



President Halimah Yacob, flanked by her husband Mohamed Abdullah Alhabshee and Salim Group executive director Axton Salim (left), on a tour of BLOCK71 Yogyakarta, a hub for budding entrepreneurs. Here, Kandang chief executive Ishaq Firdaus (right) is showing the delegation how his Internet of Things-based system can be used to automate and integrate livestock management. PHOTO: LIANHE ZAOBAO

Halimah: Vital to upkeep Singapore-Indonesia ties

Fast-growing Indonesian economy presents opportunities for collaboration, she says

Hariz Baharudin
In Yogyakarta

Indonesia's swiftly growing economy presents tremendous opportunities for businesses in Singapore, making it important to maintain the good relations between both neighbours, said President Halimah Yacob yesterday.

And the already close ties between Singapore and Indonesia can be strengthened further by, among other things, upholding the commitment from leaders on both sides for mutual prosperity and collaborating in areas that play to each other's strengths, she suggested.

Madam Halimah was speaking to Singapore reporters in an interview in Yogyakarta on the last day of her four-day state visit to Indonesia, during which she highlighted areas of cooperation between the two countries and the need to find new ways to strengthen ties.

"Indonesia is one of the fastest-growing economies dealing with the digital economy. This presents tremendous opportunities for our businesses in the area of IT infrastructure, data services, fintech and artificial intelligence," she said.

"These are areas where there are a lot of possible synergies between Singapore and Indonesia, for Singaporean businessmen and Indonesian businessmen to develop."

Indonesia's Internet economy is the largest and fastest-growing in the region, on track to cross the US\$130 billion (S\$180 billion) mark by 2025, according to a report last October by Google, Temasek and global business consultants Bain & Company.

Trade and investment ties between Singapore and Indonesia are close, with total trade amounting to \$65 billion in 2018, a 9.4 per cent rise over the previous year.

Singapore has also been Indonesia's top foreign investor for the

past six years.

One such collaboration bearing fruit is the 2,700ha Kendal Industrial Park – a joint venture between Singapore's Sembcorp Development and Indonesia's industrial estate developer Jababeka – which officially opened in 2016. It has since attracted investments valued at US\$843 million and will create more than 8,000 jobs, which Madam Halimah said yesterday was a "very significant" figure.

She added that she had good, substantive discussions with President Joko Widodo and other Indonesian leaders, and they noted that bilateral ties were excellent. The relationship is also broad and multifaceted, covering areas from the economy to security to culture.

A key priority area for Indonesia and Mr Joko is human resource development, a field in which Singapore has already been helping its neighbour, said Madam Halimah.

She noted that Singapore and Indonesia had signed more than 20 agreements to conduct training programmes to help thousands of Indonesian officials and trainers scale up and better meet the demands of

VAST POTENTIAL

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PRESIDENT HALIMAH YACOB

an ever-changing digital economy. During her state visit, Madam Halimah met Mr Joko in Bogor and they witnessed the signing of an updated avoidance of double tax agreement.

In Jakarta, she met Vice-President Ma'ruf Amin, Indonesian religious and interfaith leaders, businessmen as well as Singaporeans living in Indonesia. She also visited a humanitarian project started by the Singapore International Foundation.

In Yogyakarta, she met and was hosted to dinner by Governor Sri Sultan Hamengkubuwono X, and they discussed ways to further strengthen cooperation, especially in areas such as smart cities development, cultural cooperation, entrepreneurship, and exchanges between universities.

Madam Halimah also had a dialogue with Gadjah Mada University students and visited BLOCK71 Yogyakarta, a start-up incubation community established by NUS Enterprise in partnership with Indonesia's Salim Group.

She said she was happy to see people-to-people collaborations between organisations of both countries, and called for more platforms for their people to have conversations, as this would reflect a strong shared commitment for peace, growth and prosperity.

She added that by leveraging each other's strengths and capabilities, "we can grow faster together, to benefit both our countries".

President Halimah returned to Singapore yesterday.

harizbah@sph.com.sg