

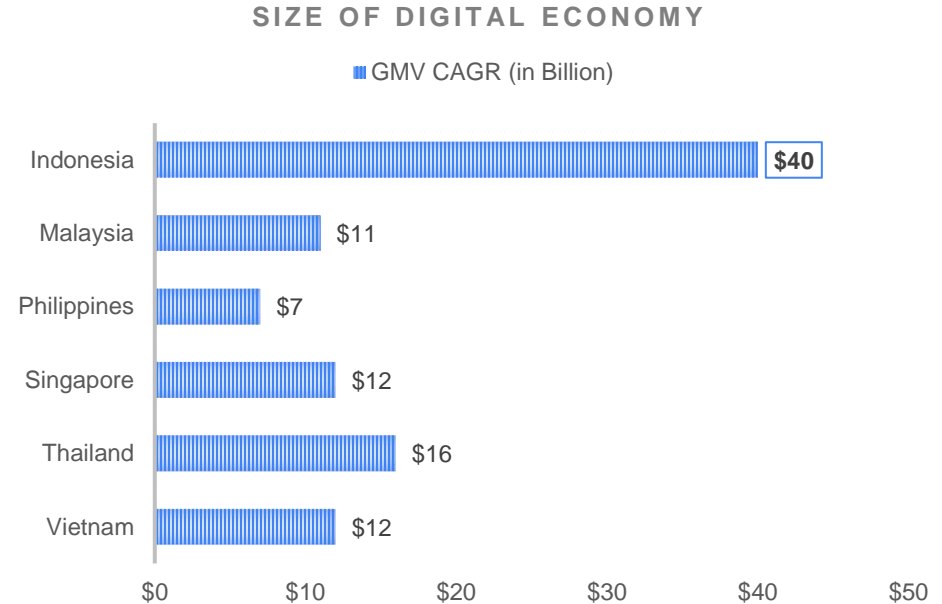
Big and Growing: Getting Indonesia Ready for e- Commerce

Bridging the gap by developing Indonesia's digital economy

Overview

A Large & Growing Digital Economy

- **Largest digital economy in Southeast Asia.**
- **Massive potential to still growing as digital transformation is still on-going.**
- **E-Commerce flourished and is potentially still growing.**



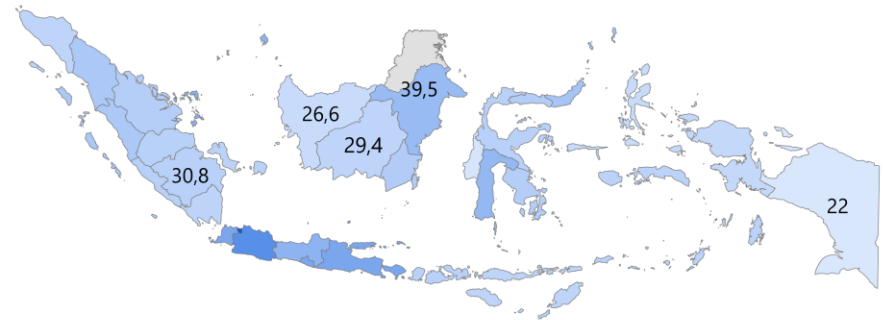
Source: Google, Temasek, & Bain & Company, 2020

Overview

The Indonesian Government is Overcoming the Challenges

- Internet is not evenly in a good quality & affordable, compared to ASEAN countries
- Digital competences are yet to be well-developed
- Some regulations are complex, while implementation remain weak.
- Indonesian government is striving to bridge the gap.

INDONESIA'S PROVINCIAL DIGITAL COMPETITIVENESS LEVEL



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Source: East Venture, 2021

DEA Readiness Scorecard

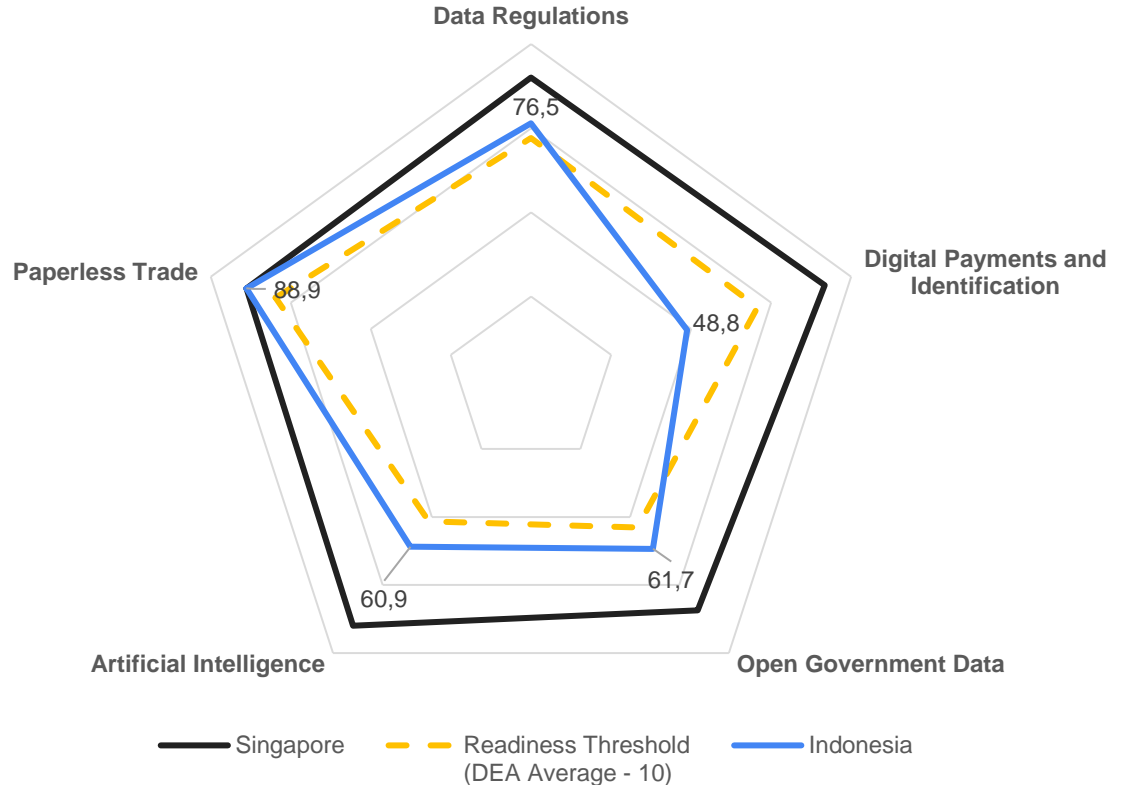
Indonesia's Readiness for DEA Collaboration

- **Ready for DEA**

Data Regulations, Open Government, Paperless Trade and Artificial Intelligence are ready-to-collaborate sectors

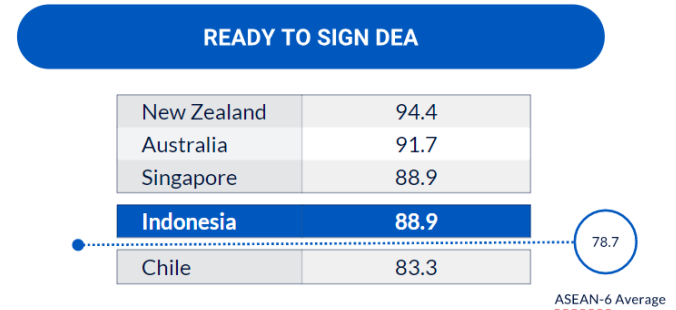
- **Not Ready for DEA**

Digital payment and identification might need to be further developed



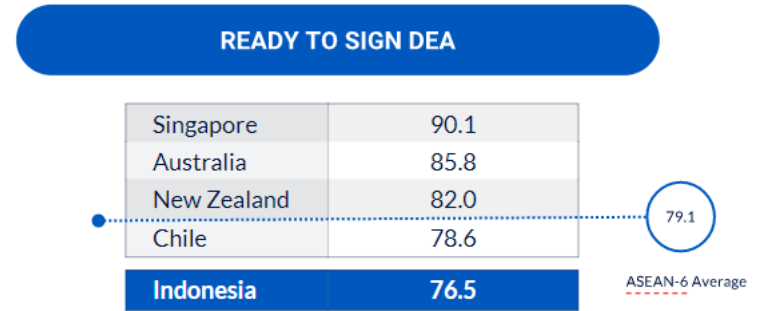
Paperless Trade

- **Indonesia has established a National Single Window (INSW) in 2008**
- **Indonesia has joined ASEAN Single Window (ASW) in 2019.**
- **Online Single Submission (OSS) is available for business registration**
- **Digital signatures has been implemented by the MOT for trade agreements.**



Data Regulations

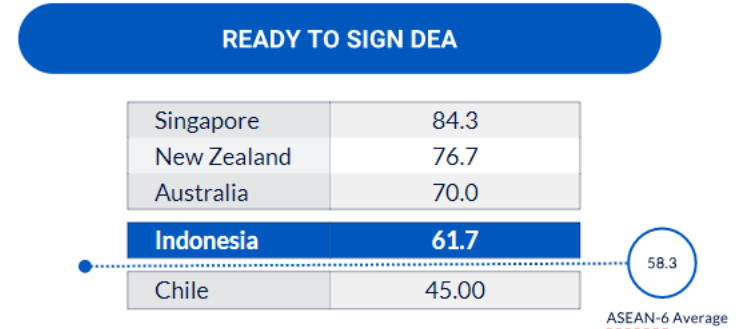
- **Cross-border data flows are allowed under Government Regulation no. 80/2019 (GR80)**
- **Data localisation are not mandatory for private firms under the Government Regulation no. 71/2019 (GR71)**
- **Still, a Personal Data Protection (PDP) Act is still on progress.**
- **Data protection remains lacking in implementation.**



DEA Readiness Scorecard

Open Government

- **Indonesia has initiated the Satu Data Indonesia (SDI) – an integrated data access point.**
- **SDI has not covered all data, instead each government institutions and ministries have their own PPID/data websites.**
- **Not all of the data are in ready-to-use format.**
- **BPS websites and MOT websites hosts useful and accessible trade data.**



Artificial Intelligence

- AI digital talent remains lacking and AI regulation is still absent.
- The Indonesian government attempts to upskill the digital competencies of many part of the communities.
- Indonesia established National AI strategy 2025 – the foundation for future AI regulation.



DEA Readiness Scorecard

Digital Payments and Identification

- Overall bank account ownership is yet-to-be optimal, let alone digital payment.
- Regardless, the number of digital payment is big.
- Digital identification exists, however, remains less interoperable.
- Blueprint for Indonesia Payment System 2025 (BSPI) sets the way forward.

NOT READY TO SIGN DEA

Singapore	91.8
New Zealand	81.1
Australia	80.8
Chile	80.3
Indonesia	48.80

60.2

ASEAN-6 Average

DEA Readiness Scorecard

Summary

	Indonesia
Data Regulations	✓
Digital Payments and ID	✗
Paperless Trade	✓
Artificial Intelligence	✓
Open Government Data	✓

Collaboration in Artificial Intelligence, Data Regulations, Open Government, and Paperless Trade is recommended

Paperless trade, open government are the two ready-to-collaborate aspects. Artificial intelligence, on the other hand, could be more explored based on its newest AI Strategic Plan 2025. Talks about data regulation could also be started based on the existing practices.

Collaboration in Digital Payment and Identification might have to wait.

Indonesia still has to improve its digital payment. However, along with the establishment Blueprint of Indonesia's Payment System 2025 (BSPI), Indonesia is hoped to soon advance it's digital payment system.