



**Long Term Business Volunteers – Emerging Markets Development Advisers Program
(EMDAP)**

**Quarterly Performance Report
January 1 – March 31, 2013**

**Leader with Associate Agreement (LWA)
EEM-A-00-04-00002-00**

**Associate Cooperative Agreement
No. 497-A-00-05-00042-00**

Prepared for the United States Agency for International Development (USAID)

Implementing Organization:

**INSTITUTE OF
INTERNATIONAL
EDUCATION**

Submitted: April 23, 2013

SUMMARY:

This report details the progress of three 2012-13 EMDAP Advisers on assignment in Indonesia during Quarter II of FY2013. The names and organizations of the Advisers sponsored by USAID/Indonesia are the following:

- Yvonne Chen - The American Chamber of Commerce (AmCham)
- Goolda Siahaan - The Employers Association of Indonesia (APINDO)
- Patrick Tangkau – The Chamber of Commerce and Industry (KADIN Indonesia)

TASKS COMPLETED THIS QUARTER:

- Provided ongoing support with any in-country issues.
- Monitored Advisers to ensure reports were submitted to IIE/VEGA/USAID in a timely manner.
- Disbursed funds to Advisers.
- Administered a 12 month extension for Goolda Siahaan.
- Administered a 12 month extension for Patrick Tangkau.

TASKS FOR NEXT QUARTER:

- Provide ongoing support with any in-country issues.
- Monitor Advisers to ensure reports are submitted to IIE/VEGA/USAID in a timely manner.
- Disburse funds to Advisers.
- Conduct annual mid-year Site Visit to evaluate each SEBAR Advisors' contributions, ensure satisfaction, and discuss the program to solicit information that is not captured in official reports.

VOLUNTEERS AND ASSIGNMENTS:

In order to assist Indonesia's private sector in developing, supporting, and advocating for better policies, USAID, in partnership with EMDAP, has provided Advisors for the American Chamber of Commerce (AmCham), the Employers Association of Indonesia (APINDO) and the Indonesian Chamber of Commerce and Industries' (KADIN) to initiate the Strengthening Business Associations for Reform (SEBAR) program.

SEBAR Objectives include the following:

- Strengthen economic analyses of issues, problems, and opportunities;
- Enhance advocacy efforts;
- Encourage working together in support of reforms.

The SEBAR Advisors' priority mandate is to assist their respective business associations - AmCham, APINDO and KADIN - in promoting a healthy investment and business climate for domestic and foreign investors in Indonesia. SEBAR is a sub-component to the overarching SEADI (Support for Economic Analysis Development in Indonesia) program that aims to strengthen Indonesia's research capabilities in the public and private sectors. Advisor activities are focused on assisting the associations analyze key issues and advocate for reforms that will accelerate Indonesia's growth towards continual and inclusive economic development. The Advisors are involved in each association's activities, including position paper research and preparation; periodical advocacy through outreach or roundtable discussions; Corporate Social Responsibility (CSR) projects; institutional capacity building, and cooperation building.

Technical Oversight:

The SEBAR Advisors report to their designated officials within each institution, and accept technical directions from the USAID Director of the Office of Economic Growth, (or his designee). SEBAR Advisors keep USAID informed of their work on a regular basis so that communication flows remain effective and continual progress is achieved between quarterly Association meetings. It is expected that the Advisors meet collectively with a USAID representative(s) on a monthly basis.

- 1. YVONNE CHEN**
POLICY ADVISOR
AMERICAN CHAMBER OF COMMERCE (AMCHAM), INDONESIA
Contact E-mail: yvonnechen2009@gmail.com
Assignment Period: 17 Months: September 10, 2012 - February 9, 2014

Ms. Yvonne Chen currently works for the American Chamber of Commerce (AmCham) under the USAID sponsored Strengthening Business Associations for Reform (SEBAR) program. Yvonne's mandate under SEBAR is to assist business associations, primarily AmCham as well as the Employers Association of Indonesia (APINDO), and the Indonesian Chamber of Commerce and Industries' (KADIN), in promoting a healthy investment and business climate for domestic and foreign investors in Indonesia. SEBAR is a piece of the overarching SEADI program that aims to strengthen Indonesia's research capabilities in the public and private sectors. The focus of her activities will be on assisting the associations to analyze key issues and advocate for reforms that will accelerate and make more inclusive Indonesia's economic growth from both an economic development and private sector lens.

During the second quarter of her assignment, Yvonne spent the majority of her time assisting the more active AmCham Indonesia committees with their advocacy and secretariat needs. This included requesting meetings with relevant government officials, taking minutes and organizing committee meetings. Yvonne also spent a lot of time writing articles for the website, which highlight policy issues that emerged from committee meetings. Some of the articles have reached a very high readership level because of their exposure in the biweekly newsletter. For example, her article that recapped research by the SEBAR team garnered over 700 hits to date and is the most popular article on the site to date. The biweekly newsletter requires on average four original features from the AmCham writing team, and Yvonne is only one of two regular writers on the team.

The most time-consuming event for Yvonne, which is of a seasonal nature and should not re-occur, was the event-planning activities for the annual Amazing Big Durian Race. The Race is a social event that AmCham's Young Professionals Committee organizes, and given the fact that the Chair decided not to participate in planning this year – Yvonne had to take on a leadership role and recruit some of her friends to help with the planning. Planning included writing an original list of about 100 scavenger hunt challenges, culling sponsors for winners' prizes, door prizes, recruiting a pro bono photographer, marketing the event with media partners such as Jakarta Globe and What's New Jakarta, writing press releases and post-event articles for the website, ordering t-shirts and a banner, and follow-up thank you's to sponsors and attendees.

The FDI study officially launched. As project manager, Yvonne was responsible for ensuring that the timeline was on track via one-on-one check-ins with the Ernst & Young (E&Y) project manager. This included compiling the list of companies and contact information in Indonesia that E&Y will use for the primary data gathering portion of the study. Given the poor quality of the Information Request list that was presented at the kick-off meeting, Yvonne worked with an ad hoc steering committee that formed in March, of AmCham governors and Embassy staff, to advise the E&Y team. She provided instruction to the executive assistant on how to disseminate the email announcements to companies about the study. She compiled edits on a cover letter from several different stakeholders, including US Chamber of Commerce, the ad hoc stakeholder committee and E&Y. She also compiled research about which companies have the largest share investors of American FDI and should be prioritized in the study, as well as provided edits to early drafts of E&Y's information request list and the outline of the final report.

A detailed report of all the activities that Yvonne performed in the past three months is outlined below.

Next quarter will be a continuation of the work Yvonne started in the first quarter. The most pressing activities in this next quarter will be ramping up SEBAR activities with Goolda and Patrick. Some committees that are also very active and require Yvonne’s immediate attention include the automotive, food, pharmaceutical and IT committee. Another important area outside of committee work is that Yvonne will be formally submitting input on key legislations for the trade, industry, telecommunications regulations, and the negative investment list.

PROJECT ACCOMPLISHMENTS:

Project	Accomplishment
Automotive Committee	<ul style="list-style-type: none"> ▪ Requested meetings with Coordinating Ministry of Economic Affairs to introduce the Automotive Committee, share the committee’s priorities with the government and to learn more about the debottlenecking service available to the industry that require coordinating agencies to fix business environment implementation problems - the meeting will take place on May 17. ▪ Set up meeting with Eurocham to discuss debottlenecking, gain advice and shared our priorities with their WG as to communicate shared issues for advocacy cooperation.
Education Committee	<ul style="list-style-type: none"> ▪ Wrote directions for website developer to build out opportunities database on committee page. The database will share information with companies about education and workforce development CSR opportunities in Indonesia.
Trade and Investment Committee	<ul style="list-style-type: none"> ▪ Wrote email alerts for three regulatory updates (industry draft law, 82 on cell phones, 29 on RPM domain names, and BKPM negative investment list).
Young Professionals Committee	<ul style="list-style-type: none"> ▪ Organized two social events to take place in April 2013 – the Amazing Big Durian Race; a legacy project of the previous EMDAP Adviser. This included

	<p>five planning meetings, creating budget, designing t-shirts, culling over 20 sponsors and other event coordinating activities such site visits and discussing with Executive Director and Functions Coordinator about their tasks and necessary permissions; and a social in May 2013.</p> <ul style="list-style-type: none"> ▪ Organizing a volunteer opportunity at Yayasan Goodwill in June 2013 - a legacy project of the previous EMDAP Adviser, which includes recruiting volunteers from the pool of Young Professionals.
Pharmaceuticals Committee	<ul style="list-style-type: none"> ▪ Helped to organize one planning meeting, answered inquiries from a new company about company-specific problem, and followed-up with Commercial Service about another meeting in April to plan for meeting with Ministry of Health. ▪ Indirectly supported committee by writing three news documents that focused on the health industry and related conducting business factors.
Ernst and Young FDI study	<ul style="list-style-type: none"> ▪ Provided a list of companies document for research purposes to EY. ▪ Liased with US Chamber of Commerce to write a letter of announcement for members - letter informed members about the study and its purpose and requested their cooperation in data collection.
Communications Team	<ul style="list-style-type: none"> ▪ Wrote 12 articles for website: on Food Law, industry draft law, RCEP, Asean integration, universal health care etc. ▪ Attended 10 events that were covered in some way through website articles I later wrote. These included some USAID SEADI events. ▪ Attended 12 editorial and communications' weekly meetings.

Joint Chamber activities	<ul style="list-style-type: none"> ▪ Attended APINDO foreign chambers event for input into industry draft trade law. ▪ Communicated with Ms. Oberman, SEA program person at US Chamber about various regulatory alerts and input into various issues (e.g. franchising, cell phone regulation, import license revisions, Bank Indonesia domestic capital requirements).
--------------------------	---

OBJECTIVES:

Objective	Timeline
Support the three Associations to cooperate in joint efforts and write and present joint position papers	January – March 2013
Collect data from Association members on trends and challenges in Indonesia’s investment climate through bi-annual survey	NA
Assist in designing and delivering programming for the AmCham Young Professionals Committee	January – March 2013
Assist AmCham Committees and Board of Governors with Advocacy Efforts	January – March 2013
Participate as an Active Member of Communications Team	January – March 2013
Serve as Point Person for Ad Hoc AmCham Projects (e.g. salary study, E&Y FDI study, temporary project manager for website)	January – March 2013
Miscellaneous: Joint-chamber activities (non-SEBAR), networking	January – March 2013

PHOTOS:



Yvonne during the Amazing Big Durian Race 2013 practice run.

2. GOOLDA SIAHAAN
ECONOMIC POLICY RESEARCHER
THE EMPLOYERS ASSOCIATION OF INDONESIA (APINDO)

Contact E-mail: goolda.siahaan@apindo.or.id

Assignment Period: 24 Months: February 13, 2012 - January 31, 2014

Mr. Goolda Siahaan started working at the Employers Association of Indonesia (APINDO) in February, 2012. Goolda's primary tasks are to assist the Strengthening Business Associations for Reform (SEBAR) program in Indonesia sponsored by USAID and to promote a healthy investment and business climate for domestic and foreign investors in Indonesia. Goolda has been working as an Economic Policy Researcher in APINDO since February, 2012. Goolda has had the responsibility to undertake a number of assignments based on SEBAR projects and APINDO activities in research activities. On SEBAR team, Goolda has been cooperating with Advisors in the American Chamber of Commerce (AmCham) Indonesia and the Indonesian Chamber of Commerce (KADIN) to conduct joint policy research. Goolda's main task is to produce position papers with the SEBAR team. As a part of his work in supporting research activities, Goolda also actively participates in meetings, seminars, workshops or discussions both formally and informally that are organized by various institutions.

During the second quarter of 2013, Goolda assisted APINDO in completing some of its program activities. In terms of research activity through discussions and consultancies, Goolda assisted the ACTIVE team to produce a paper on benefits and obstacles of CEPA (Comprehensive Economic Partnership Agreement) based on CAFTA (China Free Trade Agreements) case studies. In this project, Goolda has provided some advice and data analysis to the ACTIVE team to support their paper research. Goolda has also provided technical assistance to ATC-APINDO's staff in doing research regarding outsourcing issues.

Goolda's scope of work has not changed during this quarter. Goolda is providing technical and administrative assistance for APINDO's secretariat team. Occasionally based on the request or event, Goolda assists APINDO's secretariat team to prepare papers or presentation material for the APINDO's board. Goolda is involved and participates in meetings, discussion forums, seminars or workshops organized by APINDO and USAID. Additionally, at the end of the first quarter, Goolda was assigned a new supervisor and is currently working with this person to ensure he is on target for his deliverables.

After the last paper (renewable energy) produced by the SEBAR team, there was no plan to produce another research paper. However, in this quarter there was a meeting between the SEBAR team and USAID to discuss SEBAR's work plan for the next 6-12 months. In this meeting all of parties discussed what the SEBAR program will do to make the program have more impact and be useful to APINDO, KADIN, and AmCham, while meeting USAID's wider developmental goals for Indonesia. More information on the papers topic will be discussed next quarter.

Goolda participated in forums and seminars organized by various institutions that increased Goolda's knowledge, capacity and networking skills. Goolda participated in:

- a Development Studies Forum: discussion on *Drivers of Supply Chain Integration-Empirical Evidence from Indonesia* (organized by PPM Manajemen),
- *Targeting Experiments for Updating Registry of the Poor* (organized by World Bank Jakarta),
- *Services Sector Reform and Manufacturing Productivity Evidence from Indonesia* (organized by World Bank Jakarta),
- *Industrial suburbanization in Greater Jakarta* (organized by Institut Teknologi Bandung (ITB)),

- Business Forum: discussion on *The Chaotic of Beef Trade in Indonesia* (organized by Metro TV),
- Dialogue Series Trade in Services: discussion on *Regional Comprehensive Economic Partnership and Services* (organized by SEADI-USAID project and Ministry of Trade Republic of Indonesia),
- *Meeting AFAS 2013 in Logistics and Transportation* (organized by SEADI-USAID project and Ministry of Trade Republic of Indonesia),
- Indonesia Services Dialogue Forum: discussion on *Current Developments in The Services Sectors and Issues for Indonesia* (Cooperation between DPN APINDO and SEADI-USAID).

Goolda also participated in public seminars on the following topics:

- Trade Conference 2013 - *Trade Outlook, TPP (Trans Pacific Partnership), ASEAN RCEP (Regional Comprehensive Economic Partnership), and Other Trade Policies* (organized by SEADI-USAID and Ministry of Trade Republic of Indonesia),
- *Industrial Regulations* (organized by DPN APINDO and Ministry of Trade Republic of Indonesia),
- *Mineral Export Processing - Economic Effects of Mineral Processing Requirements* (organized by SEADI-USAID and Ministry of Trade Republic of Indonesia),
- *The Non-wage Instruments as other Solution for Improving Labor Welfare* (organized by KPPOD-APINDO and SEADI-USAID),
- *The New Food Law No.18/2012 on Food - Economic Cost Benefit Analysis* (organized by SEADI-USAID and Ministry of Trade Republic of Indonesia).

During the next quarter, Goolda will conduct an analysis and write a new version of a paper on feed-in tariffs and fiscal incentives for renewable energy under ten megawatts in Indonesia. In this paper, Goolda will add new analysis and update the data and research information. This paper is Goolda's initiative to promoting renewable energy in Indonesia and to enrich APINDO's data research. Goolda will continue to help APINDO by providing technical assistance to support APINDO's program activities. Goolda will also continue working on SEBAR projects, participate in discussion forums, and develop a network with business organizations and other parties.

PROJECT ACCOMPLISHMENTS:

Project	Accomplishment
<p>Research: Assist APINDO - ACTIVE team in producing paper on benefits and obstacles of CEPA (Comprehensive Economic Partnership Agreement) based on ACAFTA (ASEAN-China Free Trade Agreements) case studies.</p>	<ul style="list-style-type: none"> • Provided inputs and advice about trade issues to the ACTIVE team by giving directions on the type of research methodology to conduct. This research aims to map trade competitiveness and specialization between Indonesia and China before and after ACFTA. It also tries to examine the changing pattern of competitiveness and specialization between the two countries. In this research they used trade competitiveness and trade specialization as two main variables and for the data analysis used data on export and import. It will result in a competitiveness

	<p>and specialization map of Indonesia-China on specialization bilateral trade.</p> <ul style="list-style-type: none"> • ACFTA opens opportunities for Indonesia to gain benefit from non-tariff barriers on several products. There are some competitive areas in which Indonesia has comparative advantage in the world trade. In the context of bilateral trade, the relative specialization between Indonesia and China determines the trade opportunities. • After the full implementation of ACFTA on January 1, 2010, zero tariffs have been imposed on 6,682 tariff posts in 17 sectors. Despite zero tariffs, Indonesia still faced an even bigger trade deficit compared to 2011. ACFTA also impacts the growth of industries and restructures the supply chain network in the region. Experience with ACFTA is strongly influencing public perception about the responsiveness of the government to improve trade and investment environment in order to be prepared for more open trade and investment. • This study gives input to APINDO to build strategies while a free trade agreement comes into force.
<p>Technical Assistance: Assist ATC APINDO's staff in small research and providing statistical data.</p>	<ul style="list-style-type: none"> • Identified and classified sectors and business core regarding outsourcing issues for research purposes.
<p>Press Conference: APINDO Press Conference regarding the workers' demonstrations organized by DPN-APINDO.</p>	<ul style="list-style-type: none"> • Collected data and information for references and future research studies. • Built relationships and networked with various media outlets.

OBJECTIVES:

Objective	Timeline
Promoting renewable energy in Indonesia with conducting analysis and write a new version of paper on Feed-in Tariffs and Fiscal Incentives for Renewable Energy under Ten Megawatts in Indonesia.	Next quarter
Sharing knowledge and information about research studies to business associations and other parties through dissemination of the paper on Feed-in Tariffs and Fiscal Incentives for Renewable Energy in APINDO website.	Next quarter
Assist APINDO in research and providing technical advice.	Next quarter

Participate in APINDO and SEBAR program activities such as meetings, discussions, forums, seminars, workshops, etc.	Next quarter
Maintenance and develop working relationship with members and stakeholders of APINDO, KADIN, and AmCham.	Next quarter

PHOTOS:



Goolda at the Trade Conference 2013, organized by SEADI-USAID project and Ministry of Trade Republic of Indonesia.



Goolda participating in Indonesia Services Dialogue Forum organized by DPN APINDO and SEADI-USAID Project. Discussion on Current Developments in the Services Sectors and Issues for Indonesia,

- 3. PATRICK TANGKAU**
SEBAR PROJECT ADVISOR
THE INDONESIAN CHAMBER OF COMMERCE (KADIN)
 Contact E-mail: patrick_tangkau@yahoo.com
 Assignment Period: 33 Months: May 23, 2011 - January 31, 2014

Mr. Patrick Tangkau is working as part of the USAID sponsored Strengthening Business Associations for Reform (SEBAR) team. Patrick has been working at the Indonesian Chamber of Commerce (KADIN) and has been cooperating with the other EMDAP Advisers in the Indonesian Employers' Association (APINDO) and the American Chamber of Commerce (AmCham) conducting joint policy research. His research focuses on certain laws that the employer association considers as a hindrance for foreign investment in Indonesia. The results of his research will be used as suggestions for the government to adjust the law so it will benefit Indonesia's business environment. At the same time, this joint research will also strengthen the cooperation between KADIN, APINDO, AmCham and the GOI.

Patrick was active with KADIN including preparing and updating country reports and industrial reports. The country reports are used when a business delegation travels to or from Indonesia. He provides the delegations with basic knowledge and economy information of the countries visited. In the last quarter he was also involved with the preparation of the Indonesia business delegation visit to Germany for the ITB-Berlin event on March 4-6, 2013. In this event Patrick prepared the material for presentations, the list of delegations from the Indonesia side, and also the booklet of information for the German counterparts to allow them to be familiar members of Indonesia's delegation and their companies.

Patrick also assisted in preparing an event for Jeff Immelt (CEO of GE) and Howard Schultz (CEO of Starbucks) visits to Indonesia. Both events were held at the Indonesia Ministry of Trade (KEMENDAG). He prepared the invitations and the RSVP list to calculate the number of participants in these events.

Since February, Patrick has been involved more in the Komite Amerika Serikat (KIKAS) special committee under KADIN that works specifically to improve trade and cooperation between Indonesia and United States. His work involved preparing the presentation for KIKAS and act as an intermediary when KADIN wanted to inform KIKAS about certain topics. From this involvement, he learned more about the relations of Indonesia with United States and also the reaction from several Indonesian companies that actively interact with US companies.

PROJECT ACCOMPLISHMENTS:

Project	Accomplishment
Countries Report for Indonesian Companies	<ul style="list-style-type: none"> ▪ Updated information for each country delegation.
Research on various Indonesian Sectors	<ul style="list-style-type: none"> ▪ Updated research on construction and bio-technology sector in Indonesia for 2012.

Help prepare for KADIN Indonesia visit to India	<ul style="list-style-type: none"> ▪ Preparing material and business information for KADIN Delegation.
Help as part of BSD KADIN duties	<ul style="list-style-type: none"> ▪ Helped foreign companies find business partners in sector of interest. ▪ Prepared information for meetings with foreign companies that want to meet with local Indonesian companies. ▪ Prepared material and information for KADIN Secretariat for speech or for research. ▪ Attended meetings and seminars in various topics to represent KADIN Indonesia. ▪ Helped organize KADIN Indonesia Christmas Event by preparing booklet and event schedule.

OBJECTIVES:

Objective	Timeline
Update country information for specific delegations and events related to KADIN business promotion.	Continuous
Create database regarding KADIN-BSD cooperation with US Embassy project.	Until the end of the assignment
Update database of foreign embassies in Indonesia for KADIN Indonesia for future international events.	Until the end of the assignment

PHOTOS:



Patrick at the KADIN Indonesia – DPII – CEO Breakfast Meeting.