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PRESIDENT JOKOWI IN BRUSSELS

President Jokowi while delivering his speech at the plenary session of the 45th Anniversary of the ASEAN-EU Commemoration Summit at the Europa Building, Brussels, Belgium, Wednesday (14/12).

Gernas BBI Facilitates Increasing Spending on Domestic Products

“Proud of Indonesia-made Products Movement” (Gernas BBI) succeeded in increasing realization of spending on domestic products (PDN), which this year is targeted at Rp400 trillion, Coordinating Maritime Affairs and Investment Minister Luhut Binsar Pandjaitan stated.

AT the 2022 Proud of Indonesian-Made Product Awarding Night in Jakarta, Tuesday, the minister highlighted that the realization of PDN spending until December 12, 2022, by the government and state-owned enterprises (SOEs) had reached Rp651.8 trillion from the target of Rp400 trillion, of which around 15 percent came from micro, small, and medium enterprises (MSMEs) spending.

“This is a very complex issue, but I am surprised that this year with our great cooperation with all stakeholders, the figure is farther than we predicted. Indonesia Statistics (BPS) said that our target is Rp400 trillion. If

our target can be produced domestically, we were able to bring impact to two million jobs and contribute to 1.72 percent of our economic growth,” he remarked in a statement, Wednesday (14/12).

The minister also stated that the program helped reduce corruption due to the implementation of electronic catalogs, or e-catalogs. “We hope that next year, 90 percent of the Gernas BBI products will be included in the e-catalog. This will create jobs for our MSMEs and reduce poverty and stunting because there is a new chance for empowerment,” he remarked.

He also urged the government and SOEs to

encourage spending on domestic products since it is an investment that goes into the country’s own pocket. “If we can gradually produce domestic products and buy it, then that is equal to an investment worth US\$100 billion,” he stated.

Furthermore, Pandjaitan explained that Gernas BBI also continues to strengthen demand through expanding market access and optimizing spending on PDN by ministries and institutions, SOEs, and local governments. Meanwhile, from the supply side, MSMEs are strengthened by assistance for three months and end up with MSMEs harvesting events.

The minister lauded the cooperation of all parties in this achievement. “Today, we can see good results. This is proof of good collaboration between the ministries and regional governments. I am proud to witness it,” he remarked.

He added that in 2023, the government will strengthen innovation and demand through collaboration with PDN and Proud to Travel in Indonesia (BBWI). Domestic tourism is expected to have a multiplier effect.

He noted that the launch of BBWI is a collaborative program of the government, community, associations, and industry, with a target of 1.4 billion domestic tourist visits, or double this year’s achievements. This effort is expected to generate tourism revenue of Rp3,281 trillion or the equivalent of 18 percent of the gross domestic product (GDP).

The launch of BBWI is also in line with the potential for domestic tourism demand to remain strong for the next 13 years. This is apparent from the composition of the population in young adults that is still large and will continue to be consistent until 2035. Hence, the optimization of various potentials for strengthening the economy can be achieved.

“We should be proud that we already have five Super Priority Tourism Destinations. We will fix and manage all of the spots. We encourage our people to travel within the country to boost our economy. We must become a nation that loves our domestic products,” he emphasized. (*)