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Signing of Summary of Discussion (SoD) 5th Round of Negotiations Indonesia-Chile CEPA Trade in Goods Negotiation

October 23, 2017



Director General of International Trade Negotiations Iman Pambagyo as Chairman of the Indonesian Delegation and Director for Bilateral Economic Affairs – DIRECON Pablo Urria as the Chairman of Chilean Delegation signed the summary of discussion (SoD) of the 5th Round of Negotiations Indonesia-Chile CEPA Trade in Goods (TIGs) Negotiation in Santiago, Chile, Friday (20/10). The 5th Round of Trade in Goods Negotiation Indonesia-Chile CEPA (TIGs IC-CEPA) has successfully recorded a significant progress such as the modality for tariff reduction scheme and has completed several chapters in the IC-CEPA TIGs Agreement. During this negotiation round, the Indonesian and Chilean delegations met to discuss text of the Chapter on Goods Trade, Cooperation Chapter and Negotiations on the market access of the two countries. The meeting took place in Santiago, Chile, 18-20 October 2017

Director General Iman Pambagyo explained that during the 5th IC-CEPA TIGs negotiation, the two countries has agreed to complete the negotiations before the end of the year, as mandated by the two Heads of State in May 2017. This agreement will be the first trade agreement of Indonesia with a Latin America country and will open the opportunity for Indonesian products in Latin America region. This is part of the Government of Indonesia's commitment to encourage market diversification of Indonesian goods and services and enhance Indonesia's economic competitiveness globally.

Director General Iman Pambagyo added that the trade between Indonesia and Chile has not been maximized and reach its full potential due to 'mental barriers' caused by distance factors, economic size, and little knowledge of each other. Therefore, through the CEPA agreement it will be able to open up opportunities for export diversification and greater market access with lower tariffs. With the spirit of cooperation, Indonesia and Chile are quite optimistic that negotiations can be completed by the end of 2017. Both countries are scheduled to meet again on 6-10 November 2017 in Indonesia which will be the last round of IC-CEPA TIGs negotiations.

The IC-CEPA TIGs talks began in 2013, but were halted before being reintroduced in 2017. This year, the round of negotiations was accelerated through 4 rounds of meetings before the final round that scheduled for November 2017. The trade negotiations are adopting a gradual approach: starting from negotiations in trade in goods to service sector, investment, and other sectors according to mutual agreement.