

## **U.S.-Indonesia Fourth Joint Commission Meeting**

Office of the Spokesperson

Washington, DC

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Secretary Kerry and Indonesian Foreign Minister Marty Natalegawa co-chaired the fourth Joint Commission Meeting of the U.S.-Indonesia Comprehensive Partnership. Entering its fourth year, the U.S.-Indonesia Comprehensive Partnership has elevated and expanded our bilateral relationship by intensifying consultations and cooperation on key bilateral, regional, and global issues. The Joint Commission Meeting sets the strategic direction for cooperation under the Comprehensive Partnership and reviews progress on our key priorities. Over the last year, our partnership with Indonesia continued to expand into new areas and deepen cooperation on ongoing priorities. Six working groups met throughout the year to coordinate strategies and advance policy initiatives under the three main pillars of the Comprehensive Partnership: political and security; economic and development; and socio-cultural, education, science, and technology.

### **Political and Security Cooperation**

Last year was marked by a series of high-level exchanges that deepened our collaboration on a wide-range of political and security issues. Secretary of Defense Hagel visited Jakarta in August 2013 and U.S. Pacific Command (PACOM) Commander Admiral Locklear visited in January 2013 and February 2014. Under Secretary of State for Political Affairs Wendy Sherman traveled to Jakarta in May 2013 to co-lead a bilateral senior officials dialogue focused on enhancing diplomatic cooperation on regional and global issues. In addition, working groups on Democracy and Civil Society, and on Security continued to lead efforts to expand political and security cooperation. Through these efforts, since the 2012 JCM, we have:

- Signed a U.S.-Indonesia Memorandum of Understanding on **South-South and Triangular Cooperation** (SSTC), which allows us to scale up joint development assistance and establish a framework for capacity building and collaboration in areas of mutual interest.
- Conducted two **pilot triangular cooperation programs**: 1) a workshop on Disaster Risk Management, attended by 17 participants from 14 countries, and 2) a workshop titled “Democracy: Sharing Experiences between Indonesia and the Arab Countries,” attended by 18 participants from five countries. A third pilot project on the Mapping and Assessment of Gender-Based Violence Issues in Papua New Guinea is underway.

- Delivered **capacity-building training** to Indonesia's interagency team responsible for SSTC and to develop triangular cooperation.
- Announced plans for the second **civil society consultation** between American and Indonesian civil society members in Jakarta in March 2014. The consultations will focus on women's political engagement, government transparency, and accountability.
- Supported Indonesia's chairmanship of the **Open Government Partnership (OGP)** in 2014 by expanding engagement with youth and private sector entities with interest in OGP.
- Facilitated the first meeting between justices and officials of U.S. and Indonesian Supreme Courts in Washington, DC, highlighting the increased peer-to-peer relationship between the United States and Indonesia.
- Supported, in cooperation with the Indonesian National Election Commission and Election Oversight body, **election training sessions** for 972 women candidates aimed at equipping them with the skills to become candidates for elective office, and, if elected, to effectively represent their constituencies.
- Signed an agreement to sell **Apache helicopters** to Indonesia, expanding U.S. defense equipment sales to Indonesia in support of the Indonesian Armed Forces modernization efforts to more than \$1.5 billion.
- Planned further cooperation to **repatriate the remains of 1,891 American service members** from World War II still missing in Indonesian territory.
- Continued negotiations of a **Communications and Information Security Memorandum of Agreement (CISMOA)** to promote interoperability between our respective armed forces and support Indonesian Armed Forces modernization.

### **Economic and Development Cooperation**

Our activities on economic and development issues served to deepen cooperation on bilateral, regional, and global efforts to promote economic growth, sustainable development, energy security, and prosperity of our two nations. A series of cabinet-level meetings in both directions advanced our cooperation, including travel by Secretary Kerry, Secretary of Commerce Pritzker, and U.S. Trade Representative Froman to Indonesia for the 2013 Asia-Pacific Economic Cooperation (APEC) meetings. Working groups on Trade and Investment, Energy, and Environment and Climate continued to coordinate cooperative efforts and address concerns throughout the year. Through our joint efforts, we have:

- Held a two-day meeting in June 2013 in Washington under the **bilateral Trade and Investment Framework Agreement (TIFA)** to discuss ways to further build bilateral trade and investment ties and to reduce barriers to trade. Also discussed cooperation in the forums of the World Trade Organization (WTO), including at the 9th WTO Ministerial held in Bali, the Asia-Pacific Economic Cooperation (APEC) and the Association of Southeast Asian Nations (ASEAN).

- Under the **TIFA Working Group on Intellectual Property Rights (IPR)**, worked to develop a mutually agreed action plan to strengthen the protection and enforcement of IPR in Indonesia.
- Co-hosted a workshop in June 2013 titled “Good Regulatory Practice: Shared Experiences of the United States and Indonesia,” aimed at promoting transparent, predictable, and effective regulatory practices that will encourage enhanced bilateral trade and investment.
- Welcomed **two major clean energy investments**, including Ormat Technologies and PT Geo Pacific taking a majority stake in the \$250 million Hu’u Dompu Geothermal power generation project and the **purchase of revolutionary zinc-air battery technology** from Fluidic Energy, which entered into a new contract for \$79 million with Indosat. Also, welcomed the sale by two U.S. firms, Orbital Sciences Corporation and Boeing, of **two satellites** valued at over \$100 million.
- Under the **U.S.-Indonesia Commercial Dialogue (CD)**, facilitated a meeting led by U.S. Commerce Secretary Pritzker and Indonesian Finance Minister Basri for U.S. and Indonesian business executives in October 2013. The CD supports five private sector-developed projects in Indonesia on intellectual property policy, capacity building for energy service companies, development of a private credit reporting system, clean electric power peaking solutions, and welding certification standards.
- Welcomed grants provided by U.S. Trade and Development Agency (USTDA) that support **business contracts between U.S. companies and Indonesia project sponsors** in the areas of refineries modernization and energy security; national geospatial infrastructure; and geothermal power development. These partnerships between Honeywell-UOP and Pertamina, Esri and Badan Informasi Geospasial, and Layman Energy Associates and Satria Group bridge U.S. technical expertise with Indonesia's economic priority projects.
- Supported international business partnerships through **Reverse Trade Mission** delegation visits from Indonesian stakeholders to learn about U.S. technologies and best practices in smart grid, business and commercial aviation standards, and unconventional gas development. As a result, Indonesia’s national oil company, Pertamina, announced a 20-year Liquid Natural Gas (LNG) agreement with U.S.-based Cheniere Energy that could bring up to 800,000 metric tons per year of abundant U.S. LNG to Indonesia for the first time.
- Fulfilled our bilateral commitment toward establishing the **Indonesian Climate Change Center (ICCC)** by agreeing to an action plan of fully-funded projects, hiring a Center manager, and agreeing to the ICCC’s interim establishment under the Coordinating Ministry for the People’s Welfare.
- Provided technical support to the Indonesia **OneMap** Initiative, which made positive progress in consolidating and reconciling disparate accounts of forest ownership, land use, and forest cover, for use by ministries, local governments, and communities.

- Held the fourth meeting of the **Climate and Environment Working Group (CEWG)** in Jakarta in June 2013. Over a dozen U.S. and Indonesian agencies discussed a broad agenda on climate change, biodiversity conservation, and environmental management. The first-ever private sector and civil society climate and environment dialogue was held in conjunction with the CEWG meeting, co-sponsored by the U.S.-Indonesia Society (USINDO), and attracting 160 participants, including significant media coverage.
- Signed an MOU on cooperation **on wildlife trafficking**. Worked together to train environmental investigators, established awareness programs, and developed a rich conservation program that protects habitat. Planned four regional wildlife trafficking workshops to be held in 2014.
- Continued ongoing partnerships with the Ministry of Marine Affairs and Fisheries, local government, and the private sector to **improve fisheries management**.
- Launched a new initiative to protect Indonesia's **largest continuous expanse, over 250,000 hectares, of coastal mangroves** in Papua. These mangroves are significant from a biodiversity perspective, are an important ecosystem that protects the coastline, and are an important source of livelihoods for the local communities.
- Achieved progress under the Millennium Challenge Corporation's \$332.5 million **Green Prosperity Program** on renewable energy and sustainable land and forest use, including the completion of initial environmental assessment work in four priority districts in Jambi and West Sulawesi. Under the same program, carried out preliminary feasibility work with the intention to support several dozen renewable energy projects in Indonesia, to help reduce Indonesia's greenhouse gas emissions while providing clean power to hundreds of thousands of households.
- Facilitated the signing of eight **renewable energy and energy efficiency projects**, including completion of three renewable power plants with total capacity of 13.6 MW that provide energy access to 148,000 people and accumulate emission reduction of 25,000 tons of CO<sub>2</sub>-e. In addition, provided limited technical assistance to many other small-scale renewable energy projects with a collective potential capacity of 572 MW providing energy access to 6.6 million people.
- Launched the **Sustainable Energy for Remote Indonesian Grids (SERIG)** project, a collaboration between the U.S. Department of Energy and state-owned electricity company, PLN, to conduct detailed technical and economic analysis in Lamandau, Central Kalimantan and Sabu Island, East Nusa Tenggara for replacing diesel power generation with renewable production sources on Indonesia's remote mini-grids.
- Conducted **methane emission measurement studies** and technical workshops to reduce fugitive gas emissions from Indonesia's oil and gas sector under a partnership between the

U.S. Environmental Protection Agency's Global Methane Initiative (GMI) and two Indonesian companies, Star Energy and VICO Indonesia, with more partners invited to join.

- Co-hosted a **Regional Workshop on the Changing Global Gas Market and Unconventional Gas** in Jakarta. The workshop promoted best practices and policies to accelerate unconventional gas development.
- Held the third **U.S.-Indonesia Energy Investment Roundtable (EIR3)** in Jakarta on November 2013. EIR3 identified barriers to renewable energy investment in Indonesia and ways to eliminate them. These energy policy issues will be further explored as part of the biennial Energy Policy Dialogue in Washington, DC on May 1-2, 2014.
- Partnered to convene a workshop in Jakarta on policy tools to improve the **fuel efficiency** of a country's vehicle fleet. The workshop, co-hosted by the Departments of Energy and Transportation and the Ministry of Energy and Mineral Resources, examined how minimum vehicle fuel efficiency reduced the growth of domestic oil demand in the United States and how increasingly stringent fuel efficiency standards will continue to reduce fuel consumption in the United States.
- Realized significant progress in helping Indonesia achieve its Millennium Development Goal targets for **improved access to water and sanitation**, reaching approximately 1,000,000 people with improved access to water supply and sanitation.

### **Socio-cultural, Education, Science, and Technology Cooperation**

Our joint activities on education, science, and technology made strong progress in academic collaboration and exchange between the United States and Indonesia during this time period. At the same time, we deepened health cooperation to prevent and control communicable diseases and enhance public health. Since the 2012 JCM, we have:

- Increased **student exchanges**, building on a one-year increase of nearly eight percent in the number of Indonesians studying in the United States and a 65 percent increase in the number of Americans studying in Indonesia.
- Extended the **Bilateral Framework Agreement** for another five years for the American Indonesian Exchange Foundation (AMINEF), which is the umbrella agreement that supports the jointly-funded U.S.-Indonesia Fulbright Program and promotes much of our bilateral academic exchange.
- Launched the **Community Academies Program** under the newly designed Community College initiative aimed to assist the Ministry of Education and Culture in the goal of developing regional Community Academies throughout the Indonesia Archipelago in the

coming years.

- Increased participation in the **Higher Education Leadership and Management Project** to fifty (50) partner universities and continued providing high quality organizational management and leadership training to key faculty and staff in these institutions.
- Facilitated two **new University Partnerships**: the first between Tufts University and Universitas Siswa Bangsa Internasional; the second between Columbia University and Institute Pertanian Bogor. Both partnerships are focused on promoting scientific innovation and creativity among secondary students through the creation of model science high schools.
- Promoted **joint research and scientific exchanges** in oceans, biodiversity, health, agriculture and innovation under the U.S.-Indonesia Science and Technology Agreement.
- Strengthened entrepreneurial ecosystems by building individual capacity through skills development, mentoring, networking, and connections to financing for young science and technology innovators through the **Global Innovation through Science and Technology (GIST)** competitions; a second GIST boot camp in Indonesia to be held April 4-6, 2014.
- Furthered **professional skills development** through Building Opportunity Out of Science and Technology (BOOST) train-the-trainers workshop for 20 Indonesians, who will in turn train thousands more on topics such as publishing research, proposal writing, communicating science to the public, and establishing relationships with the international scientific community. Through this training, BOOST enables young science and technology researchers and entrepreneurs to perform innovative research, connect with the international scientific community, and apply their technical training to address key global challenges.
- Assisted with the **international certification of five Indonesian laboratories** to conduct multi-drug resistant tuberculosis (MDR-TB) drug resistance testing, with an additional four nearing completion of the certification process. These laboratories cover the length and breadth of Indonesia, from Aceh to Papua.
- Cooperated to deploy new, cutting-edge **technology for diagnosing MDR TB**, which reduces diagnosis time from months to hours.
- Supported the **international accreditation of Indonesia's National Drug Quality Testing Laboratory**, allowing Indonesia to perform quality assurance testing of drugs for Indonesia and other countries in the region.

- Continued to expand **partnerships between American and Indonesian scientists** through the January 2013 release of a joint academy report on Maternal and Neonatal Health followed by the launch of a new PEER-Health research partnerships call for proposals on Maternal and Neonatal Health in February 2014.
- Launched a partnership between USAID and Becton, Dickinson and Company, a New Jersey-based medical technology company, to **improve good laboratory practices** at Indonesia national reference laboratories used for the diagnosis of tuberculosis.