



Current State of Digital Economy in Indonesia

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Topics

- Indonesia Digital Profile
- IT Resources
 - Policy/Regulation
 - Infrastructure
 - Application
 - People
 - Information
- Challenges
 - Local Product
 - Trans Pacific Partnership (TPP)
 - Regional Comprehensive Economic Partnership (RCEP)
- Research Topics on DE at UI





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e-Leadership

“era ekonomi beratif”
→ harus menjadi tulang punggung
ekonomi Indonesia



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McKinsey's Report

McKinsey&Company

2 billion
Internet users worldwide

PAKET KEBIJAKAN EKONOMI XIV

PETA JALAN SISTEM PERDAGANGAN NASIONAL BERBASIS ELEKTRONIK
MEMBANGUN PRANATA DAN EKOSISTEM PERNIAGAAN YANG LEBIH EFISIEN

Menempatkan Indonesia sebagai negara dengan ekosistem digital terbaik di Asia Tenggara pada tahun 2020, mendorong kreatif, inovasi, dan inovasi negosiasi elektronik baru di kalangan generasi muda, dan memberikan kepastian dan ketertiban dalam berusaha dalam penerapan e-commerce

93,4 JUTA PENGGUNA INTERNET
71 JUTA PENGGUNA SMARTPHONE

DITARIBERITA TERCIRIPTA
1.000
TECHNOBRENEURS

Diperkirakan USD 75 Milliar dan
USD 310 Milliar

MEMPERMUDAH & MEMPERLUAS AKSES PENDANAAN
INSENTIF PERPAJAKAN
PERLINDUNGAN KONSUMEN

PENINGKATAN KEMAMPUAN SUMBER DAYA MANUSIA
PENINGKATAN SISTEM LOGistik NASIONAL (SISLOGNAS)
PERCEPATAN PEMBANGUNAN INFRASTRUKTUR KOMUNIKASI
KEAMANAN SIBER

Ministry of National Economy and Finance
Republik Indonesia

www.kemnaker.go.id www.kemendag.go.id www.kemendikbud.go.id

Indonesia Digital Economy Vision - 2020

- A game-changing Strategic Plan **focused on SMEs**. ↑ participation in national economic building
- **e-Commerce Roadmap**, 31 strategic initiatives across 8 ministries → USD 310 Bio e-commerce transaction by 2020
- **FDI friendly policies** to attract Tech investing
- Facilitating **greater access to funding** → digitization of the SMEs and rapid growth of quality startups establishment

Indonesia Digital Economy Vision - 2020

- Attractive environment by deepening liquidity for
- Pro Innovation
 - 1000 Digital Startup
 - “Safe Harbor” and boost it players



Sebuah gerakan untuk mewujudkan potensi Indonesia menjadi *The Digital Energy of Asia* di tahun 2020 dengan mencetak 1000 startup yang menjadi solusi atas berbagai masalah dengan memanfaatkan teknologi digital.

Ubah Potensi Jadi Aksi, Sekarang!

1000startupdigital.id

[DAFTAR](#)

Presidential Decree 74 / 2017 – e-Commerce Roadmap 2017-2018

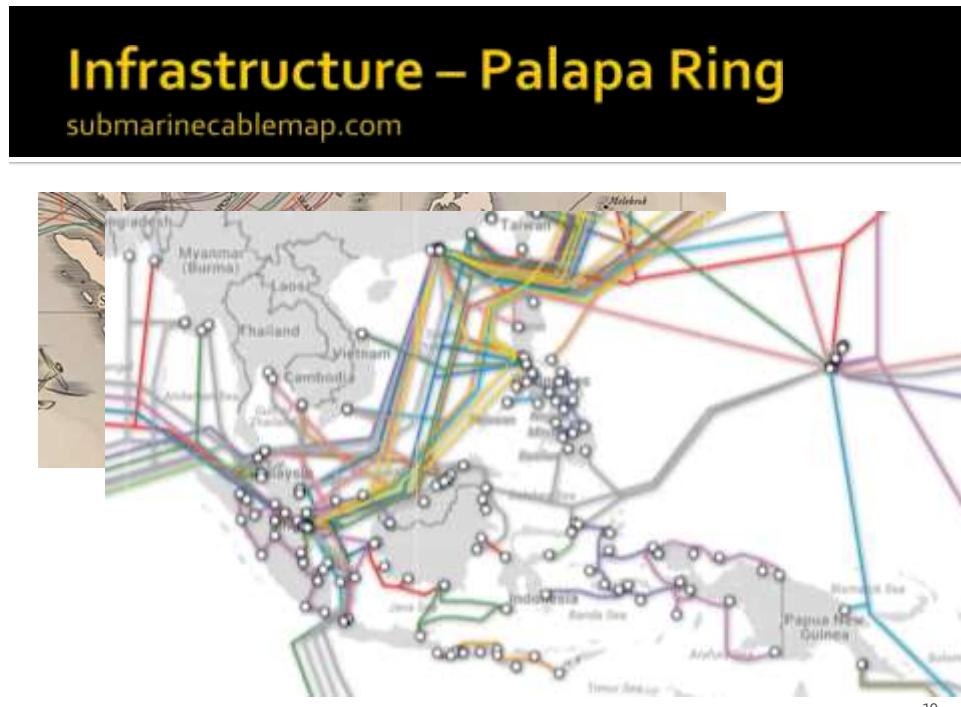


1. Funding
2. Taxation
3. Consumer Protection
4. Education and HR
5. Infrastructure





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Infrastructure - Digital Divide



Research:

1. ICT Acceptance among Fishermans (Ruldeviyani, Prasetiawan, Sucahyo 2015)
2. ICT Acceptance among Farmers (Ruldeviyani, Rahayu, Sucahyo 2015)

Application – e-Commerce (1)

■ Classified Ads



■ Marketplace



Application – e-Commerce (2)

■ Online Retail



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Application - Unicorns



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2017 – Digital Government Ranking (Waseda)

THE 13TH WASEDA – IAC

1. Ranking in Asia-Pacific Countries



Table 7: D-Government Ranking in Big Population Countries

People - Internet Users Profile



Research: APJII-UI
Internet Usage in Indonesia

People – Social Impact (Tuesday, 22 March 2016)

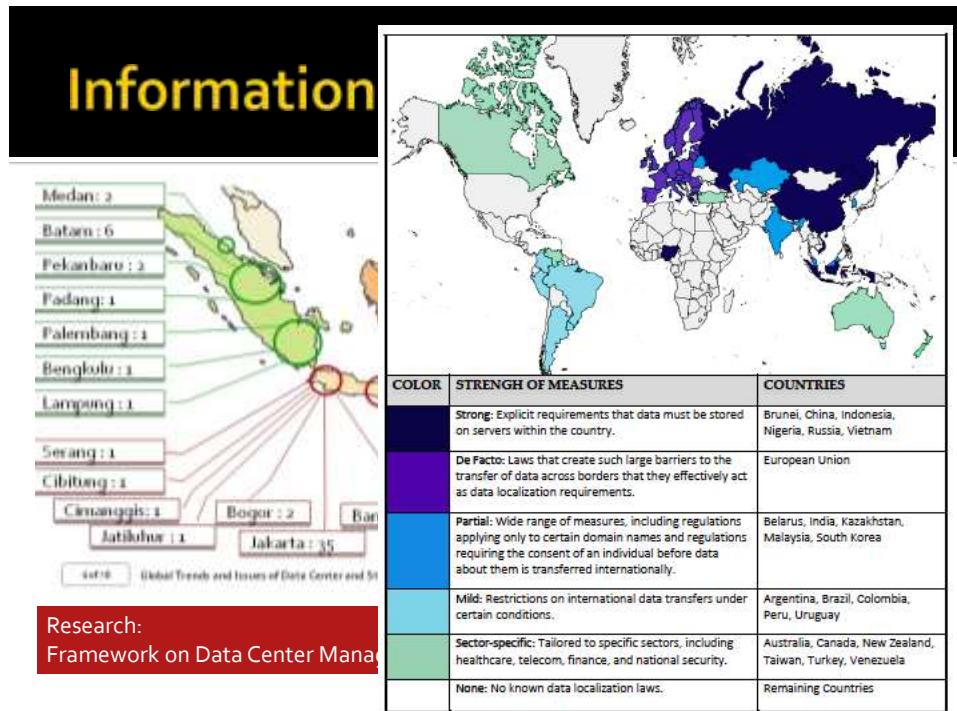


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Information - Data Localization

- Government Regulation 82/2012 concerning Electronic System and Transaction Operation
- Article 8
 - (1) Providers who develop software created specifically for an Agency must submit the source code and documentation of the Software to the agency concerned.
- Article 17
 - (2) Electronic System Operator for the public service is obligated to put the data center and disaster recovery center in Indonesian territory for the purpose of law enforcement, protection, and enforcement of national sovereignty to the data of its citizens.

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Government Regulations

The status of e-commerce law in ASEAN

	Electronic transactions	Privacy	Cyber crime	Consumer protection	Content regulation	Domain names
Indonesia	✓	✓	✓	---	✓	✓
Malaysia	✓	✓	✓	✓	✓	✓
Philippines	✓	✓	✓	✓	✗	✓
Singapore	✓	✓	✓	✓	✓	✓
Thailand	✓	---	✓	✓	---	---
Vietnam	✓	---	✓	✓	✓	✓

✓ Enacted --- Draft or partial ✗ Missing

Sources: UNCTAD; A.T. Kearney analysis

Future Challenges – Local Product, Taxation

Google pays back taxes owed to Indonesia since 2015

STEVEN H.

SPONSORED CONTENT

- idEA (Indonesia e-Co)
- The emergency situat
- Only 6-7% local prod
- Marketplace in Indon
- Huge investments of
-but... promoting ir

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Future Challenges – Trans-Pacific Partnership (TPP)

- 30 chapters of trade agreement among twelve Pacific Rim countries, 7 years of negotiation, signed on 4 February 2016 in Auckland, NZ.
- Membership: US, Australia, NZ, Canada, Mexico, Peru, Chile, Japan, Singapore, Brunei, Vietnam, Malaysia



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TPP – Chapter 14: e-Commerce (1)

- Article 14.3: Customs Duties
- Article 14.4: Non-Discriminatory Treatment of Digital Products
- Article 14.5: Domestic Electronic Transactions Framework
- Article 14.6: Electronic Authentication and Electronic Signatures
- Article 14.7: Online Consumer Protection
- Article 14.8: Personal Information Protection
- Article 14.9: Paperless Trading
- Article 14.10: Principles on Access to and Use of the Internet for Electronic Commerce

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TPP – Chapter 14: e-Commerce (2)

- Article 14.11: Cross-Border Transfer of Information by Electronic Means
- Article 14.12: Internet Interconnection Charge Sharing
- Article 14.13: Location of Computing Facilities
 - No Party shall require a covered person to use or locate computing facilities in that Party's territory as a condition for conducting business in that territory.
- Article 14.14: Unsolicited Commercial Electronic Messages
- Article 14.15: Cooperation
- Article 14.16: Cooperation on Cybersecurity Matters
- Article 14.17: Source Code
- Article 14.18: Dispute Settlement
- <http://apide.org/2016-business-offsite-report/>

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TPP – Regional Comprehensive Economic Partnership (RCEP)

- Proposed FTA between ASEAN (Brunei, Myanmar, Cambodia, Indonesia, Laos, Malaysia, Philippines, Singapore, Thailand, Vietnam), Australia, **China**, India, Japan, South Korea, NZ.

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**Research Topics on Digital Economy at
Faculty of Computer Science –
Universitas Indonesia**

Online gig economy,
Personal data protection,
e-Marketplace configuration,
Startup development

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Capturing the Online Gig Economy Players' Appearance in Indonesia

- Identify the society's participation in Indonesia as online gig economy (OGE) players
- Mapping the distribution of OGE players in Indonesia
- Evaluating the contribution of OGE players in Indonesia to the national economy
- Constructing the influencing factors OGE players' participation in Indonesia digital economy

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Personal Data Protection on Application-based Gig Economy

- Evaluating the policy of customers' personal data protection on online transportation
- Investigating how the riders/drivers in online transportation manage/leverage the customers' personal data
- Assessing the customers' perception of online transportation on personal data protection

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Capturing Tenants' Characteristics on e-Marketplace

- Comparison tenant on e-marketplace in uni-platform based vs multi-platform based
- Measuring information security awareness of tenant on e-marketplace
- Modelling the digital literacy of tenant on e-marketplace
- Modelling the capability level of tenant on e-marketplace

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Modelling the Startups' Characteristics and Portfolio in Indonesia

- Identifying Indonesian society's participation in startup establishment
- Evaluating startup's contribution to the national economy
- Modelling the startup's life-cycle in Indonesia
- Identifying the factors influencing business sustainability on startup in Indonesia
- Modelling the capability level of startup in Indonesia

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Thank you

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