

Fact Sheet

Strengthening Japan-Indonesia Bilateral Cooperation for the Next Generation

16 December 2023

Today, Prime Minister KISHIDA held a summit meeting with President Joko Widodo of the Republic of Indonesia, who is visiting Japan to attend The Commemorative Summit for the 50th Year of ASEAN-Japan Friendship and Cooperation. In September of this year, which also marks the 65th anniversary of the establishment of diplomatic relations between Japan and Indonesia, the two countries concurred to elevate the bilateral relationship to a Comprehensive and Strategic Partnership in light of the longstanding friendship and the progress of cooperation in various areas, thereby further strengthening bilateral relations.

The progress of bilateral cooperation between Japan and Indonesia has contributed to Indonesia's development to date, particularly through economic relations and economic cooperation. At present, almost 2,000 Japanese companies with about 7.2 million of Indonesian employees are operating throughout Indonesia, and together they contribute approximately 8.5 per cent to Indonesia's GDP and nearly 25 per cent to its exports. In addition, as the two countries are working closely together towards Indonesia's sustainable growth, Japan remains Indonesia's largest aid donor and, on a cumulative basis, Indonesia remains one of the largest recipients of Japanese ODA.

In the meantime, it is obvious that the cooperation between the two countries also covers broader-ranging areas such as the promotion of the initiatives of the “Free and Open Indo-Pacific” and the “ASEAN Outlook on the Indo-Pacific”, addressing the issues of climate change and energy transition, strengthening security cooperation, and deepening people-to-people ties toward the future.

Looking to the future, Japan intends to further enhance our cooperation with Indonesia under the Comprehensive and Strategic Partnership, including by deepening the bilateral cooperation and initiatives as well as developing the achievements thereof as exemplified below.

- **Strengthening Transportation and Traffic Connectivity**
 - **Jakarta Mass Rapid Transit (MRT) Development:** Japan will continue to support the extension of the MRT North-South Line. Japan will also advance cooperation on the MRT East-West Line.
 - **Patimban Port Development:** This project aims to improve the port's capacity and the logistics in the Jakarta metropolitan area. Japan will promote the port's expansion,

construction of Access Toll Road, and technical cooperation such as operation and maintenance support. In addition, a joint port operation by Japanese and Indonesian companies will also be promoted.

- Bekasi Automobile Proving Ground Project: Japan is building the Automotive Proving Ground in Bekasi. This project and the Patimban Port Development Project will together facilitate the export of automobiles produced in Indonesia.
- Technical Cooperation for Transit-Oriented Development (TOD): Japan will support the Indonesian government to enhance its coordination capacity in the TOD.

- Cooperation in Maritime and Outer Islands Development

- Provision of Patrol Vessel and Fisheries Patrol Vessels: Japan has decided to provide a large patrol vessel to the Indonesian Coast Guard (BAKAMLA) (Today the Foreign Ministers of both countries exchanged notes concerning the grant in the presence of the two leaders). In addition, Japan granted two fisheries patrol vessels owned by the Fisheries Agency of Japan to the Ministry of Maritime Affairs and Fisheries of Indonesia after refurbishment, one in June and the other in October of 2023. Japan will continue to support capacity building in maritime law enforcement.
- Development of Fisheries Ports and Markets: Japan will promote the development of fishing ports and markets in the outer border islands of Natuna (Riau Islands Province), Sabang (Aceh Province), Biak (Papua Province), Morotai (North Maluku Province), Moa (Maluku Province), and Saumlaki (Maluku Province) as well as those in local areas such as Likupang (North Sulawesi Province), coupled with promotion of technical cooperation including for value-adding of fisheries products.

- Cooperation on Development of the New Capital "Nusantara"

- Technical Cooperation Support: In addition to supporting the improvement of construction quality assurance on basic infrastructure in the new capital, Japan will support the formulation of a regional development master plan for East Kalimantan Province covering the new capital, Balikpapan, and Samarinda. In the meantime, Japan will continue to provide information to Japanese companies interested in investing in the new capital.

- Support for Legal System Development

- Technical Cooperation in Improvement of Business Environment: Japan has been providing assistance for capacity building of legal drafters, strengthening of efficient and fair dispute settlement mechanisms, and intellectual properties with a view to improving the business environment.

- Information and Communications Cooperation

- Establishment of Disaster Prevention Information System: To establish an early communication system for disseminating disaster prevention information such as on tsunami in Indonesia.
 - Technical cooperation in the field of cyber security: Japan provides training courses for University of Indonesia on human resource development exclusively for cyber security.
- Agricultural Cooperation
 - Development of Irrigation Facilities: Japan continues to promote the development of irrigation facilities in the Rentang district in West Java Province and the Komerling district in the provinces of South Sumatra and Lampung.
 - Technical Cooperation: Japan will promote assistance for the improvement of agricultural product distribution systems in the Jakarta Special Capital Region and West Java Province.
- Science and Technology Cooperation
 - Japan will strengthen research cooperation with Indonesia by utilizing the newly launched project to support international joint research and research personnel exchange and development between ASEAN and Japan.
 - Japan will continue to promote joint research by Japanese and Indonesian universities and other research institutions in the four research fields of environment/energy, bioresources, disaster prevention and mitigation, and infectious diseases control under the Science and Technology Research Partnership for Sustainable Development (SATREPS).
 - Under the Strategic International Collaborative Research Program (SICORP) promoted by the Japan Science and Technology Agency (JST), Japan will establish a center in Indonesia in the field of bioresources and biodiversity to promote joint research.
- Health Care Cooperation
 - Japan supports the establishment of the ASEAN Centre for Public Health Emergencies and Emerging Disease (ACPHEED), one of the offices of which will be established in Indonesia, through the Japan-ASEAN Integration Fund (JAIF).
 - Provision of Medical Equipment: Japan delivered mobile X-ray machines with AI functions to 102 hospitals throughout Indonesia. Japan also provided ICUs using telemedicine to the University Hospital of Indonesia and Hasanuddin University Hospital.
 - As a project of the Grant Assistance for Grassroots Human Security, Japan has provided various assistance in the field of health and medical care, including the

provision of ambulances in South Papua Province.

- Technical Cooperation in the field of Maternal and Child Health: Japan has provided support for the Maternal and Child Health Handbook in Indonesia for 30 years since the early 1990s. The usage rate of the Handbook is now more than 80% in Indonesia and the Indonesian government is sharing its accumulated knowledge with third countries by providing training.
- Strengthening Economic Partnerships
 - Today, the two leaders of Japan and Indonesia confirmed the substantial conclusion of negotiations for the amendments of the Japan-Indonesia Economic Partnership Agreement.
- Cooperation regarding the Organisation for Economic Cooperation and Development (OECD)
 - Japan welcomes Indonesia's expression of its intention to join the OECD and will promote assistance through the OECD and technical cooperation in order to contribute to advancing Indonesia's accession process.
- Support for Start-up Companies
 - Japan organized an event which invited proposals from start-ups in each ASEAN country. In this event, large companies from ASEAN countries and Japan set a theme on which they are keen to collaborate with the start-ups. In Jakarta, the event took place as part of a concrete cooperation project of the Japan-Indonesia Public-Private Economic Dialogue (Track 1.5), and a total of eight Japanese and Indonesian companies (AEON MALL, Jak Lingko/Nippon Koei, Credit Saison, Bank Danamon/Adira, PERTAMINA, Sinarmas Land/Living Lab Ventures, Lippo Group/Siloam Hospitals and Bluebird) set themes for the proposals. The themes attracted about 140 proposals from around the world, of which 23 companies made presentations.
- Cooperation with the Indonesian Chamber of Commerce and Industry (KADIN)
 - Japan will continue to promote collaboration and cooperation with KADIN to solve the issues faced by Japanese businesses.
- Cooperation in Energy Transition
 - Asia Zero Emissions Community (AZEC) Platform: Japan will steadily implement the 12 projects under the MOU between Japan and Indonesia that was concluded at the AZEC Ministerial Meeting on 4 March 2023. The two countries had discussions on decarbonization projects such as the Kayan Hydroelectric Power Plant and the Muara

Laboh geothermal power plant through the AZEC Japan-Indonesia Joint Task Force that had been agreed upon for inauguration in September 2023. Japan will continue to promote cooperation based on possible results from the upcoming AZEC Leaders Meeting on 18 December in Tokyo.

- Just Energy Transition Partnership (JETP): A Comprehensive Investment and Policy Plan (CIPP) was released on November 21, which outlines a pathway and specific investment projects toward the realization of the JETP. Japan will consider concrete support for this.
- Renewable Energy: Japan will continue to support renewable energy introduction and energy transition in Indonesia including through projects such as the Asahan No.3 Hydropower Plant (North Sumatra Province), Pusangan Hydropower Plant (Aceh Province), and Lumutbalai Geothermal Power Plant (South Sumatra Province).
- Carbon dioxide emission reductions by Japanese companies' activities: In collaboration with the Jakarta Japan Club (Japanese Chamber of Commerce and Industry in Indonesia), JETRO identified 554 decarbonization projects conducted by 217 Japanese companies and estimated the carbon dioxide emission reductions from these projects at 30 million tons per year.

- Environmental Cooperation

- Based on the Memorandum of Cooperation on Environmental Cooperation and the Comprehensive Environmental Cooperation Package, Japan is implementing bilateral cooperation in mangrove conservation and waste management. Japan will continue to promote comprehensive cooperation in areas such as climate action, environmental pollution control, circular economy, and biodiversity conservation.
- The Joint Crediting Mechanism (JCM): Japan and Indonesia have formed 55 projects so far and Japan will coordinate with Indonesia to support further project formulation and to revise JCM rules to be consistent with Article 6 of the Paris Agreement.
- Mangrove Ecosystem Cooperation: Since the 1990s Japan has implemented several technical cooperation in mangrove ecosystem and has supported the establishment and renovation of the Mangrove Information Centre (MIC) in Bali. Japan will continue to support improvement of sustainable mangrove conservation and management.
- Sewerage Facility Development: Japan will continue to support the development of Jakarta Sewerage facilities to improve the living and hygiene environment for residents and promote water environment conservation in Jakarta.

- Waste Management Cooperation

- Waste-to-energy: Japan is supporting the development of Legok Nangka waste

treatment facilities in collaboration with six municipalities including Bandung City. Japan is also supporting the Bekapur (Bekasi-Karawang-Purwakarta) waste treatment project in collaboration with three municipalities including Bekasi Regency.

- Technical Cooperation on Waste Management: Japan is implementing technical cooperation on appropriate waste management in West Java Province and East Java Province.

- Disaster Risk Reduction Cooperation

- Development of Volcanic Disaster Prevention Facilities: Japan will establish facilities for volcanic disaster risk reduction for Mount Sumeru (East Java Province) and other areas where significant damage was caused by volcanic eruptions over two consecutive years in 2021 and 2022.
- Development of Coastal Protection: Japan continues to rehabilitate the coastal area and promote capacity building of organizations in charge of coastal protection and maintenance management, in such areas as Kuta and Candidasa beaches in Bali, which are getting coastal erosion and beach loss.
- Central Sulawesi Earthquake Reconstruction Assistance: Japan will continue to work on the restoration and construction of infrastructure facilities including Palu IV Bridge and provide heavy construction equipment for Palu City, Central Sulawesi, which was damaged by the earthquake and tsunami in September 2018.
- Flood Control: Japan will promote cooperation to mitigate flood damage in cities vulnerable to flooding, including the Jakarta Metropolitan Area, through river improvement, dam upgrading under operation, and making master plan.

- Strengthening Security and Defense Cooperation

- In February and May 2023, training ships and destroyers of the Japan Maritime Self-Defense Force conducted goodwill training with the Indonesian Navy and made port calls at Bitung and Jakarta.
- In August 2023, Japan Ground Self-Defense Force (JGSDF) participated in a field training exercise with Indonesia and the US (Super Garuda Shield 2023) following on from last year.
- In June 2023, the Japan dispatched JGSDF personnel as instructors for heavy engineering equipment operation training in Indonesia under the United Nations (UN) Triangular Partnership Programme, a framework for capacity building support for peacekeeping personnel.
- The Japan Ministry of Defense has dispatched Japanese language teachers to the Indonesian Ministry of Defense's Language Education and Training Center to improve the capacity of Indonesian instructors for the Japanese language and enable

them to provide advanced instruction by themselves. In addition, the Ministry of Defense has shared its knowledge in the field of humanitarian assistance and disaster relief with the Indonesian Ministry of Defense and the National Armed Forces, thereby contributing to the improvement of Indonesia's disaster response capabilities.

- Strengthening Cooperation against Terrorism and Transnational Crime
 - In October 2023, Japan and Indonesia held the bilateral Counter-Terrorism Dialogue.
 - Amid the growing threat of transnational crime, the police authorities of the two countries signed the Memorandum of Cooperation in January 2023.
 - Japan has been providing assistance to the Indonesian National Police for more than 20 years, and the content of assistance has shifted from strengthening and promoting civil police activities to crime deterrence measures.
 - Japan's police authority has been implementing a program to give opportunities to young cadets of the Indonesian National Police to train with the Japanese police.

- Strengthening Human Resource Development
 - In terms of cooperation in human resource development, which supports Indonesia's economic growth, 58,478 Indonesian nationals are residing in Japan under the Technical Intern Training Program (as of the end of June 2023) and 25,337 under the Specified Skilled Worker system (as of the end of June 2023). These both represent the second largest in number by country, after Vietnam. Japan will provide support in human resource development through technical cooperation in the fisheries and care workers sectors to develop and expand the scale of Indonesian human resources in Japan.
 - The number of Indonesian students enrolled in Japanese higher education institutions is 4,709 (the 5th largest in the world), including 1,024 government-sponsored students, and Indonesia ranks first by country when it comes to the number of government-sponsored students (as of May 1, 2022). Under such circumstances, giving consideration to the April 2023 proposal by the Council for the Creation of Future Education that 400,000 international students be accepted in Japan by 2033, ASEAN, including Indonesia, has been set as a priority region in a policy package by the Ministry of Education, Culture, Sports, Science and Technology of Japan for international exchange centering on education and research ("*Sekai kakeru Manabino Plan*"). Study abroad orientations have been actively conducted also in Indonesia. In addition, many young people from Indonesia have been invited to Japan through the "Asia KAKEHASHI Project+(Plus)" and the "Sakura Science Exchange Program."
 - Since 1991, Japan has been supporting study abroad programs for Indonesian central and local government administrative officials to obtain degrees at Japanese graduate

schools as well as short-term practical training in Japan and Indonesia. To date, approximately 3,000 Indonesian administrative personnel have studied at Japanese graduate schools and other institutions.

- Akita University and Trisakti University opened a cooperation research office in September 2023. It will strengthen joint research on underground resources and academic exchange.
- In collaboration with the Ministry of Manpower and Ministry of Industry of Indonesia, Japan has supported the capacity building of trainers to improve productivity in the Indonesian government. Japan will also conduct training to improve the teaching skills of trainers in Indonesian manufacturing companies through productivity improvement activities.
- Considering that Islamic boarding schools (pesantren) play an important role in the formation of education and thought in Indonesia, Japan has invited Islamic boarding school teachers to promote understanding of pluralistic coexistence and tolerance through cross-cultural and interfaith dialogue and educational exchange. Japan will continue the program.

- Youth Exchange

- The Japan-East Asia Network of Exchange for Students and Youths (JENESYS) has invited over 5,400 Indonesian youths and has sent about 300 Japanese to Indonesia since 2007.
- The Japan Exchange and Teaching Programme (JET Programme) has sent 7 coordinators for international relations from Indonesia to various places in Japan as of 2023.
- The Japan Foundation has been actively supporting Japanese language learning in Indonesia and has dispatched a cumulative total of 933 people to various parts of Indonesia through the Nihongo Partners Program since FY2014.
- The Japan Foundation concluded a memorandum of cooperation with the Indonesian Ministry of Religious Affairs in September 2023 to promote Japanese language education and cultural exchange at Islamic educational institutions in Indonesia. Projects are being implemented on the basis of this memorandum.
- As a successor to the “WA Project”, the Japan Foundation plans to implement a comprehensive people-to-people exchange initiative through two-way intellectual and cultural exchanges and programs such as NIHONGO Partners, focusing on the next generation in Indonesia, other ASEAN countries and Japan.
- Jak-Japan Matsuri (JJM: Jakarta Japan Festival) has been organized as many as 13 times since 2009 through public-private collaboration in Jakarta. The last five JJMs attracted a total of over 200,000 visitors.

- Sports Exchange
 - As of 2022, as many as 170,943 Indonesian nationals have been beneficiaries of 228 projects of “Sport for Tomorrow,” an initiative to promote international exchange and cooperation through sports.

- Tourism Cooperation
 - As many as 323,500 Indonesian visitors arrived in Japan from January to October 2023, exceeding the pre-COVID-19 pandemic levels of 316,363 in 2019 (from Japan National Tourism Organization (JNTO) statistics). In FY2024, JNTO will consider organizing a Japan Travel Fair and a Japan Travel Business Meeting with the participation of local travel agencies and other relevant entities. The participation and promotion of JINTO in several travel expos in various parts of Indonesia will also be considered.

- Networking with the Next-Generation Leaders
 - JICA organized a symposium “Next Generation Leaders Seminar Connecting Indonesia and Japan” in November 2023 to commemorate the 65th anniversary of the establishment of diplomatic relations between Japan and Indonesia, with the aim of discovering and building a network of young leaders for future friendship between the two countries. The panelists discussed challenges for the future of Japan-Indonesia relations and cooperation.
