The Indonesian hotel and restaurant industries grew 6.25 and 3.89 percent in 2015, respectively. Industry contacts attribute the increase to continued urbanization, tourism, and MICE (Meeting, Incentive, Conference, and Exhibitions) development. The Bank of Indonesia expects that economic growth will fall around 4.9 to 5.3 percent in 2016 and 5.2 to 5.6 percent in 2017.
I. MARKET SUMMARY

Market Overview

Indonesia is the most populous country in the ASEAN region with an estimated 2017 population of 261 million people. It is home to approximately 13,500 islands and hundreds of local languages and ethnic groups, although the population is mostly concentrated on the main islands of Java, Sumatra, Kalimantan, Sulawesi and Papua. It is bestowed with vast natural resources, including petroleum and natural gas, lumber, fisheries and iron ore. Indonesia is a major producer of rubber, palm oil, coffee and cocoa.

In 2015, Indonesian GDP declined to 4.79 percent. The Bank of Indonesia expects economic growth will reach between 4.9 and 5.3 percent in 2016 and 5.2 to 5.6 percent in 2017. This contrasts with growth rates above 6 percent during 2007 to 2012 period. Inflation has ranged between 2.79 (August) and 4.45 (March) during the January-October 2016 period, while the rupiah has remained weak vis-à-vis the U.S. dollar, fluctuating around IDR 13,000 in 2016. The 2015 Statistics Indonesia report states that the hotel industry grew at an average rate of 8.86 percent, while the restaurant industry grew at an average rate 5.44 of percent during the 2011 – 2015 periods. In 2014 and 2015 the hotel industry grew 7.81 and 6.25 percent respectively, while the restaurant industry grew 5.27 and 3.89 percent.

Per capita gross domestic product grew from $1,213 in 2005 to $3,366 in 2015. Household consumption accounted for an estimated 55 percent of GDP growth in Indonesia in 2015. Food and beverage expenditures reached 21.36 percent while restaurant & hotel expenditures reached 5.35 percent of GDP. Indonesian incomes are rising, driving an expansion of the middle class. The middle class population grew from 37 percent in 2004 to 56.7 percent in 2013. This group spends $2 to $20 a day, as defined by the “Satu Dasawarsa Membangun Untuk Kesejahteraan Rakyat – A Decade of Development for People Welfare,” (Cabinet Secretary April 2014). This growing demographic is creating new demand for western food products, imported brand names, and a cultural shift that includes more socializing outside of the home. Middle class consumers also have newly acquired access to media and the internet, which further exposes Indonesians to various international products, activities and lifestyles. Despite the establishment of the middle class, the Indonesian rupiah’s depreciation is weakening business related to imported products.

Strong domestic demand, slowing exports, and import growth have pushed up Indonesia’s trade deficit. These points, along with a wave of economic nationalism, have led the Government of Indonesia (GOI) to strictly regulate imported food products, such as beef and horticultural products. The GOI also reduced certain fuel subsidies, while electricity prices increased. In January 2015 electricity prices were adjusted automatically based on the related indicators (exchange rate, fuel price, etc.). Inflation and more protectionist policies are likely to create challenges for the expansion of U.S. food product exports to Indonesia.

The Indonesian Hotel, Restaurant, and Institutional (HRI) sector is extremely diverse, consisting of
high-end hotels and restaurants that serve local and international cuisine, fast food outlets, cafés and bars, bakeries, and low-end small restaurants, street-side restaurants known as warungs, and vendors that sell food to customers on the street. Catering operations serve airlines, factories, private social functions, cruise and military ships, offshore mining and oil operations with expatriate staffs, prisons, and hospitals.

There is a concentration of high-end HRI businesses in Bali, Jakarta and other urban areas. The growth of these businesses is in line with the growth of tourist as well as Indonesia’s growing middle class. Four and five-star hotels, restaurants, cafés and bars specializing in Western and other non-Indonesian cuisines for tourists are the dominant users of imported food products. Local caterers and restaurants tend to purchase local products.

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>% Growth 2015/2016</th>
<th>Annual Forecast % Growth 2015-20 CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No of Outlets</td>
<td>Sales (IDR. billion)</td>
<td>No of Outlets</td>
</tr>
<tr>
<td>Cafés and bars (Chain &amp; Independent)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Specialist Coffee Shop</td>
<td>1,025</td>
<td>2,846</td>
<td>7.5</td>
</tr>
<tr>
<td>Cafe/Bars total</td>
<td>4,944</td>
<td>28,058</td>
<td>3.8</td>
</tr>
<tr>
<td>Full-service restaurants (Chain &amp; Independent)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asian</td>
<td>97,689</td>
<td>359,248</td>
<td>0.3</td>
</tr>
<tr>
<td>European</td>
<td>390</td>
<td>4,400</td>
<td>2.6</td>
</tr>
<tr>
<td>Latin American</td>
<td>48</td>
<td>409</td>
<td>4.2</td>
</tr>
<tr>
<td>Middle Eastern</td>
<td>63</td>
<td>449</td>
<td>3.2</td>
</tr>
<tr>
<td>North American</td>
<td>888</td>
<td>5,566</td>
<td>2.3</td>
</tr>
<tr>
<td>Pizza</td>
<td>486</td>
<td>4,671</td>
<td>3.7</td>
</tr>
<tr>
<td>Others</td>
<td>606</td>
<td>5,845</td>
<td>3.6</td>
</tr>
<tr>
<td>Fast Food (Chain &amp; Independent)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asian</td>
<td>1,490</td>
<td>6,039</td>
<td>1.5</td>
</tr>
<tr>
<td>Bakery products</td>
<td>1,059</td>
<td>2,009</td>
<td>2.4</td>
</tr>
<tr>
<td>Burger</td>
<td>612</td>
<td>4,660</td>
<td>3.3</td>
</tr>
<tr>
<td>Chicken</td>
<td>1,238</td>
<td>6,315</td>
<td>3.9</td>
</tr>
<tr>
<td>Convenience Store</td>
<td>988</td>
<td>488</td>
<td>15.0</td>
</tr>
<tr>
<td>Ice cream</td>
<td>502</td>
<td>488</td>
<td>3.6</td>
</tr>
<tr>
<td>Middle Eastern</td>
<td>26</td>
<td>39</td>
<td>3.8</td>
</tr>
<tr>
<td>Traditional food seller</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Street Stalls and Warungs</td>
<td>92,256</td>
<td>15,747</td>
<td>0.2</td>
</tr>
</tbody>
</table>

Source: Euromonitor

The GOI regulates the expansion of quick service restaurants (QSR) through Ministry of Trade (MOT) Regulation No. 7/2013 and MOT Regulation No. 58/2014. The regulation limits the number of outlets owned by a company to a maximum of 250 outlets. MOT 58/2014 clarifies that companies with more
than 250 outlets prior to the regulation’s implementation are not required to divest them to a third party. The outlets are also required to use a minimum 80 percent of local equipment and ingredients.

Additionally Ministry of Health (MOH) regulation No. 30/20013 requires QSRs to provide sugar, salt, and fat content information as well as a health message that reads “consuming more than 50 grams of sugar, 2,000 milligrams of sodium, or 67 grams of fat per person per day increases the risk of hypertension, stroke, diabetes, and heart attack.” The regulation, originally scheduled to be implemented in April 2016, is delayed until 2019 due to economic policy reforms issued in September 2015.

**Imported Food Products**

There is strong demand for western, Japanese and Korean products in Indonesia, particularly as more people associate them with quality, consistent availability, and healthy lifestyles. This is exemplified by the growth of Japanese and Korean restaurants throughout Indonesia. Also, as tourists and expatriates increase in areas beyond Java, demand for imported products is expected to increase. Unfortunately, protectionist policies (such as ambiguous import regulations and registration numbers (ML) for retail packaged imported foods), have led to irregular supplies of imported products at retail and food service outlets.

**Table 2. Indonesia: Imported Food Products in Market for HRI Industry**

<table>
<thead>
<tr>
<th>Products</th>
<th>Description</th>
<th>Type of HRI Industry</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fruits</td>
<td>fresh, frozen, canned, dried</td>
<td>All types</td>
</tr>
<tr>
<td>Vegetables</td>
<td>fresh, frozen, canned, preserved</td>
<td>All types</td>
</tr>
<tr>
<td>Potatoes</td>
<td>Frozen, dehydrated</td>
<td>All types</td>
</tr>
<tr>
<td>Dairy products</td>
<td>milk, cheese, butter, whipping cream, yogurt, ice cream</td>
<td>High-end</td>
</tr>
<tr>
<td>Bakery ingredients</td>
<td>baking mix, dried fruits &amp; nuts, fillings, chocolate, whey, NFDM, yeast, food coloring, etc.</td>
<td>Middle &amp; high-end</td>
</tr>
<tr>
<td>Soup, soup bases, broth</td>
<td>canned, dried/powder</td>
<td>Middle &amp; high-end</td>
</tr>
<tr>
<td>Condiments</td>
<td>mayonnaise, salad dressings, sauces (barbeque, chili, soy, marinating), mustard, spices, etc.</td>
<td>Middle &amp; high-end</td>
</tr>
<tr>
<td>Seafood</td>
<td>fresh/chilled/ frozen salmon, crab, scallop, tuna</td>
<td>High-end</td>
</tr>
<tr>
<td>Preserved fruit, jam, spread</td>
<td></td>
<td>Middle &amp; high-end</td>
</tr>
<tr>
<td>Cooking ingredients</td>
<td>vinegar, cider, vegetable oil (corn, sunflower, soybean, canola, olive), tomato paste and puree, etc</td>
<td>Middle &amp; high-end</td>
</tr>
<tr>
<td>Non-alcoholic beverage</td>
<td>juices, coffee, tea, and soft drinks</td>
<td>Middle &amp; high-end</td>
</tr>
<tr>
<td>Alcoholic beverage</td>
<td>liquor, beer and wine</td>
<td>High end</td>
</tr>
<tr>
<td>Mixed drinks, blends</td>
<td>dried/powder</td>
<td>Middle &amp; high-end</td>
</tr>
<tr>
<td>Beef (first grade)</td>
<td>fresh, chilled, frozen</td>
<td>High-end</td>
</tr>
<tr>
<td>Beef of secondary cuts/trimming, oxtail, tongue</td>
<td>frozen</td>
<td>All types</td>
</tr>
<tr>
<td>Beef offal/heart/liver</td>
<td>frozen</td>
<td>Small restaurants, street-side</td>
</tr>
</tbody>
</table>
Table 3. Indonesia: Advantages and Challenges for U.S. HRI Food Products

<table>
<thead>
<tr>
<th>Advantages</th>
<th>Challenges</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. food products are considered high-quality, healthy, and consistently available.</td>
<td>Imported products are more expensive compared to domestic and other countries goods.</td>
</tr>
<tr>
<td>Expatriates and the growing middle class are potential HRI customers. As more urban women enter the workforce, time for shopping &amp; cooking declines and consumers seek convenience.</td>
<td>Most products require halal certification.</td>
</tr>
<tr>
<td>Applied duties on most food and agricultural products are 5%; except for 153 items of value added food products (GAIN ID1530)</td>
<td>Import regulations are often complex and non-transparent, thus requiring close business relationships with a local agent.</td>
</tr>
<tr>
<td>The U.S. Fresh Food of Plant Origin (FFPO) safety control system has been recognized. U.S. horticultural products may enter Indonesia without Certificate of Analysis (CoA)</td>
<td>Approximately 39 fruit based products must have an import recommendation from the MOA and an import permit from the MOT.</td>
</tr>
<tr>
<td>Sufficient number of GOI-approved U.S. meat and U.S. dairy establishment that able to export products to Indonesia.</td>
<td>Animal based foods must have an import recommendation from the MOA- Director General of Livestock &amp;d Animal Health Service and The National Agency for Drug and Food Control (BPOM) as well as an import permit from MOT.</td>
</tr>
<tr>
<td>Distribution systems on the island of Java are improving, providing increased access to a population of 145 million.</td>
<td>Infrastructure outside of the main island of Java, including ports and cold storage facilities, is poorly developed.</td>
</tr>
<tr>
<td>Indonesia does not produce sufficient quantities of beef, dairy products, tree nuts, temperate zone fresh fruit and vegetables.</td>
<td>Competition remains strong, especially from Australia, New Zealand and China. Food product imports from Malaysia, Philippines, Thailand and Vietnam are also growing.</td>
</tr>
<tr>
<td>International restaurants, hotel chains, boutique hotels, and specialized cafés are increasing.</td>
<td>Product shelf life should be considered for shipments to Indonesia due to the extended transportation and inconsistent custom clearance procedures &amp; time.</td>
</tr>
</tbody>
</table>

II. ROAD MAP FOR MARKET ENTRY

A. ENTRY STRATEGY

Most imported products for the HRI industry enter Indonesia by reputable local importers or distributor
agents. They represent imported products, obtain import licenses and permits, understand customs clearance procedures, and distribute the products all over Indonesia. It is important that U.S. exporters appoint reliable local importers/agents in order to stay current on import requirements or regulations. Many regulations related to distribution and marketing of imported food and beverage products are enforced in an ambiguous manner.

Exporters interested in shipping to Indonesia should visit and research the market, and prioritize building a relationship with a local importer/distributor. Understanding the complexity and weaknesses of the distribution system is also critical, especially if refrigeration and cold storage facilities are required. Exporters should familiarize themselves with local tastes and work closely with food and beverage professionals, and purchasing staff to modify any food items as necessary. It is also important for exporters to educate themselves on product knowledge, handling, preparation, pricing, and specific promotion strategies.

Jakarta and Bali remain the ideal locations to target the HRI food service sector. These cities are home to many hotels and international restaurants that cater to sizeable expatriate communities, foreign visitors, and high-income consumers. Bali remains the ‘trendsetter’ in specialized cafés, hotel chains, and restaurants. Other large cities such as Surabaya, Bandung, Medan, Batam, Balikpapan, Lombok and Makassar also have potential for import growth.

**Market access for imported food products**

**Labeling**
Requirements for food product labeling (primarily applicable to packaged food for retail sale) are broad in scope. The former Food Act of 1996, the Consumer protection Act of 1999, and the current Food Law 18/2012 all deal with labeling. BPOM regulation 12/2016 covers labeling regulations and Indonesian language requirements as well as GMO ingredient labeling.

As of January 2013, supplementary labels must be affixed prior to customs clearance (before arriving at the Indonesian territory). Statements or claims on the benefits of food products shall only be included if they are supported by scientific facts which can be accounted for.

**Imported Product Registration Number (ML)**
All imported processed food products in retail packaging must be registered with BPOM before they can be imported. The registration process should be conducted by a local agent or importer. The process for food registration is complex, often non-transparent, costly, and time consuming due to the detailed requirements for supporting documentation. The ML registration process has improved slightly by the implementation of E-registration for low risk processed food products. However, the distinction between food retail packaging and food service package is unclear, resulting in complications for HRI imports.

BPOM regulations require importers to apply for an import recommendation for animal-based food products, including processed products, from the Director General of Livestock and Animal Health Service (DGLAHS), Ministry of Agriculture (MOA). This recommendation must be obtained before an exporter applies for an ML number.
Entry Permit (SKI)
BPOM regulations (the latest one is in 2015) state that all imported food materials/ingredients, including processed foods, must obtain an entry permit (SKI) from the head of BPOM for every shipment. The SKI is needed to releasing products from customs.

Animal-Based Food and Horticulture Products
The Ministry of Agriculture issued a new regulation on animal and animal product imports on July 15, 2016. MOA Regulation No. 34/2016 (which replaces MOA Regulation 58/2015, No 139/2014 and No 2/2015), allows secondary cuts and offal imports for general importers and producer importers. Import recommendation applications for animal products can be submitted to MOA at any time. Import permits issued by MOT (regulation No. 59/2016) remain valid for six months from the date of the import recommendation issuance. Similar to the previous regulation, MOA Regulation No.34/2016 and MOT Regulation No.59/2016 do not establish an official quota, but import quantities are constrained via other means. This regulation opens the market for imported beef to traditional market and modern retail outlets (the GOI had prohibited selling imported meat to retailers since 2011).

MOT also issued and implemented a new regulation on horticultural imports (September 28, 2015 and December 1, 2015, respectively). Regulation No. 71/2015 replaced MOT Regulation No. 16/2013 and its amendments 47/2013 and 40/2015. The new import regulation makes few substantial changes. Import licenses are still required and quantities will be allocated subject to the importer’s cold storage capacity. MOT eliminated the requirement that the importer must import at least 80 percent of the quantity indicated in their allocated import permit. The new regulation also specifies that the total import allocation will be set annually and that importers are no longer required to register as horticultural product importers. Import permits will continue to be issued on a biannual basis, remaining valid for six month periods.

Halal
In September 2014, Indonesia passed a law governing halal products (33/2014). The law makes halal certification mandatory for all food, beverages, drugs, cosmetics, chemicals, organic and genetically modified products sold in Indonesia, as well as machinery and equipment used in processing these products. Companies have three years (from October 2014) to comply with the new law. In the meantime, companies have been instructed to follow existing Indonesia Ulama Council (MUI) halal certification procedures. The government established a new institution called the Halal Product Guarantee Agency under the Ministry of Religious Affairs. The new agency is expected to issue halal certificates. However, operating procedures for the new agency are yet to be determined. In the meantime, businesses are expected to follow existing MUI rules and procedures.

Duties and Taxes
Although Indonesia applies a five percent import duty to most of food and agricultural products, most imported products are also assessed a value added tax of 10 percent and sales tax of 2.5 percent. Alcoholic beverages are imported based on a quota set by MOT every April. (Note that some goods face import duties between 10 and 30 percent. These include coffee, tea, sausages, processed seafood, cocoa, and pasta.)

On July 23, 2015, the Ministry of Finance (MOF) revised import duties on alcoholic beverages
containing ethyl alcohol. This regulation set the import duty at the ad valorem tariff rate of 90 percent for wine, cider, perry, and mead and 150 percent for spirit and liqueurs. (Previously, a tariff was charged at the rate of IDR. 14,000/liters for beer, IDR 55,000/liter for wine, and IDR 125,000/liter for whisky, rum, and other distilled spirits).

Table 4. Indonesia: Excise Tax for Ethyl Alcohol and Products Containing Ethyl Alcohol

<table>
<thead>
<tr>
<th>Type</th>
<th>Excise Tax (IDR per liter)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Domestic Product</td>
</tr>
<tr>
<td>I. Ethyl alcohol or ethanol</td>
<td>20,000</td>
</tr>
<tr>
<td>II. Beverages containing ethyl alcohol</td>
<td></td>
</tr>
<tr>
<td>A 5% or less</td>
<td>13,000</td>
</tr>
<tr>
<td>B More than 5% up to 20%</td>
<td>33,000</td>
</tr>
<tr>
<td>C More than 20%</td>
<td>80,000</td>
</tr>
<tr>
<td>III. Concentrate containing ethyl alcohol</td>
<td></td>
</tr>
<tr>
<td>All concentrates, content level and type, as a raw material or processing aid in beverages contain ethyl alcohol production</td>
<td>100,000</td>
</tr>
</tbody>
</table>

**Competition**

Indonesian consumers are generally knowledgeable about U.S. food quality and safety. U.S.-origin goods are generally more expensive than competitors due to higher freight costs from competing origins. Consolidated shipments with products from several suppliers are highly favored and can be cost effective for Indonesian importers. Consolidated shipments, however, can create documentation problems.

Third-country competition remains strong, especially from Australia, New Zealand, China and European countries. Food product imports from ASEAN countries such as Malaysia, Philippines, Thailand, and Vietnam are also growing.

Indonesian regulations have led to a larger share of local products in retail markets. The quality and variety of most Indonesian-produced food products are not comparable to those of the U.S. and other imported products. Local production is largely limited to more Asian types of foods; using different ingredients and production processes.

B. MARKET STRUCTURE

**Distribution System**

The Indonesian distribution system for imported products is simple (see distribution chart below).
When U.S. products arrive in Indonesia via an importer or distributor, the products are delivered directly to HRI operators. Sub-distributors, agents or wholesalers may be necessary for HRI operators located outside Jakarta. Medium and small HRI operators normally purchase products through local agents, wholesalers, regular supermarkets and hypermarkets.

Some U.S. chains and upscale HRI operators import items directly from U.S. exporters. Quick service restaurants/fast food operators have exclusive contracts with importers/distributors. For example, frozen potatoes (french fries/crinkle cuts), fried chicken coating mix, beef patty, doughnut mix, and pizza cheese are brought in through exclusive importers in order to ensure that the products meet strict international franchise standards.

The food distribution system becomes more complex beyond Jakarta and Bali. Supermarkets, hypermarkets, and small scale agents play important roles in the distribution of imported products for medium and small HRI operators. Such products are limited to canned and fresh fruits, canned vegetables, frozen potatoes, preserved fruits/jams, butter, yogurt, condiments, sauces, and dried fruits (raisins).

**Distribution Channels**

**Figure 1. Indonesia: HRI Sector Distribution Channels**

![Diagram of HRI Sector Distribution Channels]

Insufficient distribution infrastructure results in lack of supply of imported food nationwide. Imported products mostly arrive in the Jakarta, Surabaya or Belawan seaports, where the shipments are broken down for re-shipment via air, truck, or smaller ship to other cities. Imported perishable products are purchased directly from foreign suppliers or agents to serve upscale HRI industries, and air shipments.
from Australia and other origins to Jakarta or Bali are common.

Distribution of domestic products is less complicated compared to imported products. The HRI operators purchase domestic products directly from local manufacturers and their distributors, agents, wholesalers, and wet markets located in the same areas.

C. SUB-SECTOR PROFILES

Hotels and Resort (restaurants and catering services)

In 2015, there were around 2,197 star-rated, boutique and resort hotels with roughly 217,474 rooms in Indonesia. These hotels are concentrated in West Java (283 hotels), Bali (281 hotels), Jakarta (228 hotels), Central Java (204 hotels), East Java (143 hotels), North Sumatera (111 hotels), DI Yogyakarta (89), South Sulawesi (78 hotels), West Nusa Tenggara (63), South Sumatera (61) and Riau (60). International hotels, locally-owned boutique and resort hotels and state-owned companies are also expanding.

<table>
<thead>
<tr>
<th>Hotel Chain</th>
<th>Hotel Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accor – French group</td>
<td>All Season, Ibis, Formule 1, Mercure, Pullman, MGallery, Novotel, Fairmont, Raffles, and Swissotel Hotels</td>
</tr>
<tr>
<td>Archipelago International</td>
<td>Grand Aston, Alana, Royal Alana, Royal Kamuela and Kamuela, Aston, Aston City, Aston Inn, Quest Hotels, Neo Hotels, Fave Hotel, Harper, 100 Sunset Boutique</td>
</tr>
<tr>
<td>Santika Hotels &amp; Resorts - domestic</td>
<td>Santika Premier, Santika, Amaris, Royal Collection (The Samaya, The Kayana, Anvaya)</td>
</tr>
<tr>
<td>Swiss Bel-Hotel – Hongkong</td>
<td>Grand Swiss Hotel, Swiss Bel Hotel, Swiss Belinn, Zest, Hotel Ciputra, Arion Swiss Hotel</td>
</tr>
<tr>
<td>Tauzia Hotel management - domestic</td>
<td>Harris, Preference (Maison Aurelia Sanur, Tamarind Nusa Lembongan 2017, Des Indes Menteng 2017), POP Hotel, Yellow Hotel</td>
</tr>
<tr>
<td>Sahid Hotel network - domestic</td>
<td>Sahid, Griyadi</td>
</tr>
<tr>
<td>InterContinental Hotels Group</td>
<td>InterContinental, Crowne, Holiday Inn, Indigo</td>
</tr>
<tr>
<td>Hyatt</td>
<td>Hyatt</td>
</tr>
<tr>
<td>Discovery Hotels &amp; Resorts</td>
<td>Borobudur, Discovery, Home@36 Bali, Palaca Hotel Cipanas, Hotel Ebony, Kendari Beach Hotel, Discovery Express,</td>
</tr>
<tr>
<td>Louvre Hotel Group (LHG) – Jin Jang Holdings International</td>
<td>Royal Tulip, Golden Tulip, Kyriad, X2 Resort</td>
</tr>
</tbody>
</table>

Source: HVS Global Hospitality Service data, website and news

Bali remains the most visited tourist destination in Indonesia, followed by Jakarta, Batam, and Tanjung
Ubun (Bintan island). A total of 10.2 million tourists visited Indonesia in 2015. GOI data indicates that in 2015, Singapore, Malaysia, China, Australia, Japan, South Korea, India, the Philippines, and Taiwan accounted for the highest numbers of tourists from the Asia Pacific region. These were followed by arrivals from United Kingdom, the United States, France, Germany and the Netherlands. Tourist arrivals are expected to reach 12 million in 2016.

The GOI has passed a number of regulations intended to support the tourism industry with “Wonderful Indonesia” branding. In August 2015, the Ministry of Transportation issued regulation PM 121/2015, permitting foreign flagged cruise ships to transit the ports of Tanjung Priok, Tanjung Perak, Belawan, Makassar and Benoa Bali. Passengers may embark or debark at these locations. As per Presidential Regulation 21/2016, Indonesia extended its visa waiver program to 169 countries. The GOI continues to prioritize the development of transportation infrastructure (roads, seaports and airports).

In September 2015, Indonesia issued Presidential Regulation 105, opening 18 ports to foreign yachts and improving infrastructure for yachts from Sumatera to Papua. The GOI has also identified 10 priority locations for tourism development from 2016-2019. They are Danau Toba-North Sumatera, Kepulauan Seribu-Jakarta, Bromo-East Java, Labuan Bajo-East Nusa Tenggara, Yogyakarta, Wakatobi- Southeast Sulawesi, Belitung-Bangka Belitung, Morotai, North Maluku, Mandalika-West Nusa Tenggara, ad Tanjung Lesung-Banten.

Table 6. Indonesia: Tourism Indicators

<table>
<thead>
<tr>
<th>Description</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of foreign tourists (mil)</td>
<td>2011</td>
</tr>
<tr>
<td>Revenue (US $bill)</td>
<td>8.55</td>
</tr>
<tr>
<td>Occupancy Rate (%)-rated hotels</td>
<td>51.2</td>
</tr>
<tr>
<td>Number of hotel rooms-rated &amp; non rated hotels</td>
<td>381,457</td>
</tr>
</tbody>
</table>

Source: Statistic Indonesia

Meeting, Incentive, Conference and Exhibition (MICE)

The rapid expansion of the airline sector, including low-cost carriers, provides effective and efficient access to reach MICE destination cities. Although Indonesia has several tourist destinations, it lacks transportation infrastructure, an online comprehensive MICE database, and market access for product samples and souvenirs for MICE activities.
Based on International Congress and Conventions Association (ICCA) data, Indonesia was ranked 42nd as a venue for MICE in 2014. The main venues are Bali, Jakarta, and Yogyakarta. There are 29,613 participants attending MICE activities in Indonesia in 2014. Neighboring countries attracted 42,742 (Thailand), 57,497 (Singapore) and 71,157 (Malaysia). Additionally, Post notes that there are numerous domestic MICE events in Indonesia’s secondary cities.

Table 7. Indonesia: Major Hotel Imported Food Products/Ingredients Consumption
<table>
<thead>
<tr>
<th>Company Name</th>
<th>Location</th>
<th>Purchasing Agent(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aman Hotel</td>
<td>Bali (Amandari, Amanusa, Amankila), Moyo Island (Amanwana), Yogyakarta (Amanjiwo)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Banyan Tree Hotels &amp; Resorts</td>
<td>Bali (1)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Belmond Jimbaran Puri Bali</td>
<td>Bali (1)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Bulgari</td>
<td>Bali (1)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Conrad (Hilton group)</td>
<td>Bali (1)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Fairmont hotel</td>
<td>Jakarta (1)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Four Season</td>
<td>Bali (2), Jakarta (1)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Hard Rock</td>
<td>Bali (1)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Hilton</td>
<td>Hilton Bandung (1), Double tree by Hilton Hotel Jakarta (1), Hilton Garden Inn Bali (1)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Hyatt</td>
<td>Bali (2), Jakarta (1), Yogyakarta (1)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Intercontinental Hotel</td>
<td>Bali (1), Bandung (1)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>J.W. Marriott</td>
<td>Jakarta (1), Medan (1), Surabaya (1 and Fairfield by Marriot 1), Bali (Courtyard by Marriot 2, the Stone Hotels at Legian, Renaissance Uluwatu)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Karma resort</td>
<td>Bali (Royal Candidasa, Royal Jimbaran, Karma Jimbaran, Karma Kandara, Royal Sanur, Karma Mayura); Lombok (Karma Reef)</td>
<td>Importer/distributor</td>
</tr>
<tr>
<td>Kempinski</td>
<td>Jakarta (1)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Keraton at the Plaza-The Luxury Collection (Starwood Hotel)</td>
<td>Jakarta (1)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>M Gallery Collection (Accor Group)</td>
<td>Bali (Royal Beach Seminyak1, Amarterra Villas Nusa Dua 1), Solo (the Royal Surakarta Heritage 1), Yogyakarta (Phoenix Hotel 1)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Mandarin Oriental</td>
<td>Jakarta (1)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Mantra Sakala Resort &amp; Beach Club</td>
<td>Bali (1)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Melia</td>
<td>Jakarta (1 – Grand Melia), Bali (3 - Melia &amp; Sol), Yogyakarta (1 - Purosani)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Le Meridien (Starwood Hotel)</td>
<td>Jakarta (1), Bali (1)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Nikko</td>
<td>Bali (1)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Novotel (Accor Group)</td>
<td>Bali (3), Bangka (1), Bogor (1), Palembang (1), Semarang (1), Solo (1), Balikpapan (1), Banjarmasin (1), Lombok (1), Manado (1), Surabaya (1), Bandung (1), Batam (1), Lampung (1), Makassar (1), Tangerang (1), Yogyakarta (1), Pekanbaru (1), Jakarta (2)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Oberoi</td>
<td>Bali (1), Lombok (1)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Pullman (Accor Group)</td>
<td>Jakarta (2), Bali (1), Surabaya (1)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Raffles hotel</td>
<td>Jakarta (1)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Ritz Carlton</td>
<td>Jakarta (2), Bali (1)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Shangri-La</td>
<td>Jakarta (1), Surabaya (1)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Sheraton (Starwood Hotel)</td>
<td>Lombok (1), Yogyakarta (1), Bandung (1), Jakarta (2), Lampung (1), Surabaya (1), Bali (1)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Sofitel Bali Nusa Dua Beach Resort (Accor Group)</td>
<td>Bali (1)</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Hotel Name</td>
<td>Location Details</td>
<td>Notes</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>---------------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>St Regis (Starwood Hotel)</td>
<td>Bali (1)</td>
<td></td>
</tr>
<tr>
<td>The Chedi (GHM)</td>
<td>Bali (2, Tanah Gajah and Jimbaran)</td>
<td></td>
</tr>
<tr>
<td>Uma (Como group)</td>
<td>Bali (1)</td>
<td></td>
</tr>
<tr>
<td>W Retreat &amp; Spa (Starwood Hotel)</td>
<td>Bali (1)</td>
<td></td>
</tr>
<tr>
<td>Westin Hotel</td>
<td>Bali (1), Jakarta (1)</td>
<td></td>
</tr>
</tbody>
</table>

**Domestic Hotel**

<table>
<thead>
<tr>
<th>Hotel Name</th>
<th>Location Details</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alila</td>
<td>Bali (5), Jakarta (1, Kemang Icon 1), Solo (1)</td>
<td></td>
</tr>
<tr>
<td>Aryaduta</td>
<td>Jakarta (2), Tangerang (1), Medan (1), Makassar (1), Palembang (1), Pakanbaru (1), Manado (1), Bandung (1)</td>
<td></td>
</tr>
<tr>
<td>Ayana Resort &amp; Spa</td>
<td>Bali (1)</td>
<td></td>
</tr>
<tr>
<td>Anvaya (Santika group)</td>
<td>Bali (1)</td>
<td></td>
</tr>
<tr>
<td>Borobudur</td>
<td>Jakarta (1)</td>
<td></td>
</tr>
<tr>
<td>Dharmawangsa</td>
<td>Jakarta (1)</td>
<td></td>
</tr>
<tr>
<td>Grand Candi</td>
<td>Semarang (1)</td>
<td></td>
</tr>
<tr>
<td>Grand Mahakam</td>
<td>Jakarta (1)</td>
<td></td>
</tr>
<tr>
<td>Grand Sahid Jaya</td>
<td>Jakarta (1)</td>
<td></td>
</tr>
<tr>
<td>Mulia</td>
<td>Jakarta (1), Bali (1),</td>
<td></td>
</tr>
<tr>
<td>Nusa Dua Beach Hotel</td>
<td>Bali (1)</td>
<td></td>
</tr>
<tr>
<td>Padma</td>
<td>Bandung (1), Bali (2), Kerawang (Resinda Hotel 1)</td>
<td></td>
</tr>
<tr>
<td>Papandayan</td>
<td>Bandung (1)</td>
<td></td>
</tr>
<tr>
<td>Tentrein Hotel</td>
<td>Yogyakarta (1)</td>
<td></td>
</tr>
<tr>
<td>The Laguna</td>
<td>Bali (1)</td>
<td></td>
</tr>
<tr>
<td>Trans Luxury Hotel</td>
<td>Bandung (1), Bali (1)</td>
<td></td>
</tr>
<tr>
<td>Gumaya Tower</td>
<td>Semarang (1)</td>
<td></td>
</tr>
<tr>
<td>Tugu</td>
<td>Malang (1), Blitar (1) Bali (1), Lombok (1)</td>
<td></td>
</tr>
</tbody>
</table>

**Villas & Resorts**

<table>
<thead>
<tr>
<th>Hotel Name</th>
<th>Location Details</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cocotinos</td>
<td>Lombok (Sekotong 1), Manado (Resort 1)</td>
<td></td>
</tr>
<tr>
<td>Damai</td>
<td>Bali (Lovina 1)</td>
<td></td>
</tr>
<tr>
<td>Hotel Ombak Sunset &amp; Villa Ombak</td>
<td>Lombok (2)</td>
<td></td>
</tr>
<tr>
<td>Jeeva Klui Resort</td>
<td>Lombok (1)</td>
<td></td>
</tr>
<tr>
<td>Kayumanis Nusa Dua Private Villa &amp; Spa</td>
<td>Bali (4)</td>
<td></td>
</tr>
<tr>
<td>Kebun Villas &amp; Resort</td>
<td>Lombok (1)</td>
<td></td>
</tr>
<tr>
<td>Komaneka</td>
<td>Bali (4)</td>
<td></td>
</tr>
<tr>
<td>Qunci Villas</td>
<td>Lombok (1)</td>
<td></td>
</tr>
<tr>
<td>Puri Sunia Resort</td>
<td>Bali (1)</td>
<td></td>
</tr>
<tr>
<td>The Kayana</td>
<td>Bali (1)</td>
<td></td>
</tr>
<tr>
<td>The Legian Beach</td>
<td>Bali (1)</td>
<td></td>
</tr>
<tr>
<td>The Lombok Lodge</td>
<td>Lombok (1)</td>
<td></td>
</tr>
<tr>
<td>The Samaya</td>
<td>Bali (2)</td>
<td></td>
</tr>
<tr>
<td>The Ulin Villa &amp; Spa</td>
<td>Bali (1)</td>
<td></td>
</tr>
<tr>
<td>The Santosa Villa &amp; Resort</td>
<td>Lombok (1)</td>
<td></td>
</tr>
<tr>
<td>Sudamala Suites &amp; Villas</td>
<td>Lombok (1), Bali (1)</td>
<td></td>
</tr>
<tr>
<td>Ubud Hanging Garden</td>
<td>Bali (1)</td>
<td></td>
</tr>
<tr>
<td>Viceroy</td>
<td>Bali (1)</td>
<td></td>
</tr>
<tr>
<td>Villa Semana</td>
<td>Bali (1)</td>
<td></td>
</tr>
</tbody>
</table>

*This list is not comprehensive.*

Source: Website, importers, Media
Starwood Hotels plans to open more hotels in several Indonesia cities in the next few years. In addition to 7 current hotels, Four Points hotel by Sheraton will open in Jakarta, Manado, Medan, Bali (Ubud) and Bintan in 2016 – 2018. The Westin Bali (Ubud) will open in 2017. The St Regis Jakarta and the Sarasvati Luxury Collection Resort in Bali will open in 2019. Aloft hotels will open in Bali and Jakarta in 2017-2019 and Element Bali (Ubud) will open in 2017.

Other hotel chains will open in 2017-2019. These include Marriott (JW Marriott, MOXY), Accor group (Ibis), Intercontinental Hotels Groups (Holiday Inn), Santika, Archipelago (Aston, Fave Hotel, Harper), Hilton (Waldorf Astoria in Bali (2), Double Tree and Hilton Garden Inn), Solis Capella Resort Hotel, Cordis Nusa Dua Bali, Langham Place Hotel, Raffles Bali, Fairmont Bali, Mandarin Oriental Bali, Kempinski Nusa Dua, Rosewood Tanah Lot, Shangri-La Nusa Dua Resort & Spa, Jumeirah Bali, Andaz Hotel Bali by Hyatt, Edition Hotel & Resort and Cordis Nusa Dua.

**Restaurants**

Western style fast food outlets purchase imported foods, but the variety is limited. Restaurants serving noodles, Japanese food, pizza, and fried chicken, as well as bakery product outlets and coffee houses are prominent and tend to use imported beef, fresh and canned fruits, frozen potatoes and vegetables, dressing, sauces, bakery ingredients, juice and mixed drinks, whipping cream, bakery ingredients and mixes, delicatessen products, and various coffee ingredients, such as creamer, honey, and flavorings. Irreplaceable food ingredients for French, Italian, Japanese and Korean restaurants depend greatly on imported products (cheese, condiments, oils, sauces, rice, and canned foods).

Fast food outlets continue to thrive, despite the dominance of roadside stalls and vendors in the food service industry. The most prevalent fast food outlets include KFC (560 outlets as of November 2016), A&W (230 outlets as of March 2016), California Fried Chicken (275 outlets as of December 2015), McDonald’s (168 outlets as of February 2016), and Pizza Hut (219 outlets plus 107 delivery outlets as of October 2016). These outlets will remain popular due to affordable prices, high standards and quality, and a pan-Indonesia footprint. Burger restaurants (Burger King, Carl’s Junior, MOS Burger, Fatburger, Wendy’s) and pizza outlets (Domino’s pizza, Pizza Marzano, Pizza Hut) from different companies have opened in Jakarta and its surrounding area over the last few years. Korean fast food such as BonChon Chicken and Kyochon are also growing. Coffee shops are also growing (Starbucks, Excelso Cafe, The Coffee Bean & Tea Leaf, Kopi Tiam, etc). Chain fast food outlets and specialty coffee shops are spreading from mixed retail locations to stand-alone shops.

Restaurant franchises are operated by several local businesses. They include: Mahadya Group (Carl’s Jr, Wing stop and Caribou Coffee); Ismaya Group (Pizza E Birra, Blowfish, Fook Yew, Skye, Sushigrove, The People Cafe, Djournal, Kitchenette, Publik Markete, Social House, and Tokyo Belly); Sriboga Group (Pizza Hut and Marugame Udon); Mitra Adiperkasa (MAP) (Krispy Kreme, ColdStone Creamery, Godiva, Chatterbox, Starbucks, Domino’s Pizza, Paul, Pizza Express, Burger King and Genki Sushi); Kawan Lama group (Chatime and Cupbop); and CT Corp (Coffee Bean & Tea Leaf, Baskin Robbins and Wendy’s).

Throughout Java and Bali, 24 hour convenience stores like Circle K and Minimart provide tourists and
expatriates with hot coffee, tea, cold beverages, burgers, hotdogs, freshly baked pastries, bread and cookies. This sector is expected to expand in the future and to offer more food and beverages products with imported food ingredients. In Jakarta, 7-Eleven, Indomaret, Alfamart, and Lawson convenience stores are popular.

Food trucks are a new trend appearing in Jakarta. Like the United States, food trucks move around to serve a variety of consumers and update their position via social media. While the new wave of food trucks serves a range of high quality Indonesian and International foods, established food truck businesses serve more typical Indonesian fare near offices and construction sites.

In addition to home delivery services provided by various restaurants, the growth of home delivery using motorcycle taxis has grown immensely in recent years. “Go-jek” is a motorcycle service similar to Uber. While providing rides to paying passengers, it has become even more popular as a low-cost delivery service, used primarily as a means to save time in Jakarta’s gridlocked traffic. Retail food and non-food items can easily be ordered via an online app, thus expanding food delivery to restaurants that normally would not provide the service. Following the success of Go-jek, several other businesses have copied the concept, including GrabBike and Blu-Jek. Gojek services are currently available in the Jakarta region (Jakarta, Tangerang, Bekasi, Depok, and Bogor), as well as Bandung, Surabaya, Bali, Medan and Makassar.

Online discount vouchers found through websites such as www.groupon.co.id, www.evoucher.co.id, www.hargahot.com, and www.lazada.co.id are also gaining popularity.

Table 8. Indonesia: Major Restaurants Consuming Imported Food Products/Ingredients

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Sales in 2013</th>
<th>Outlet Name, Type &amp; Number of Outlets</th>
<th>Location</th>
<th>Purchasing Agent (s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Franchise Restaurant/Fast Food/Pizza</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Biru Fast Food Nusantara, PT</td>
<td>N/A</td>
<td>A &amp; W (230 outlets as of March 2016)</td>
<td>Nation wide</td>
<td>Importers/Distributor</td>
</tr>
<tr>
<td>Sari Burger Indonesia, PT</td>
<td>N/A</td>
<td>Burger King (44 outlets as of May 2016)</td>
<td>Jakarta, Tangerang, Bekasi, Bogor, Bandung, Bali, Surabaya</td>
<td>Importers/Distributor</td>
</tr>
<tr>
<td>Generasi Mutiara Bangsa, PT (Mahadya Group)</td>
<td>N/A</td>
<td>Carl’s Jr (16 outlets as of December 2015)</td>
<td>Jakarta, Surabaya, Bekasi</td>
<td>Importers/Distributor</td>
</tr>
<tr>
<td>Fastfood</td>
<td>Revenue</td>
<td>Kentucky Fried</td>
<td>120 cities all over</td>
<td>Importers/Distributor</td>
</tr>
<tr>
<td>Company (ID)</td>
<td>Shareholders</td>
<td>Description</td>
<td>Location</td>
<td>Notes</td>
</tr>
<tr>
<td>------------------------------------------</td>
<td>--------------</td>
<td>-------------</td>
<td>----------</td>
<td>-------</td>
</tr>
<tr>
<td>Indonesia, PT Tbk</td>
<td></td>
<td>IDR. 4.47 trilliun</td>
<td>Indonesia</td>
<td></td>
</tr>
<tr>
<td>Lotteria Indonesia, PT</td>
<td>N/A</td>
<td>Lotteria (30 outlets as of November 2016)</td>
<td>Jakarta, Bogor, Depok, Tangerang, Cikarang, Karawang, Bandung, Bekasi</td>
<td>Importers/Distributor</td>
</tr>
<tr>
<td>Rekso National Food, PT</td>
<td>N/A</td>
<td>Mc Donald (168 outlets as of February 2016)</td>
<td>32 cities of all over Indonesia</td>
<td>45% independent outlets</td>
</tr>
<tr>
<td>MOG Indonesia, PT</td>
<td>N/A</td>
<td>MOS Burger (2 outlets as of November 2016)</td>
<td>Jakarta</td>
<td>Importers/Distributor</td>
</tr>
<tr>
<td>Cipta Selera Murni, PT</td>
<td>N/A</td>
<td>Texas Fried Chicken (93 outlets as of September 2015)</td>
<td>Nationwide (30 cities)</td>
<td>Importers/Distributor</td>
</tr>
<tr>
<td>Trans Burger Indonesia, PT</td>
<td>N/A</td>
<td>Wendy’s (47 outlets as of May 2016)</td>
<td>Jakarta, Bandung, Yogyakarta, Solo, Semarang, Surabaya, Bali, Medan, Makassar, Manado</td>
<td>Importers/Distributor</td>
</tr>
<tr>
<td>Michelindo Food International, PT</td>
<td>N/A</td>
<td>BonChon Chicken (25 outlets as of May 2015)</td>
<td>Jakarta, Tangerang, Bali, Bekasi, Surabaya, Bandung, Banjarmasin, Yogyakarta, Makassar</td>
<td>Importers/Distributor</td>
</tr>
<tr>
<td>DOM Pizza Indonesia, PT</td>
<td>N/A</td>
<td>Domino’s Pizza (78 outlets as of March 2016)</td>
<td>Jakarta, Tangerang, Depok, Bekasi, Bogor, Bandung, Bali, Cikarang, Cimahi, Cibinong</td>
<td>Importers/Distributor</td>
</tr>
<tr>
<td>Ismaya Group</td>
<td>N/A</td>
<td>Pizza E Birra (7 as of Sept 2016)</td>
<td>Jakarta, Bandung</td>
<td>Importers/Distributor</td>
</tr>
<tr>
<td>Sari Melati Kencana, PT</td>
<td>N/A</td>
<td>Pizza Hut (219 outlets plus 107 delivery outlets as of October 2016)</td>
<td>Nationwide</td>
<td>Importers/Distributor Direct</td>
</tr>
<tr>
<td>Mitra Adiperkasa, PT</td>
<td>N/A</td>
<td>Pizza Marzano (3) and Pizza Express (11) outlets as of October 2016</td>
<td>Jakarta, Tangerang</td>
<td>Importers/Distributor</td>
</tr>
<tr>
<td>Kyochon Indonesia, PT (Wahana Artha Group)</td>
<td>N/A</td>
<td>Kyochon (6 outlets as of March 2016)</td>
<td>Jakarta</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Mega Mahadana Hadiya, PT (Mahadya Group)</td>
<td>N/A</td>
<td>Wing stop (10 outlets as of December 2015)</td>
<td>Jakarta, Depok, Tangerang</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Other type of restaurant</td>
<td>Location</td>
<td>Importer/Distributor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------------------</td>
<td>----------------------------------------</td>
<td>-------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indofood CBP Sukses Makmur PT, Tbk</td>
<td>N/A</td>
<td>Popola Mama (5 outlets as of October 2016)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sriboga Marugame Indonesia, PT</td>
<td>N/A</td>
<td>Jakarta, Tangerang</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Berkat Anugerah Sentosa, CV</td>
<td>N/A</td>
<td>Marugame Udon (28 outlets as of September 2016)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gading Food, PT</td>
<td>N/A</td>
<td>Jakarta, Surabaya, Medan, Tangerang, Bandung, Bali, Depok, Bogor, Yogyakarta</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entertainment Indonesia, PT</td>
<td>N/A</td>
<td>Jakarta, Surabaya, Medan, Tangerang, Jambi, Lampung, Palembang, Bengkulu</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Superutama Nusantara, PT</td>
<td>N/A</td>
<td>Jakarta, Surabaya</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cahaya Sakti, CV</td>
<td>N/A</td>
<td>Jakarta, Tangerang</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cashwood Indonesia Group</td>
<td>N/A</td>
<td>TGI Friday’s (4 outlets as of October 2016)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mas Millenium Indonesia, PT</td>
<td>N/A</td>
<td>Jakarta, Surabaya</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jaddi international, PT</td>
<td>N/A</td>
<td>Jakarta, Medan, Balikpapan, Bogor, Cikampek, Bandung, Batam, Makassar, Solo, Palangpin, Yogyakarta</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OBS Citra Indonesia, PT</td>
<td>N/A</td>
<td>Jakarta, Surabaya</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Planet Hollywood Inc.</td>
<td>N/A</td>
<td>Jakarta, Medan, Balikpapan, Bogor, Cikampek, Bandung, Batam, Makassar, Solo, Palembang, Yogyakarta</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sari Coffee Indonesia, PT</td>
<td>N/A</td>
<td>Jakarta, Medan, Balikpapan, Bogor, Cikampek, Bandung, Batam, Makassar, Solo, Palembang, Yogyakarta</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Company Name</td>
<td>Lampung</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>--------------</td>
<td>---------</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excelso Café’ (more than 131 outlets as of January 2016)</td>
<td>Nationwide (30 cities)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yoshinoya Japanese Restaurant (53 outlets as of October 2016)</td>
<td>Jakarta (31), Bogor (1), Depok (2), Tangerang (4), Bekasi (4), Bandung (5), Surabaya (5), Malang (1)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Coffee Bean &amp; Tea Leaf (110 outlets as of November 2016)</td>
<td>Jakarta, Tangerang, Bandung, Bali, Surabaya, Makassar, Samarinda, Bekasi, Banjarmasin, Balikpapan</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Richeese factory (55 outlets as of October 2015)</td>
<td>Jakarta, Bogor, Tangerang, Depok, Bandung, Cirebon, Tegal, Sumedang, Surabaya, Malang, Bali, Garut, Bekasi, Bogor, Medan, Semarang, Solo</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beer Garden (4 outlets as of October 2016)</td>
<td>Jakarta</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cupbop (2 outlets as of October 2016)</td>
<td>Jakarta, Tangerang</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shihlin Taiwan Street Snack-Crispy chicken (83 outlets as of June 2016)</td>
<td>Nation wide</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Japanese, Italian, French, Western and Chinese restaurants including coffee shops in Jakarta, Bali and other cities**

<table>
<thead>
<tr>
<th>Bakery</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cal Donut (21 outlets as of December 2015)</td>
</tr>
<tr>
<td>BreadTalk (146 outlets as of July 2015)</td>
</tr>
<tr>
<td>Country Style Donuts (18 outlets as of May 2015)</td>
</tr>
<tr>
<td>Dunkin Donuts (242 outlets as of May 2015)</td>
</tr>
<tr>
<td>J Co Donuts &amp;</td>
</tr>
<tr>
<td>Company</td>
</tr>
<tr>
<td>---------------------------------</td>
</tr>
<tr>
<td><strong>Coffee, PT</strong></td>
</tr>
<tr>
<td>Premier Doughnut Indonesia, PT</td>
</tr>
<tr>
<td>Mustika Cita Rasa, PT</td>
</tr>
<tr>
<td>Pancious Tirtajaya, PT</td>
</tr>
<tr>
<td>Berjaya Bersama Sally, PT</td>
</tr>
<tr>
<td>Cheil Jedang Indonesia, PT</td>
</tr>
<tr>
<td>Dunia Makmur Jaya, PT</td>
</tr>
<tr>
<td>Mount Scopus Indonesia, PT</td>
</tr>
<tr>
<td>Ice Cream</td>
</tr>
<tr>
<td>Trans Ice, PT</td>
</tr>
<tr>
<td>Sari Ice Cream Indonesia, PT</td>
</tr>
<tr>
<td>Rahayu, Arumdhani International, (Mugi Rekso Abadi Group/MRA)</td>
</tr>
</tbody>
</table>

**Facts on the restaurant industry:**
- Fast food franchises are appropriate for customers in all income groups because they offer
affordable prices, creative menus, child-friendly menus & facilities, and delivery services for time sensitive customers.

- Full service restaurants promote group events, such as televised sports.
- Restaurants are found in shopping malls, apartment buildings, hospitals, schools, office buildings, freeway rest areas, airports, recreational parks and residential areas.
- Convenience store expansion increases the probability of selling imported food and beverages products.
- Bakery businesses are growing in popularity in Jakarta and throughout major urban areas.
- Restaurants are increasingly partnering with credit card companies by offering discounts to increase the number of credit transactions.
- Gathering, entertaining and socialization in restaurants is growing. Eating out is a common activity across all socio-economic levels, especially amongst families on weekends.
- Social media is a very popular means of publicizing foodservice information targeting young customers.
- Control of the alcoholic beverage market is divided between local governments and the central government. The Central government sets a quota and distributes the quota amongst importers while local governments determine which retail businesses are permitted to sell alcohol.

Warungs and Street Stalls

Warungs and street stalls are very popular and found throughout Indonesia. Various local dishes and snacks are sold in this type of venue and consumed by lower income consumers. Fried chicken, burgers, hotdogs, and kebabs are being featured more frequently on their menus. Hygiene is typically substandard. Soy based food such tofu and tempeh are widespread in Java (ketoprak, siomay, kembang tahu, gado-gado), while meatballs (bakso), fried noodle and chicken noodle (mie ayam) are consumed throughout Indonesia. Martabak is a popular street stall snack containing eggs, wheat flour, condensed milk, chocolate sprinkles and cheese. Commonly imported ingredients for street stall dishes include soy, wheat/wheat flour, dairy products, and beef offals. Franchise street stalls that serve kebabs, burgers, bubble tea, and other similar food are growing in popularity.

Institutional

Caterers are typically small to medium-sized private enterprises that serve factories, offices, schools, hospitals, company events, private social functions, and weddings. Caterers typically serve local food products, although they are likely to use imported beef offal, fresh and canned fruits, frozen potatoes and vegetables, dressings, bakery ingredients and mixes. Airlines, mining and petroleum companies, and international standard catering services, hotels and restaurants may use other types of imported foods.

Table 9. Major Restaurants Consuming Imported Food Products/Ingredients

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Sales in 2013</th>
<th>Outlet Name, Type &amp; Number of Outlets</th>
<th>Location</th>
<th>Purchasing Agents</th>
</tr>
</thead>
</table>

### In-flight and industrial catering

<table>
<thead>
<tr>
<th>Service Provider</th>
<th>Major Supply Sources</th>
<th>Supply Countries</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aerofood Catering Service, PT</td>
<td>ACS</td>
<td>Jakarta, Bali, Surabaya, Medan, Balikpapan, Yogyakarta, Bandung</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Cardig Anugrah Sarana Catering, PT &amp; Purantara Mitra Angaksa Pura, PT</td>
<td>CAS Food</td>
<td>Jakarta, Bali</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Kulinair Food Solutions, PT</td>
<td>Bali</td>
<td></td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Indocater, PT</td>
<td>Indocater</td>
<td>Jakarta, Bogor, Bandung, Cikarang, Tangerang, Serang, Cilegon, Aceh, Bontang, Sangara, Sorong, Natuna</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Pangansari Utama, PT</td>
<td>PSC</td>
<td>Jakarta, Subaraya, Timika, Balikpapan, Medan, Pakanbaru, Makassar, Palembang, Denpasar, Sorong, Tembagapura, Batam</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Patra Supplies and Services, PT</td>
<td>Patra Supplies &amp; Services</td>
<td>Jakarta, Balikpapan</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Patra Jasa, PT</td>
<td>Patra Catering</td>
<td>Jakarta (office), Aceh, Prabumulih, Jambi, Java &amp; Kalimantan</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Jasa Boga Indonesia, PT</td>
<td>JBI</td>
<td>East Kalimantan</td>
<td>Importer/Distributor</td>
</tr>
<tr>
<td>Prasmanindo Boga Utama, PT</td>
<td>PBU</td>
<td>Jakarta, Balikpapan, Gosowong-Sumbawa, Sulawesi, Maluku</td>
<td>Importer/Distributor</td>
</tr>
</tbody>
</table>

### Event catering

<table>
<thead>
<tr>
<th>Catering Service</th>
<th>Major Supply Sources</th>
<th>Main Supply Countries</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Akasya Catering</td>
<td>Akasya</td>
<td>Jakarta</td>
<td>Importer/Distributor, wholesaler</td>
</tr>
<tr>
<td>Culture Royale, PT</td>
<td>Culture Royale</td>
<td>Jakarta</td>
<td>Importer/Distributor, wholesaler</td>
</tr>
<tr>
<td>Puspa Catering Services</td>
<td>Puspa</td>
<td>Jakarta</td>
<td>Importer/Distributor, wholesaler</td>
</tr>
<tr>
<td>Tiara Royale, PT</td>
<td>Tiara Royale</td>
<td>Jakarta</td>
<td>Importer/Distributor, wholesaler</td>
</tr>
</tbody>
</table>

Source: Website

### III. COMPETITION

#### Table 10. Indonesia: Imports Versus Domestically Produced Goods Competition, 2015

<table>
<thead>
<tr>
<th>Product Category</th>
<th>Major Supply Sources</th>
<th>Strengths of Key Supply Countries</th>
<th>Advantages and Disadvantages of Local</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Category</td>
<td>Major Supply Sources</td>
<td>Strengths of Key Supply Countries</td>
<td>Advantages and Disadvantages of Local</td>
</tr>
<tr>
<td>Product</td>
<td>Total Share</td>
<td>Suppliers</td>
<td>Notes</td>
</tr>
<tr>
<td>-----------------------</td>
<td>-------------</td>
<td>---------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------</td>
</tr>
</tbody>
</table>
| Fresh Fruit           |             | China 50.5%  
Thailand 12.2%  
U.S. 9.45%  
Australia 7.0%  
Pakistan 4.7%       | China supplies: Fuji apple:  
Yalie pear, Shandong pear, red globe table grape, mandarin, orange, lemon. China offers very competitive prices  
Thailand supplies: longan, durian, mangoes  
US supplies: red delicious and other varieties of apple, table grape and orange  
Australia supplies: pear, red globe table grape, orange  
Pakistan supplies: orange | Only tropical fresh fruits are produced locally and supplies are inconsistent. |
| Fresh Vegetables      |             | China 84.1%  
New Zealand 3.3%  
Netherlands 2.6%  
India 2.5%           | China supplies: garlic, onions, shallots, carrots, chilies. China offers very competitive prices  
New Zealand supplies: onion  
India supplies: onions, shallots | No garlic and onion are produced locally. Local shallot and chili production cannot meet domestic demand during rainy season. Only tropical fresh vegetables are produced locally. Supplies are inconsistent. |
| Red meats fresh, chilled, frozen |             | Australia 78.1%  
New Zealand 16.8%  
U.S. 4.5%           | Australia and New Zealand offer competitive pricing and no reported cases of FMD and BSE. | Shortage of supply. Most domestic production is sold fresh to traditional markets and modern retail outlets |
| Processed fruit & vegetables |             | China 30.9%  
U.S. 21.7%  
Netherlands 7.6%  
Canada 5.0%  
Belgium 4.3%  
Thailand 4.3%  
India 3.9%  
Vietnam 3.7%  
Brazil 3.3%  
Germany 3.0%     | China and Thailand supply processed fruit and vegetable products. Brands are well known and prices are competitive  
U.S. and Canada supply French fries and frozen vegetables | Limited processed fruit and vegetable products produce locally. |
| Bakery dough          |             | Thailand 35.7%  
Germany 17.7%  
Singapore 14.1%  
Malaysia 8.7%  
Australia 7.9%       | Indonesians prefers Asian-style bakery products, but are open to new western bakery products. | Domestic production is growing. |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Butter</td>
<td>21,121 ton</td>
<td></td>
<td>U.S. 6.6%</td>
<td>Japan 3.4%</td>
<td>Vietnam 3.4%</td>
<td>New Zealand 75.3%</td>
<td>Belgium 9.3%</td>
<td>New Zealand and Australia have a competitive pricing, geographic proximity and supply sweet cream butter.</td>
<td>Almost no butter produced locally.</td>
</tr>
<tr>
<td>Cheese</td>
<td>11,876 ton</td>
<td></td>
<td>New Zealand 48%</td>
<td>U.S. 23%</td>
<td>Australia 18.5%</td>
<td>Netherlands 3.6%</td>
<td>New Zealand and Australia have competitive pricing and geographic proximity.</td>
<td>Domestic cheese production is growing but still use imported dairy ingredients</td>
<td></td>
</tr>
<tr>
<td>Fruit &amp; vegetable juices</td>
<td>14,951 ton</td>
<td></td>
<td>Brazil 38.4%</td>
<td>United Arab Emirates 15.8%</td>
<td>Thailand 10.2%</td>
<td>China 9.2%</td>
<td>U.S. 6.9%</td>
<td>Australia 6.1%</td>
<td>Austria 4.5%</td>
</tr>
<tr>
<td>Breakfast Cereals/Pancake Mix</td>
<td>6,397 Ton</td>
<td></td>
<td>Malaysia 60.4%</td>
<td>Philippines 10.3%</td>
<td>China 10%</td>
<td>Thailand 7.9%</td>
<td>U.S. minor supplier (1.6%)</td>
<td>Multinational companies established their production facilities in ASEAN countries (such as Philippines, Malaysia and Thailand) to reach the market in surrounding countries.</td>
<td>Domestic manufactured produces limited variety of breakfast Cereals.</td>
</tr>
<tr>
<td>Tree nuts</td>
<td>3,145 ton</td>
<td></td>
<td>U.S. 35.1%</td>
<td>Thailand 21.2%</td>
<td>Vietnam 20.7%</td>
<td>China 10.6%</td>
<td></td>
<td>Thailand supplies repacked tree nuts from the U.S.</td>
<td>Local tree nut production is limited to the cashew nut.</td>
</tr>
<tr>
<td>Wine &amp; Beer</td>
<td>n/a</td>
<td></td>
<td>n/a</td>
<td>Major supplier are France and Australia followed by Singapore, Italy, Chili, Portugal, U.S</td>
<td>Australia offers competitive pricing and geographic proximity.</td>
<td>Singapore is a transit country for most of the imported products to Indonesia</td>
<td></td>
<td>Population mostly Moslem.</td>
<td>Insignificant supply of domestic wine production and limited local beer manufacturers for the rest of population and tourists’ consumption.</td>
</tr>
</tbody>
</table>

Source: Global Trade Atlas
IV. BEST PRODUCT PROSPECT

A. Products Present in the Market That Have Good Sales Potential

Table 11. Indonesia: Products Present in the Market That Have Good Sales Potential

<table>
<thead>
<tr>
<th>Product Category</th>
<th>2014 Import (Volume, thousand MT)</th>
<th>2014 Import ($mil)</th>
<th>5 Yr. Avg Annual Import (Volume Growth %)</th>
<th>Import Tariff Rates (%)</th>
<th>Key Constraint(s) to Market Development</th>
<th>Market Attractiveness for USA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh Fruit</td>
<td>427</td>
<td>64</td>
<td>-5</td>
<td>5% for all fruit except Mandarins and mangos (20%)</td>
<td>Competition with China. Current Government of Indonesia regulations inhibit fresh fruit imports.</td>
<td>Health awareness and rising middle class pushes demand of quality fresh products Lack of supply and quality of domestic fruit products</td>
</tr>
<tr>
<td>Fresh Vegetable</td>
<td>639.25</td>
<td>$459.60</td>
<td>4.5</td>
<td>5% and 30% for processed meat</td>
<td>Price concern</td>
<td>Lack of supply and quality domestic products and demand of other vegetable varieties</td>
</tr>
<tr>
<td>Red Meats, Fresh/Chilled/Frozen</td>
<td>54.22</td>
<td>$257.90</td>
<td>-2.1</td>
<td>0</td>
<td>Competition with Australia and New Zealand Importer has to obtain an import recommendation from</td>
<td>Lack of domestic supply</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Food Product</th>
<th>Quantity</th>
<th>Price</th>
<th>Quality</th>
<th>Concerns</th>
</tr>
</thead>
<tbody>
<tr>
<td>Processed fruit &amp;</td>
<td>126</td>
<td>170</td>
<td>9.3</td>
<td>Mostly 5 20% for products preserved by sugar Complicated import permitting process.</td>
</tr>
<tr>
<td>Vegetables</td>
<td></td>
<td></td>
<td></td>
<td>Lack of processed fruit and vegetable produced locally.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Food service sector, bakery is growing and need processed fruit/vegetables.</td>
</tr>
<tr>
<td>Bakery dough</td>
<td>3.32</td>
<td>7.6</td>
<td>17</td>
<td>10% for mixes and dough Price concerns Bakery industry is growing</td>
</tr>
<tr>
<td>Fruit &amp; vegetable</td>
<td>14.95</td>
<td>$26.5</td>
<td>5.1</td>
<td>Mostly 10 Obtaining Import Registration Number (ML) procedure for retail package product is complicated</td>
</tr>
<tr>
<td>Juices</td>
<td></td>
<td></td>
<td></td>
<td>Health awareness and rising middle class drive demand for fruit based products.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Domestic industry mostly produces tropical fruit juice.</td>
</tr>
<tr>
<td>Butter</td>
<td>21.12</td>
<td>81.23</td>
<td>10</td>
<td>5 Dairy product manufacturers must be approved by the GOI before they are able to export to Indonesia</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>There is no butter produced domestically Growing bakery sector to include cookies production and also restaurants that serve bakery products.</td>
</tr>
</tbody>
</table>
The GOI’s import restrictions on beef products continue to hamper trade, despite local production shortages of regular beef, and virtually no production of high-quality grain fed beef. Recent policy changes, however, have expanded the validity of import permits from four to six months as well as increasing the number of cuts eligible for export to Indonesia.

**B. Products Not Present in Significant Quantities but That Have Good Sales**

There are good opportunities for sales of some U.S. high-value items. Many of these are not yet in the market in significant quantities. They include alcoholic beverages (beer and wine), egg yolks, dehydrated & mashed potato, pea flour, specialty fruits and certain types of berries. Challenges to entering these markets include a lack of consumer knowledge (dehydrated & mashed potato), the availability (specialty fruits, pea flour), and complicated import and distribution procedures for alcoholic beverages and egg yolk products.

**Table 12. Indonesia: Products Not Present in Significant Quantities but That Have Good Sales**

<table>
<thead>
<tr>
<th>Product Category</th>
<th>2015 Import (Volume, thousand MT)</th>
<th>2015 Import ($mil)</th>
<th>5Yr. Avg Annual Import (Volume) Growth %</th>
<th>Import Tariff Rates (%)</th>
<th>Key Constraints to Market Development</th>
<th>Market Attractiveness for USA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cheese</td>
<td>11.87</td>
<td>53.77</td>
<td>11.97</td>
<td>5</td>
<td>Dairy product manufacturers must be approved by the GOI before they are able to export to Indonesia</td>
<td>Growing western style and traditional food using cheese</td>
</tr>
<tr>
<td>Breakfast Cereals/Pancake Mix</td>
<td>6.39</td>
<td>18.26</td>
<td>4.5</td>
<td>20</td>
<td>Obtaining Import Registration Number (ML) procedure for retail package product is complicated</td>
<td>Limited breakfast cereals products produced domestically. Health awareness, a growing middle class, and changing lifestyles drive demand for healthy, western and convenience food products.</td>
</tr>
<tr>
<td>Tree nuts</td>
<td>3.14</td>
<td>16.89</td>
<td>-4.8</td>
<td>5</td>
<td>Price concern</td>
<td>Bakery sector is growing and use tree nuts as one of the ingredient.</td>
</tr>
</tbody>
</table>
In the past few years, local wine makers have begun producing wine from local grapes and imported Australian grape must to avoid imported alcoholic beverage taxes. These wines are readily available and affordable.

C. Products Not Present because They Face Significant Barriers

Chicken parts, poultry processed products and fresh potatoes have a potential market in Indonesia. However, GOI regulations prevent U.S. suppliers from serving the market.

Table 13. Indonesia: Products Not Present in Significant Quantities Due to a Significant Barrier, but with Good Sales.

<table>
<thead>
<tr>
<th>Product Category</th>
<th>2015 Import (Volume, thousand MT)</th>
<th>2015 Import ($mil)</th>
<th>5Yr. Avg Annual Import (Volume) Growth %</th>
<th>Import Tariff Rates (%)</th>
<th>Key Constraints to Market Development</th>
<th>Market Attractiveness for USA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh Potatoes</td>
<td>38</td>
<td>17</td>
<td>33.88</td>
<td>20</td>
<td>MOA enforces strict protocols on exporting countries to prevent the use of imported fresh potatoes as seeds</td>
<td>Limited variety of fresh potatoes for table potatoes and chips potatoes industry</td>
</tr>
<tr>
<td>Poultry Meat</td>
<td>2.57</td>
<td>3.43</td>
<td>42.6</td>
<td>5 except 20% for chicken thighs, 5% and 30% for processed meat</td>
<td>MOA has not issued any import recommendations for poultry products (including duck and turkey) since January 2014. MOA has to approve the poultry establishment for export to Indonesia. MOA requires that poultry exported to Indonesia must be slaughtered manually and halal.</td>
<td>Domestic chicken prices are high and no turkey is produced locally</td>
</tr>
</tbody>
</table>

Note: * Global Trade Atlas
V. POST CONTACT AND FURTHER INFORMATION

The Foreign Agricultural Service (FAS), U.S. Embassy Jakarta, maintains up-to-date information covering food and agricultural import opportunities in Indonesia and would be pleased to assist in facilitating U.S. exports and entry to the Indonesian market. Questions or comments regarding this report should be directed to FAS Jakarta at the following addresses:

**International Post:**
Foreign Agricultural Service
U.S. Embassy Jakarta
Sarana Jaya Building, 8th Floor
Jl. Budi Kemuliaan I No. 1
Jakarta 10110
Tel: +62 21 3435-9161
Fax: +62 21 3435-9920
e-mail: agjakarta@fas.usda.gov

**U.S. mail:** Foreign Agricultural Service

Foreign Agricultural Service
FAS
Unit 8200 Box 436
FPO, AP 96520-0436

For more information on exporting U.S. agricultural products to Indonesia and other countries, please visit the Foreign Agricultural Service’s Home Page: [http://usdaindonesia.org](http://usdaindonesia.org) and [http://www.fas.usda.gov](http://www.fas.usda.gov).

VI. OTHER RELEVANT REPORTS

1. Ministry of Trade Updates Beef Import Regulation (ID1625)
2. Indonesia Expands U.S. Plants Products Eligible for Recognition (ID1624)
3. Indonesia Eases Import Rules for Meat Products (ID1623)
4. Indonesia Amends Import Regulations for Livestock Products (ID1618)
5. Indonesia Amends Export Procedures for Plant Products (ID1615)
6. Ministry of Trade Changes Horticulture Import Regulations (ID1533)
7. Indonesia Raises Import Tariffs on Value-Added Goods (ID1530)
8. California Recognized as Fruit Fly Free Area (ID1522)
9. Indonesia Revises Seafood Import Rules (ID1501)
10. FAIRS Export Certificate Report 2015 (ID1545)
11. Exporter Guide Update 2015 (ID1548)
12. New Regulation on Animal Quarantine Measures (ID1429)
13. New Regulation on Alcoholic Beverage Distribution (ID1411)
14. Alcohol Beverages Excise Tax Update (ID1408)
15. Indonesian Government Explain New Horticulture Import Permit Reg. (ID1352)
16. Unofficial Translation of Ministry of Agriculture Decree No 4390/2013 (ID1335)
17. Indonesia Extends Import Requirements on Food and Beverage Products (ID1304)
18. Phytosanitary Requirement for Fresh Bulb (ID1303)
19. Minister of Agriculture Regulations No 42 and 43 Year 2012 (ID1218)
20. Prior Notice-Application of Imported Fresh Food of Plant Origin (FFPO) (ID1206)
21. Market Brief-Wine (ID1113)
22. Mandatory Labeling of Imported Food and Beverage Products (ID1028)
23. Indonesian Market Brief on Functional Beverage Ingredients (ID1041)
24. Processed Meat-Chicken and Fish Products Ingredient (ID1039)
25. Snack Food Ingredient (ID1037)
26. Bakery Products Ingredient (ID1036)

Table 14. Indonesia: Exchange Rate (Rp./1US $) on Month Ending Basis

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<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
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<th>Jul</th>
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