

**REPORT ON APEDAS' PARTICIPATION IN INDIA SHOW, JAKARTA
INDONESIA ORGANIZED BY CII DURING 6-8 MARCH, 2012**

VINOD K KAUL, DEPUTY GENERAL MANAGER

In accordance with the approval of Department of Commerce ,APEDA participated in India Show, Jakarta Indonesia held at Balai Kartini Exhibition Centre during 6th-8th March, 2012. Mr. Vinod K Kaul, DGM was deputed for organizing participation at the event. APEDA had a 64 Sq Metre stand at the event but due to paucity of time none of the exporters could manage their participation with APEDA.

APEDA had , however, managed samples of the following companies and products for display at the event:

SN	Exporter	Range of products
1.	Jankidas Mills,Karnal Rice	Basmati Rice
2.	Kashmiri Lal Satpal, Karnal	Basmati Rice
3.	Kohinoor Foods Ltd, Delhi	Basmati Rice
4.	Jadli Foods Private Ltd, Delhi	Mango pickle, Mixed Pickle, Lime pickle, Tomato ketchup, Mango Jam,Mixed Jam, Mango chutney, Mango and Gruava Pulp
5.	MTR Foods, Bangalore	Ready to eat food products and mixes which includes, Instant Rava Idli Mix, Gulab Jamun Mix, Vermicelli Payasam mix, Pav Bhaji masala, Puliogare powder, dal Fry, vegetables pulao, chana masala, alu matter, rajma masala, bhindi masala, dal makhani, mutter paneer, paneer tikka masala, palak paneer, paneer makhani, jeera rice, avail, alu methi, paneer butter masala, sambar ready to eat, spinach and carrot soups

Decorative Basmati rice gift pouches also accompanied the sample consignment and publicity materials including posters, brochures etc for

display at the stand. The consignment was shipped on 3rd March 2012 and as advised by the local agent of the organizers in Jakarta, it was broken into 5 small lots and couriered on 3rd. The tracking record showed its arrival in Singapore on 4th and the follow up both by the Cargo agent and the organizer's agent, it was confirmed that the material would be delivered by 6 PM on 5th March at Indian Embassy in Jakarta. The undersigned had carried three APEDA films for display during the event.

The undersigned arrived in Jakarta in the morning of 5th March 2012 and got the stand fabricated with a storeroom and decorative lighting etc, floral arrangements and furniture. A Plasma TV was organized through the organizers.

While the stand fabrication work was on, the undersigned established contact with M/s Royal Kitchen located at The Bellagio Boutique Mall, Ground Floor, 16 Jt Kawasan Mega Kuningan Barat Kjav 3-5, Jakarta Selatan (Contact Person: Mr Deepak Malik Tel: 00-62-21-30029975; email: Deepak.trk@gmail.com) for the proposed Basmati rice biryani preparations for taste sampling during the event.

On 5th evening it was learnt at around 6 PM local time that the sample consignments, which were couriered through FedEx, had been returned to Delhi from Singapore without assigning any reason. Immediate contact with Ashmin Cargo, Delhi confirmed this and frantic efforts yielded no result and the event had to be conducted without the samples or publicity material reaching.

Tea Board, Tobacco Board, Spices Board, Coffee Board were other organizations participation in the event. Mr Ajit B Chavan, Deputy Secretary, DoC also participated in the India Show. His useful advice during the event was very encouraging as he took very keen personal interest in overseeing the participation and activities carried out at the APEDA stand .

In the evening of 5th March H.E. the Ambassador of India, Mr Biren Nanda had organized The India Evening at JW Marriot Hotel, Jl. Lingkan Mega Kuningan, which was attended by a cross section of society. The Hon'ble CITM graced the Occasion where artists performed a cultural program depicting a variety of Indian classical dance rituals.

On 6th morning, the first day of the event, a concurrent India-Indonesia Business Networking Session was also organized. Mr Anand Sharma, the Hon'ble CITM and Mr Gita Irawan Wirjawan, Minister of Trade, Government of the Republic of Indonesia, addressed the Session. Welcome remarks were delivered by H.E the ambassador of India while Mr Rajive Kaul, Chairman, CII Trade Fairs Council delivered the opening remarks. Mr Chandrajit Banerjee, DG, CII was the Session Moderator.

APEDA had engaged a local interpreter for the duration of the event.

The Basmati Biryani (both Vegetarian and Non-Vegetarian) was delivered by Royal Kitchen at the APEDA stand at 0800 hrs. Special arrangement was made for the dignitaries on the round during inauguration of the Show. The dignitaries were the Hon'ble CITM, Mr Anand Sharma, H.E the Ambassador Mr Biren Nanda, Mr Siddharth, Joint Secretary, Doc. Since the Hon'ble CITM was immediately leaving for Vietnam, due to paucity of time he could not visit the APEDA stand.

The taste sampling of Biryani was immediately commenced. Large flocks of people witnessed the unique fragrance of Basmati rice and they queries about what kind of rice it was and how Biryani is prepared. Everyone appreciated the taste of Basmati biryani. They showed their keenness to get Basmati rice and wanted to know the sources where this is available in Indonesia.

Mr Rakesh Kumar Arora, First Secretary, Embassy of India, Jakarta, Mr R Sukumaran, Consul General of India, Medan, Indonesia visited the Indian stand and shared their views. Mr Syed Sajjad Haider, Counsellor/DHM, Embassy of Pakistan, Jakarata also visited the stand and tasted Biryani.

For the second and third day of the event, we tied up with Queen's Tandoor (Mr Lavesh R Shandasani, Director, Premata Plaza, Jl M H Thamrin, Kav 57, Jakarta 10350) for Bamsati preparations due to proximity of their set up to the venue. On all the three days there was lot of interest in tasting the biryani.

On 2nd and 3rd day we also commenced taste sampling of Red and White wine provided by Grovers Wines. The consignment had earlier been separately sent to Embassy of India and came very handy in the absence of other products. There was tremendous interest in these wines and most tasters did not believe that India produces wines also. General remark from tasters was that white wine was very good while the red wine was little stronger.

Just opposite APEDA stand was the stand of BANK SWADESI, a subsidiary of Bank of India. Mr Oscar Hardi, SE, Customer Service, Jl H Samanhudi No 37, Jakarta 10710 (Tel: 006221 3500007 Fax 3808178 Mob 0816 3286997 email cs300@bankswadesi.co.id) Ms Ferry Koswara, Director (mob 0816782996 Email: ferry_k@bankswadesi.co.id) and Mr Anand Mohan Patel, Trade Finance Division Head (mob 0815 8249386 email: anand.patel@bankswadesi.co.id) were available at their stand. Mr Hardi shared his views about the potential and possibilities of boosting bilateral trade between India and Indonesia from time to time.

Mr Gurbir S Kapoor of Istana Sports, Jt Pintu Air No 36,P, Jakarta Pusat 10710, Indonesia (Tel: 006221 3811426/3841153 Fax: 3805928 Mobile 0817 712344) visited and showed interest in sourcing bulk diabetic jams from India for which he would be interested in setting up JV also.

Ms Caroline Zainuddin, Project Manager, Pt Suryalintas Persada Indonesia, Jl Tebet Timur III C NO 1, Jakarta Selatan 12820, Indonesia (Tel: 00 62 21 7112 0850/8313003 Fax 831 3003 Mob 62 818 937 106 Email: carolinezainuddin@yahoo.com) showed interest in joint venture for raw materials for wine making.

Ms Kenita Soebianto, President Director, Pt Dayacipta Ekaprima, Jl Flamboyan Manis F1 No 2, Puri Flamboyan, Rempoa, Ciputat, Jakarta 15412 (Tel: 00 62 21 7374742/ Mob 0062 815 1110 1900 Email: kentia@dnet.net.id) also showed interest in Indian wines.

Mr Madia Dharma, Firstman Indonesia, Jl Petojo Utara 7/5A Jakarta Pusat 10130 (tel: 006221 6330503 Fax: 6310471 Email: fmindonesia@centrin.nete.id) appreciated the wine and wanted to have more details and contacts for sourcing.

Ms Ivana Tan, Sales Marketing CV Libra Food Service, Jl Bandengan Utara No 21, Jakarta 11240 (Otel: 006221 6919292 Fax: 6919293 Email: ivana_tan@yahoo.com; libra@cbn.net.id) was interested in sourcing Basmati rice and spices from India and sought details of contacts for the purpose.

The other main visitors to the APEDA stand were:

1. Mr Kewaldip Singh/Richy, Account Officer, Bank SBI Indonesia, a subsidiary of SBI, Ruko Nusa Plaza Indah, Block A No 78, Jl Griya Utama Suntere, Jakarta Utara (Tel: 006221 65310702-03 Fax: 65310704 Mobile 0821 6603 4689)
2. Mr Mike Jones, Chief Operation Officer, Nutrigration, Jl Kemang Raya No 95, 3rd floor, Kemang, Jakarta Selatan 12730, Indonesia (Tel 006221 7180177/7180169 Fax: 006221 71791510 Mobile 0062 812 7551810 Email: mike@nutrigration.com)
3. Mr Manoj Bhat, Director, UD. Sinar Makmur Sejahtera, Jl Darmo Permai Utara 1 No 56, Surabaya, Indonesia (Tel; 0062 81 23036602 /0062 31 7314047 Fax: 006231 7348790 email: manoj@spinschool.net)
4. Ms Isabella M Fawzi, Journalist, Globaltv, PT Global Informasi Bermutu, News Division, Plaza MNC Podium 2, Jl Kebon Sirih Kav 17-19, Jakarta 10340 (Tel: 0062 21 3918108/23567600 Fax: 006221 3921440 Mob: 0062 818 0779 7070 email: bella.fawzi@yahoo.com)

Some of the salient features of the Indonesian Society are:

Indonesia comprises of around 17,000 small/big island with diverse ethnicity and more than 583 local languages. The population of the island nation is 240 million spread over a land area of 741098 Square miles. The official language is Bahasa Indonesia. The population comprises of Javanese (41%), Balinese (2%), Minangkabau (3%), Betwai (2%), Banten (2%), Bugis (2%), Others (30%).

The per capita income of Indonesians on the estimates of 2008 was \$ 3900 which is much better than many other Asian nations like India (\$ 2800),

Bangladesh (\$ 1500) Burma (\$ 1120)), Philippines (\$ 3300). The world average for 2008 is \$ 10,500.

The population growth (2007 basis) in Indonesia has been 1.213% as against 1.606% in India, 2.056% in Bangladesh, 2.625% in Afghanistan etc.

The percentage of population below poverty line in Indonesia based on 2006 data was 17.8% as against 25% in India (2007 basis). The major industry in Indonesia is petroleum and natural gas; textiles, apparel, and footwear; mining, cement, chemical fertilizers, plywood; rubber; food; tourism.

Main agriculture production in Indonesia is centered around rice, cassava (tapioca), peanuts, rubber, cocoa, coffee, palm oil, copra; poultry, beef, pork, eggs.

Economy: Indonesia, a vast polyglot nation, has been undergoing significant economic reforms. Indonesia's debt-to-GDP ratio has been declining steadily, its foreign exchange reserves are at an all-time high of over \$50 billion, and its stock market has been one of the three best performers in the world in 2006 and 2007, as global investors sought out higher returns in emerging markets. The government has introduced significant reforms in the financial sector, including tax and customs reforms, the introduction of Treasury bills, and improved capital market supervision. Indonesia's new investment law, passed in March 2007, seeks to address some of the concerns of foreign and domestic investors. Indonesia still struggles with poverty and unemployment, inadequate infrastructure, a complex regulatory environment, and unequal resource distribution among regions. Indonesia has been slow to privatize over 100 state-owned enterprises, several of which have monopolies in key sectors. The non-bank financial sector remains weak. Capital markets are underdeveloped.

The Indonesian economy survived the recent global economic crisis well. GDP growth is set to average 6.4% in 2011, which is helped, by robust domestic consumption base and a limited exposure to exports.

As per FAOSTAT data Indonesia ranked 1-20 in various agricultural products in 2010 as depicted in the table below:

Rank	Commodity	Production (MT)
1	Rice, paddy	66411500
2	Palm oil	21534000
3	Natural rubber	2788300
4	Cassava	23908500
5	Indigenous Chicken Meat	1649970
6	Coconuts	20655400
7	Maize	18364400
8	Bananas	5814580
9	Palm kernels	4969500
10	Indigenous Pigmeat	654200
11	Hen eggs, in shell	1117800
12	Fruit, tropical fresh nes	2193100
13	Sugarcane	26500000
14	Coffee, green	801000
15	Cocoa beans	810100
16	Mangoes, mangosteens, guavas	1313540
17	Other bird eggs, in shell	260700
18	Indigenous Cattle Meat	239463
19	Chillies and peppers, green	1332360
20	Leeks, other alliaceous veg	541359

During 2009, as per FAOSTAT, Indonesia's imports of agricultural products were as under :

Rank	Commodity	Quantity (tonnes)	Value (1000 \$)	Unit value (\$/tonne)
1	Wheat	4655290	1316110	283
2	Cake of Soybeans	2324280	1019550	439
3	Cotton lint	570902	765359	1341
4	Soybeans	1314620	621281	473
5	Sugar Refined	1279810	517028	404
6	Feed Supplements	491873	352068	716
7	Food Prep Nes	92126	320964	3484
8	Tobacco, unmanufactured	53198	290171	5455
9	Milk Skimmed Dry	103801	238330	2296
10	Flour of Wheat	646859	223286	345
11	Meat-Cattle Boneless (Beef&Veal)	64122	182241	2842
12	Tangerines, mandarins, clem.	188956	166835	883
13	Garlic	405138	166372	411
14	Milk Whole Dried	50311	153435	3050
15	Groundnuts Shelled	132069	130821	991
16	Apples	153512	128458	837
17	Fruit Fresh Nes	106057	121156	1142
18	Gluten Feed&Meal	151628	90242	595
19	Maize	338798	77841	230
20	Offals of Cattle, Edible	42337	76989	1818

Export of APEDA products to Indonesia during the last three years has been as under :

Qty: MTs Val : Rs Cr

Product	2008-09		2009-10		2010-11	
	Qty	Value	Qty	Value	Qty	Value
GROUND NUTS	1,46,105.74	610.85	1,36,282.02	560.35	1,76,977.02	901.6
OTHER CEREALS	48,683.81	56.84	1,06,598.13	106.24	4,60,919.85	544.8
JAGGERY AND CONFECTIONERY	38,638.94	40.74	0	0	60,603.10	193.29
FRESH ONIONS	12,726.03	13.5	9,607.39	13.3	43,061.31	90
MISCELLANEOUS PREPARATIONS	1,714.60	9.44	4,598.78	10.98	9,422.72	21.46
GUARGUM	1,778.05	9.81	2,140.97	10.59	3,298.09	21.04
POULTRY PRODUCTS	1,038.73	24.04	1,071.66	24.74	992.67	17.09
NON BASMATI RICE	3,114.79	7.58	2	0.02	818.42	10.88
OTHER PROCESSED FRUITS AND VEGETABLES	365.83	1.98	2,830.32	10.89	2,588.16	7.8
DRIED AND PRESERVED VEGETABLES	1.99	0.02	4.2	0.03	1,300.85	4.71
OTHER FRESH VEGETABLES	265.61	0.31	258.2	0.74	1,379.88	4.11
OTHER FRESH FRUITS	20.4	0.11	243.85	0.97	659.16	3.52
FRUIT AND VEGETABLE SEEDS	55.08	3.27	20.64	0.39	27.43	3.34
MANGO PULP	68.38	0.28	799.97	2.66	289.43	1.26
FRESH GRAPES	10.39	0.08	85.4	0.89	112.11	1.13
NATURAL HONEY	22.48	0.22	0	0	20.46	0.23
FLORICULTURE	9.31	0.1	16.68	0.17	0.76	0.22
MILLED PRODUCTS	0	0	24	0.06	26	0.07
PULSES	0	0	0	0	14	0.07
ALCOHOLIC BEVERAGES	0	0	0	0	0.39	0.01
CEREAL PREPRATIONS	48.78	0.21	15.76	0.09	0.01	0
FRESH MANGOES	6.8	0.02	0.05	0	0	0
BUFFALO MEAT	0	0	682.79	5.52	0	0
SHEEP / GOAT MEAT	39	0.58	0	0	0	0
DAIRY PRODUCTS	535.04	18.31	0	0	0	0
BASMATI RICE	585.98	3.75	74	0.45	0	0
Total	2,55,835.76	802.04	2,65,356.81	749.08	7,62,511.82	1,826.63

Source: DGCIS Annual Export

Groundnuts, other cereals especially maize, jaggery, onions, guar gum, other fresh vegetables have shown good growth in 2010-011.

With the ban on non-basmati rice, wheat and wheat products lifted by the Government of India, these are also items that offer good potential for growth in export to Indonesia.

It is learnt from our interactions with the visitors and others during the event that generally Indonesians eat outside only and there is hardly any concept of household kitchens. Local food is cheap and people are habitual of regular eating. Indonesia is currently importing wheat from Australia and this is an area where India could have advantage due to proximity. There is also potential for following items:

- a) Blast frozen/IQF vegetables
- b) Coriander
- c) Basmati rice

The typical feature in Indonesia that points of distribution are many and therefore the outreach has to be not concentrated in one area e.g. importing into Indonesia does not imply that the product is distributed all over Indonesia. Also the provincial government in Indonesia has the authority to import from overseas directly. Therefore in conclusion it could be inferred that:

1. **Regular participation in events:** In this context it is recommended that APEDA must participate in events in Indonesia regularly and with a spread to other parts of the island nation.
2. **Cooking demos:** Apart from wet sampling of Basmati rice and other products, live cooking demos are suggested for which additional funds would be required in future participations.
3. The display of exporters' products could be regularly done through the Indian Embassy where exporters may send their brochures and products samples.