



International Market Access

Indonesia: *Swiss Expertise Meets Ambitious Reform Goals*

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At a glance

- A high-level Swiss business delegation led by *economiesuisse* took part in Federal Councilor Guy Parmelin's Economic Mission to Indonesia.
- Renewable energy, decarbonization, infrastructure, healthcare and vocational training offer great potential for Swiss companies in Southeast Asia's largest economy.
- Indonesia is pursuing ambitious growth and reform goals and the Swiss economy can play a key role in their implementation. Challenges were also addressed.

From September 30 to October 3, 2025, Federal Councillor Guy Parmelin led an Economic Mission to Indonesia, accompanied by a high-level Swiss business delegation organized by *economiesuisse*. The goal was clear: to deepen bilateral economic ties and unlock new opportunities for Swiss companies in Southeast Asia's largest economy.

Enormous potential for Swiss companies

With more than 280 million inhabitants, Indonesia is not only the world's fourth most populous country but also a dynamic economy with a GDP of around USD 1.4 trillion in 2024 and annual growth close to five percent. Meetings with key ministers responsible for investment, economy, trade, planning and infrastructure highlighted the country's vast potential for Swiss businesses.

Particular opportunities for Swiss businesses lie in renewable energies and decarbonization, where geothermal and hydropower play an important role. Other promising areas include infrastructure development – such as water supply – healthcare modernization and the sustainable development of the raw materials sector.

A decisive factor in realizing this potential is the availability of skilled workers. Here, Swiss companies can contribute significant expertise through their vocational training system, which has long been a model for practical, high-quality workforce development. More than 100 Swiss firms already operate in Indonesia across industries ranging from mechanical engineering and pharmaceuticals to financial services.

Untapped potential

A solid legal framework between Switzerland and Indonesia is already in place. The EFTA-Indonesia Comprehensive Economic Partnership Agreement (CEPA), in force since 2021, and the Investment Protection Agreement, which entered into effect in 2024, have created favorable conditions for trade and investment. CEPA foresees the elimination of 98 percent of customs duties on Swiss exports in the medium term while tying trade preferences to binding sustainability criteria.

Nevertheless, challenges remain. Despite a trade volume of CHF 2.1 billion in 2024 (including gold), Indonesia ranks only 48th among Switzerland's export markets. Bureaucratic hurdles, complex import procedures and strict localization requirements continue to slow momentum. These issues were raised directly with Indonesian authorities during the Joint Economic and Trade Commission (JETC).

Focus on sustainability

Sustainability was another key theme of the Economic Mission. The 4th Annual Meeting of the Swiss-Indonesian Trade and Sustainability Council (TSC) took place during the trip. Established in 2022 by *economiesuisse* and the Indonesian Chamber of Commerce and Industry (KADIN) following CEPA's entry into force, the TSC serves as a platform for dialogue between the private sector of both countries. It promotes cross-sector collaboration and drives sustainable projects. After three events in Switzerland, the Annual Meeting was held in Indonesia for the first time.

Swiss businesses as a partner in Indonesia's transition

The Economic Mission of Federal Councillor Parmelin came at a pivotal moment. Under President Prabowo Subianto, in office since October 2024, Indonesia has launched an ambitious reform agenda. With a growth target of eight percent per year – well above IMF forecasts – the country is aiming high. At the same time, it is repositioning itself geopolitically: joining the BRICS and actively pursuing OECD accession.

To achieve these goals, Indonesia must overcome regulatory and infrastructure bottlenecks while creating high-quality jobs. Swiss companies are well placed to support this transition. Their expertise, innovation and proven track record in sustainability and skills development can make a decisive contribution to the modernization of Indonesia's economy.



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