

**Economic and Social Commission for Asia and the Pacific**  
7th Session of the Committee on Trade and Investment  
27-29 January 2021

**Indonesia – Statement on Agenda Item 2 on the review of recent trends and developments in trade and investment in Asia and the Pacific including impact of rising protectionism and COVID-19 pandemic**

*Thank you, Mr. Chairman.  
Distinguished ESCAP Member Delegates,  
Good afternoon to all of you.*

1. *It is a great honor for me to be here today to lead the Indonesian Delegation which will continue the day after tomorrow. The Indonesian Delegation wishes to convey its high appreciation to you, His Excellency Ambassador VANGELIS VITALIS. Our sincerest thank also goes to His Excellency Ambassador RACHMAT BUDIMAN of Indonesia and His Excellency Ambassador TUMUR AMARSANAA for taking up the task as our Vice Chairs. Last but not least, we would like to convey our gratitude to the ESCAP Secretariat for the present document and provide guidance on the future direction of the work of the secretariat in the substantive area of trade and investment in the Asia Pacific region.*
2. *I concur with the report that the COVID-19 pandemic has undeniably hit all countries with extensive economic consequences. In Indonesia the pandemic has affected trade and investment in three ways.*
3. *First, it has reduced our export as global demand has reached its lowest level. Second, it also decreases foreign direct investment as global capital dries up. Third, it hardest hits services sector, where a great number of our micro-small-and medium-sized enterprises are highly depending on tourism and travel-related activities.*
4. *Indonesia has revoked several export restrictive policies to ensure that any emergency trade measures taken in the context of the pandemic are targeted, temporary, do not create unnecessary barriers to trade and are consistent with WTO rules. Indonesia remains committed to working together globally and regionally to keep our markets open and render necessary trade facilitative measures.*
5. *The Government of Indonesia has also undertaken steps to facilitate and to strengthen international investment by increasing transparency and predictability of investment policies, through simplification and acceleration of investment requirement procedures, and to increase international cooperation in the investment sector.*
6. *Furthermore, the COVID-19 outbreak is likely to create unique supply chain challenges throughout the world. To tackle these prevailing supply chain challenges, Indonesia embraces multimethod solutions.*
7. *The Indonesian Government has provided “a level playing field” and “transparency and stability” in fiscal and political reforms to increase the attractiveness destination for Indonesia’s foreign investment. First, on the policy side, the government recently introduced the “omnibus law”, which is aimed to reduce red tape and eliminate unnecessary bureaucracy. Second, the government launches numerous public work*

*projects, which not only seeks to upgrade ailing infrastructures but also create jobs during the pandemic. Lastly, the Indonesian Government continues to boost collaboration with other countries the inauguration of RCEP (Regional Comprehensive Economic Partnership), in which Indonesia is actively involved, will be a strong growth driver for the regional value chain. Simultaneously, these efforts also could generate interesting opportunities for other ESCAP countries.*

8. *ESCAP needs to leverage the regional connectivity by upgrading infrastructure to support resilient economic development. To meet the gigantic infrastructure development demands, we need to tap private resources through public-private partnerships (PPPs), mainly in energy and food security, rail and road networks, and the environment. To answer this challenge, the Indonesian Government launched numerous public works projects across the country. This initiative has dual objectives, first, to upgrade ailing infrastructures, and second, to create jobs during the pandemic.*
9. *These efforts are directed to create a more connected, resilient, and sustainable supply chain system, especially to overcome the side effects of the COVID-19 pandemic.*
10. *Trade facilitation and cross-border trade digitization measures initiatives are relevant key contribution of ESCAP, especially during this COVID-19 crisis.*
11. *Indonesia support ESCAP initiative to facilitate paperless trade in Asia and the Pacific to support Trade Facilitation Agreement implementation and the development of cross-border e-commerce.*
12. *Indonesia's National Single Window fulfills the basic principles of Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific (FA-PT), such as customs automation and electronic Single Window as general paperless policy initiatives.*
13. *Indonesia will continue to work closely and extend cooperation with ESCAP and members states in order to have a comprehensive view to bring the most benefit of FA-PT. I believe that the entry into force of the FA-PT on February 20<sup>th</sup>, 2021 will contribute to improve the paperless trade environment in the Member States and enhancing intra-ESCAP members' trade. It is our intention to seek possibility to participate in the FA-PT in the near future.*
14. *To conclude, allow me to share that it is very timely for us to continue our support to the multilateral trading system under the auspices of the WTO. The member states of the ESCAP should bring the multilateral trading system into its new era.*

*I thank you, Mr. Chairman.*