

ZVEI Foreign Trade Report „Special“: Indonesia

Between 2009 and 2018, the Indonesian electric market has almost doubled from 19.6 to 35.0 billion euros. However, its share of the global electric market has remained constant at 0.8 percent over the past ten years. Indonesia currently holds 18th place in the global ranking of the largest electrical and electronic markets. At 0.6 percent or 23.3 billion euros, Indonesia's share of global electric production is slightly lower than that of

German electric exports..., 2000 = 100



Source: Destatis and ZVEI's own calculations

the world market. Indonesia has a high import surplus in the field of electrical and electronic goods.

For the German electric industry, Indonesia does not play too big a role as a buyer. In 2019, electric products worth 493 million euros were delivered there, which corresponds to a share of 0.2 percent of total German electric exports amounting to 216.5 billion euros and 49th place in the customer ranking - even behind Bulgaria (687 million euros) and the Ukraine (725 million euros). Since 2000, however, German electric exports to Indonesia have risen sharply. Over the period under review they have increased more than two and a half times (see upper chart).

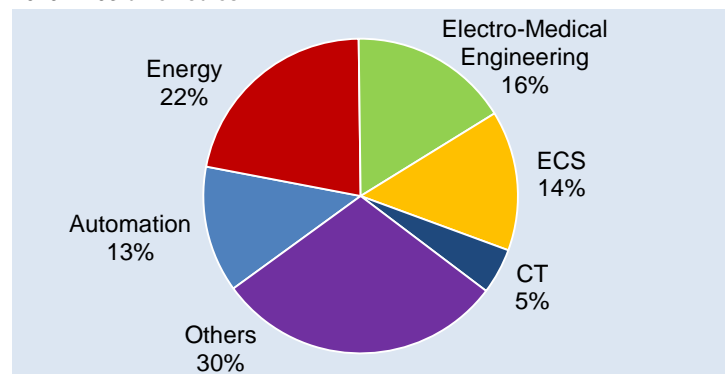
In 2019, exports of power engineering (107.7 million euros), electro-medical engineering (80.8 million euros), electronic components (71.1 million euros) and automation (64.5 million euros) contributed in particular to German electric engineering exports to Indonesia (see lower chart).

Last year, German electric exports to Indonesia declined sharply. Between January and December they fell by 12.7 percent. On the other hand, German exports of electrical and electronic equipment increased by 2.7 percent in the same period.

Also as a supplier of electrotechnical and electronic products for the German market Indonesia is quite insignificant today. In 2019, goods worth 653.9 million euros were imported from Indonesia to Germany (-7.8 percent compared to the previous year). This corresponded to just over 0.3 percent of the total German electric import volume of 196.9 billion euros.

German electric exports to Indonesia by special fields

2019 – 493 billion euros



Source: Destatis and ZVEI's own calculations

While Germany achieved a total export surplus of 19.6 billion euros in electric foreign trade, there was a slight deficit of 71 million euros in bilateral trade with Indonesia. German electric imports from Indonesia were dominated by electronic components (208.6 million euros), information technology (118.4 million euros) and consumer electronics (58.0 million euros).

By the end of 2017 the German electric industry held 89 million euros as foreign direct investments (FDI) in Indonesia. However, this represents only 0.1 percent of the industry's total FDIs abroad. In 2015 the FDI stock in Indonesia was 208 million euros. Today, the country is our ninth largest foreign location in Asia.