



Indonesia-OECD Renew Partnership for A More Resilient, Sustainable and Inclusive Economy

Nusa Dua, 14 July 2022 – The Indonesian government always collaborates with various international organizations in formulating policies, one of which is in the economic sector with the OECD. To renew the foundation of Indonesia's cooperation with the OECD, Indonesian Minister of Finance Sri Mulyani Indrawati and Secretary General of the OECD Mathias Corman have signed the renewal of the Indonesia-OECD Framework of Cooperation Agreement (FCA) for the next five years in Bali and launched the Joint Work Program (JWP) as a guidance for cooperation between the two parties during 2022-2025 period. The signing was conducted during the series of events of the third Finance and Central Bank Deputies Meeting (FCBD) and the third Finance Ministers and Central Bank Governors Meeting (FMCBG) in Nusa Dua, Bali. The first Indonesia-OECD JWP in 2015-2016 has brought significant results, particularly related to good governance. In the 2017-2018 period, JWP focused on business climate reform and dynamic growth, social policies and inclusive growth, good governance, and green growth. JWP also assists Indonesia in implementing its commitments under the 2030 Sustainable Development Agenda.

This fourth JWP will support Indonesia in advancing policy reforms according to the government's priority agenda in the National Medium-Term Development Plan (RPJMN), achieving a resilient and sustainable recovery from the Covid-19 Pandemic crisis, and moving closer to OECD's policy and practice standards. This program will focus on several priority issues, namely sound macroeconomic policy, tax compliance and good governance, business climate and digitalisation, human capital and social inclusion, as well as sustainable development. Indonesia is a key partner that is part of 11 OECD bodies and 15 legal instruments including those related to MSMEs, agriculture, taxation, macroeconomics, and digital economy. Besides, there are many researches, publications, reviews, and OECD databases related to Indonesia.

Indonesia's cooperative relationship with the OECD has grown significantly since 2007, when the OECD designated Indonesia as a Key Partner, along with Brazil, China, India, and South Africa. The areas of cooperation between Indonesia and the OECD include, among others, tax policies that provide greater certainty for the business world, sound macroeconomic policies, and good governance. Indonesia became the first OECD's Key Partner country to sign a Framework of Cooperation Agreement in 2012. The OECD-Indonesia partnership that has have allowed the cooperation to deepen considerably and to evolve in a more structured manner, taking a whole-of-government approach, including the launch of the Southeast Asia Regional Program (SEARP) in 2014 to support ASEAN region in domestic priorities, policy reforms, and regional integration efforts which ultimately gave rise to the ASEAN Economic Blueprint.

Indonesia along with other G20 member countries also gave a mandate to the OECD to address the tax challenges arising from digital economy which eventually became the 15 Base Erosion and Profit Shifting (BEPS) Action Plan. Indonesia is also a member of the BEPS Inclusive Framework and has expressed approval to join multilateral efforts to address base erosion and profit shifting through the Two-Pillar Solution to Address the Tax Challenges Arising from the Digitalization of the Economy, including the global minimum tax proposal.

Narahubung Media:

Rahayu Puspasari
Kepala Biro Komunikasi dan Layanan Informasi
Kementerian Keuangan



mediacenter@kemenkeu.go.id



Kementerian Keuangan Republik Indonesia



Kemenkeuri



@kemenkeuRI



Kemenkeu RI