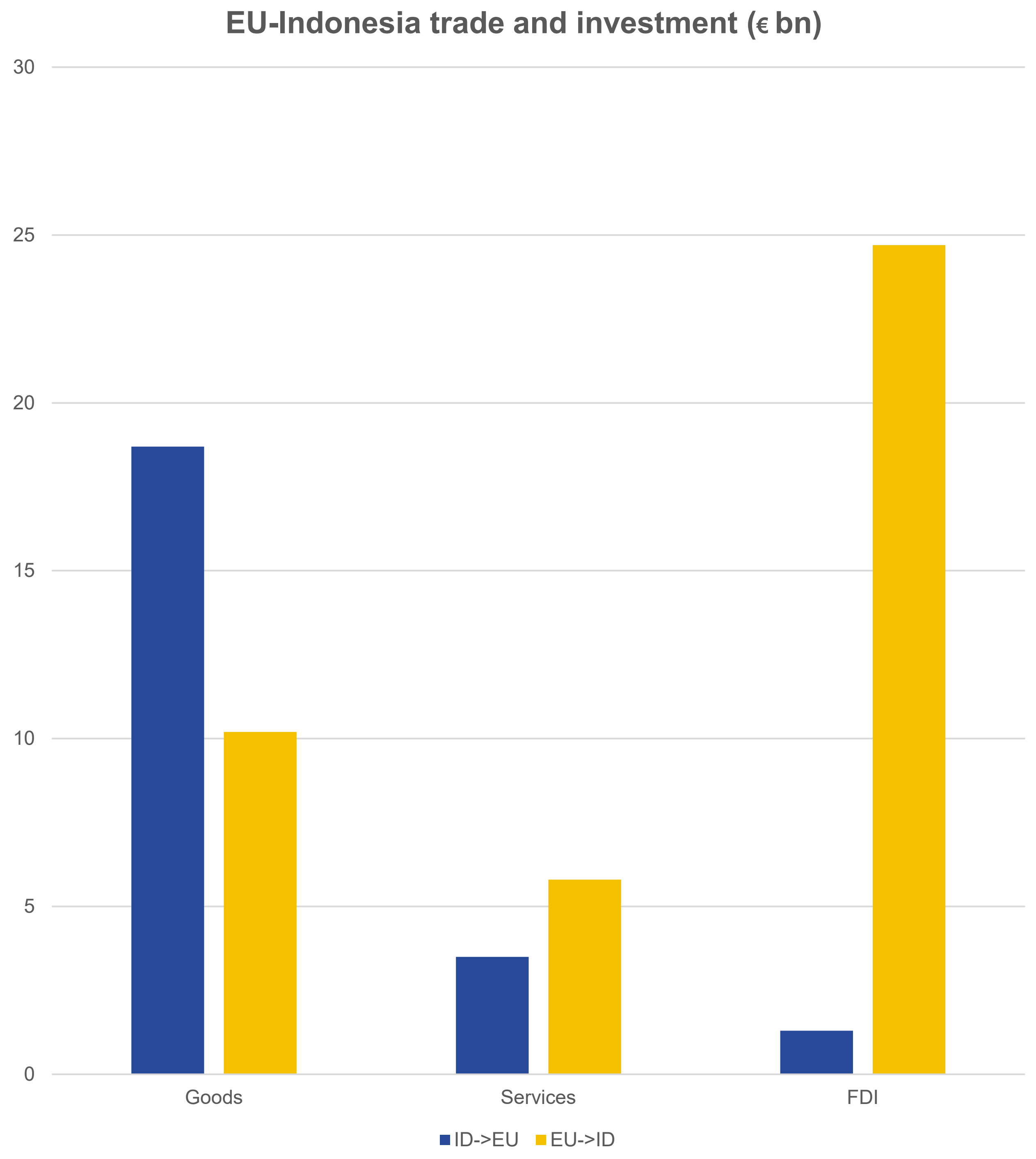
How the Swedish National Board of Trade can support the implementation of CEPA

Hannes Berggren, the National Board of Trade Sweden

The value of EU-Indonesia trade & investment

- Goods trade: €28.9bn (2025)
  - Indonesian exports: €18.7bn
  - EU exports: €10.2bn
- Services trade: €9.3bn (2024)
  - Indonesian exports: €3.5bn
  - EU exports: €5.8bn
- Investment:
  - EU FDI stock in Indonesia: €24.7bn (2024)
  - Indonesian FDI stock in EU: €1.3bn (2024)



The potential additional value of CEPA

- FTA covering 700+ million people
- Positive impact: higher GDP, welfare and trade
  - Indonesia exports to EU: +€2.6bn
  - Indonesia GDP: +€27bn (+0.13%)
  - Indonesia sector gains: business services; exports led by apparel, leather & vegetable oils
  - Increased FDI into Indonesia
- Potential positive effects for Indonesia's:
  - Asta Cita: downstreaming, industrialisation, job creation, sustainability, digitalisation
  - OECD accession
  - CPTPP accession

CEPA is ambitious, but its value depends on implementation

1. Market Access for Goods

- **Ch. 2:** National Treatment & Market Access
- **Ch. 3:** Rules of Origin
- **Ch. 4:** Customs & Trade Facilitation
- **Ch. 5:** Trade Remedies
- **Ch. 6:** Sanitary & Phytosanitary Measures (SPS)
- **Ch. 7:** Technical Barriers to Trade (TBT)
- **Protocol:** Mutual Administrative Assistance in Customs

2. Services, Investment & Digital Economy

- **Ch. 8:** Trade in Services & Investment
- **Ch. 9:** Capital Movements
- **Ch. 10:** Digital Trade (E-commerce)

3. Sustainability & Sector Cooperation

- **Ch. 14:** Energy & Raw Materials
- **Ch. 15:** Trade & Sustainable Growth
- **Ch. 16:** Sustainable Food Systems
- **Ch. 17:** Economic Cooperation
- **Ch. 18:** SMEs
- **Protocol:** Supporting Sustainable Palm Oil

4. Regulatory Environment & Level Playing Field

- **Ch. 11:** Government Procurement
- **Ch. 12:** Intellectual Property
- **Ch. 13:** Competition
- **Ch. 19:** Good Regulatory Practices
- **Ch. 20:** Transparency

5. Dispute Resolution & Legal Safeguards

- **Ch. 22:** Dispute Settlement
- **Ch. 23:** Exceptions (General/Security)

6. Institutional & Governance Framework

- **Ch. 1:** Initial Provisions
- **Ch. 21:** Bilateral Dialogue Mechanism
- **Ch. 24:** Institutional Provisions
- **Ch. 25:** Final Provisions

What does CEPA implementation entail?

- **Tariff liberalisation:** phasing out tariffs according to agreed schedules — 80% at entry into force, 96% of bilateral trade after five years, and >98% of tariff lines ultimately
- **Rules of origin:** exporter self-certification and customs verification procedures
- **Import procedures:** licensing, customs and border procedures and transparency
- **SPS:** approval processes, controls and recognition/certification procedures
- **TBT:** use of international standards and acceptance of EU test reports/certification in key sectors
- **Investment:** new market-access commitments and addressing local-content and foreign-ownership restrictions
- **Services:** sector-specific market-opening commitments, including telecoms and computer services
- **Digital trade:** rules on allowing cross-border data flows, limiting localisation requirements, protecting source code and prohibiting duties on electronic transmissions
- **Energy & raw materials:** new disciplines and closer regulatory cooperation
- **Regulatory governance:** transparency, consultations, impact assessments and advance notice of new regulation

How the National Board of Trade can support (examples)

Implementation and accession	TBT & services trade	Export promotion	Trade facilitation	Economic analysis
• Assist in the implementation of FTAs • Assist in the implementation of international organisations' rules and protocols (e.g. through secondment)	• Raise capacity on TBT practices and TBT commitments • Raise capacity on regulatory impact assessments	• Raise capacity on export promotion from partner countries to the EU • Assist with guidelines on sustainability requirements	• Raise capacity on trade facilitation practices to facilitate investments • Raise capacity in value chain mapping to improve trade procedures	• Raise capacity on economic analysis for trade and regulatory policy • Raise capacity to use OECD methods and databases (e.g. TiVA)

Our experience: success stories from previous work

• Assisted Liberia's WTO accession with seconded staff at their Ministry of Trade	• Improved Zambia's TBT processes through capacity training • Capacity-building on TBT within an EU-Namibia project	• Supported exports (EU imports) from several markets • Developed handbook on FTA sustainability chapter for Ecuador	• Raised capacity on trade facilitation agreement in Liberia • Raised capacity on Swedish border procedures for Ethiopian exports	• Raised capacity on economic analysis in Rwanda • Helped add Kenya to TiVA, raised capacity to use the OECD database

Trade Academy

- Partners also benefit from our training program Trade Academy
  - e-learning and training on-site in Indonesia
  - Dedicated learning sessions in Sweden
  - Mentorship assignment with a National Board of Trade expert
- The first Indonesian participants are already in training, and we have capacity to expand
- This could also be extended to provincial government staff (e.g. for export promotion)

Want to know more?

hannes.berggren@gov.se / hannes.berggren@kommerskollegium.se

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