tsunami struck the islands of Mentawai, off the west coast of Sumatra, killing over 400 people. The volcano Merapi erupted on the central island of Java, killing dozens of people.

2011 In June, following the execution of an Indonesian domestic worker by Saudi Arabia, a ban was placed on all Indonesian citizens working as domestic servants in Saudi Arabia from August. In June, President Yudhoyono announced that neither he, nor his wife or sons would run in presidential elections in 2014.

2012 The government announced on 12 March that the Indonesian rupiah would be redenominated in 2013, removing three zeros from the currency. On 8 June, Australia banned live cattle exports to Indonesia until animal welfare safeguards in Indonesian abattoirs can be assured. On 21 June Umar Patek was sentenced to 20 years imprisonment for the 2002 Bali bombings that killed 202 people. On 30 October, ethnic violence caused the evacuation of two villages in Lampung Province as hundreds of homes were destroyed and at least 10 people killed. Local Lampung people have been in conflict with migrant communities of Balinese descent on the island of Sumatra. On 6 November, the Supreme Court granted an injunction that stopped a 20 per cent export tax on mineral commodities (excluding coal), being applied by the government. The tax was intended to encourage value added processes to the minerals before export.

2013 On 17 June parliament finally passed a revised budget which cut fuel subsidies by an average 44 per cent. At the same time a handout of US\$15 per month to the poor was agreed to help for four months after the rise.

Political structure

Constitution

The system of government is based on the 1945 constitution which underlines the unity of Indonesia as a republic, supplemented by the General Elections Law of 1969.

The constitution provides for five branches of government: the president, the Dewan Perwakilan Rakyat (DPR) (House of People's Representatives), the Supreme Audit Board, the Supreme Court and the Supreme Advisory Council. Despite geographic diversity and the limited reach of the political centre, Indonesia has not implemented a federal system, an option tarnished by association with the colonial era under Dutch rule. Instead, each of the 27 provinces is headed by a governor who is responsible to the president through the minister of home affairs, and represents the central government in his province. The north Sumatran province of Aceh, the territory of Jogjakarta in central Java, and the capital, Jakarta, have a special status.

Since 1985, by law, all major organisations, including political parties, religious groups and trade unions, must include acknowledgement of *Pancasila* (the Five Principles) as their sole guiding ideology in their constitutions. It emphasises tolerance among different religious groups and a political system based on consensus.

All Indonesian citizens over the age of 17 are eligible to vote, as well as those citizens under the age of 17 who are married. To stand for election, a citizen must be at least 21 years old.

In August 2002, 14 amendments were made to the constitution, to take effect with the next elections. The revisions included the abolition of the reservation of 38 parliamentary seats for military personnel.

In July 2003, parliament passed legislation setting the parameters for the first direct presidential election.

Independence date

17 August 1945

Form of state

Democratic republic

The executive

Supreme power is vested in the President of Indonesia, who is both head of state and head of government, directly elected for a term of five years with re-election allowed once. The president may appoint and dismiss ministers (which may be partisan or largely composed of technocrats without an independent power base) and create laws, in agreement with the legislature. The president is head of the military and has the power to declare war, peace and sign treaties.

National legislature

The bicameral Majelis Permusyawaratan Rakyat (MPR) (People's Consultative Assembly) consists of Dewan Perwakilan Rakyat (DPR) (house of representatives) and Dewan Perwakilan Daerah (DPD) (consultative assembly). Since 2009, the DPR has 560 members, directly elected by

proportional representation in multi-seat constituencies, to serve for a five-year term. The DPD has 128 members, with each province directly electing four candidates to serve for a four-year term.

All statutes and the state budget must be approved by the DPR, which has the right to initiate legislation. All legislation relating to provincial matters is referred to the DPD for consideration and counsel.

Legal system

The judicial powers of the state are exercised by the Supreme Court.

Last elections

8 July 2009 (presidential); 9 April 2009 (parliamentary)

Results: Presidential: Susilo Bambang Yudhoyono (PD) won 60.8 per cent of the vote, Megawati Sukarnoputri (PDI-P) 26.79 per cent Jusuf Kalla (Golkar) 12.41 per cent.

Parliamentary: Partai Demokrat (PD) (Democratic Party) won 20.9 per cent of the vote (150 seats out of 560), Partai Golongan Karya (Golkar Party) (Party of the Functioning Groups) 14.5 per cent (108), Partai Demokrasi Indonesia Perjuangan (PDI-P) (Indonesian Democratic Party-Struggle) 14 per cent (93), Partai Keadilan Sejahtera (PKS) (Prosperous Justice Party) 7.9 per cent (59), Partai Amanat Nasional (PAN) (National Mandate Party) 6 per cent (42), Partai Persatuan Pembangunan (PPP) (United Development Party) 5.3 per cent (39), Partai Kebangkitan Bangsa (PKB) (National Awakening Party) 4.9 per cent (26), Partai Gerakan Indonesia Raya (Gerindra) (Great Indonesia Movement Party) 4.5 per cent (30), Partai Hati Nurani Rakyat (Hanura) (People's Conscience Party) 3.8 per cent (15). Twenty-nine other political parties failed to win enough votes to gain any seats.

Next elections

2014 (parliamentary and presidential)

Political parties

Ruling party

Coalition of 10 political parties led by Partai Golongan Karya (Golkar) (Party of the Functioning Groups), Partai Demokrasi Indonesia-Perjuangan, (PDI-P) (Indonesian Democratic Party-Struggle) and Partai Keadilan Sejahtera (PKS) (Prosperous Justice Party) (from 1 May 2009)

Main opposition party

The government is composed of all political parties that won seats in the general election. There is no official opposition

Population

244.47 million (2012)* (237,641,326; 2010, census figure)

Last census: 1 May 2010: 237,641,326

Population density: 123 inhabitants per square km (2010). Urban population 44 per cent (2010 Unicef).

Annual growth rate: 1.3 per cent, 1990–2010 (Unicef).

Internally Displaced Persons (IDP) 535,000 (UNHCR 2004)

Ethnic make-up

Although 95 per cent of the population are of Malay origin, there are some 300 minorities, including Melanesian, Proto-Austronesian, Polynesian and Micronesian; there are approximately four million ethnic Chinese. Indonesia encompasses the Islamic people of Aceh on the northern tip of Sumatra, the densely populated main island of Java, the tourist resorts of Bali, the island of Flores and the primitive tribes of Irian Jaya in the east.

Religions

Only six faiths are officially recognised in Indonesia - Islam (87 per cent), Catholic and Protestant Christianity (10 per cent), Hinduism (2 per cent, mainly in Bali), Buddhism (1 per cent), and Confucianism.

Indonesia has the world's largest Muslim population, although Hindu-derived and indigenous religious variations are common. Religious violence has spread in line with political uncertainty. Animist beliefs are held in remote areas.

Education

Free universal primary education has been a long-term aim of the government. Almost 100 per cent of eligible children attend such schools, compared to only 40 per cent when President Suharto came to power in 1968. The overall literacy rate has increased by 31 per cent, up from 54 per cent in 1970.

Secondary education consists of two three-year cycles; over 50 per cent of eligible students are in secondary education. Tertiary education has also expanded, with 11 per cent of eligible students in school, up from 1 per cent in the late 1960s. The vast majority of tertiary institutions are privately owned, although there is a network of state institutions around the country. The quality of these universities and colleges varies enormously and large numbers of Indonesian students go overseas for their tertiary education. Despite improvements, the Indonesian education system is not supplying enough technicians and scientists for the country's ambitious plans.

Public expenditure on education typically amounts to 1.4 per cent of annual GDP. In April 2003, the Islamic Development Bank approved a US\$31 million loan to Indonesia to finance university expansion.

Literacy rate: 88 per cent adult rate; 98 per cent youth rate (15–24) (Unesco 2005).

Compulsory years: 7 to 16

Enrolment rate: 113 per cent gross primary enrolment of the relevant age group (including repeaters); 56 per cent gross secondary enrolment (World Bank).

Pupils per teacher: 22 in primary schools.

Health

While basic healthcare has improved immeasurably over the past 30 years, it remains an urban rather than rural phenomenon. Inadequate numbers of trained staff remain the rule. Expatriates and wealthier Indonesians usually go to Singapore or Australia for operations. State healthcare is rudimentary. According to government figures, there are about 1,350 hospitals in Indonesia with 110,200 beds. There are approximately 0.7 hospital beds per 1,000 people, which is low even by regional standards (India has 0.8 beds per 1,000). Improved water sources are available to 74 per cent of the population.

There were cases of polio reported to the World Health Organisation – Global Polio Eradication Initiative in 2006; the country had previously been free of the disease and its re-emergence was due to infected travellers.

HIV/Aids

Government health figures in December 2009 showed that at least 290,000 people in Indonesia are HIV positive.

HIV prevalence: 0.1 per cent aged 15–49 in 2003 (World Bank)

Life expectancy: 67 years, 2004 (WHO 2006)

Fertility rate/Maternal mortality rate:

2.1 births per woman, 2010 (Unicef); maternal mortality 230 per 100,000 live births (World Bank).

Child (under 5 years) mortality rate

(per 1,000): 31 per 1,000 live births (WHO 2012); 27.3 per cent of children aged under five are malnourished (World Bank).

Head of population per physician: 0.13 physicians per 1,000 people, 2003 (WHO 2006)

Welfare

Although poverty has been greatly reduced, the decline in living standards during the economic contraction of 1998 has yet to be reversed. The government has no plans to provide comprehensive welfare for the country's population of over 200 million. Instead, the government attempts to subsidise the cost of living of the poor through price controls, although these are being phased out in line with IMF commitments on goods such as kerosene. The state-run Workers' Accident Insurance and Provident Fund (*Jamsostek*) is the only form of social security in Indonesia. The insurance covers accident,

sickness, pensions, unemployment, health and housing benefits. Outside *Jamsostek* there are other welfare programmes provided by private insurance companies, but they are not compulsory.

Main cities

Jakarta (capital, on island of Java, estimated population 9.8 million (m) in 2012); Surabaya (2.8m), Bekasi (2.6m), Bandung (2.5m), Medan (on Sumatra) (2.2m), Depok (1.9m), Tangerang (1.9m), Semarang (on Java) (1.6m), Palembang (on Sumatra) (1.5m), Ujung Pandang (Makassar) (on Sulawesi) (1.4m).

Languages spoken

Bahasa Indonesia has existed as an official language for the past 70 years, and is still in the process of developing, with new words constantly being added. For simplicity's sake, the use of English words is common, particularly in the banking, insurance and technology sectors. However, the government wishes to promote Indonesian language development and reduce the use of foreign words.

English is widely spoken in government and business circles and by the younger generation. Many older Indonesians speak Dutch as a second language. Each ethnic group has its own language. Altogether, more than 580 languages and dialects are spoken, including Javanese, Sundanese, Arabic and Chinese.

Official language/s

Bahasa Indonesia

Media

The constitution provides for freedom of the press and speech, however, the government has occasionally restricted these rights. The Constitution Court struck down several laws in 2006–07 that criminalised defamation of the government, president and vice president, which had been used to curtail reporting. The government restricts the movement of journalists around the country and special permits must be obtained to visit, for example, West Papua.

Press

Dailies: In Indonesian, the largest newspapers include *Kompas* (<http://kompas.com>), *Media Indonesia* (www.mediaindonesia.com), *Koran Tempo* (www.korantempo.com), *Republik* (www.republika.co.id), *Pos Kota* (www.poskota.co.id) and *Rakyat Merdeka* (www.rakyatmerdeka.co.id) a tabloid. In English *The Jakarta Post* (www.thejakartapost.com), which includes business and financial news.

There are many more regional and local newspapers available.

Weeklies: In Indonesian, magazines include *Tempo* (www.tempointeractive.com) with English online edition, *Gatra*

(www.gatra.com) for news and current affairs, *Tabloid Nova*

(www.tabloidnova.com) and *Hanyawanita* (www.hanyawanita.com), is for women.

Business: In Indonesian, newspapers and magazines include *Bisnis Indonesia* (<http://web.bisnis.com>), *Bisnis Bali* (www.bisnisbali.com) and *SWA* (www.swa.co.id); the *JIEF Economic Monthly* (www.jief.biz) is also in Japanese and *Warta Ekonomi*

(www.wartaekonomi.com). In English, publications include the *Standard Trade and Industry Directory of Indonesia Indonesian Commercial Newsletter*.

Periodicals: In Indonesian, the monthly *Femina* (www.femina-online.com) is for women. *Intisari* is a science monthly. In English, the quarterly *Inside Indonesia* (<http://insideindonesia.org>) has in-depth articles on politics and social issues and the monthly *Latitudes Magazine* has features on culture, travel and the arts.

Broadcasting

The government bans live news coverage and relayed international live news programmes on radio and television. However, digital news via the internet is a growing market.

Radio: There are many radio stations operating in FM and AM frequencies. A few digital audio broadcasting (DAB) stations have begun operations in Jakarta and Surabaya, since 2006.

The national public broadcaster is Radio Republik Indonesia (RRI) (www.rri-online.com), with six networks including the international channel, Voice of Indonesia. Private, commercial stations include Kiss FM (www.kissfm.co.id), Oz Radio Bali (www.ozradio.net) and Radio Otomotion (www.otomotionfm.com) for news.

Television: There are around a dozen national TV networks competing with the publicly owned Televisi Republik Indonesia (TVRI), (www.tvri.co.id), which broadcast free-to-air, cable and satellite TV. Major private TV channels include RCTI (www.rcti.tv) with a variety of locally produced shows including news, entertainment and religion. With similar content, SCTV (www.sctv.co.id) is known for its entertaining serials and *Indosiar* (www.indosiar.com) known for its cultural programmes and foreign language dramas.

National news agency: Antara National News Agency

Other news agencies: Indoexchange (for stock market news): www.indoexchange.com

Economy

The economy has prospered relatively well since 2006, when Indonesia repaid outstanding US\$3.2 billion of the US\$11.1 billion loan, incurred during the 1997

Asian financial crisis, four years ahead of schedule and just in time to confront the next, and greater, global financial crisis. Indonesia is ranked 11 in the world by GDP, at over US\$500 billion. It has a market economy in which the government plays an important role through state-owned entities and direct influence through regulation of prices of basic food-stuffs, utilities and fuel.

Within the structure of the economy, the service sector at 40 per cent of GDP lies just behind industry at 45 per cent. Exports are dominated by oil, natural gas and minerals at over 38 per cent, with manufactured goods at around 15 per cent. Agriculture provides less than 14 per cent, a figure that has been steadily falling since 1985.

GDP growth was 6 per cent in 2008 as domestic consumption and fiscal stimuli counteracted the weak external conditions. In 2009, growth fell to 4.6 per cent reflecting the lack of domestic demand; growth rebounded in 2010 to 6.2 per cent as global trade resumed. Estimates for 2011 show a higher rate of 6.5 per cent.

The fiscal stimulus package introduced in 2008, as part of the globally co-ordinated response to the financial crisis, was US\$6 billion. Total external debt in 2008 and 2009 was 29.3 per cent and 29.4 per cent of GDP respectively. Foreign direct investment grew by 9 per cent in 2009 (from US\$4.8 trillion in 2009 to US\$13.7 trillion in 2010 and higher still to US\$18.2 trillion in 2011).

In 2012, Indonesia announced its intention to apply to join the group of fast-growing developing economies (Brazil, Russia, India, China, and South Africa the so-called BRIC countries), based on its strong growth and its membership of the Organisation of Islamic Co-operation.

The International Monetary Fund (IMF) has been positive in its appraisal of Indonesia's economic prospects, as the government had instigated 'timely policy responses' which reduced the effects of the crisis on the economy, unlike so many of Indonesia's regional neighbours.

External trade

Indonesia is a member of the Asian and Pacific Economic Co-operation (Apec) and belongs to the Asian Free Trade Area (AFTA) operated by the Association of Southeast Asian Nations (ASEAN), which was set up to attract foreign direct investment (FDI) and the elimination of tariffs within the membership.

The US-owned Freeport-McMoran mine Grasberg, located in Papua province, contains the largest single reserves of copper and gold in the world.

Plans to establish Indonesia as a world hub for halal-labelled food products were announced by the minister of economy in March 2012. An estimated 1.4 billion Muslims and non-Muslims purchase halal products worldwide each year and delivering a standard of quality of halal food products from Indonesia would provide a significant boost to the economy.

Imports

Main commodities include machinery and equipment, petroleum and chemicals, foodstuffs.

Main sources: China (15.3 per cent total in 2012), Singapore (13.6 per cent), Japan (11.9 per cent).

Exports

One of the most successful export sectors has been consumer electronics and home appliances. Indonesia is the world's leading exporter of coal for power stations, as well as palm oil. Major exports also include oil and gas, plywood, textiles and rubber, copper, gold and other minerals. Total exports increased by some 37 per cent between January and July 2011 (to US\$116 billion).

A change to the rules governing export earnings was announced on 9 September 2011, although the date the change would become effective was not given. The new rules will require companies to repatriate foreign currency earnings from exports, and to hold the earnings in domestic bank accounts. It is estimated that the amount concerned will be as high as US\$33 billion.

Main destinations: Japan (15.9 per cent total in 2012), China (11.4 per cent), Singapore (9 per cent).

Agriculture

Agriculture accounts for around 15 per cent of GDP and employs 48 per cent of the labour force. Agricultural products make up 25 per cent of non-oil export earnings.

After planting more high-yield varieties, investing in irrigation systems, doubling the use of fertilisers and trebling the use of pesticides, Indonesia has achieved self-sufficiency in rice. Poor harvests can still result in rice and other cereals having to be imported to rebuild stocks.

Cassava, maize, sugar, sweet potatoes, bananas and many other fruits and vegetables are grown for local consumption. Self-sufficiency in sugar is a government goal.

It is estimated that there are 1.2 million clove farmers. Indonesia consumes 95 per cent of worldwide clove production, used in the manufacture of *kretek* (clove/tobacco mix) cigarettes. The clove cigarette industry is one of the country's major employers and the government has tariffs in place to restrict the import of cloves,

mainly from Madagascar and Zanzibar, in an attempt to maintain its sustainability when over 80 per cent of the cloves consumed is home grown.

Large estates that have undergone rehabilitation produce coffee, tea, rubber, coconuts and palm oil nuts, mostly for export.

Indonesia is the world's largest producer of coconuts and the second-largest of palm oil, copra and natural rubber. It is the third-largest in rice, coffee and cocoa. Foreign aid organisations have assisted the government in rehabilitating the fishing sector. Foreign fishing trawlers are not permitted to operate in Indonesian waters, as these would obstruct traditional coastal fishermen.

Indonesia's fishing industry is plagued by corruption and illegal fishing methods, such as the use of bottle bombs to increase the size of the catch. Ineffective monitoring of fishing techniques means that these practices are likely to continue. Shrimp and tuna fish are important exports. Other species include scad, Indian mackerel and sea catfish. Indonesia is the fifth largest producer of tuna in the world and has become one of the world's biggest exporters of shrimps and prawns. Following the annual meeting of the Commission for the Conservation of Southern Bluefin Tuna (CCSBT), held on Cheju Island, South Korea, all members agreed to a 20 per cent cut in the roughly 17,000 tonnes in 2009 bluefin tuna catches from 2010. Scientists had warned that without a cut fish stocks could crash as numbers had become dangerously low.

Forest products are the third most important export earner. Indonesia has some of the world's largest remaining reserves of tropical hardwoods. Legislation aims to reduce the rate of felling and to ban the export of logs, and has increased the proportion used locally in timber processing. Illegal logging remains a problem and has doubled the deforestation rate. It is estimated that Indonesia is losing up to two million hectares (ha) of forest annually. It was estimated that 300,000cum of hardwood is illegally felled each year in the state of New Guinea and shipped to China for processing. Indonesia's decentralisation programme could worsen the situation since local governments do not have the ability to manage their resources effectively. The military have also been implicated in the illegal logging trade with corruption and entrenched interests underpinning the activity. Indonesia is under pressure from international organisations to reform its forestry policy and to control the unprecedented rate at which its forests are depleted.

Industry and manufacturing

Industry contributes around 44 per cent of GDP and employs 15 per cent of the workforce.

In the oil-rich 1970s, Indonesia operated a highly protected industrialisation policy with heavy state involvement on both a regulatory and investment front. Declining export revenues from oil and gas in the mid-1980s led to a reversal of this policy. Industry was progressively deregulated and foreign investment encouraged in previously protected areas. Non-traditional export industries were promoted – initially garments and shoes, later electronics, chemicals and minerals. The government also successfully encouraged investment in automobile manufacturing, air and sea transportation, power, communications and highways.

On 11 March 2012, the government announced that Indonesian companies would be prohibited from appointing foreign chief executive officers (CEOs). The Indonesian Employers Association (Apindo) criticised the policy which it felt would be detrimental to the country's long-term commercial interests.

Tourism

With hundreds of islands offering diverse scenery and a historical and cultural heritage, Indonesia can be a land of contrasts. The island of Bali is the most important centre for overseas visitors and has adapted to catering for a relaxed clientele. However, Indonesia is also an important Muslim country and cultures can clash. Tourism is a significant component in the economy and the government is reluctant to enforce a strict Islamic code that could deter visitors. One strategy to overcome the conundrum of culture verses tourism has been the emphasis Indonesia has placed on attracting visitors from the Arab Gulf states; for instance visitors from the United Arab Emirates increased by 30 per cent in 2009–10 climbing to over 4,900, a low number to begin with but one that will be cultivated. However with over seven million visitors each year the immediate response by authorities is to emphasise cultural diversity and respect. In July 2012, the Bali Province cultural landscape, including the *Subak* system of traditional agriculture and water temples, was added to Unesco's World Heritage List.

Travel and tourism accounted for 8.7 per cent of GDP in 2011 (US\$72.9 billion), which was a rise of 4.5 per cent on its share in 2010. Employment in the sector was 7.7 per cent (8.6 million jobs) of total workforce, of which 2.6 per cent (2.9 million jobs) were directly employed in the industry. Visitor revenue in 2011 was

US\$8.9 billion, a rise of 7.2 per cent on the US\$7.5 billion in 2010.

In 2009, four Indonesian airlines, including the national carrier, Garuda Indonesia, achieved safety standards that allowed them to resume flights into Europe, thus allowing a growth in visitor numbers.

Environment

Indonesia is ranked first in the world for its range and variety of corals, and together with the Philippines, Australia, Papua New Guinea and Solomon Islands for coral reef fish species.

In 2007 Indonesia was warned by Greenpeace that the drainage of peat wetlands in favour of plantations producing palm oil (used in foods and bio-fuel) was causing greater release of carbon dioxide (a greenhouse gas) than forest clearances by burning alone. Indonesia is planning to become the world's leading producer of palm oil, with a huge project planned for Borneo. In the face of international criticism of deforestation, and Indonesia's ranking as the world's third largest greenhouse emitter, around 80 million trees were planted nationwide in November.

In February 2011 the government admitted that rampant, illegal logging was beyond its control.

Mining

In a move to encourage domestic investment in mining projects the energy and mineral resources ministry announced in February 2012 that foreign investment in mines would in future be limited to 49 per cent. Current foreign mining licence holders will have to cut their stake down from 80 per cent within 10 years. Some alarm was expressed that this will threaten Indonesia's mining investment climate.

The archipelago of Indonesia produces tin, copper and chromium ore. Indonesia is the world's second-largest producer of tin (after China), producing typically 46,000 tonnes of tin concentrate. In addition to other precious metals, it is also a major producer of copper, bauxite and nickel. Mining and quarrying typically account for around 13 per cent of GDP. Mining's share of GDP has fallen continuously in recent years as production has dropped in response to depressed world prices. Increasing world demand for copper and rising prices have encouraged mines to be restarted and new mines opened.

The government is eager to increase investment in gold, copper and nickel exploitation, although complex issues are involved in mineral exploitation throughout the archipelago. Indonesia is by far the largest gold producing nation in Asia and one of the top 10 producers in the

world. Gold is mined at Lebong Tandai in Sumatra and is produced as a by-product from the Freeport copper mine in the highlands of Irian Jaya. Most of Indonesia's gold mines have a short life span. Instability, particularly in separatist areas such as Aceh and Papua, has halted exploration projects in the past. The majority of gold comes from PT Freeport's mining facility in Irian Jaya.

Nickel is mined from new, large deposits in central Sulawesi and Irian Jaya; much of it becomes ferro-nickel and nickel matte, primarily for export. Bauxite production is carried out at Asahan in north Sumatra, for export to Japan.

Tin mining is carried out by state-owned PT Tambang Timah and joint-venture company PT Koba Tin (25 per cent owned by PT Tambang Timah and 75 per cent owned by Iluka Mining Corporation). PT Tambang Timah is the world's largest tin producer, producing tin from Bangka Island, including dredging operations at Karimun and Kundur islands in the Riau Province. The company has tin reserves estimated at around 382,000 tonnes, of which 60 per cent is located offshore.

Hydrocarbons

The role of oil and gas peaked in the early 1980s when it contributed over four-fifths of total exports. Although oil and gas earnings are still significant, their contribution to GDP is declining. Nevertheless, the oil sector remains very important and Indonesia is the major oil producer in South-east Asia. Nevertheless, the country became a net importer of petroleum products in 2004.

Proven oil reserves were 4.0 billion barrels in 2011, with production of 942,000 barrels per day (bpd). The state-owned oil company, Pertamina, dominates the sector, although foreign involvement has steadily increased. In the downstream sector, Indonesia has eight refineries with a combined capacity of 1.14 million bpd in 2011. The refinery in Balikpapan, East Kalimantan, is to be upgraded in an estimated US\$1.7 billion investment plan. Proven natural gas reserves were 3.0 trillion cubic metres (cum) in 2011 and produced 75.6 billion cum. Natural gas is supplied from two very large fields at Arun in North Sumatra and Badak in East Kalimantan, although large offshore discoveries have been made around the Natuna Islands in the South China Sea. Exports of natural gas in 2011 were 37.9 billion cum, of which 29.2 was liquefied natural gas (LNG): 12.6 billion cum of LNG was exported to Japan and 10.8 billion cum to South Korea, while 8.7 billion cum of natural gas was exported to Singapore and Malaysia, via a pipeline.

In 2005 Indonesia became the world's largest thermal coal exporter. By 2015, 40 per cent of the world's coal shipments will come from Indonesia. In 2011 tax revenues from coal are expected to boost the government's coffers by some US\$7 billion. Coal production in 2010 was 320 million tonnes, a figure which is expected to rise to 340 million tonnes in 2011. However, reserves are dominated by the less valuable 'brown coal' which is typically used in power stations and produces higher amounts of polluting gases. Coal is one of the country's top 10, non-oil exports.

Energy

Despite one of the largest populations in Asia, Indonesia has an installed electricity-generating capacity of only 25GW, and power shortage outside Jakarta (on Java) has grown due to underinvestment. Access to electricity was 57 per cent of the population in 2008 and an estimate US\$25 billion is needed to provide electricity to the remainder and allow the projected 6 per cent per annum growth. Generation is mainly by oil-fired power plants and some hydro-power. Projects are planned to develop coal and gas-fired and hydro-electric power generation in order to preserve oil for export.

Financial markets

Stock exchange

Bursa Efek Indonesia (Indonesia Stock Exchange) (IDX)

Banking and insurance

In July 2006 the central bank announced plans to restructure the banking system by limiting the number of banks investors may control to one. The Indonesia Bank Restructuring Agency (IBRA) was given the task of enhancing public confidence in the banking industry, which had reached a low in 2002, before the sale of Bank Central Asia (BCA), Indonesia's largest bank. Following the sale the IMF commended the government's restructuring policies, which restored solvency to the banking system with net earnings becoming positive for the first time since the 1998 Asia economic crisis. It also advised the government to strengthening standards of corporate governance within the sector.

Indonesia released its first Islamic bond, for individual or retail investors, in February 2009. The government will invest the projected US\$6 billion raised to stimulate the economy.

Central bank

Bank Indonesia

Main financial centre

Jakarta

Time

Indonesia has three time zones.

Java, Sumatra, west and central Kalimantan and Madura: GMT plus seven hours – West Zone
 Bali, south and east Kalimantan, Sulawesi: GMT plus eight hours – Central Zone
 Aru, Kai, Moluccas, Tanimbar, Irian Jaya: GMT plus nine hours – East Zone

Geography

The Indonesian archipelago has 17,508 islands and is the largest in the world, extending about 5,150km (3,200 miles) from Sumatra in the west to Irian Jaya, the western half of New Guinea, in the east. The main islands are Sumatra, Java, Bali, Sulawesi (the Celebes) and Timor. Kalimantan, the Indonesian part of Borneo island shared with Malaysia and Brunei, forms a major part of Indonesian territory. Now independent, the former Portuguese colony of East Timor became the youngest province in 1976. Indonesia's neighbours are Malaysia, Singapore, Papua New Guinea, the Philippines and Australia.

Part of the so-called volcanic 'ring of fire' on the Pacific rim, Indonesia has hundreds of volcanoes, 70 of them still active, and hardly a year passes without a major eruption. Earthquakes are also frequent, but rarely cause significant damage. The country has the world's second largest area of primary rainforest after Brazil, with species of plant and animal life as diverse as anywhere on the planet. On Borneo alone, there are 3,000 different tree species. It also has an extraordinary diversity of animal life, with an estimated 500 species of mammals, including tigers, elephants, hairy rhinoceros, warthogs, small leopards, civets, mouse deer, orangutans, baboons and monkeys. Birds of Paradise, hornbills, peacocks and cockatoos are among the 1,500 species of known birds. The Komodo dragon is three metres long and weighs up to 150kg. It is the world's largest lizard and it is found only on the east Indonesian island of Komodo.

Hemisphere

Straddles the equator

Climate

All of the islands in the archipelago lie within the tropical zone, with average temperatures of 26 degrees Celsius (C). The dry season usually lasts from May to September, the wet season from October to April. In the hill regions west of Jakarta, average temperatures drop to a pleasant 21 degrees C. Indonesia straddles the equator and days are all the same length and rain is frequent. Yearly rainfall in Jakarta is about 300mm and humidity is more than 80 per cent. The islands east of Bali have a much drier climate, and tropical vegetation and jungles give way to rocky savannahs.

Dress codes

Foreigners are expected to dress for business as they would at home, despite the heat, although men can get away without ties and jackets during the day. Formal attire includes suits, or traditional *batik* shirts. Women are advised to dress conservatively as do their Indonesian counterparts. Although Indonesia is Muslim, there is little of the radicalism found elsewhere. At least in Jakarta, the only women wearing veils will be strict Islamic schoolgirls. The dress traditionally worn by men and women, is the *sarong*. This length of fabric wraps around the waist and is topped by elaborate blouses or shirts. Halter tops and shorts are frowned upon in most places except around sports facilities or on the beach. Proper decorum should especially be observed when visiting places of worship.

Entry requirements

Passports

Required by all and must have at least six months validity from date of entry, with proof of return/onward passage and sufficient funds for length of stay.

Visa

Required by all.

Nationals of Apec countries may obtain business visas for up to six months depending on the country of origin. Travellers should contact an Indonesian Consulate for details.

Business visitors arriving from countries with reciprocal visa-free facilities on short-term visits need to supply an itinerary, letter of business intent from their employer and a letter from a local sponsor. All other visitors should contact an Indonesian Consulate for visa details.

Currency advice/regulations

The import of local currency is limited to Rp50,000 and must be declared, amounts over Rp10 million must be authorised; export is limited to the amount declared on import. Import and export of foreign currency is unlimited.

Major currencies or travellers cheques may be exchanged at most banks, except in the provinces. It is advisable to carry rupiahs in sufficient amount before travelling to outer provinces or minor towns.

Customs

Personal effects are allowed entry; cameras must be declared. Video cameras, tape recorders, binoculars, portable radios, typewriters and sports equipment may be imported on condition that they are exported on departure.

Prohibited imports

These include illegal drugs and narcotics, firearms, ammunition, TV sets, pornography, publications in Chinese characters and Chinese medicine.

Health (for visitors)

Mandatory precautions

Vaccination certificates for yellow fever if travelling from infected area.

Advisable precautions

Vaccinations that are necessary include: cholera, diphtheria, tetanus, hepatitis A, polio and typhoid. Vaccinations that may be advised include: hepatitis B, tuberculosis, Japanese B encephalitis and rabies. Anti-malarial precautions should be taken; the use of mosquito nets and repellents and covering up the body after dark can help avoid malaria, hepatitis B and dengue fever. Only well-maintained and chlorinated swimming pools are safe in which to swim.

Use only bottled or boiled water for drinks, washing teeth and making ice. Eat only well cooked meals, preferably served hot; vegetables should be cooked and fruit peeled. Avoid dairy products, salad and food from street vendors. A full, first-aid kit would be useful.

Tap water must be treated as unsafe unless boiled and filtered (bottled water is available in the main cities). Eat only well cooked meals, preferably served hot; vegetables should be cooked and fruit peeled. Dairy products are unpasteurised and should be avoided.

Medical insurance is essential, including emergency evacuation, and an adequate supply of personal medicines is necessary.

Hotels

International-standard hotels have air-conditioning and often business centres, where translation and secretarial services are normally available. A 10 per cent service charge is normally added to the bill, so tipping with small change is usual. Where no service charge has been added, a tip of 5–10 per cent would be appropriate.

Credit cards

Credit and charge cards are widely accepted and ATMs are available in city centres.

Public holidays (national)

Fixed dates

^ 1 Jan (New Year), ^ 17 Aug (Independence Day), ^ 25 Dec (Christmas Day).

Variable dates

^ Chinese New Year (Jan/Feb), Nyepi (Hindu New Year, Mar/Apr), Waisak Day (Birth of the Lord Buddha, May), Good Friday (Mar/Apr), Ascension Day, Eid al Adha, Islamic New Year, Birth of the Prophet Mohammed, Ascent of Prophet Mohammed, ^ Eid al Fitr (two days).

^ Official national holidays, holidays that fall on Friday are taken the next day. The remainder, Muslim, Hindu and Christian, are informal holidays taken by adherents.

Islamic year 1435 (5 Nov 2013–24 Oct 2014): The Islamic year contains 354 or 355 days, with the result that Muslim feasts advance by 10–12 days against the Gregorian calendar. Dates of feasts vary according to the sighting of the new moon, so cannot be forecast exactly.

Working hours

Banking

Mon–Fri: 0830–1530/1730; Sat: 0930–1230. Hotel banks may remain open longer.

Business

Mon–Fri: 0800–1600; Sat: 0830–1230. Fri: it is difficult to make an appointment after 1100 although businessmen sometimes meet people in the late afternoon and early evening.

Government

Mon–Thu: 0800–1500; Fri: 0800–1130; Sat: 0800–1400.

Shops

0800/1000–2100/2200 (some close at 1730).

Telecommunications

Mobile/cell phones

There are limited 900/1800 GSM services around Jakarta. A G3 system is planned.

Electricity supply

Generally 220V 50Hz, with two-pronged plug. However, some hotels in the provinces may still be using 110V AC, 50Hz. It is better to check before using an appliance.

Weights and measures

Metric system

Social customs/useful tips

Indonesia is predominantly Muslim and alcohol is not considered essential to social intercourse. Care should be taken to respect Muslim, Hindu and other religious conventions. Footwear should be removed before entering places of worship and temples and sometimes also private homes.

Handshaking with the right hand is customary both for men and women. It is conventional to shake hands and give a slight bow with the head on meeting and taking leave. Punctuality is appreciated on social occasions.

Pork is forbidden for the Muslim population and beef for the Balinese Hindus. Do not start to consume food or drink until invited by the host to do so.

Pribumi is used to describe anything indigenous or native to Indonesia, and occurs in commercial or business contexts with reference to local participation, local capital investment or local loans.

In Indonesia, Western-style beckoning is considered rude; instead, turn your hand palm down, and waggle your fingers –

like an upside-down wave. Putting your hands on your hips is considered an overt sign of aggression or contempt. The word 'no' is regarded as impolite; often people use the word *belum*, which means 'not yet'.

Security

Since 2000, Indonesia has been experiencing unrest and violence. There has been sectarian and ethnic strife in Aceh, Irian Jaya, Central and West Kalimantan, Maluku, North Maluku, Central and South Sulawesi and tension in West Timor.

Since October 2002, terrorist attacks have deliberately targeted Western tourists.

Getting there

Air

National airline: Garuda Indonesia (GA) and Merpati Nusantara Airlines (MZ). *In July 2007 the European Union banned all Indonesian airlines from EU air space, due to safety concerns and warned its citizens not to use these airlines elsewhere in the world.*

International airport/s: Soekarno-Hatta International (CGK), 28km north-west of Jakarta, banks/bureaux de change, a post office, duty-free shops, gift shops, 24-hour restaurants, snack bars, car hire and 24-hour medical/vaccination facilities; Denpasar Bali Ngurah Rai International (DPS), 13km south-west of the city, is the main airport on Bali; Bandung Husein (BDO); Cirebon Penggung (CBN); Ketapang (KTG); Pontianak Supadio (PNK); Semarang Uani (SRG); Surabaya Juanda (SUB).

Airport tax: International departures: Rp100,000.

Surface

Water: High-speed ferries run between Sumatra and Malaysia. Routes are either Medan–Penang or Dumai–Melaka. There are also services between Mandala (Sulawesi) and the Philippines. Maritime piracy is a problem in some Indonesian waters.

Main port/s: Tanjung Priok, Jakarta; Tanjung Perak, Surabaya; Belawan, on Sumatra.

Getting about

National transport

Air: Garuda Indonesia operates extensive domestic services, including daily services between Jakarta, Surabaya and Medan. Other routes are also served by Sempati Air and Merpati Nusantara Airlines.

Road: Extensive road network includes over 370,000km of road, 25 per cent of which is surfaced. A 525km highway links key areas in Jambi and South Sumatra. Motorways and toll roads are good, but roads are narrower and poorly maintained in rural areas and remote regions.

Secondary roads are frequently impassable in the rainy season. Driving outside major cities at night can be hazardous.

Buses: Express coach services link the main cities. Local bus services are inexpensive, but their use is complicated, they are often crowded, and service may be interrupted in the rainy season.

Rail: The rail network, limited to Java, Sumatra and Madura, comprises 8,600km of track. Java and parts of Sumatra have air-conditioned express rail services with sleeping and dining cars only between major cities. Fares are comparatively cheap but higher on air-conditioned trains. There are several trains daily from Jakarta to Bandung and Surabaya. Ordinary services can be slow, with many stops.

Water: There are extensive scheduled and non-scheduled inter-island sailings.

City transport

Roads in major cities are good.

Taxis: Taxis are plentiful but in various states of disrepair. Wherever possible, opt for Blue Bird or Silver Bird taxis and check the driver switches on the meter before starting the journey.

Taxis can be obtained at hotels, airports and railway stations. From Soekarno-Hatta airport to Jakarta, taxis add a surcharge and toll.

There are metered taxis only in Jakarta, Surabaya, Bandung, Solo, Semarang and Jogjakarta, but it may be necessary to insist on the use of the meter. Fares are very reasonable. Taxis may also be hired by the hour, which is less expensive for longer journeys.

In Jakarta it can be difficult to hail taxis, so engage one at the hotel and retain it until returning. A 10 per cent tip is usual. There are also minicabs for two passengers, the *bemo* (small bus) which plies regular routes, and the *becak*, all of which need advance bargaining to come to a mutually accepted fare.

From city centre to Jakarta

Soekarno-Hatta airport taxi journey times are about 45 minutes.

Buses, trams & metro: Journey time on the bus from city centre to Jakarta Soekarno-Hatta International Airport is about 60 minutes.

Trains: Women-only carriages (recognisable by their brightly covered pink seats) were introduced on busy commuter routes in Jakarta in 2010.

Car hire

Car hire, mostly chauffeur-driven, is available in major towns and cities. Except for international car hire operators which accept credit cards, full payment for car hire is made up-front. Traffic drives on the left. Driving at night can be dangerous outside major urban areas as it is common to

encounter drivers who do not use their lights.

BUSINESS DIRECTORY

The addresses listed below are a selection only. While World of Information makes every endeavour to check these addresses, we cannot guarantee that changes have not been made, especially to telephone numbers and area codes. We would welcome any corrections.

Telephone area codes

The international direct dialling (IDD) code for Indonesia is +62, followed by the area code and subscriber's number:

Balik Papan	542	Manado	431
Bandung	22	Medan	61
Banjarmasin	511	Padang	751
Denpasar	361	Palembang	711
Jakarta	21		

Useful telephone numbers

Police: 110

Ambulance: 118

Fire: 113

Directory (local): 108

Directory (other Indonesian): 106

International information: 102

International operator: 101

Domestic connections: 100

Chambers of Commerce

American Chamber of Commerce in Indonesia, World Trade Centre, Jalan Jend Sudirman Kav 29-31, Jakarta 12920 (tel: 526-2860; fax: 526-2861; e-mail: info@amcham.or.id).

Bali Chamber of Commerce and Industry, Gedung Merdeka, Jalan Surapati 7, Denpasar 80232 (tel: 233-053; fax: 227-020; e-mail: kadin_bali@balinetwork.com).

British Chamber of Commerce in Indonesia, World Trade Centre, Jalan Jend Sudirman Kav 31, Jakarta 12920 (tel: 522-9453; fax: 527-9135; e-mail: bisnis@britcham.or.id).

Indonesian Chamber of Commerce and Industry, Menara Kadin Indonesia, Jalan HR Rasuna Said X-5 Kav 2-3, Jakarta 12950 (tel: 916-5535; fax: 527-4485; e-mail: info@kadin.net.id).

Jakarta Chamber of Commerce and Industry, Majapahit Permai B21-23, Jalan Majapahit 18-22, PO Box 3077, Jakarta 10160 (tel: 380-8091; fax: 384-4549; e-mail: kadin_jkt@indosat.net.id).

Banking

Bank Dagang Nasional Indonesia (BDNI), Jl Hayam Wuruk No 8, Jakarta (tel: 231-1221/0530/0886; fax: 380-5725).

Bank Danamon, Jl Kebon Sirih No 15, Jakarta 10340 (tel: 231-1331, 230-1901/2; fax: 230-1883/5).

BankExim, Jl Lapangan Setasiun No 1, Jakarta 11110 (tel: 692-3122, 690-0991; fax: 692-3047, 690-5328).

Bank Internasional Indonesia (BII), Jl MH Thamrin Kav 22 No 51, Jakarta Pusat (tel: 230-0888/0666; fax: 230-1426).

Bank Mandiri, Jakarta (e-mail: corp.communications@bankmandiri.co.id; internet site: <http://www.bankmandiri.co.id>).

Bank Negara Indonesia (BNI), Jl Jend Sudirman Kav 1, Jakarta 10220 (tel: 251-1946; fax: 251-1214).

Bank Umum Nasional, 135 Jl Senen Raya, Jakarta 10410 (tel: 231-2828; fax: 231-2929).

Indonesian Bank Restructuring Agency, Komplek Bank Indonesia, Jl Budi Kemuliaan, Building D, 10th Floor, Jakarta (fax: 231-1478).

PT Bank Pembangunan Indonesia, Jl RP Soeroso No 2-4, Jakarta 10011 (tel: 230-1908; fax: 230-1242/3, 230-0154).

PT Bank Bali Tbk, 17th Floor, Gedung Bank Bali, Jalan Jenderal Sudirman Kav 27, Jakarta 12920 (tel: 523-7899; fax: 250-0811).

PT Bank Buana Indonesia, Jalan Asemka 32-36, Jakarta 11110 (tel: 260-1051, 260-1055; fax: 260-1014).

Central bank

Bank Indonesia, 2 Jalan MH Thamrin, Jakarta 10110 (tel: 381-7187; fax: 350-1867; e-mail: humasbi@bi.go.id).

Stock exchange

Bursa Efek Indonesia (Indonesia Stock Exchange) (IDX)

www.idx.co.id

Travel information

Bouraq Indonesia Airlines, PO Box 2965, Jalan Angkasa 1-3, Kernayoran, Jakarta 10720 (tel: 629-5289; fax: 629-5364).

Garuda Indonesia, Jl. Merdeka Selatan 13, Jakarta 10110 (tel: 380-1901; fax: 380-6652; internet site: <http://www.garuda-indonesia.com>).

Ikatan Motor Indonesia (IMI), Gedung KONI, Pusat Senayan, Kotakpos 609, Jakarta (tel: 591-102).

Merpati Nusantara Airlines, PO Box 323, Jalan Angkasa 2, Jakarta 10013 (tel: 413-608; fax: 420-7311).

Sempati Air Transport, Jalan Medan Merdeka Timur No 7, PO Box 2068, Jakarta 13610 (tel: 348-760; fax: 809-4420).

National tourist organisation offices

Direktorat Jenderal Pariwisata Indonesia (Directorate-General of Tourism), 16/19 Jalan Medan Merdeka-Barat, Jakarta 10110 (tel: 386-0934; fax: 386-0828;

internet site:

<http://www.tourismindonesia.com>).

Ministries

Ministry of Agriculture, Jalal Harsono RM 3, Ragunan, Pasar Minggu, Jakarta 12550 (tel: 781-5380; fax: 781-6385).

Ministry of Defence, Jalal Medan Merdeka Barat 13-14, Jakarta 10110 (tel: 384-0889; fax: 384-5178).

Ministry of Economy, Jalal Lapangan Banteng Timur 2-4, Jakarta 10310 (tel: 319-01152; fax: 319-01151).

Ministry of Education, Jalal Jend Sudirman, Senayan, Jakarta (tel: 573-1618; fax: 573-6870).

Ministry of Energy and Mineral Resources, Jalal Medan Merdeka Selatan 16, Jakarta 10110 (tel: 380-4242; fax: 384-7461).

Ministry of Finance, Jalal Lapangan Banteng Timur 2, Jakarta 10170 (tel: 344-9230; fax: 381-4324).

Ministry of Fisheries and Maritime Affairs, Jalal Veteran, 3rd Floor, Jakarta (tel: 385-7009; fax: 344-6733).

Ministry of Foreign Affairs, Jalal Taman Pejambon 6, Jakarta 10111 (tel: 344-1508; fax: 385-1193).

Ministry of Forestry and Estate Crops, Jalal Jend Gatot Subroto, Senayan, Jakarta (tel: 573-1820; fax: 570-0226).

Ministry of Health, Jalal HR Rasuna Said Blok X-5 Kav 4-9, Jakarta 12950 (tel: 520-1590; fax: 520-1591).

Ministry of Home Affairs, Jalal Medan Merdeka Utara 7, Jakarta 10110 (tel: 384-2222; fax: 385-1193).

Ministry of Justice and Human Rights, Jalal HR Rasuna Said Kav 4-5, Kuningan, Jakarta (tel: 525-3006; fax: 525-3090).

Ministry of Manpower and Transmigration, Jalal Taman Makam Pahlawan 17, Jakarta (tel: 798-9912; fax: 799-2629).

Ministry of Political, Social and Security Affairs, Jalal Medan Merdeka Utara 7, Jakarta 10110 (tel: 384-9453; fax: 345-0918).

Ministry of Religious Affairs, Jalal Lapangan Banteng Barat 3-4, Jakarta 10710 (tel: 381-1679; fax: 381-1436).

Ministry of Resettlement and Regional Infrastructure, Jalal Pattimura 20, Kebayoran Baru, Jakarta 12110 (tel: 720-3962; fax: 726-0769).

Ministry of Social Affairs, Jalal Rasuna Said blok X-5 Kav 4-9, Jakarta 12950 (tel: 310-3781; fax: 310-3783).

Ministry of Trade and Industry, Jalal Jend Gatot Subroto Kav 52-53, Jakarta 12950 (tel: 525-6548; fax: 522-9592).

Nations of the World: A Political, Economic and Business Handbook

Ministry of Welfare, Jalal Salemba Raya 28, Jakarta 10430 (tel: 310-3781; fax: 310-3783).

Other useful addresses

Asean Investment Promotion Agency, The Investment Co-ordinating Board (BKPM), Jalan Gatot Subroto No 44, PO Box 3186, Jakarta (tel: 512-008, 515-041, 517-022, 510-023; fax: 514-945).

Asean Secretariat, 70 A Jalan Sisingamangaraja, Jakarta 12110 (tel: 726-2991, 724-3372; fax: 724-3504, 739-8234; e-mail: asean.or.id).

Asian Development Bank, Indonesia Resident Mission, Gedung BRI II, 7th Floor, Jl. Jend Sudirman Kav. 44-46, Jakarta 10210 (tel: 251-2721; fax: 251-2749; e-mail: adbirm@mail.asiandevbank.org).

Badan Ko-ordinasi Penanaman Modal (BKPM) (Co-ordinating Board for Capital Investment), Jalan Jend Gatot Subroto 44, Jakarta Selatan (tel: 525-4981, 525-4619; fax: 525-4945).

Badan Pelaksana Bursa Komoditi (ICEB) (Indonesian Commodity Exchange Board), Bursa Building, 2nd and 4th floors, Jalan Medan Merdeka Selatan 14, Jakarta 10110 (tel: 371-921; fax: 380-4426).

Badan Pelaksana Pasar Modal (BAPEPAM) (Capital Market Operation Board), Jalan Medan Merdeka Selatan 14, Jakarta 10110 (tel: 365-509).

British Consular enquiries: British Embassy, Deutsche Bank Building, 19th Floor, 80 Jalan Imam Bonjol, Jakarta 10310, Indonesia (tel: (62 21) 390-7484; fax: (62 21) 316-0850; internet site: www.britain.in.indonesia.or.id).

Business Advisory Services, Kuningan Plaza Building, Jalan Rasuna Said Kav C-11-14, Jakarta (tel: 517-7295).

Central Bureau of Statistics, Jl Dr Sutomo 18, Jakarta (tel: 372-808; internet site: <http://www.bps.go.id>).

Commander-in-Chief of the Armed Forces, ABRI Headquarters, Mabes ABRI Cilangkap, Jakarta Timur (tel: 384-2679, 840-1243; fax: 380-6711).

Indonesia-British Business Association, C/O Ernst & Young International, Jakarta Stock Exchange Building 23rd Floor, Jl Jenderal Sudirman, Kav 52-53, Jakarta 12190 (tel: 515-1984; fax: 515-1985).

Indonesia Science Institute, Jl Jend. Gatot Subroto No. 10, Jakarta 12710 (tel: 525-1831).

Indonesian Bank Restructuring Agency, Komplek Bank Indonesia, Jl Budi Kemuliaan, building D, 10th Floor, Jakarta (fax: 231-1478).

Indonesian Embassy (USA), 2020 Massachusetts Avenue, NW, Washington DC 20036 (tel: (+1-202) 775-5200; fax:

(+1-202) 775-5365; e-mail: indonesia@dgs.dgsys.com).

Jakarta Stock Exchange (JSE), Jalan Mendeka Selatan 14, Jakarta Pusat (internet site: <http://www.jsx.co.id>).

Office of the National Land Agency (BPN), Jl Sisingamangaraja 2, Jakarta Selatan (tel: 722-2420, 739-3939).

Subroto, Kav 52-53, Jakarta (tel: 520-1613; fax: 520-1606).

US Embassy, Medan Merdeka Selatan 5, Jakarta (tel: 344-2211; fax: 386-2259; e-mail: jakconsul@state.gov; internet site: <http://www.usembassyjakarta.org>).

National news agency: Antara National News Agency

Wisma Antara Building, Floor 3, 19, 20, Ji. Medan Merdeka Selatan 17, Jakarta (tel: 384-3051; fax 386-5577; internet: www.antara.co.id/en).

Other news agencies: Indoexchange (for stock market news): www.indoexchange.com

Internet sites

IndonesiaNet Business Centre: <http://www.indonesianet.com/>

Yellow pages:

<http://www.yellowpages.co.id/>