



## DanCham Newsletter - March 2022

Dear Members and Friends of DanCham,

The Board of DanCham hopes that you are all well and safe despite the historical times we are situated in.

We are all staggered by the Ukrainian/Russian conflict, and by the death, injuries, and suffering of thousands in a conflict that most people see as needless and brutal.

The economic and social impacts will be equally brutal and will affect billions of people around the world.

These are tough times – and we thought that most of us were escaping the cruel pandemic with life returning to normal. Tragically, we have been thrown into a new and equally threatening environment.

We're in 2022 and we're saddened by the atrocious behaviors that still exist in the world we live in today.

In view of the safer circumstances of the COVID-19 Omicron variant, we held our belated annual Christmas Lunch on 18th February and will arrange our first professional networking event of the year early April. More details are in the Event section below.

Since our last newsletter, I am pleased to announce that we have welcomed PT MB Indonesia as our newest corporate member, and there are a number of other companies we are currently communicating with to join us. You can find more information of the activities of our new member in the section below.

Our Embassy in Jakarta is also reporting positive news and has welcomed additional staff to support the increased activities. More to this is in the Embassy's section below.

Are you already following DanCham on LinkedIn? If not yet, we encourage you to follow our LinkedIn page <https://id.linkedin.com/company/danish-indonesian-business-chamber> to be connected with us and get the last updates.

We also encourage you to regularly have a look at our website <http://dancham.id/>, where you can find updates on events, articles, real-time Ambassador's Twitter feed, etc.

As always, we strive to deliver value to our members on the most relevant topics and we welcome any input, ideas, and suggestions.

You are also very welcome to contribute with an article or relevant news to be featured on our LinkedIn page, website, and newsletter. Please send your article to Ms. Christine Sidjabat through email [christine.sidjabat@dancham.id](mailto:christine.sidjabat@dancham.id).

All the best and stay safe,

**Peter Lund**  
Chairman of DanCham

## News From The Royal Danish Embassy

### The Embassy Launches Prefeasibility Studies (PFS) of Renewable Energy Projects in North Sulawesi & Riau Province

Prefeasibility Studies (PFS) of renewable energy projects in North Sulawesi & Riau province are both officially launched in February - along with potential cooperation to materialize the study into real projects with investment.

These PFS are the collaboration of [Danish Energy Agency](#) and the Embassy with main partners [Ministry of Energy and Mineral Resources \(ESDM\)](#), Dinas ESDM Riau & North Sulawesi, Dewan Energi Nasional, [PT PLN \(Persero\)](#), [Universitas Sam Ratulangi](#) - further can be used as the preliminary basis in making assessments for RE project development.

At least 3 RE projects from each have been identified: with big potential in wind power, floating solar PV & ground-mounted solar PV in North Sulawesi - while significant potential in biogas, biomass, and solar PV potential in Riau.

PFS also covers economic & environmental viability. The analysis predicts these RE projects are feasible to be developed, and will catch interest for investment, thus bringing benefits to the regions. [#DKinIndonesia](#)

Click below to get both reports

PFS Riau:

<https://lnkd.in/du-CB9tR>

PFS North Sulawesi:

[https://lnkd.in/dh8\\_By8g](https://lnkd.in/dh8_By8g)



## **The Embassy Visits Aceh for Collaboration between Denmark and BPKS**

The Embassy went to Aceh province and visit the famous Sabang city at Weh Island to see the potential on collaboration between Denmark and [Badan Pengusahaan Kawasan Sabang \(BPKS\)](#) on seaport and clean energy for the Indonesia's westernmost island. The Embassy support more clean energy initiatives on Sabang and is looking forward to have sustainable cooperation in Aceh.









## Update From Nordic Council Indonesia



Born In Bali, Nordic Council Indonesia (NCI) is a collaborative group of professionals working with both foreign and domestic partners to encourage innovative business and social investment that have a positive impact on Indonesia.

NCI is the bridge connecting Nordic investments, innovation and expertise with Indonesia's potential and resources by providing access to both business and government networks including those that inspire eco-conscious, community and educational development. <https://nordiccouncilindonesia.com/>

Since our establishment in July 2020 we have hosted 12+ business events and 14+ social events in Bali across all nationalities and with many Nordics joining. Starting 2022 we will be doing social Events and Business events alternating months.

The next Social Event is on 18th March at Smorgas Café in Sanur, 5 pm onwards. It is free and no need to sign up. Our next

Business event is 8th April 4.30 pm and the venue is still to be announced but will be in Seminyak/Canggu area. Our business event speakers are usually announced around 4 days before the event and you can see the speakers on our FB group, and these event depend on the venue cost but typically around 250,000 including buffet dinner.

[https://www.facebook.com/Nordic-Council-Indonesia-114061313767030/?ref=page\\_internal](https://www.facebook.com/Nordic-Council-Indonesia-114061313767030/?ref=page_internal)

As we are approaching what hopefully will be the end of the pandemic, we are planning to set up quarterly meetings in Jakarta with our chamber collaborations partners and embassies.

Charlotte Cato is vice-chair of NCI and Danish and if you would like more information about NCI you can contact her by email [cato@k2moves.com](mailto:cato@k2moves.com) or by WA +4541100188.

## Introducing PT MB Indonesia DanCham Corporate Member



Martin Bencher Group is a professional Project Forwarder with a global footprint, focusing on innovative, high-quality technical solutions in order to move oversized freight to destinations all over the world. We transport cargo from various industries and specialize in the handling of heavy project cargo – everything from paper mills to power plants, renewables, and oil & gas projects.

For 25 years, we have served many industries and provide a professional global organization with focus on our clients' core business, and we offer door-to-door delivery worldwide by sea, truck, air, and rail. Other key services include barge transport solutions, project management, turnkey projects operations including positioning on site if required, cargo handling, warehousing, crane work, rigging solutions, stevedoring, customs clearance, and loading / discharge surveys.

At Martin Bencher we celebrate initiative, team effort, and innovative thinking, and we act with integrity and respect for others and the environment.

We support the UN 2030 Agenda for sustainable development, and we will invest in resources to support this agenda, furthering our ability to assist our customers make green decisions. This will make our company, and our shipments, contribute to a more sustainable future. Our approach to sustainability is based on economic, environmental, and social performance. We strive to improve our procedures and performance. Our overriding focus is on ensuring profitability, providing environmentally sound services, and ensuring responsible business conduct.

Furthermore, we increase investments in engineering capabilities and digital solutions by focusing on creating reliable data and ensuring that this data is used efficiently. It is essential for the Martin Bencher Group to be a market leader in creating new innovative solutions for the future, and entrepreneurship is highly encouraged and supported.

Our culture, people, and core ambitions are the foundation of our strategy, and we continue to strengthen the DNA on our global organization.

Contact us at:



**PT MB Indonesia**

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## Events

On Friday, 18th February 2022 Dancham successfully organized Dancham's belated Christmas Lunch (Julefrokost) 2021 at Mad Dogs, Cilandak.

We are grateful for all the members and friends of Dancham, who showed up to gather around and enjoy the traditional Julefrokost dishes prepared to perfection. The course of the meal was opened by a toast of Snaps to celebrate the good season. We would like to thank Øjvind Lajgård and his team for preparing the amazing dishes, Martin Madelaire for

generously sponsoring the Snaps and Mad Dogs for the great place and service.







Our next professional event will be 7th April 2022, as mentioned in the introduction, and we are pleased to announce that the event will be generously hosted by our corporate member [Maersk Indonesia](#).

For those who are not familiar with Maersk, we can inform that Maersk Line a Danish international container shipping company and the largest operating subsidiary of the Maersk Group, a Danish business conglomerate.

The program for the event is still at the planning stage, thus further details will be shared with you along with our invitation soon.

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## **Inputs from DanCham Corporate Members and Friends**

### **The Impact of Indonesia's Growing Digital Economy towards E-Commerce Industries**





Source: The Jakarta Post

The development of Indonesia's digital economy has shown positive growth in the upcoming decade. Digital economy by definition refers to a broad range of economic activities that use digitized information and knowledge as key factors of production. To optimize the country's digital economy, several things should be considered. Among them are telecommunications, infrastructure, and digital consumer protection.

With this issue in hand, what are the impacts of the growing digital economy on e-commerce businesses? What are international e-commerce businesses that were able to penetrate the Indonesian market? Read this article to find out more!

### Overview of Indonesia's Digital Economy and E-Commerce Industry

According to Indonesian Minister of Trade, Muhammad Lutfi, the growth of the Indonesian digital economy will grow eight times from IDR 632 trillion to IDR 4,531 trillion. One of the most contributing factors for this growth is the e-commerce industry, namely 34% more impactful or equivalent to IDR 1.900 trillion. As a result of this, Indonesia is projected to have a bigger GDP (Gross Domestic Product) than ASEAN country's digital economies, with a value of 55% or IDR 417 trillion by 2030.

A study by McKinsey stated that Indonesia is a digital-first nation, which means that Indonesians are among the world's most enthusiastic users of digital technology, not to mention that it is also one of the countries that have the most number of billion-dollar tech startups in Southeast Asia. Statistics show that 30 million Indonesians today are transacting online, creating a market of at least USD 8 billion, and could grow up to USD 40 billion upwards in the next five years. Online commerce, or e-commerce, is seen to dominate 60% of the market and is usually dominated by products revolving around electronics, fashion, health, and beauty.

It is enlightening to see the doubling numbers of online sellers in Indonesia for the past three years, with 50% being online-only businesses with no physical store presence. This would be an opportunity for Indonesian MSMEs to enter the digital economy as it allows them to enter the global supply chain. Trends revolving, improving broadband access, rising adoption of online platforms, and ownership transition to a more digitally friendly generation are main factors in the involvement of MSMEs in Indonesia.

The Indonesian government is also working its ways to fully support the digital economy to maximize the GDP of the country. Some government interventions to the Indonesian digital economy are the development of national broadband and the allowance of foreign direct investment.

### **Impacts of Indonesia's Digital Economy on the E-Commerce Industry**

E-commerce has respectively improved business values by fundamentally changing the ways products are conceived, marketed, delivered, and supported. With Indonesia's good digital economy, there is no doubt that it could bring benefits to upcoming e-commerce companies. Among them are reduced costs for business, lower barriers for entry, and greater personalization.

#### **1. Reduced costs for business**

A digital economy enables firms to cut out a factor in the retail chain and instead of spending their expenditures on indirect costs like buildings and factories, businesses could use computing technology to operate their day-to-day businesses, which helps the company save costs.

#### **2. Lower barriers for entry**

In addition, the aspects of a good digital economy make it easier for new firms to enter. Entrepreneurs have an opportunity to create a new product that challenges traditional firms, since the digital economy has brought many new services which weren't possible before, such as home deliveries for groceries and clothes shopping.

#### **3. Greater personalisation**

Lastly, a digital economy could help provide variety in the products provided. This is an important aspect in businesses as businesses that embrace personalization have an opportunity to create a differentiated proposition that may command a price premium and improve consumer traffic and conversion. It could also help improve efficiency and pave a path to sustainable growth.

### **International E-Commerce Platforms Who Had Successfully Penetrated the Indonesian Market**

There are more than 10 e-commerce marketplaces in Indonesia including local and international marketplaces. However, several international e-commerce platforms have successfully penetrated the Indonesian market. Among them are:

#### **1. Shopee**

Shopee is an online marketplace based in Singapore, which is currently one of the market leaders of e-commerce in Indonesia. According to Statista, in the first quarter of 2021, the number of Shopee's monthly visitors in Indonesia amounted to approximately 127.4 million users. Shopee is currently valued at USD 14.2 billion and a growth of 128% from 2019.

#### **2. Zalora**

Zalora is one of the largest e-commerce sites in Southeast Asia specializing in fashion. It was established in 2012 and is a part of Global Fashion Group from Luxembourg, but headquartered in Singapore. According to Statista, in the first quarter of 2021, Zalora was the most visited B2C e-commerce website for fashion with approximately 2.9 million monthly web visits. It was valued at USD 110.2 million in 2019, and is still growing ever since.

#### **3. JD.ID**

JD.ID, or known as Jingdong is an electronic commerce platform based in China and headquartered in Beijing. According to Statista, in the first quarter of 2021, the number of JD ID's monthly visitors amounted to approximately 4.06 million. As of now, JD is seen to be worth USD 112.85 billion.

### **Future Prospects of Indonesia's E-Commerce Industry**

The ongoing pandemic has forced us to move from our comfort zones and unlock innovations based on accelerated technologies. Before the pandemic, the Indonesian market of e-commerce was 75 million and grew into 85 million during the pandemic. More data showed that Indonesia's e-commerce sector has doubled every year for the past three years and is projected to grow eight times by 2022 (this was mostly contributed by tech-savvy populations).

It is no doubt that Indonesia is a particularly attractive e-commerce market, given the amount of screen time that averages 3.9 hours per person per day on mobile internet and the high buying power of consumers, an international e-commerce company would thrive in Indonesian markets with the right guidance.



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The receivers of this newsletter is the boards, members, and all parties who are connected with Dancham