

Asia Competitiveness Institute – Universitas Pendidikan Ganesha Webinar

Bali's Roadmap to Recovery: Post-Pandemic Economic Strategies

Summary of speeches/presentation

Opening Remarks by Guest of Honour

*Dr. Ir. Tjokorda Oka Artha Ardana Sukawati, M.Si.
Vice Governor
Bali Province*

The Vice Governor's speech highlighted two critical post-pandemic economic strategies. The first concerns the pivot towards the [digital economy](#). The Vice Governor emphasised the [integration of digitalisation in regional innovations](#) and the economy as the key drivers of growth. However, integration at this level presents considerable challenges to Bali. Secondly, the Vice Governor drew attention to the [importance of productivity growth in Bali's leading sectors](#) such as [agriculture, fisheries and local MSMEs](#). The productivity growth, he exclaimed, will [benefit from digitalisation](#). The Vice Governor has also underscored the [enabling of Bali's leading industry in exportation](#). Establishing a supply chain from Bali to other provinces will considerably drive Bali's economic growth.

Welcome Remarks

*Professor Paul Cheung
Director
Asia Competitiveness Institute, Lee Kuan Yew School of Public Policy*

Prof Cheung noted the monumental impacts of COVID-19 on economies around the world and suggested that it is now imperative to focus the topic of [discussion on post-pandemic recovery strategies](#). He highlighted several potential sectors of growth in Bali to diversify the economy and reduce reliance on tourism, such as the [agriculture and digital sectors](#).

Welcome Remarks

*Dr. Gede Adi Yuniarta, S.E.Ak, M.Si.
Dean
Fakultas Ekonomi, Universitas Pendidikan Ganesha*

Bali, as a world tourist destination, has been severely impacted by COVID-19. [While dependence on the tourism sector has served Bali well in the past](#), the Dean drew attention to its [vulnerability during global crises](#). For this reason, the Dean highlighted the need for [sectoral diversification](#). In the speech, the Dean called for [dialogues](#) related to Bali's development strategy and prompted the [government to consider the outcomes](#) of these discussions [in its decision-making process](#). Furthermore, the Dean denoted that [economic development does not only concern the government – the private sector and academia have an equally vital role to play](#). Hence, with the participation of tripartite stakeholders, this webinar is apt in illuminating Bali's post-pandemic economic strategies.

Background Presentation of ACI's Provincial Assessment of Bali

Cheah Wen Chong
Researcher

Asia Competitiveness Institute, Lee Kuan Yew School of Public Policy

ACI presented the background to socio-economic conditions and developments in Bali, to guide the discussion in later parts of the webinar. The presentation introduced the overview of the economy of Bali which is **dominated by the tourism sector but noted the high growth rate of the ICT sector**, which is in line with the province's digitalisation strategies. ACI identified several proactive strategies by the government of Bali to approach tourism in the post-pandemic world such as **reorganising and improving infrastructure in rural areas of the province, promoting Bali as a MICE destination, and the Work from Bali campaign**. The presenter highlighted the **creative and lifestyle, and agriculture industries as potential growth sectors that could be leveraged on with digitalisation initiatives**. The presenter then provided an overview of the province via five themes: economic dynamism, labour market, infrastructure strategy, social development, and governance. The presenter suggested that the **pandemic had accelerated several long-term goals** set by the government.

Keynote Speech

I Wayan Wiasthana Ika Putra., S.Sos., M.Si.

Head

Regional Development Planning Agency (Bappeda) of Bali

Bappeda's presentation provided a summary of the **effect of the pandemic on work hours, GDP, poverty, unemployment rate, human development index, and wealth inequality**. Near-term goals for the province involve controlling the pandemic and the vaccination program, gradual reopening and re-entry of tourists, and international cooperation to attract foreign visitors while maintaining health protocols. In the longer term, the province targets a continuous **transformation of the economy, comprising diversification from primary value-added products to the expansion of homegrown crafts**.

The presentation went into detail on the **linkages** of various industries in which products in the primary sector (e.g. agriculture and fisheries) feeds into the secondary sector (e.g. food and beverage, and woodwork industries), which in turn feeds into the services industry (e.g. accommodation, food and drinks services, and business services). The presentation then introduced **priority development programs of Bali, including new drivers of growth in the agriculture sector, the creative economy, a realignment of tourism, education, and digital payments**.

The government targets **quality tourism, which includes eco-sustainable services, digitalisation solutions, and high-value tourists**. For agriculture, the government proposed a **concurrent two-fold approach: the first involves the acceleration of agriculture technology from upstream to downstream stages, while the second consists of the implementation of organic agricultural systems**. The COVID-19 pandemic has prompted a change in people's habits from cash to non-cash transactions due to physical contact restrictions, thus spurring the **development of infrastructure related to digital payments**.

Distinguished Presentation 1

Dr. Drs. Panudiana Kuhn, MM., MAP.

Head

DPP APINDO Bali's Board of Trustees

Even though Bali has reopened its international border on 14th October, it has yet to receive international visitors. The presenter attributed this to restrictive quarantine procedure (mandatory 5-days quarantine) and limited allowable stay period (average of 1 week). In his presentation, Apindo highlighted the **need**

for a [speedy economic recovery](#), particularly in its "Main Business", the tourism sector. Besides the hotels and restaurant businesses, the presenter revealed that the [local MSMEs faced high barriers to cross-border exportation due to the halt in international flights](#) – export containers were instead redirected to Jakarta's port which increased container cost up to 500%. The presenter [expected the economy to recover within 2-3 years if direct flights with its Southeast Asian neighbours were reinstated](#). To encourage tourism sector recovery, the presenter also [suggested the relaxation of international travel procedures and policies](#).

Distinguished Presentation 2

Dr. Luh Indrayani, S.Pd, M.Pd

Lecturer

Fakultas Ekonomi, Universitas Pendidikan Ganesha

Undiksha's presentation provided statistics on COVID-19 impacts on Bali's macroeconomic and social development indicators. The presenter also demonstrated the [volatility in the exportations of commodities and consumer products during the pandemic year](#). Subsequently, the presentation highlighted three key economic recovery strategies: 1) [Economic diversification to other sectors such as MSMEs, agriculture and fisheries](#); 2) [digital payment via QRIS \(Quick Response Code Indonesia Standard\)/QR code](#) and 3) [accelerate the tourism sector recovery](#).