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GAIN Report

Global Agricultural Information Network

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Retail Foods 2014

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Report Highlights:

While traditional markets still account for the majority of retail food sales in Indonesia, modern retail holds a significant share and is growing. Traditional retail outlets to include wet markets and independent grocery stores are gradually being replaced by modern outlets. The burgeoning hypermarket, supermarket and minimarket sectors are opportunities for U.S. food products. U.S. apple, table grapes, processed fruit and vegetables products as well as snack food enjoy a prominent position in Indonesia's retail outlets as well as traditional markets. Further growth and changes in consumer preferences, along with improved refrigeration and storage facilities, will also create additional opportunities for U.S. exporters.

Post:

Jakarta

Executive Summary:

Trends and Outlook

Indonesia is the 4th most populous nation in the world with approximately 255 million people in 2015. Over 50 percent of the population is between the ages of 5 and 34 years. Emerging middle class consumers are well educated and have a growing interest in imported goods, particularly for consumer products such as processed foods. In 2013, GDP distribution at current prices showed that household consumption expenditures was 28.28 percent on food and 27.54 percent on non-food items (2013 GDP was \$860.6 billion/IDR 9,083 trillion). The middle class population grew from 37 percent in 2004 to 56.7 percent in 2013. The middle class is defined as the segment of the population able to spend \$2 to \$20 a day, as per the “Satu Dasawarsa Membangun Untuk Kesejahteraan Rakyat – A Decade of Development for People Welfare,” (Cabinet Secretary April 2014). Hypermarkets, supermarkets, and minimarkets are developing rapidly in Indonesia as purchasing power increases. Development is primarily occurring in urban areas, and the prospects for the continued retail sector expansion throughout Indonesia remain promising. However, land availability and receiving necessary permits from local government officials can be a constraint.

Several Indonesian regulations play an important role in modern retail expansion:

- Presidential Regulation No 111/2007 states that supermarkets smaller than 1,200 square meters and minimarkets below 400 square meters should be owned by Indonesian investors.
- Presidential Regulation No 112/2007 and Ministry of Trade Regulation (MOT) No. 53/2008 regulates the size, ownership and distance of new modern outlets from traditional markets. They also provide guidelines on listing fees, discounts and promotional costs.
- Franchise regulations on modern retail (MOT No 68/2012) limit the number of outlets owned by a retailer to 150. If a retailer already has more than 150 outlets, forty percent of the rest of the existing stores should be franchised to a third party within 5 years. The outlets are also required to sell a minimum of 80 percent of local products out of the total number of goods traded.
- The Empowerment and Protection of Farmer Law No. 19/2013 could limit the expansion of modern retail outlets that are not owned and or cooperate with Farmer Groups, Farmer Association, Cooperatives, and/or other Farmer Economic Institution in their Agricultural commodity production district.
- MOT Regulation No. 70/2013 and its amendment, Regulation No. 56/2014, “Guidelines for Structuring and Development of Traditional Markets, Shopping Malls, and Modern Stores/Outlets” limits private label items to only 15 percent of stock keeping units (SKU). Stores must sell a minimum of 80% domestic products, except for specialty stores where product uniformity is required and cannot be sourced from a brand with a production base in Indonesia. Additionally, minimarkets are not allowed to sell fresh products in bulk and alcohol beverages. Modern retailers with more than 150 stores prior to the regulation are allowed to continue their operations with that number of stores. Stores that sell less 80% locally produced products are provided a grace period of two years to adapt.

Local government bodies have also limited permits for new convenience stores due to protests from traditional market retailers. They enforce zoning and operating hour rules on convenience store and

minimarket franchises (Presidential Decree No 112/2007 regulates the operating hours from 10 am – 10 pm Monday to Friday and 10 am to 11 pm on Saturday and Sunday).

The food retail sector is concerned by issues surrounding the issuance of imported product registration numbers (ML). All packaged foods imported for retail purposes must obtain an ML number. Importers report that obtaining the number is time consuming, and that requirements can be confusing and excessive. A number of other persistent market access issues, such as import permits, quotas, and frequently changing trade regulations continue to threaten U.S. food exports intended for the Indonesian retail sector.

Enforcement of food product regulations often lacks transparency and consistency. The lack of infrastructure, including, but not limited to poor port facilities, supply chain management, and cold chain facilities also creates a drag on the wider distribution of food products throughout Indonesia.

Grocery prices are growing in the wake of the elimination of fuel subsidies, increasing electricity rates, and a weak Rupiah.

I. MARKET SUMMARY

The Indonesian retail sector began its rapid expansion in 1999, when a Presidential Decree (No. 96/2000 and 118/2000) allowed Carrefour, a French retailer, to expand retail operations in Jakarta. As other retailers followed, the Indonesian retail sector became more competitive, benefitting consumers and taking market share from traditional retail outlets. Foreign retailers in Indonesia include Carrefour (now locally owned and operated by CT Corp/PT Trans Retail, soon to be renamed Trans Mart), Giant, Lotte Mart (formerly Makro), Lion Superindo, Circle K, Seven Eleven, Lawson, Family Mart and Ministop.

Some modern retailer chains have multi-format outlets. Hypermarket, supermarkets, convenience shops and minimarkets are all present in Jakarta.

In October 2014, SaveMax Super Grosir, owned by PT. Emporium Indonesia (Gunung Sewu Group), opened in Tangerang city. PT. Ramayana Lestari Sentosa Tbk (Ramayana) and SPAR International B.V. plan to open 30 SPAR Supermarkets over a three year period starting in late 2014.

Recently, Jason Supermarkets (owned by Hero Group) launched supermarkets in Jakarta, while Loka Supermarkets (owned by Mega Mahadana Hadiya – Trakindo Group) launched supermarkets in Malang - East Java and Tangerang.

Convenience stores are expanding rapidly in Indonesia. Following the introduction of 7-Eleven in 2009, the stores have grown in popularity amongst young consumers and students. Convenience stores differ from Indonesian minimarkets in that they offer fewer SKUs than minimarkets while offering ready to eat foods and a dining area. Locally owned minimarkets are progressively expanding to residential and office areas throughout Java, Bali and other provinces. Minimarkets are in direct competition with traditional independent small grocers (warungs), on the basis of price, cleanliness, food safety, and comfort. Independent small grocers face this challenge by offering personalized, flexible services to their community.

In 2012, PT. Sumisho E-Commerce Indonesia (a joint venture company between Sumitomo Corporation –Tokyo and PT. Sumitomo Indonesia) launched Sukamart as an on-line grocery store in Jakarta.

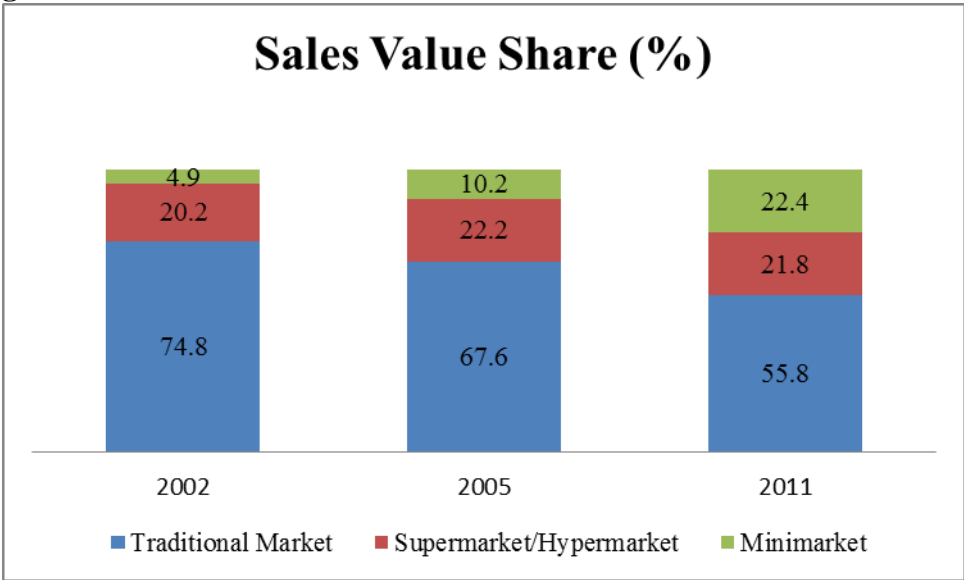
Table1. Grocery Retail Sales (Value and Outlet growth)

Type of Outlets	Value Growth (%)		No. Outlets Growth (%)	
	2012-2013	2008-2013 (CAGR)	2012-2013	2008-2013 (CAGR)
Convenience Stores	36.9	34.3	11.9	15.7
Hypermarkets	15.3	11.3	16.3	13.4
Supermarkets	15.0	15.6	4.5	0.8
Traditional Grocery Retailers	9.7	9.4	-0.3	0.2

Source: Euromonitor; CAGR: Compound Annual Growth Rate

There are a variety of specialty stores serving high-end consumers in major urban areas. These businesses specialize in imported goods, fruit boutiques, dairy, fish and poultry products (owned by integrated poultry companies; Bel Mart, Prima Fresh). Western-style bakeries are also growing due to new consumer awareness of western style breads and pastries. The Kalbe E-store offers online retail and home delivery services for grocery and health products. Many of these stores have suffered from import registration number (ML) requirements for processed food and retail packaging issues.

Figure 1. Indonesia Retail Sales Value Share



Source: Kontan March 4-10, 2013

Food Products and Service Offered by Retailers

Hypermarkets and supermarkets offer a wide range of food and beverage products and are generally located as anchor stores in shopping centers. One way they differentiate themselves from local retailers is by marketing high-quality fresh produce, a substantial portion of which is imported. Indonesian middle and upper income level consumers are increasingly shopping at these stores.

Table2. Indonesia: Sales of Packaged Food in 2013

Product	Volume		Value (IDR Trillion)
	Retail	Growth 2012/2013 (%)	Retail
Baby food ('000 ton)	260.62	7.47	26.15
Bakery products ('000 ton)	802.98	4.84	34.78
Canned/preserved food ('000 ton)	97.90	10.06	5.23
Chilled processed food ('000 ton)	16.44	9.62	1.25
Confectionery (000 ton)	270.19	5.16	19.30
Dairy products (not countable)	958.82	6.21	26.47
Dried processed food ('000 ton)	8,660.95	5.34	87.55
Frozen processed food ('000 ton)	73.05	9.24	6.23
Ice cream (million liters)	57.39	10.15	3.47
Noodles ('000 ton)	1,349.86	7.78	23.71
Oils and fats ('000 ton)	789.29	6.55	15.03
Pasta ('000 ton)	5.27	6.30	0.23
Sauces, dressings and condiments ('000 ton)	467.38	6.24	11.55
Spreads ('000 ton)	15.98	6.74	1.00
Sweet and savory snacks ('000 ton)	303.34	6.70	13.55
Meal replacement products, Ready meals, Snack Bars, Soup ('000 ton)	5.39	40.41 (Meal RP); 5.08 (Ready Meals); 24.76 (Snack Bars); 6.84 (Soup)	1.59

Source: Euromonitor

Supermarket retailers usually contain in-store bakeries, cafés and restaurants, and prepared meals, with grocery products typically contributing about 65 percent of total sales. Additional in-store services beyond typical food retailing are expected to grow. These include credit and debit card services, ATMs, floral departments, laundry services, home delivery services, and delis/restaurants. Indonesian supermarkets also offer pre-paid mobile phone credits, liquefied petroleum gas (LPG), and store credit cards in cooperation with banks.

Minimarkets, convenience stores, and other shops carry a wide range of convenience food items such as readymade meals, bakery products, processed foods, ice cream, and beverages. They sometimes carry a limited offering of fresh fruits and open 24 hours. In addition to food and beverages, minimarkets also provide train tickets, concert and sporting event tickets, pre-paid mobile phone credits, ATMs, Citilink airline tickets, laundry, bill payment services (electricity, motorcycle loan payments), BNI bank and Western Union remittances, taxi ordering, courier services, money changers, and online shopping and delivery (within the Jakarta region). Franchising is driving the rapid growth of minimarkets and convenient stores.

While traditional small grocers (warungs) may not be able to offer the variety of products and services offered by minimarkets, they do sell local food and beverage products familiar to the majority of

consumers. This differentiation, along with location, helps them remain competitive against organized retail. Traditional markets also remain an important retailer in Indonesia. A 2010 Nielsen Shopper trends survey showed that buyers purchased 53 percent of fresh vegetables, 70 percent of fresh meat, and 67 percent of fresh fish in traditional markets. Like small grocers, they rely on personalized services, local product offerings, and location to remain competitive.

A University of Adelaide study (Hery Toiba, 2011) showed that quality perceptions amongst Indonesian consumers also favor traditional markets in several categories. For example:

- Price: Indonesian consumers tend to believe that traditional retail has lower costs across all categories except dairy and processed food.
- Quality & Safety: Indonesian consumers tend to believe that food safety is better assured by traditional retailers for meat and seafood, while modern retail is perceived to provide safer fruits, dairy and processed foods.
- Product information: Indonesian consumers reported that they regard modern retail as more transparent and forthcoming with product information across all categories except vegetables.

Figure2. Indonesia: Sales in Modern Retailers



Source: Euromonitor

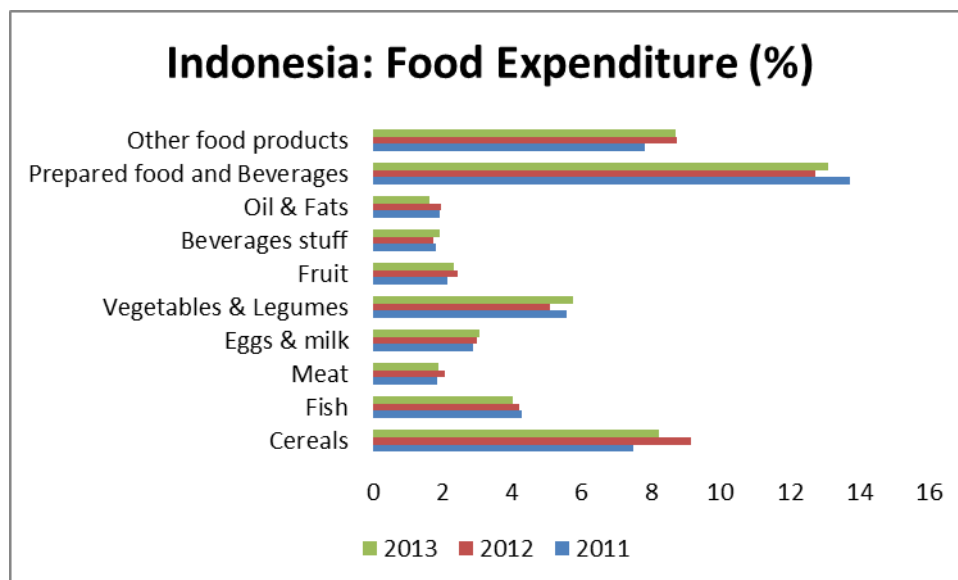
Modern Retail Market Growth

Indonesian supermarkets experience their peak hours during weekends with 34 to 45 percent of shopping occurring at these times. Minimarket peak hours are usually at night. Traditional outlets such as neighborhood stores and wet markets experience heaviest traffic on weekday mornings. A Nielsen report claims that Indonesian consumers prefer to purchase certain specialty items from the organized sector (dairy, vitamin and personal care products), while commodity goods (instant noodles, cooking oil, soy sauce) continue to be procured from traditional sources.

The 'recreation' function of modern outlets is important in Indonesia, with 79 percent of consumers visiting supermarkets with their families. This trend is encouraged by Jakarta's numerous shopping malls and growing mall culture. Conversely, more than 65 percent of consumers prefer to visit traditional markets alone. As a relatively new concept, consumers continue to familiarize themselves with modern retail, indicating potential for future growth of the sector.

In 2013 the monthly average expenditure per capita for food was Rp 356.435 (\$33.77). This averaged to be about 51.0 percent of total monthly expenditures per capita. A breakdown of average expenditures is as follows:

Figure3. Indonesia: Food Expenditure (%)



Source: National Statistical Agency (BPS)

Distribution Channels

Wholesale and hypermarket outlets procure from domestic suppliers or directly from manufacturers and importers. Suppliers of small retail outlets deliver the products to retailer's distribution center. Ministry of Agriculture (MOA) and MOT regulations limit the sale of imported beef to the hotel and restaurant industry. Indonesian regulations also prohibit retailers from purchasing imported horticultural products directly from importers, limiting product availability and increasing prices.

Table 3: ADVANTAGES AND CHALLENGES FACING U.S. PRODUCTS MARKET	
ADVANTAGES	CHALLENGES
Large Consumer Base: Indonesia has a population of 255 million people in 2015	Weak purchasing power of the majority of the population.
The distribution system on the island of Java is improving, providing increased access to 57.06 % population.	Infrastructure, including ports and cold storage facilities outside of the main island of Java, are poorly developed.
The availability of imported products will be accommodated by the rapid growth of the modern retail sector; Japanese, Korean, and Western restaurant chains; bakeries and a well-developed tourism industry	Import regulations are often complex and non-transparent, thus requiring close business relationships with a local agent. Getting an ML number for imported retail packaged food products is complicated but required. Labels must be written in Indonesian and attached before entering Indonesia.
Many Indonesian consumers are aware of the quality and safety of the U.S. products.	Prices of imported products are relatively high compared to locally produced products.
Low Duties: Duties on most food are 5%	Consolidated shipments with products from several suppliers are often more cost effective for Indonesian retailers. This increases documentation problems.

More urban women entering the workforce with less time available for shopping and cooking increasingly focusing on convenience.	Product shelf life should be considered for shipments to Indonesia due to the extended transportation and inconsistent (non-transparent & unpredictable) custom clearance procedures & time.
Some multinational companies have commissary and catering services that need imported products.	Third-country competition and promotion remains strong, especially from Australia, New Zealand and China. Food product imports from Malaysia, Philippines, and Thailand are growing. Bilateral free trade agreements provide opportunities to competitors.
U.S. Fresh Food of Plant Origin (FFPO) safety control system has been recognized. The U.S. horticulture products are allowed to enter Tanjung Priok – port of Jakarta.	The GOI intends to review FFPO recognition every two years. Current regulations stipulate that only three sea ports and one airport are allowed as a horticultural entry points. Approximately 39 horticultural products must have an import recommendation from Indonesian Ministry of Agriculture, and import permit from Ministry of Trade before imported to Indonesia.
GOI approved a number of several U.S. meat and many U.S. dairy establishments to export products to Indonesia.	Animal-based food must be certified “halal”. Import recommendations from MOA and MOT are required to obtain an ML.
Indonesia also does not produce sufficient quantities of beef, dairy products, tree nuts, temperate zone fresh fruit and vegetables, and pet food.	U.S. freight costs are high relative to competing origins

II. ROAD MAP FOR MARKET ENTRY

Entry Strategy

An effective way to enter the Indonesian market is to appoint an agent. An agent can help assure the widest product distribution as well as undertake the marketing efforts necessary to build product awareness. In some situations, it may make sense to sell directly to supermarkets and/or to appoint them as an exclusive distributor. This is particularly recommended for specialty products which are unlikely to generate volumes sufficient to merit the interest of an agent. Initial sales efforts in Indonesia should nevertheless include visits with potential agents as well as with key retailers to gain an understanding of the market.

Market Access for Imported Food Products

Labeling

Requirements for food product labeling (primarily for packaged food for retail sale) are broad in scope. The National Agency for Drug and Food Control (BPOM) regulations require labels to be written in Indonesian and to note GMO-derived ingredients. As of January 2013, supplementary labels should be

affixed prior to customs clearance (before arriving in Indonesia). Statements or claims on the benefit of the food product shall only be included if they are supported by scientific facts which can be accounted for. In addition to BOPM labeling regulations, exporters are expected to comply with the new Food Law 18/2012, and the Consumer protection Act of 1999.

Imported Product Registration Number (ML)

All processed food products imported in retail packaging must be registered with BPOM before they are allowed to be imported. The registration process should be conducted by a local agent or importer. The process for registration of food is complex, often non-transparent, costly, and time consuming due to the detailed requirements regarding supporting documentation that should be carried out before shipping. However, the ML registration process has improved slightly by the implementation of the E-registration for low risk processed food products (707 kinds of food products) since early 2013.

BPOM regulations require importers to apply for an import recommendation for animal based food products, including processed products, from the Director General of Livestock Services, Ministry of Agriculture. This recommendation must be obtained before an exporter applies for an ML number.

Entry Permit (SKI)

In March 2008, BPOM released a regulation (amended in 2013) which stated that all imported food material/ingredients, including processed foods, must obtain an entry permit (SKI) from the head of BPOM for every shipment. The SKI is needed to release the products from customs. To obtain the permit, an importer must provide supporting data and documents.

Horticultural and Animal-Based Food Products

MOA and MOT regulations state that the GOI will allocate import quantities for imported horticultural products every six months and meat products every three months. (Note that the GOI claims it will approve any quantity the importer requests). These regulations limit the availability of imported fresh fruits in retail outlets, as more than 60 percent of hypermarket fruit sales are of imported fresh fruit. This regulation also hinders meat imports, as it requires meat to be ordered and shipped within three months from the issuance of the import recommendation. Since 2011, MOA and MOT regulations limit the sale of imported beef to the hotel and restaurant industry.

Halal

In September 2014, Indonesia passed a law governing halal products (33/2014). The law makes halal certification mandatory for all food, beverage, 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 new law also states that the Indonesian government will establish a new institution called the Halal Product Guarantee Agency (*Badan Penyelenggara Jaminan Produk Halal - BPJPH*) to issue halal certificates. Once formed, the BPJPH will assume the role currently fulfilled by the MUI. As of December 2014, implementation of the halal law remained uncertain, partly due to resource restraints.

Duties and Taxes

Although most of food and agricultural product import duties are 5 percent, most imported products are

also assessed a value added tax of 10 percent and sales tax of 2.5 percent. On April 7, 2010, the Ministry of Finance (MOF) imposed new import duties on alcoholic beverages containing ethyl alcohol. This regulation replaced the ad valorem tariff with a specific tariff charged at the rate of Rp14,000/liter for beer, Rp 55,000/liter for wine, and Rp, 125,000/liter for whisky, rum, and other distilled spirits. The former luxury tax (75 percent) was removed. Alcoholic beverages are imported based on a quota set by MOT every April. In January 2014, MOF implemented a new excise tax for ethyl alcohol, beverages, and concentrates containing ethyl alcohol.

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

Type	Ethyl Alcohol content	Excise Tax (IDR per liter)	
		Domestic Product	Import
I. Ethyl alcohol or ethanol			
All kinds of ethyl alcohol, level content, and type		20,000	20,000
II. Beverages containing ethyl alcohol			
A	5% or less	13,000	13,000
B	More than 5% up to 20%	33,000	44,000
C	More than 20%	80,000	139,000
III. Concentrate containing ethyl alcohol			
All concentrates, content level and type, as a raw material or processing aid in beverages contain ethyl alcohol production		100,000	100,000

Competition

U.S. food products are sometimes less competitive in Indonesia due to high freight costs relative to competing origins and locally produced products. Consolidated shipments with products from several suppliers are highly favored and are often more cost effective for Indonesian importers. Competition remains strong from countries in the region, especially Australia, New Zealand and China. Food product imports from ASEAN countries such as Malaysia, Philippines, and Thailand are also growing.

Local food producers are largely specialized on conventional Asian staples. As a result, many premium categories and western-style foods are underserved in Indonesia. Indonesian consumers also associate quality and safety with U.S. food products. These two points are possible advantages for U.S. businesses seeking to export to Indonesia.

Market Structure

Distribution System

Due to the geographic isolation of the Indonesian archipelago, the distribution system is complex.

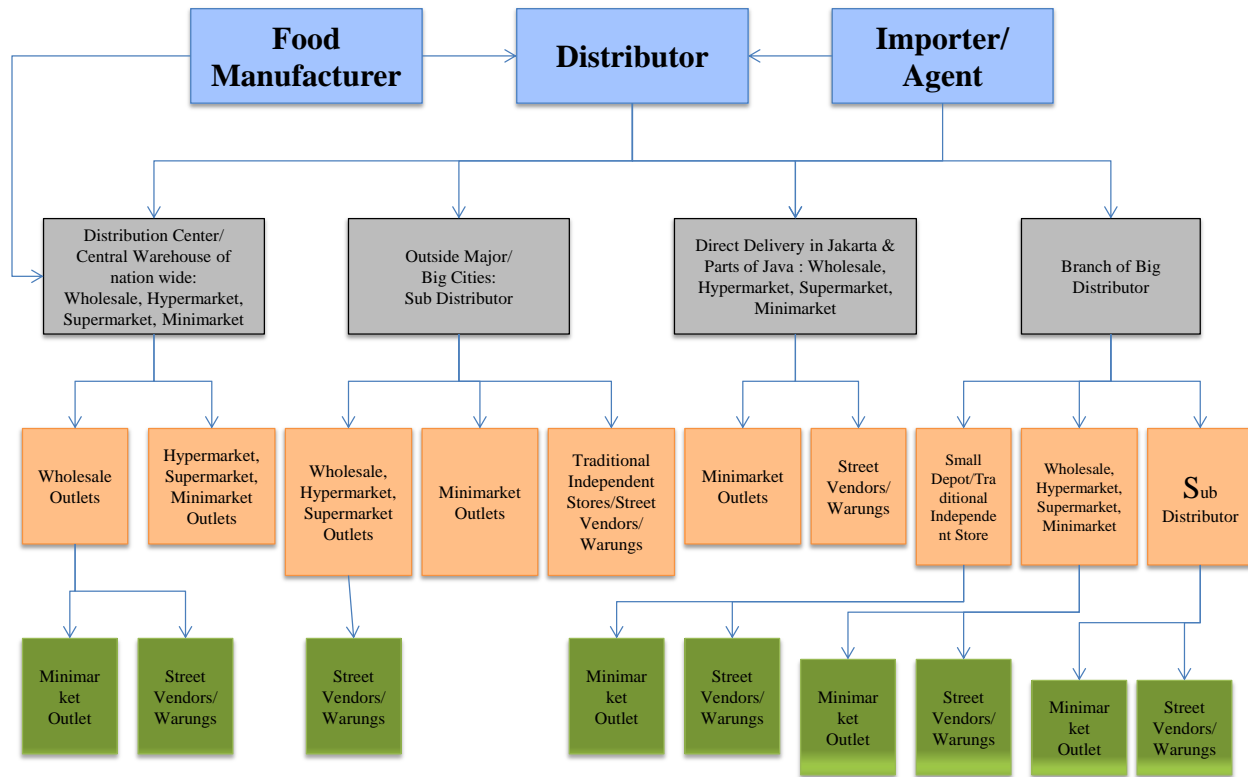
Indonesian infrastructure is often inadequate, especially outside of Java and major cities. The ability to move frozen and refrigerated products is limited. There are several national distributors, generally subsidiaries of consumer goods and food manufacturers, who serve the whole country. There are also numerous agents and distributors with a more local reach. There are hundreds of wholesalers (traditional wholesalers) and millions of retailers.

Inadequate port facilities are often cited as the single largest distribution constraint. Shallow drafts limit ports to small ships, and inadequate loading/unloading facilities and frequent congestion are frequently cited problems. Poor roads and bad traffic in and out of ports are also a constraint. Distribution firms also cite unreliable shipping schedules and an inadequate number of small ships serving Eastern Indonesia, particularly during bad weather periods. This can result in shortages and obligate firms to maintain large and costly inventories.

Most imported products are sold through the modern retail stores (hypermarkets, supermarkets, wholesalers, convenience stores, and minimarkets). Imported products often move to a distributor or agent, who in turn, sells directly to modern retail outlets. Delivery of the products may be direct to stores or to the warehousing facilities of the retailer. Only a few retailers buy directly from foreign suppliers and assume responsibility for logistics. There are about 10 major cities that serve as distribution hubs in Indonesia including: Bandung, Yogyakarta, Surabaya, Denpasar, Makassar, Manado, Balikpapan, Banjarmasin, Medan, Pekanbaru, Padang, Palembang, Batam. Products moving through the traditional sector face a more extensive distribution process. Generally, products move to a distributor's warehousing facilities in a hub city, then to sub-distributors and wholesalers for delivery to retailers.

Figure 4: Indonesia: Distribution Channels

Indonesian Retail Food Sector: Distribution Channels



Trends in Distribution

Although the modern retail sector is expanding rapidly, the traditional distribution systems are expected to remain prevalent in the short term. Over the long term, modern retail distribution channels are expected to become more efficient as direct procurement from suppliers increases. Under current regulations, retailers can procure most imported supplies directly, with the notable exception of imported horticultural and beef products. Efficiencies will also be gained as central warehousing and distribution centers expand throughout the country. Inadequate infrastructure on several of the Islands hinders this expansion.

The success of big retailer chains, wholesalers, and hypermarkets in offering Indonesian consumers a wide variety of products at lower prices is expected to stimulate the growth of imported food sales. More middle and low-income consumers are using organized retail outlets. Increasing competition will force existing supermarkets and other modern retailers to focus on targeted consumer groups, to become more sophisticated in their marketing efforts, and to improve store operation efficiencies. The number of minimarkets and other small stores will continue to grow. The greatest expansion is anticipated on the islands of Java and Bali, in residential areas and cities outside of Jakarta.

A. SUPERSTORES, SUPERMARKETS, HYPERMARKETS OR SUPERCENTERS, CLUB AND WAREHOUSE OUTLETS.

There are four players in the hypermarket group (including wholesalers) and five in the supermarket group in Indonesia. Hypermarket and supermarket businesses are the most likely to sell imported products. Imports account for 5 to 30 percent of the food items sold in each store, increasing to 60 percent for specialty retailers catering to high-end consumers. ML number registration issues limit the variety of brands that importers can choose from, making small consignments and mixed containers more difficult.

Table 5. Indonesia: Wholesale, Hypermarket and Supermarket outlets

Retail Name & Market Type	Ownership	Sales /year 2013	No. of Outlets 2013/2014	Locations (city/region)	Purchasing Agent Type
Carrefour/Trans Mart	Trans Retail Indonesia, PT (Local per November 2012)	Sales of PT. Trans Retail Indonesia 2013: IDR 12.5 trillion	As of November 2014: 87 hypermarket format outlets Groserindo: 1 outlet	Jakarta and its surrounding , several cities in Banten West Java, Central Java & East Java, Palembang, Medan, Batam, Makassar, Pontianak, Denpasar,Palu.	Direct Agent/ Importer, Distributor
Giant	Hero Supemarket Tbk, PT (Dairy Farm – Hongkong)	Sales of Hero retail group IDR 11.9 trillion	As of December 2013: Giant Extra 51 outlets Giant Express 121 outlets	Jakarta, several cities in Banten, West Java, Central Java, East Java; Bali, Bandar Lampung, Bengkulu, Jambi, Pekanbaru, Banjarmasin, Balikpapan, Samarinda, Batam, Kupang, Medan, Binjay, Palembang	Direct Agent/ Importer, Distributor
Hypermart	Matahari Putra Prima Tbk, PT (Local – Temasek, Singapore)	Sales of PT. Matahari Putra Prima Tbk 2013: IDR 11.9 trillion	As of August 2014: 102 Hypermart outlets	Jakarta, several cities in Banten, West Java, Central Java, East Java, North Sumatera, Riau, Jambi, South Sumatera, Bengkulu, Bandar Lampung, Pontianak, Central Kalimantan, South Kalimantan, Balikpapan, Samarinda, North Sulawesi, Gorontalo, Palopo, Makassar, Kendari, Papua, Kupang, Bali, Maluku, Bangka Belitung	Direct Agent/ Importer, Distributor
Lotte Mart (former Makro Wholesale)	Lotte Shopping Indonesia, PT (South Korea per Oct 2008)	N/A	As of November 2014: 24 wholesaler format outlets 12 hypermarket format outlets	Jakarta, Tangerang, Serang, Bekasi, Bandung, Semarang, Yogyakarta, Solo, Sidoarjo, Medan, Pekanbaru, Palembang, Bali, Makassar,	Direct Agent/ Importer, Distributor

				Banjarmasin, Balikpapan, Cirebon, Bogor	
Save Max Super Grocer	Emporium Indonesia, PT (Gunung Sewu Group) (Local)	N/A	As Of November 2014: 1 outlet	Tangerang	Agent/ Importer, Distributor
Alfa Midi (bigger than minimarket but smaller than supermarket)	Midi Utama Indonesia Tbk, PT (Local)	Net revenue 2013: IDR 4.96 trillion from Alfamidi, Alfa Express & Lawson	As of June 2014: 611 Alfamidi outlets 69 Alfa Express outlets.	Jakarta, Bogor, Tangerang, Depo, Surabaya, Makassar, Samarinda, Medan, Malang, Bali	Direct Agent/ Importer, Distributor
Food Mart group/Food Mart Gourmet	Matahari Putra Prima Tbk, PT (Local-Temasek, Singapore)	Sales of PT. Matahari Putra Prima Tbk 2013: IDR 11.9 trillion	As of July 2014: 29 specialty stores	Jakarta, Tangerang, Bogor, Krawang, Cirebon, Klaten, Purwokerto, Yogyakarta, Surabaya, Jember, Bali, Balikpapan, Samarinda, Ambon, Padang	Direct Agent/ Importer, Distributor.
Hero	Hero Supermarket Tbk, PT (Dairy Farm – Hongkong)	Net revenue from Hero retail group IDR 11.9 trillion	As of December 2013 Hero: 37 outlets Jason supermarket 2 outlets	Jakarta, Bekasi, Bogor District, Tangerang, Tangerang Selatan, Bandung, Yogyakarta, Surabaya, Sidoarjo, Malang, Bali, Mataram, Tembaga Pura, Timika, Makassar, Balikpapan,	Direct Agent/ Importer, Distributor.
Lion Superindo	Lion Superindo – Gelael, PT (Local-Delhaize Belgium)	N/A	As of November 2014 124 outlets	Jakarta, several cities in Banten, West Java, Central Java & East Java; Palembang (18 cities)	Direct Agent/ Importer, Distributor
Farmers Market	Supra Boga Lestari Tbk, PT (Local)	Net revenue 2013 from Framers Market & Ranch Market: IDR1.30 trillion	As of November 2014: 14 outlets	Jakarta, Bogor, Tangerang, Kerawang	Direct Agent/ Importer, Distributor

Source: Various

Table6. Indonesia: High-end Supermarkets and Specialty Stores

Retail Name & Market Type	Owner ship	Sales /year —2013	No. of Outlets 2013/2014—	Locations (city/region)	Purchasing Agent Type
Bali Deli – specialty store	Cipta Adi Karsa, PT (Local)	N/A	1 outlet	Bali	Agent/Importer, Distributor
Dijon Food Specialties	Alamboga Internusa, PT (Local)	N/A	1 outlet	Bali	Direct, Agent/Importer, Distributor
The Food Hall (formerly Sogo) –specialty store	Panen Lestari Internusa, PT (Local)	N/A	As of November 2014: 12 food hall outlets 13 daily food hall outlets	Jakarta, Tangerang Selatan, Depok, Bekasi, Bandung, Bali, Cikarang	Agent/Importer, Distributor
Gourmet Garage – specialty store	Wahana Boga Nusantara, PT (Local)	N/A	1 outlet	Bali	Agent/Importer, Distributor
Kemchicks – specialty store	Boga Catur Rata, PT (Local)	N/A	2 outlets	Jakarta	Agent/Importer, Distributor
Lucky Supermarket Group	(Local)	N/A	As of November 2014: 4 Grand Lucky outlets, 4 Berastagi outlets, 10 Rejeki fruit boutiques 3 Hokky outlets	Jakarta, Surabaya, Pekanbaru, Medan,	Direct, Agent/ Importer, Distributor
Pepito – Speciality store	(Local)	N/A	7 outlets	Bali	Agent/Importer, Distributor
Ranch Market – specialty store	Supra Boga Lestari Tbk, PT (Local)	Net revenue 2013 from Framers Market & Ranch Market: IDR1.30 trillion	As of November 2014: 11 outlets	Jakarta, Surabaya, Balikpapan	Direct, Agent/Importer, Distributor.
Setiabudhi – specialty store	(Local)	N/A	1 outlet	Bandung	Agent/Importer, Distributor.
Loka	(Local)	N/A	As of	Malang, Tangerang	Agent/Importer,

			November 2014: 2 outlets	Selatan	Distributor
Major Fruit Boutique					
All Fresh	(Local)	N/A	9 outlets	Jakarta, Bogor, Bekasi	Agent/Importer, Distributor.
Jakarta Fruit Market	(Local)	N/A	5 outlets	Jakarta	Agent/Importer, Distributor.
Total Buah	(Local)	N/A	22 outlets	Jakarta, Bogor, Tangerang, Bekasi, Bandung, Surabaya	Agent/Importer, Distributor.
Japanese					
Papaya – Japan specialty store	(Local)	N/A	9 outlets	Jakarta, Bandung, Surabaya, Bali, Cikarang	Agent/Importer, Distributor.
Korean					
Hanil Mart – Korean specialty store	(Local)	N/A	2 outlets	Jakarta, Tangerang	Agent/Importer, Distributor.
Mu Gung Hwa – Korean specialty store	(Local)	N/A	4 outlets	Jakarta, Cikarang, Tangerang	Agent/Importer, Distributor.
New Seoul Super- Korean specialty store	(Local)	N/A	1 outlets	Jakarta	Agent/Importer, Distributor.
Wijaya Mart	(Local)	N/A	2 outlets	Jakarta	Agent/Importer, Distributor.
Korean Mart	(Local)	N/A	2 outlets	Bandung	Agent/Importer, Distributor.

Source: Various

Table7. Indonesia: Some Regional Supermarkets

Retail Name & Market Type	Ownership	Sales /year 2013	No. of Outlets-	Locations (city/region)	Purchasing Agent Type
Toserba Borma	Harja Gunatama Lestari, PT (Local)	N/A	15 outlets	Bandung, Cimahi	Agent/Importer, Distributor.
Hari-Hari Supermarket	(Local)	N/A	8 outlets	Jakarta, Tangerang Selatan, Bekasi	Agent/Importer, Distributor.
Hardy's Supermarket	Hardy's Retailindo, PT (Local)	N/A	10 Hardy's Supermarket outlets 2 Hardy's Gourmet outlets	Bali	Agent/Importer, Distributor.
Luwes Group	(Local)	N/A	10 outlets	Solo, Semarang, Purwodadi, Pati, Blora	Agent/Importer, Distributor.
Macan Yaohan	(Local)	N/A	6 Supermarket outlets	Medan	Agent/Importer, Distributor.

			7 Macan Mart (Minimarket) outlets		
Maju Bersama	(Local)	N/A	6 Supermarket outlets 2 Maximart (high end target market) outlets	Medan	Agent/Importer, Distributor.
Rita Supermarket	(Local)	N/A	7 outlets	Tegal, Purwokerto, Wonosobo, Cilacap, Kebumen,	Agent/Importer, Distributor.
Sabar Subur	Sabar Subur Makmur Sentosa, PT (Local)	N/A	4 outlets	Tangerang	Agent/Importer, Distributor.
Sri Ratu	(Local)	N/A	6 outlets	Tegal, Pekalongan, Purwokerto, Semarang Madiun, Kediri	Agent/Importer, Distributor.
Suzuya Supermarket	(Local)	N/A	12 outlets	North Sumatera, Aceh	Agent/Importer, Distributor.
Tiara Dewata Group	Tiara Dewata Bali, PT (Local)	N/A	3 outlets	Bali	Agent/Importer, Distributor..
Tip Top	Tip Top, PT (Local)	N/A	6 outlets	Jakarta, Tangerang, Bekasi, Depok	Agent/Importer, Distributor.
Toserba + Griya Supermarket (Yogya Group)	Akur Pratama, PT (Local)	N/A	As of November 2014: 80 outlets	Jakarta, West Java, Semarang	Agent/Importer, Distributor.

Source: Various

B. COVENIENCE STORES/MINIMARKET, GAS MARTS, KIOKS

Minimarkets are rapidly growing in popularity throughout urban and suburban Indonesia. This is especially true in cities outside of Jakarta. Indonesian minimarkets carry essential staple goods, some frozen items, and fresh fruits. They are located close to residential areas, office buildings, or areas with high footfalls. Most minimarket chains have their own distribution facilities. Purchasing from manufacturers, importers or distributors is centralized and items can be delivered to a central warehouse or directly to stores. Imported fruits are available in some of these stores.

Table 8. Indonesia: Convenience Store/Minimarket Outlets

-Retail Name & Market Type	Ownership	Sales/year 2013	No. of Outlets 2013/2014	Locations (city/region)	Purchasing Agent Type
Alfa Minimarket	Sumber Alfaria Trijaya, Tbk,	Net revenue 2013: IDR34.8	As of Sept 2014:	Jakarta, Bogor, Bekasi, Tangerang,	Agent/ Importer, Distributor.

	PT (Local)	trillion	9,187 outlets	Java, Bali, Sumatera, Kalimantan, Sulawesi (16 provinces)	
Circle K (convenience)	Circleka Indonesia Utama, PT (Franchise)	N/A	As of November 2104: 500 outlets	Jakarta, Batam, Bandung, Bali, Yogyakarta, Surabaya, Makassar	Agent/ Importer, Distributor.
Indomaret	Indomarco Prismatama, PT (Local)	N/A	As of November 2014: 10.400 outlets As of Novembert 2014: 40 Indomaret point (Jakarta)	Java , Madura, Bali, Sumatera, Sulawesi, Kalimantan	Agent/ Importer, Distributor.
Mini-mart (Convenience)	(Sentra Ritelindo, PT) (Local)	N/A	More than 100 outlets	Bali	Agent/Importer, Distributor.
Star Mart	PT Hero Supermarket Tbk, PT) (Local)	N/A	As of December 2013: 157 outlets	Jakarta	Agent/Importer, Distributor.
Yomart	Yomart Rukun Selalu, PT & Griya Pratama, PT (Local)	N/A	As of November 2014: 211 outlets	West java	Agent/Importer, Distributor.
Lawson (Convenience)	Midi Utama Indonesia Tbk, PT (Franchise)	Net revenue 2013: IDR 4.96 trillion from Alfamidi, Alfa Express & Lawson	As of June 2014: 61 outlets	Jakarta, Bogor, Depok, Tangerang, Bekasi, Bandung, Bali	Agent/Importer, Distributor.
Seven Eleven	Modern Putra Indonesia, PT (Franchise)	Sales of PT Modern International Tbk (Parent Company) 2013: IDR 1.27 trillion	As of July 2014: 170 outlets	Jakarta, Tangerang	Direct Agent/Importer, Distributor.
Family Mart	(PT. Fadjar Mitra Indah –	N/A	As of March 2013:	Jakarta	Agent/Importer, Distributor.

	Wings Group) Franchise		6 outlets		
Ministop	Bahagia Niaga Lestari, PT (Franchise)	N/A	As of June 2014: 7 outlets	Tangerang Selatan, Jakarta	Agent/Importer, Distributor.
Rajawali Mart	Rajawali Nusindo, PT (Local)	N/A	As of November 2014: 150 outlets	Bali, Medan, Makassar, Jakarta (11 cities)	Agent/Importer, Distributor.

Source: Various

C. TRADITIONAL MARKETS – “MOM AND POP” SMALL INDEPENDENT GROCERY STORES AND WET MARKETS

The traditional sector maintains a majority market share in Indonesian food retailing. This sector includes warungs and small stalls, often found in traditional markets. Distribution channels are long and complex. Few imported products are carried by these outlets, with the exception of fresh fruit. Imported apples, mandarins, oranges, table grapes and pears are commonly found in wet markets.

III. COMPETITION

Local companies have strong position in the food and beverage market

Local industry dominates the markets for baked goods, noodles and wheat-based products, snacks, frozen poultry & meat products, processed dairy products such as UHT milk, cheese and yogurt, canned fish, soft drinks, teas, coffee, tropical fruits and vegetables, and fresh sea food. Businesses featuring fresh produce compete on their ability to supply competitively priced locally grown products, while businesses featuring processed food and beverages compete on brand name. There are several multinational companies in this sector, including Unilever, Nestle, Kraft, Danone, Heinz, Frito Lay, and Effem.

Competition in the import market

Temperate fresh fruit, processed fruit and vegetables, beef, french fries, tree nuts, and pet foods are mostly imported. Primary competing suppliers include China, Thailand, Australia, India, New Zealand, Netherlands, Brazil, Philippines, Vietnam, and France.

Table 9. Indonesia: Competition between Domestic Goods and Imports; 2013

Product Category	Major Supply Sources (% Volume)	Strengths of Key Supply Countries	Advantages and Disadvantages of Local Suppliers
Fresh Fruit Net volume import: 499 thousand ton	China 58.57% Thailand 12.30% U.S. 9.55% Australia 4.43%	China supplies: Fuji apples, Yalie pears, Shandong pears, red globe table grapes, mandarines, oranges, lemons. China offers very	Only tropical fresh fruits are produced locally and supplies are inconsistent

Value: \$637.94 million	United Arab Emirats 2.56% Vietnam 2.18% Egypt 2.01%	competitive prices Thailand supplies: longans, durians, mangos U.S. supplies: apples, table grapes and oranges Australia supplies: pears, red globe table grapes, oranges United Arab Emirats supplies dates Egypt supplies dates and orange	
Fresh Vegetables Net volume import: 658,570 ton Value: \$490 million	China 71.2% India 9.61% Canada 4.88% Thailand 2.88% Vietnam 2.76% Australia 2.06% New Zealand 1.91% U.S minor supplier (1.73%)	China supplies: garlic, onions, shallots, carrots, chilies. China offers very competitive prices. India supplies: onions, shallots Canada supplies: peas Thailand supplies: shallots Vietnam supplies: shallots, chilies	No garlic and onions are produced locally. Local shallot and chili production cannot meet domestic demand during the rainy season Only tropical fresh vegetables are produced locally
Processed fruit & vegetables Net volume import: 112,705 ton Value: \$167.32 million	China 30.04% U.S. 29.02% Canada 7.94% Netherlands 5.95% Thailand 5.79% Germany 3.70%	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 are produced locally.
Red meats fresh, chilled, frozen Net volume import: 56.548 Ton Value: \$249.33 million	Australia 74.75% New Zealand 18.52% U.S. 6.46%	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
Pet foods Net Volume import: 33,474 ton Value: \$41,29 million	Thailand 68.87% US 16.84% France 4.11% Brazil 3.70%	Thailand produces pet food under U.S. pet food company licenses.	No pet food is produced locally
Snack food excluding nuts Net Volume import: 30,993 ton	China 31.8% Malaysia 26.8% Belgium 11.1%	China, Malaysia and Thailand origin food snacks have a large market share due to price competitiveness, taste, and geographic proximity.	Local products are also abundant but consumers are willing to try new products. Domestic snack producers use

Value: \$124.35 million	Thailand 7.2% U.S.-minor supplier (1.2% share) Malaysia 29.89% China 28.07% Thailand 9.31% Belgium 6.80% U.S. minor supplier (0.55%)	Belgium supplies mostly chocolate based snack products	imported food ingredients such as potato flakes, dairy, and corn grits.
Fruit & vegetable juices Net Volume: 15,476 Ton Value:\$30.55 million	Brazil 29.55% Thailand 18.49% Austria 10.58% China 10.07% Australia 5.25% U.S. 4.79% South Africa 4.63% Malaysia 4.50% Taiwan 3.62%	Indonesia looks for variant of products with competitive prices. Geographic proximity gives Australia and ASEAN countries advantage for products with short product shelf life.	Local fruit juices are limited due to limited fresh fruit supply.
Breakfast Cereals/Pancake Mix Net volume import:7,587 Ton Value:\$24.01 million	Philippines 44.76% Malaysia 25.23% China 15.66% Thailand 4.84% Australia 3.91% U.S. minor supplier (0.92%)	Multinational companies established their production facilities in ASEAN countries (such as Philippines, Malaysia and Thailand) to reach the market in surrounding countries.	Domestic manufactured produces limited variety of breakfast Cereals.
Tree nuts Net volume import: 5.014 Ton Value: \$20.06 million	Vietnam 30.16% U.S 26.86% Thailand 10.51% Benin 10.07% China 7.48% South Africa 4.57%	Thailand supplies repacked tree nuts from the U.S. Vietnam supplies cashew nut	Local tree nut production is limited to the cashew nut.
Wine & Beer Net volume import: n/a Value: \$2.45 million	n/a Major supplier are Australia and Singapore followed by France, Chili and the U.S.	Australia offers competitive pricing and geographic proximity. Singapore is a transit country for most of the imported products to Indonesia	Population mostly Muslim. Insignificant supply of domestic wine production and limited local beer manufacturers for the rest of population and tourists' consumption.

Source: GTA

IV. BEST PRODUCT PROSPECTS

Many U.S. food items have strong sales potential in Indonesia. This is especially true of those for which no local substitutes are available. The best opportunities for imported food products in retail packaging exist in modern retail outlets in Jakarta & surrounding areas, Bandung, Surabaya, Bali (tourism), and Medan (Sumatera). Potential also exists where foreign companies employ high

numbers of expatriates, such as Balikpapan (Kalimantan), Lombok, Pakanbaru (Sumatera), and Timika (West Papua). The Indonesian expatriate community is diverse, with more expatriates to coming to Indonesia from Asian countries.

There is typically at least one supermarket that caters to the expatriate community in every major city, supplying imported products. Good opportunities exist for good quality, moderately priced items with brand names well-known to expatriates. Because importers purchase in small quantities and transportation costs can be high, products are expensive compared to what expatriates pay at home.

A. Products Present in the Market which have Good Sales Potential

Fresh fruits demonstrate the best growth potential of any U.S. product category already present in the Indonesian market. U.S processed fruit and vegetables products, as well as snack foods, have also shown growth. Some of the best-selling processed foods include frozen french fries, popcorn, corn chips, mixed fruit juices, frozen and canned vegetables, ice cream, raisins, jams, almonds, baking mixes, dressings, sauces, and seasonings.

Table 10. Indonesia: Products Present in the Market That Have Good Sales Potential

Product Category	2013 Import (Volume, T)	2013 Import (\$mil)	2013 Import from U.S. (\$mil)	5Yr. Avg Annual Import (Volume) Growth (%)	Import Tariff Rates (%)	Key Constraints to Market Development	Market Attractiveness for USA
Fresh Vegetable	658,570	490.54	6.18 (mainly potato and onion)	2.57	5 20% for fresh/chilled potatoes other than seed, shallot other than seed and carrot	Competition with China, India, Canada, Thailand, Vietnam, Australia, and New Zealand Enforcement of Government of Indonesia regulations inhibit some U.S. fresh vegetables imports	Lack of supply and quality domestic products and demand of other vegetable types.
Fresh fruit	498,948	637.93	91.85 (mainly apples, grapes & orange)	4	5 20% for mandarin & mangoes	Competition with China, Thailand, and Australia, Enforcement of Government of Indonesia regulations inhibit some U.S. fresh fruit imports	Health awareness and rising middle class pushes the demand for quality fresh products. Lack of supply and quality of domestic fruit products.
Processed fruit & Vegetables	112,705	167.32	52.71 (mostly , citrus fruit prep, raisin, dates, cherry,	11	Mostly 5%,	Competition from China, Canada, Netherlands, Thailand	Lack of processed fruit and vegetable produced locally.

			french fries, dehy potatoes, onion powder, potato flakes, tomato paste)				
Pet foods	33,474	41.29	8.3 (mainly dog & cat food)	20.83	5	Competition from Thailand, France, Brazil There is a certain procedure to follow for getting an import approval for new plant from MOA	Demand exists as a niche market No domestic supply
Snack food excluding nuts	30,993	124.35	0.89 (mainly popcorn, confectionary corn chip,)	8.57	5 10 % for confectionery, sweet biscuit waffle and wafer	Competition with Malaysia, China, Thailand, Belgium, The procedure for obtaining an Import Registration Number (ML) is complicated	Expansion of modern retail outlets creates opportunity to introduce and sell snack food products Snacking is very popular in Indonesian culture and Indonesian eager to try new products
Fruit & vegetable Juices	15,476	30.55	2.15 (mainly mixed fruit juice)	10.65	Mostly 10	Competition with Brazil, Thailand, Austria, China, Australia, South Africa, Malaysia, Taiwan Obtaining Import Registration Number (ML) procedure is complicated	Health awareness and a growing middle class drive demand for fruit-based products.
Breakfast Cereals/Pancake Mix	7,587	24.01	0.25 (mainly cereals)	6.45	5	Competition with Philippines, Malaysia China, Thailand, Australia Obtaining	Health awareness, a growing middle class, and changing lifestyles drive demand for healthy, western and convenience

						Import Registration Number (ML) procedure is complicated	food products.
Tree nuts	5,014	20.05	9.24 (mainly almond)	11.6	5	Price concern	Snacking is very popular in Indonesian culture Bakery and food industry sector are growing and use tree nuts as one of the ingredient.

Note: Source GTA and no data on the size of the market

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

There are good opportunities for high-value U.S. items that are not yet imported in significant quantities. These include potato chips, baby foods, organic foods, and specialty fruits (especially berries).

C. Products Not Present because They Face Significant Barriers

MOA and MOT regulations diminish opportunities for U.S. suppliers to supply the significant market for U.S. meat products in Indonesia. Indonesia has a potentially large market for beef, pork, poultry and their processed products, and offal. Prior to the 2005 ban on U.S. beef, the most important U.S. sales item in the retail sector was beef offal sold through traditional outlets. In 2008, U.S. meat establishments restarted boneless beef exports to Indonesia, although pre-ban volumes have not yet been reached. U.S. bone-in beef and offal were prohibited a second time between April 2012 and June 2013 following a U.S. BSE finding. Since fourth quarter 2013, U.S. beef exports to Indonesia have rebounded slightly, although import permitting still limits the availability of U.S. beef.

Indonesian imports of U.S. chicken parts, which have high market potential in Indonesia, were banned in 2000 due to questions regarding halal certification. As of 2014, Indonesia permits poultry imports, although it does not issue import permits, resulting in a defacto ban. The GOI also regulates alcoholic beverage imports tightly. Although there is a demand for U.S fresh potatoes from supermarkets and the food processing industry, there is no import protocol between the USG and GOI.

Table 11. Indonesia: Products Not Present in Significant Quantities but with Good Sales.

Product Category	2013 Import (Volume, T)	2013 Import (\$mil)	2013 Import from U.S. (\$mil)	5Yr. Avg Annual Import (Volume) Growth (%)	Import Tariff Rates (%)	Key Constraints to Market Development	Market Attractiveness for USA
Red Meats, Fresh/Chilled/Frozen	56,548	249.33	16.22 (boneless frozen meat, heart, and liver)	-0.82	5	Competition with Australia and New Zealand Importer has to get an import	Lack of domestic supply

						import permit from MOT every quarter.	
Wine & Beer	N/A	2.44	0.079 (grape wine and cider)	N/A	Specific tariff, IDR 14,000 and IDR 55,000/liter	Competition with Australia, Singapore, France, Chile, Italy, Portugal, Government of Indonesia sets a quota and regulations inhibit alcoholic beverage import and production	No significant domestic wine supply and limited domestic beer supply
Poultry Meat	961	2.96*	0.35** (frozen turkey, frozen duck)	-10.79	5 except 20 % for chicken thighs	MOA has not issued import recommendations for poultry products (duck and turkey) since January 2014. MOA requires that poultry exported to Indonesia must be slaughtered manually to a the halal standard.	Domestic chicken prices are high and turkey is not produced locally

Note: * GTA and ** BICO data

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 local or U.S. mailing address:

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
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U.S. mail: Foreign Agricultural Service

FAS
 Unit 8200 Box 437
 DPO, AP 96520-0437

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> and <http://www.fas.usda.gov>

VI. OTHER RELEVANT REPORTS

[FAIRS Country Report 2014](#)

[New Regulation on Animal Quarantine Measures](#)

[New Regulation on Alcoholic Beverage Distribution](#)

[Alcohol Beverages Excise Tax Update](#)

[FAIRS Export Certificate Report 2013](#)

[Exporter Guide Update 2013](#)

[Indonesia Implements MOT Reg No. 46 2013 Issues Beef Import Permit](#)

[Indonesian Government Explain New Horticulture Import Permit Reg](#)

[Ministry of Agriculture and Trade Revise Horticultural Import Regulation](#)

[The GOI's New Regulation on Meta and Meat Products \(ID1345\)](#)

[Revise GAIN Report ID 1345](#)

[Revised Regulation on the Importation of Horticulture Products](#)

[Indonesia Extends Import Requirements on Food and Beverage Products](#)

[Indonesia Officially Recognize Safety Control System of United State's Fresh Food of Plant Origin](#)

[Phytosanitary Requirement for Fresh Bulb](#)

[Minister of Agriculture Regulation No 42 and 43 Year 2012](#)

[Prior Notice – Application of Imported Fresh Food of Plant Origin \(FFPO\)](#)

[Market Brief - Wine](#)

[New Indonesian Import Duties on Alcoholic Beverages](#)

[Mandatory Labeling of Imported Food and Beverage Products](#)

Table 12. Indonesia: Exchange Rate (Rp./1U.S. \$) on Period Month Ending Basis

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg
2006	9,369	9,280	9,117	8,826	9,212	9,353	9,124	9,119	9,205	9,110	9,165	9,020	9,158
2007	9,090	9,160	9,118	9,083	8,828	9,054	9,186	9,410	9,137	9,379	9,376	9,419	9,187
2008	9,304	9,051	9,199	9,234	9,318	9,225	9,118	9,153	9,378	10,995	12,151	10,950	9,756
2009	11,330	11,975	11,575	10,713	10,340	10,225	9,920	10,060	9,681	9,545	9,480	9,400	10,354
2010	9,365	9,335	9,070	9,012	9,180	9,038	8,952	9,041	8,952	8,928	9,013	9,014	9,075
2011	9,057	8,823	8,709	8,574	8,537	8,597	8,508	8,578	8,823	8,835	9,055	9,170	8,772
2012	9,000	9,158	9,188	9,180	9,565	9,468	9,485	9,573	9,588	9,605	9,605	9,670	9,424
2013	9,680	9,713	9,745	9,722	9,811	9,929	10,277	10,936	11,532	11,076	11,997	11,946	10,542
2014	12,226	11,675	11,404	11,589	11,611	11,969	11,591	11,717	12,212	12,163	12,161		

Source: National Statistical Agency (BPS-Badan Pusat Statistik) and Business Indonesia Daily Newspaper