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– Ricky Joseph PESIK, Ministry for Tourism and Creative Economy, Jakarta

Image Source: The Art Jog contemporary art fair held in Taman Budaya, Yogyakarta, was not canceled despite for COVID-19 and bringing support to the creative economy sector has been part of COVID-19 mitigation measures in Indonesia. Photo: Courtesy of Art Jog and Ricky Pesik.



Ricky Joseph PESIK
Ministry for Tourism and
Creative Economy
Jakarta, Indonesia

Creative solutions to 'building forward better'

Infrastructure and the creative economy agenda

The world conference on creative economy initiated by Indonesia in Bali 2018 proposed a resolution to the United Nations General Assembly declaring creative economy as one of the main focuses of the global economy. Particularly, in Indonesia, the creative sector has been primarily dominated by small and medium enterprises (SMEs). Through economic crises, SMEs have proven to be the most resilient organisations with high survival rate. The UN approved the global agenda that 2021 will be the year of international economy year. In Indonesia, SMEs have shown to overcome the COVID-19 pandemic by taking advantage of digital transformation.

Since early March 2020, Indonesia introduced lockdowns unevenly across the country and created major disruption to SMEs' business operations. As a result, we launched

ideas to explore opportunities to accelerate the digital transformation for SMEs. This is a necessary measure as Indonesia is projected to become the 5th largest economy in the world and the biggest e-commerce market in the region. However, a major issue remains as digital transformation among SMEs in creative sectors varies. Despite the large size of the e-commerce marketplace, the share of local product in Indonesia is currently less than 20%.

The lockdown became the opportunity for us to give incentives for SMEs, especially in creative sectors, to digitally transform and move their businesses to e-commerce platforms. Within three months, there are almost 2 million new SMEs in creative sectors joining e-commerce marketplace. With these results, one of the priorities in Indonesia's pandemic recovery is to accelerate digital transformation of businesses to e-commerce. Another key topic for future agenda is infrastructure distribution. One of highly prioritized post-pandemic responses is digital sovereignty. The key issues to be discussed in the second world conference on creative economy in Bali next year:

- digital transformation and digital sovereignty for SMEs
- how to create a more inclusive global economy
- what collaborations to support SMEs in creative sectors that can provide more inclusive access to finance and fair distribution
- new regulations about the intellectual property right as a guarantee for access to finance (in addition to current creative economy laws in Indonesia and other countries)