

COMPARISON OF INDONESIAN AND AUSTRALIAN POLICIES IN GROWING A DIGITAL ECONOMY ECOSYSTEM

23 JULY 2019

Authored by: Even Alex Chandra



WHITE PAPER ON COMPARISON OF INDONESIAN AND AUSTRALIAN POLICIES IN GROWING A DIGITAL ECONOMY ECOSYSTEM

PREAMBLE

Asia-Pacific is expected to be the world's largest retail ecommerce market, with sales expected to top \$1 trillion in 2016 and more than double to \$2.725 trillion by 2020. Expanding middle classes, greater mobile and internet penetration, growing competition of ecommerce players and improving logistics and infrastructure will all fuel ecommerce growth in the region¹.

Indonesia and Australia as a part of Asia Pacific is also experiencing massive growth. Digital economy especially e-commerce is blooming in both countries, and both countries could learn and benefit from each other.

Former Australian prime minister Paul Keating once said: *"No country is more important to Australia than Indonesia. No relationship Australia has offered greater potential, on the social, cultural or the economic fronts, than this one with Indonesia."*²

The relationship between Indonesia and Australia began with Australia's full recognition of Indonesia in 1949³. The relationship has been characterized by two-way investment between Australia and Indonesia that was valued at \$11.8 billion in 2017, with Australian investment in Indonesia at \$10.7 billion and Indonesia investment in Australia at \$1.0 billion⁴.

This white paper also reflects the relationship between Indonesia and Australia and will be based by my knowledge and during my time in Australia for the Australia Awards Indonesia: Start-up Ecosystems Short Term Award.

The Start-up Ecosystems Short Term Award is a 2-week course with the objective to introduce the Indonesian start-ups to Australian start-up ecosystems and it has been identified by the Australian Embassy in Jakarta and HE Minister Rudiantara. This course is designed to support

¹ <https://www.emarketer.com/Article/Worldwide-Retail-Ecommerce-Sales-Will-Reach-1915-Trillion-This-Year/1014369>

² Bridging the Gap Between Indonesia and Australia, <https://www.internationalaffairs.org.au/australianoutlook/bridging-the-gap-between-indonesia-and-australia/> by Gusrizal Dt Salubuak Basa, 28 May 2018, accessed 3 June 2019

³ Australia & Indonesia's Independence: The Transfer Of Sovereignty: Documents 1949. Speech by the Hon Alexander Downer, MP, Minister for Foreign Affairs, at the launch of the book 'Australia & Indonesia's Independence: The Transfer Of Sovereignty: Documents 1949', Borobodur Hotel, Jakarta, 9 July 1998

⁴ Indonesia country brief, <https://dfat.gov.au/geo/indonesia/Pages/indonesia-country-brief.aspx>, accessed 3 June 2019

the Indonesian government's objectives to further develop the digital economy, create a vibrant start-up community, digitization of traditional markets and generate more capital for start-ups⁵.

This white paper will talk about how Indonesia and Australia build their digital economy ecosystem with emphasis on e-commerce and heavy focus in policy and regulation. Hopefully this white paper could benefit both Indonesia and Australia and be used not only by both government but also everyone who read this white paper as a benchmark in developing new polices especially in growing a digital economy ecosystem.

This white paper project is a personal one, not sponsored nor affiliated with companies, countries, associations or institutions. Thus, by good faith this white paper is free and will always forever be free. This white paper is "as is," with all faults, defects and errors, and without warranty of any kind. You can use it for personal use or for any scientific reasons.

The white paper is protected by the copyright laws of Indonesia and other countries, and the author retains all intellectual property rights in the white paper. You can't copy and distribute it on other websites or include it in a package without my written permission. You can make translations of this paper and you don't have to ask for permission; you already have permission. However, you can't translate and redistribute the entire paper without my written permission. You may not separately publish, sell, market, distribute, lend, lease, rent, or sublicense the white paper. However, this license is not to be construed as prohibiting or limiting any fair use sanctioned by copyright law, such as permitted library and classroom usage.

If you have a question, and suggestions just contact me at evenalexsamora@gmail.com.

Thank you for reading this white paper and respecting my wishes for how I intend for it to be used and distributed. You're awesome.

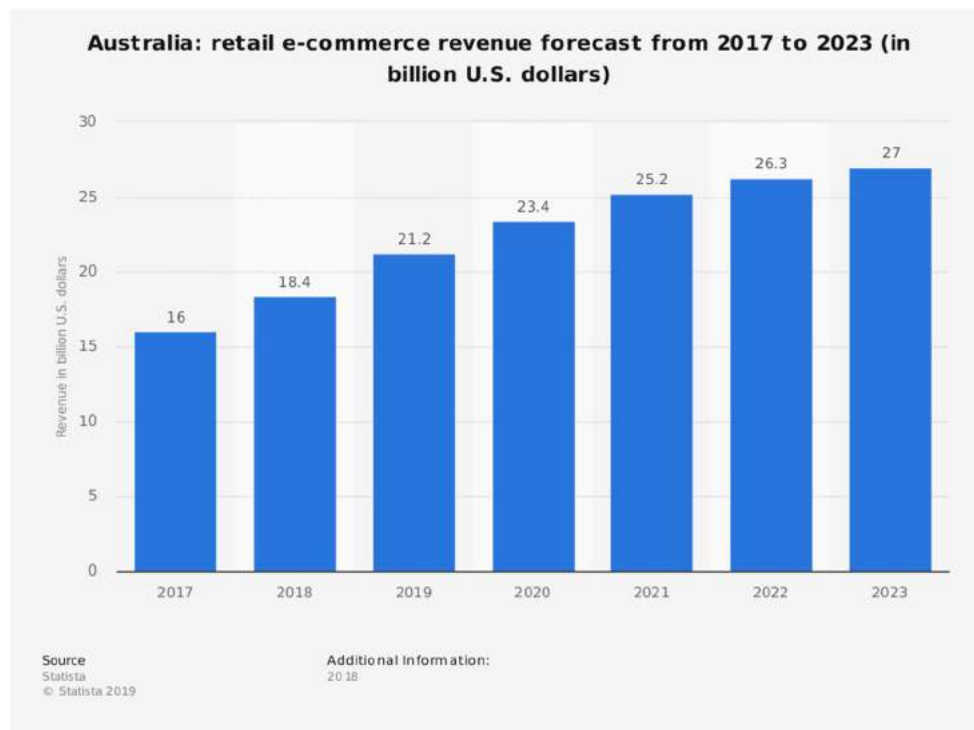
⁵ Australia Awards Indonesia: Start-up Ecosystems Short Term Award Information Pack

THE AUSTRALIAN MARKET

Australia economy has increased productivity, stimulated growth, and made the economy more flexible and dynamic and currently experiencing continuous growth, low unemployment, contained inflation, very low public debt, and a strong and stable financial system⁶.

With 23,470,145 people (July 2018 est.) a \$50,400 GDP per capita (2017 est.) and a growing middle age. In recent decades, Australia has become an internationally competitive, advanced market economy due in large part to economic reforms adopted in the 1980s and its location in one of the fastest growing regions of the world economy⁷.

By some measures, Australia is taking advantage of the opportunities offered by the digital revolution. Information and communications technology (ICT) services exports increased by more than 60% over the past five years to reach \$3.2 billion in 2016-17. Business ICT R&D increased by almost 50% to \$6.6 billion in the five years to 2015-16⁸. Not to mention E-commerce revenue in Australia is expected to grow to 27.0 billion U.S. dollars in 2023⁹.



⁶ The World Factbook, <https://www.cia.gov/library/publications/the-world-factbook/geos/as.html>, accessed 3 June 2019

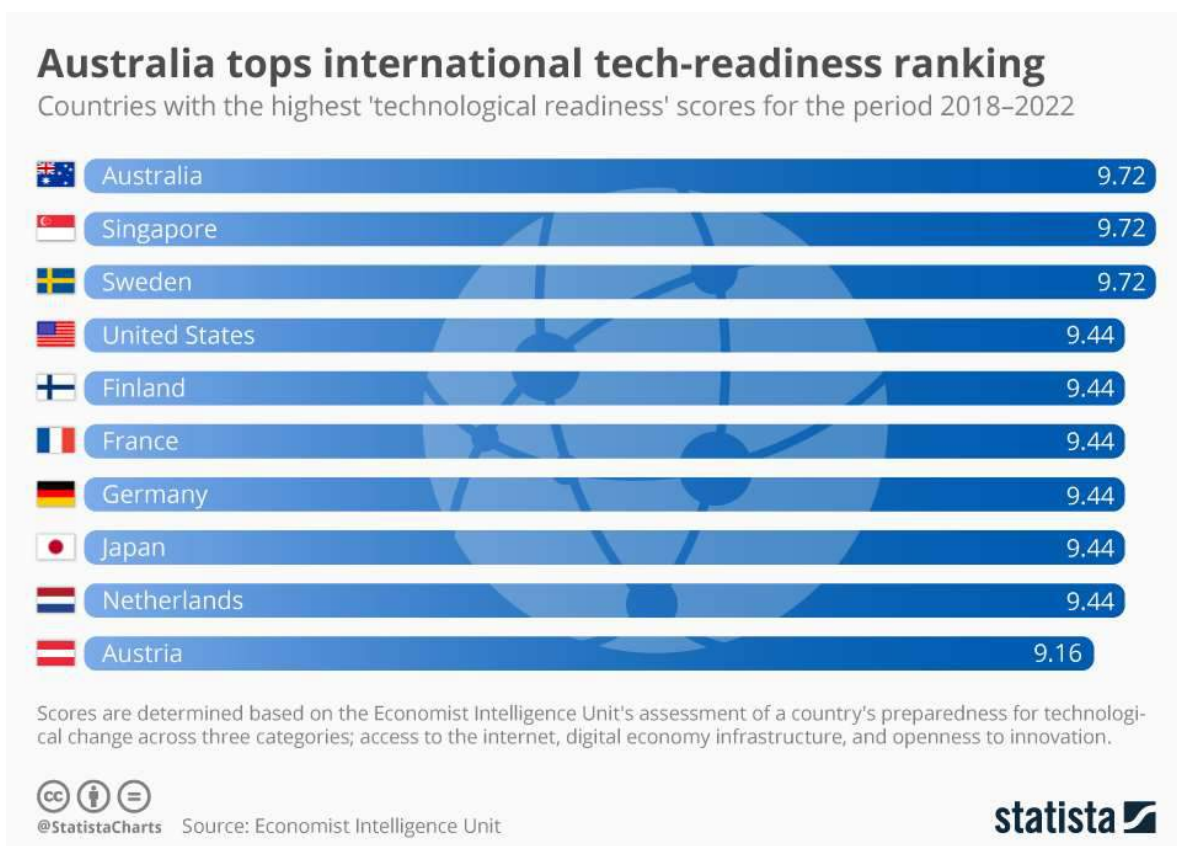
⁷ Ibid

⁸ ACS Australia's Digital Pulse: Driving Australia's international ICT competitiveness and digital growth, Deloitte, 2018

⁹ Australia: retail e-commerce revenue forecast from 2017 to 2023 (in billion U.S. dollars), <https://www.statista.com/statistics/289742/e-commerce-revenue-forecast-in-australia/>, accessed 3 June 2019

The Economist Intelligence Unit (EIU) has named Australia, Singapore and Sweden as the countries most prepared for technological change, and the most attractive places for tech companies to invest in the next five years. 82 countries were assessed for the report across three key categories; access to the internet (including internet usage and mobile phone subscriptions), digital economy infrastructure (looking at e-commerce, e-government, and cyber-security) and openness to innovation (international patents, R&D spending, and research infrastructure). Australia was also a top scorer in the Online Service Index, with a score of .978, and ranked 14th for R&D spending, at 2.2 percent of GDP. Israel and South Korea were the highest spending nations regarding R&D, at 4.3 percent and 4.2 percent of GDP respectively¹⁰.

Internet penetration is on the rise in Australia, with 88% of the population forecasted to be using the internet in 2018, slightly up from the 2017 figure of 87%. Of the 88% of the population online, an estimated 81% will buy online in 2018. Australia ranks 18th in the Logistical Performance Index, 14th in the Ease of Doing Business Index, and the 2nd in the E-government Index¹¹.



¹⁰Australia tops international tech-readiness ranking, <https://www.statista.com/chart/14419/international-tech-readiness-ranking/> by Simon O'Dea, Jun 27, 2018

¹¹ Australia B2C eCommerce Report 2018, <https://www.asendia.no/en/news-blog/australia-b2c-ecommerce-report-2018/>, accessed 4 June 2019

All these facts surely make Australia a fertile land for digital ecosystems, shown by consumers in Australia are buying online consists of clothing (47%), multimedia products (37%), and consumer electronics (31%). When asked which payment methods were most commonly used or had been used in the past, online payments (PayPal, Amazon Payments) were in first place with 67%, followed by credit cards (51%), and direct debit (46%)¹².

THE INDONESIA MARKET

Indonesia, the largest economy in Southeast Asia outperformed its regional neighbors and joined China and India as the only G20 members posting growth during the global financial crisis¹³.

Indonesia key fact¹⁴



¹² ibid

¹³ The World Factbook, <https://www.cia.gov/library/publications/the-world-factbook/geos/id.html>, accessed 4 June 2019

¹⁴ Accelerating Indonesia's digital economy: Assigning the 700 MHz band to mobile broadband, September 2018

With 264 Million people a \$12,400 GDP per capita (2017 est.)¹⁵ contains several characteristics that put the country in a great position for newly advanced economic development such as¹⁶:

- Abundant and diverse natural resources
- Young, large and burgeoning population (rapidly expanding middle class)
- Political stability (relatively)
- Prudent fiscal management since the late 1990s
- Strategic location in relation to the giant economies of China and India
- Low labor costs
- Being an emerging market, there is a lot that needs to be built/developed

This leads to e-commerce accounted for 8 percent of total retail sales in Indonesia in 2018, on course to reach 18 percent by 2023, fueled by changing behavior among tech-savvy customers who are willing to spend more for convenience, according to a recent study by American multinational investment bank Morgan Stanley¹⁷.

The study estimates the size of Indonesia's e-commerce market at \$13 billion in 2018, having grown by 50 percent annually over the past two years. It suggests that the e-commerce market in Southeast Asia's biggest economy may follow a similar growth trajectory to that of China and expand by at least 32 percent annually over the next five years to \$52 billion in 2023. Indonesia is now only five years behind China in terms of penetration¹⁸.

A separate study by global tech giant Google and Singapore's Temasek, published last December 2018, put the size of Indonesia's e-commerce market at \$12.2 billion in 2018 and \$53 billion in 2025¹⁹.

¹⁵ The World Factbook, <https://www.cia.gov/library/publications/the-world-factbook/geos/id.html>, accessed 4 June 2019

¹⁶ Economy of Indonesia, <https://www.indonesia-investments.com/culture/economy/item177?>

¹⁷ Indonesia's E-commerce Market Larger Than Estimated; Consumer Habits Changing: Study, <https://jakartaglobe.id/context/indonesias-ecommerce-market-larger-than-estimated-consumer-habits-changing-study>,

Dion Bisara, 05 February 2019, accessed 4 June 2019

¹⁸ ibid

¹⁹ ibid

FORECASTED IMPACT OF INDONESIA'S E-COMMERCE MARKET IN 2022



More than US\$20 billion in new retail revenue



2-3 percent of GDP supported - equal to Bali's GDP in 2018



26 million jobs supported, primarily at micro, small, and medium enterprises (MSMEs)



65 million citizens consuming via e-commerce, compared to 20 million in 2017

20

McKinsey's also projects the value of Indonesia's e-commerce market is to rise nearly eight-fold between 2017 and 2022. In 2017 Indonesia's e-commerce market was valued at USD \$8 billion. This figure refers to the gross merchandise value (GMV) of goods and services that were purchased online from e-commerce and socio-commerce platforms. Meanwhile, Indonesia had only about 30 million online shoppers, or approximately 15 percent of its total adult population of 195 million individuals²¹.

Through the formal e-commerce platforms McKinsey estimates the GMV at USD \$40 billion by 2022 on the Indonesian market. Meanwhile, regarding the socio-commerce platforms (for example Instagram and Facebook) the GMV is estimated to reach up to USD \$25 billion²².

At 3X the global rate, Indonesia's new internet user growth rate is the fastest in the world. Smartphone adoption has tripled in the last five years, thanks to cheaper and faster broadband infrastructure and the widespread affordability of 4G phones. There are 156 million smartphone owners, making up 60% of the total population. This has led to a boom in mobile commerce as well as increased activity, funding and interest in digital start-ups²³.

²⁰ McKinsey & Company, "The digital archipelago: How online commerce is driving Indonesia's economic development"

²¹ McKinsey Expects Great Growth for Indonesia's E-Commerce Market, <https://www.indonesia-investments.com/news/todays-headlines/mckinsey-expects-great-growth-for-indonesia-s-e-commerce-market/item8959?>, accessed 4 June 2019

²² ibid

²³ Insights on Indonesia, <https://www.thinkwithgoogle.com/intl/en-apac/country/indonesia/>, accessed 5 June 2019

DEVELOPING AUSTRALIA DIGITAL ECONOMY ECOSYSTEM

Digital innovation can deliver \$315 billion in gross economic value to Australia over the next decade, making it a critical ingredient in the nation's ongoing economic success²⁴. To cater this Australia had published its national digital economy strategy to seize the potential economic. The strategy, dubbed Australia's tech future has been developed over the last 15 months in collaboration with businesses, academia and the community to help develop digital skills and deliver better services²⁵. Australia's Tech Future details how Australia can maximize the opportunities of technological change by focusing on four key areas²⁶:

- People: developing Australia's digital skills and leaving no one behind
- Services: how government can better deliver digital services
- Digital assets: building infrastructure and providing secure access to high-quality data
- The enabling environment: maintaining our cyber security and reviewing our regulatory systems

Other than this Australia's are also planning²⁷:

- The Digital Education Revolution – a \$2 billion, five-year commitment to build Australia's digital media literacy amongst school children
- Enterprise Connect: providing business advisory services to small and medium enterprises to help increase their productivity
- Small Business Online: promoting the benefits of the digital economy to Australian SME's, helping them take advantage of e-business opportunities and to expand their online presence
- Government Innovation: The Australian Government has recently established an independent Government 2.0 Taskforce to advise on a range of issues that relate to the emerging agenda of online engagement
- Smart Technology: to demonstrate the ability of technology to make our existing energy infrastructure smarter, The Australian Government will invest \$100 million in the National Energy Efficiency Initiative.

²⁴ Digital Innovation: Australia's \$315b Opportunity, AlphaBeta Advisors, commissioned by CSIRO's Data61, September 2018

²⁵ Australia finally gets a new digital economy strategy, <https://www.itnews.com.au/news/australia-finally-gets-a-new-digital-economy-strategy-517102>, accessed 5 June 2019

²⁶ Australia's Tech Future: Delivering a strong, safe and inclusive digital economy

²⁷ Roadmap for Australia's digital economy future, <http://www.amta.org.au/articles/amta/Roadmap.for.Australias.digital.economy.future>, , accessed 5 June 2019

The Australian Government is continuing to ensure that regulatory frameworks across all areas of the modern economy are fit-for-purpose. This includes key regulatory reforms in telecommunications, and data sharing and privacy that are mentioned in the Infrastructure and Data sections of the Australia's Tech Future agenda. Below is a summary of major Australia government work on getting regulatory settings correct²⁸:

- Improving the quality of regulation

The Australian Government is continuously improving the quality of its regulation, including minimizing the regulation on businesses, community organizations and individuals. The Deregulation Agenda established in 2013 has put in place frameworks to help ensure regulatory regimes remain fit for purpose in the 21st century. The Australian Government is committed to removing \$1 billion of red tape per year. This includes reform with a digital focus, such as automating income stream reporting for social security recipients and automating the PBS authority process²⁹.

- Harmonizing Australian regulations and standards

The Australian Government encourages and supports Australia's states and territories to adopt, or recognize as equivalent, each other's regulations and standards. This lowers the costs for businesses. It also promotes innovation and growth. One-third of the 5,600 Australian Standards are referenced in Commonwealth, state and territory regulation.

- Implementing Australia's Trade Modernization Agenda, The Australian Government's Trade Modernization Agenda is supporting businesses, particularly micro and small businesses, to engage and compete on a global scale. This 10-year agenda will transform and simplify Australia's international supply chain and will provide businesses with a single window for international trade.

- Shaping international standards and digital trade rules International standards through many channels including:

- The World Trade Organization (WTO)
- Free trade agreements
- The Asia-Pacific Economic Cooperation (APEC) forum
- The G20
- The OECD.

²⁸ Australia's Tech Future: Delivering a strong, safe and inclusive digital economy

²⁹ Government initiatives, <https://www.industry.gov.au/data-and-publications/australias-tech-future/government-initiatives>, accessed 7 June 2019

The Australian government also aware that everyone has a role to play to reap the benefits that new technologies provide and make sure no-one is left behind. The Australian government is currently encouraging these steps³⁰.

For businesses this includes:

- Planning for an increasingly digital future
- Developing new business models and driving the uptake of new technologies
- Investing in digital infrastructure to support their productivity and competitiveness
- Investing in their people by developing the digital skills of their staff; and/or
- Investing in protecting their business and customers from cybercrime and data breaches.

For individuals this includes:

- Increasing their use of digital technology to interact with each other, businesses and governments
- Seeking educational and skills development that will position them for future jobs
- Protecting themselves from online threats and misuse of their data.

The Australian Government provides the enabling environment for the Australian economy. To spread the benefits of the digital economy and maximize the opportunities for all Australians, The Australian Government will:

- Ensure education and training meets current and future needs, to help businesses take advantage of digital opportunities and leave no Australian behind
- Facilitate investment in enabling digital infrastructure
- Improve access to, and use of, data while maintaining strong data safeguards
- Improve trust, confidence and security around digital activities
- Ensure regulatory frameworks are flexible, adaptable and fit-for-purpose
- Deliver digital government services that are secure, fast and easy to use
- Champion an open, free and secure cyberspace internationally.

Sydney Startup Ecosystem

The Government support as mentioned above is reflected on several projects such as the Sydney Startup Hub. Officially opened in February 2018, the Sydney Startup Hub is the first of its kind in Australia.

³⁰ Implementing the Strategy, <https://www.industry.gov.au/data-and-publications/australias-tech-future/implementing-the-strategy>, accessed 7 June 2019

Located at 11-31 York Street in Sydney's CBD, the Sydney Startup Hub brings together startups, incubators, accelerators and investors in a high-density startup cluster. With more than 17,000sqm of space it accommodates up to 2,500 people over 11 floors.

There are three main objectives for the Sydney Startup Hub:

1. Create jobs
2. Increase the diversity of the NSW startup community, with more startups from regional NSW and non-ICT industries
3. Grow the size and strength of the Sydney ecosystem.

The Sydney Startup Hub features a dedicated Regional Landing Pad, with infrastructure to enable regional organizations to connect with the wider startup ecosystem and be part of the Sydney Startup Hub (either remotely or physically)³¹.

One of the tenants in The Sydney Startup Hub is The Studio. The Studio was officially launched Thursday 26 July 2018 by The Hon. Scott Morrison MP, Treasurer of Australia. It's a not-for-profit incubator that has been established to cultivate startup and scaleup businesses in the media, entertainment, communications, games, sound, design and creative industries. The Studio's founder and CEO, Chantal Abouchar, said the Studio's strengths are its industry focus and collaborative approach.

"When you combine industry collaboration with industry focus you create a powerful, globally competitive base for innovation," Ms Abouchar said. "When you do the sums you realize a nation with a workforce of 11 million people must increasingly compete with hundreds of millions of people globally. So globally it's easy to understand how collaboration can unlock exciting potential."

"That's precisely why our model brings a critical mass of established industry players together with startups and scaleups. For example, we already have startups working on a peer-to-peer program with Animal Logic, and Dolby is now working with a startup on new content, while their own innovation team has just done an off-site program here with all our residents."

Ms Abouchar said these examples also demonstrate how important it is that Australia's outlook for the workplace of the future must be global.

³¹ The Sydney Startup Hub, <https://www.jobsforNSW.com.au/about-us/the-sydney-startup-hub>, accessed 3 July 2019

The Commonwealth provided co-investment of \$500,000 to support The Studio, matching industry's contribution. The NSW Government has also provided support in the form of a rent subsidy for The Studio as one of the four anchor tenants in the new Sydney Startup Hub at 11-17 York St, Sydney³².

The other interesting tenant in The Sydney Startup Hub is Tank Stream Labs. Since its incorporation in 2012, Tank Stream Labs has rapidly distinguished itself as one of Australia's top breeding grounds for successful technology entrepreneurs, thought leaders and early adopters. Approximately 100 companies call Tank Stream Labs home, including Equitise, StockSpot and BuzzFeed. Tank Stream Labs alumni include Airtasker, Expert360, LawPath, Braintree and SurveyMonkey.

Australian-based Tank Stream Labs companies have so far raised more than \$200million in funding. International companies with Australian subsidiaries based at Tank Stream Labs have raised more than \$2billion globally. In 2017, Tank Steam Labs won, the Best Co-Working Space in Australia by Fin-Tech Australia³³.

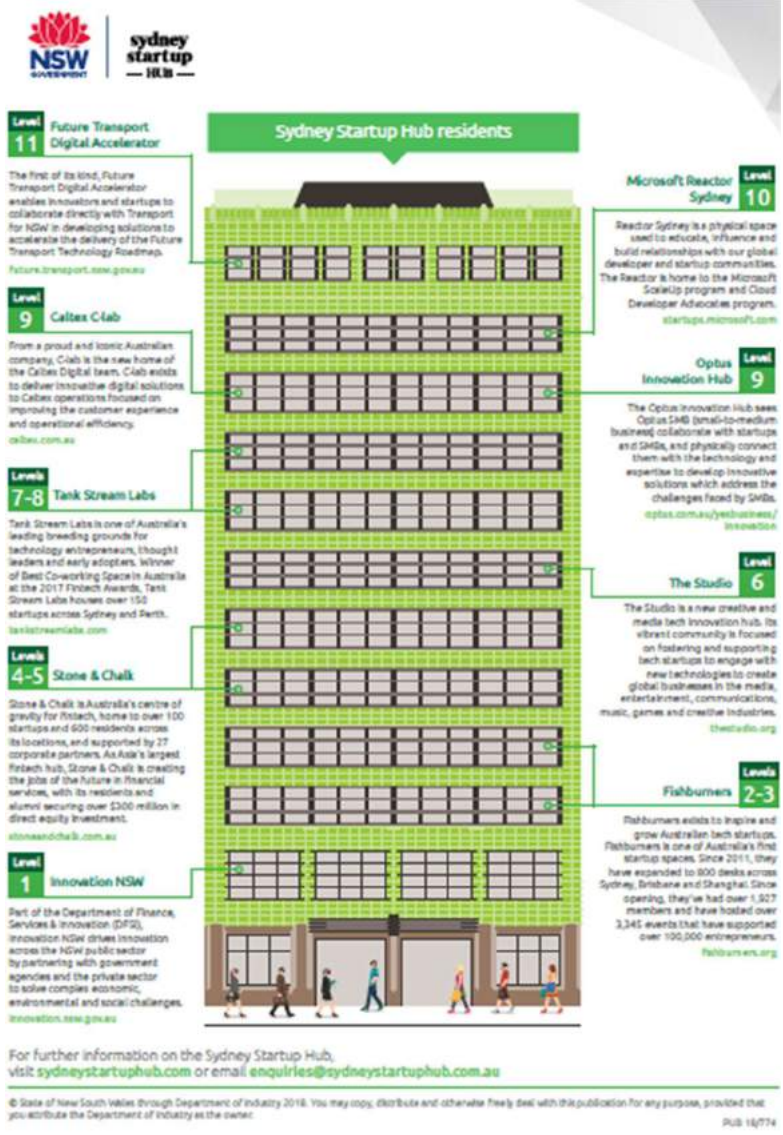
Stone & Chalk as one of the tenants in The Sydney Startup Hub is also interesting to look at. Stone & Chalk first opened its doors in 2015 as the only dedicated Fintech hub in Australia. Today, they're focused on the industries of tomorrow, as the proliferation of new innovation pours into everything from insurance to agriculture, science to space. They have a vibrant community made up of startups, scaleups, banks, corporates, regulators, mentors and investors who all come together to create a melting pot of opportunity achieved through the perfect mix of innovation and collaboration. After just three years of operations, S&C now houses over 680 entrepreneurs working in over 140 startups that have already collectively raised over AU\$330 million in funding³⁴.

The whole fact that is presented above prove that the concept of gathering everyone in the same building to build the ecosystem does work. More details about The Sydney Startup Hub tenants can be seen below.

³² The Studio: History, <http://www.thestudio.org.au/about/>, accessed 3 July 2019

³³ Join our growing success story, <https://www.tankstreamlabs.com/sydney-startup-hub-2-2-2/>, accessed 3 July 2019

³⁴ <https://www.stoneandchalk.com.au/about>, accessed 3 July 2019



Continuing our topic on Australia government support, as The Australian Government provides the enabling environment for the digital ecosystem to grow. The diversity of startup also become livelier. For example: The Commonwealth Bank Australia Innovation Centre, it may look uncommon for The Commonwealth Bank as one of the largest Australian listed company³⁵ to do: Blockchain; Social Robotics & AI; Social Innovation; RegTech, but it happened. Another sample is: EnergyLab, Australia's leading platform for launching energy startups with a vision of a world powered by 100% clean energy. EnergyLab, founded by Piers Grove and Nick Lake, is located at the University of Technology Sydney's Chippendale campus. EnergyLab aims to fill an important gap in Sydney's startup sector for the

³⁵ World's largest bank 2018, <https://www.relbanks.com/worlds-top-banks/market-cap>, accessed 3 July 2019

advancement of renewable energy ventures, which need unique support systems not available in the traditional startup sector to thrive. They will facilitate a 12-month long accelerator program. Accepted startups will be offered at least \$50,000 in seed funding, free office space and access to investors and industry leaders. The seed capital will come from Artesian Ventures in return for 5% equity³⁶.

Melbourne Startup Ecosystem

Moving on from Sydney, we look at other brilliant initiative in Melbourne. LaunchVic established by the Victorian Government in March 2016 as an independent agency responsible for developing Victoria's startup ecosystem that can strengthen the economy, encourage more people to work with and for startups, and represent all Victorians. Their focus lies in the areas of funding, community building and global recognition for the Victorian startup ecosystem³⁷.

LaunchVic have run two successful funding rounds, supporting 26 projects that will ensure the right startup infrastructure is in place for Victorian startups and entrepreneurs to grow their businesses³⁸. More or less LaunchVic is almost the same as The Sydney Startup Hub.

Other than building startup ecosystem. The city of Melbourne is also evolving as a smart city. Their vision for Melbourne as a smart city is simple: to enhance the aspects of the city that make them uniquely Melbourne, and intelligently prepare for the changing needs of the community, the environment and the economy.

Melbourne government as a smart city also means working with the community (residents, workers, businesses, students and visitors) to design, develop and test the best ways for people to live, work and play in Melbourne. In many cases, innovations in technology will have a role to play in creating and enhancing these experiences.

As a smart city, they have already off and running. They are prototyping tailor-made initiatives such as their work with people who are blind, deaf or deaf-blind to better understand how they navigate through the city. As a result of this research, they have partnered with Vision Australia to trial beacon technology in Campbell Arcade, which transmits location-specific information to phones. And their Open Data platform has almost 100 unique data sets that are available for anyone to access and use, such as their 24-hour pedestrian counting system, which helps them

³⁶Clean energy startup hub EnergyLab secures \$120,000 in funding from NSW Government as it welcomes its first residents, <https://www.smartcompany.com.au/startupsmart/news/with-120000-in-grant-funding-a-startup-hub-dedicated-entirely-to-clean-energy-welcomes-its-first-residents/>, accessed 3 July 2019

³⁷ About LaunchVic, <https://launchvic.org/about-launchvic>, accessed 3 July 2019

³⁸ Growing Victoria's Startup Community LaunchVic's Strategic Focus 2017–2019

understand pedestrian activity in their busiest locations so they can better plan for population growth in the future.

Melbourne government believe that's how a smart city should operate – adopting useful innovation that folds seamlessly into how we live our lives to improve our day-to-day experiences³⁹.

Another pillar to build a successful ecosystem is of course the university. The RMIT Activator is good example on this, The RMIT Activator helps current students, staff and researchers grow successful start-up ventures through face-to-face workshops, online learning and incubator program⁴⁰ such as IGNITE a hands-on, activity based 2-day intensive workshop covering the foundational elements of entrepreneurship and LaunchHUB, a unique accelerator program designed to support the launch of new enterprises through dedicated business coaches, resilience programs, mentors, industry experts and masterclasses. It also offers co-working space in the CBD and selective access to up to \$25,000 pre-seed funding.

Other than RMIT, Deakin University also have a program called SPARK Deakin. That was built to support and mentor Deakin University's students, staff and alumni through events, workshops and a world-class Accelerator including up to \$10 000 seed funding and co-working space in the CBD for startups ready to take their business to the next level⁴¹.

Melbourne as a strategic startup ecosystem is even stronger due to the existence of The Australia-Indonesia Centre. The Australia-Indonesia Centre supported through federal funding from Australia's Department of Education and Training and Department of Foreign Affairs and Trade, with the support of Indonesia's Ministry for Research, Technology and Higher Education hosted by Monash University, is a collaboration between Monash University, the Australian National University, The University of Melbourne and The University of Sydney, working with seven leading Indonesian universities (Institut Pertanian Bogor, Institut Teknologi Bandung, Institut Teknologi Sepuluh Nopember, Universitas Airlangga, Universitas Gadjah Mada, Universitas Hasanuddin, and Universitas Indonesia) with valued corporate partners include the Pratt Foundation, PwC, and ANZ⁴².

³⁹ Melbourne as a smart city, <https://www.melbourne.vic.gov.au/about-melbourne/melbourne-profile/smart-city/Pages/smart-city.aspx>, accessed 4 July 2019

⁴⁰ RMIT Activator, <https://rmitactivator.edu.au/>, accessed 4 July 2019

⁴¹ Create your future with SPARK Deakin, <https://www.sparkdeakin.com/>, accessed 4 July 2019

⁴² The Centre, <https://australiaindonesiacentre.org/the-centre/>, accessed 4 July 2019

The center will strengthen and deepen Australia-Indonesia business, government, education, research and community links. It has the important goal of increasing understanding and cooperation between the two countries.

The center aims to promote greater community understanding of contemporary Indonesia and its growing importance to Australia. It will also pursue solutions to shared national challenges in the areas such as health, food, energy, infrastructure and education through collaborative research by networks of universities and research centers in Indonesia and Australia⁴³.

Other than what is mentioned above, it is important also to look on startup that makes physical goods. Melbourne also have a place for this called FAB9. FAB9 is one of makerspace⁴⁴ in Australia. As a makerspace, that empowers inventors. The space has been purpose-built so founders, engineers' designers and makers of all skill levels can access the training, tools and prototyping equipment needed to turn ideas into physical realities.

FAB9 is made up of five distinct labs under one roof, including a Timber shop, a Digital Fabrication lab, a CNC lab, an Electronics lab and a Metal shop. Each lab is designed for working with different materials and making processes⁴⁵.

Adelaide Startup Ecosystem

Adelaide's economy has shifted from a historical manufacturing focus to an increasing reliance on service industry sectors. This transition is apparent in Adelaide's central business district, particularly through the growth of tourism and international education related services⁴⁶.

To oversee this transition, the state government are creating a new neighborhood on the site of the former royal Adelaide hospital, now known as Lot Fourteen. The state government has committed to the following elements in the master plan:

1. Total of 23,500m² of space across seven heritage and historic buildings on North Terrace and Frome Road, dedicated to a curated entrepreneurial ecosystem
2. A start-up hub of 650 workspaces spanning several locations within the neighborhood
3. Integration with Adelaide Botanic Garden, the East End and adjacent universities

⁴³ Australia-Indonesia Centre, <https://internationaleducation.gov.au/News/Latest-News/Pages/Article-Australia-Indonesia-Centre.aspx>, accessed 4 July 2019

⁴⁴ an open-access space that is purpose built for designing and creating — a space open to the community that offers shared access to high-end prototyping equipment.

⁴⁵ FAB9 makerspace, <https://launchvic.org/programs/fab-9-makerspace>, accessed 4 July 2019

⁴⁶ Innovation Framework – Former Royal Adelaide Hospital Site Renewal SA, Deloitte, February 2018

-
4. Significant adaptive re-use of heritage buildings onsite and construction of new commercial buildings to accommodate industries of the future
 5. Australian National Aboriginal Art and Culture Gallery and a contemporary art space
 6. An International Centre for Tourism, Hospitality and Food Studies
 7. Short-stay temporary accommodation for visiting entrepreneurs, researchers and scientists.

With Key uses:

1. Digital and technology businesses
2. Centre for creative and cultural industries
3. A major cultural investment

Other than Lot Fourteen. The Australian Government is committed to fostering entrepreneurship and innovation and had pilot a new visa initiative in South Australia. Under this initiative, new visa arrangements that allow State Governments to partner with business incubators in attracting foreign entrepreneurs to Australia

Under this initiative, foreign entrepreneurs and investors with an innovative idea and a supporting business plan will be able to apply for a temporary visa to take forward their venture in Australia. Applicants will not need capital backing, unlike the current Entrepreneur Visa which requires demonstrated funding of at least \$200,000.

Instead, applicant's proposals will be vetted by State or Federal Government entities, with these entities able to partner with incubators and accelerators to identify potential applicants for nomination. Entrepreneurs who are successful in establishing their business venture in Australia will become eligible to apply for permanent residence⁴⁷.

Another project that is intrinsic to the State's economic development as it transitions to a high value industrial base that is underpinned by innovation and collaboration. Tonsley is Australia's first innovation district with a vision to create an operating environment – a precinct – that would assist South Australian businesses in their move up the value chain and into global markets.

From project outset, the concept was to provide an environment for industry to innovate and grow through connection to research and education and through collaboration with each other.

⁴⁷ New Entrepreneur Visa being trialled in South Australia, <https://www.migration.sa.gov.au/news-events/news-releases/2589>

Tonsley's economic development objectives are highly aligned to the State's Strategic priorities in particular: commercialization of research and the student experience; growth through innovation; and showcasing South Australia as the best place to do business.

Another two of the state priorities talk directly to two of our four key target sectors: mining and energy services; as well as health, medical devices and assistive technologies.

Tonsley's 61-hectare site inspires innovation across key industry sectors, bringing together a number of land uses. 24 hectares are designated for high value industry and commercial business (light industry or commercial use), retail and civic space, shops, cafes, services and facilities. 11 residential hectares has been allocated for cosmopolitan apartment living and townhouses built to 21st century environmental and design guidelines for 850 homes and 1,200 residents. There are also more than 8,500 students annually at the Tonsley Innovation District⁴⁸.

The south Australia government is also having a very deep concern in infrastructure. Adelaide recently became Australia's first gigabit city. In an Australian-first partnership between the Government of South Australia and Adelaide's three world-class universities, 200km of dark fiber has been laid to create a high-speed broadband backbone across the city, in university campuses and 14 strategic business innovation precincts. With students, teachers and technology businesses enjoying internet speeds of up to 10GB per second, which is 100 times the national average, Adelaide has built the essential infrastructure for success in the digital economy⁴⁹.

DEVELOPING INDONESIA DIGITAL ECONOMY ECOSYSTEM

The current population of Indonesia is 269,552,422 as of Friday, July 5, 2019, based on the latest United Nations estimates⁵⁰ with 171.17 million people or around 64.8 percent who are already connected to the internet⁵¹. Indonesia have the vision to become the "Digital Energy of Asia"⁵².

⁴⁸ VISION, <https://tonsley.com.au/about/vision/>, accessed 4 July 2019

⁴⁹ Why entrepreneurs are heading to south Australia, <http://www.availer.com/news/2017/8/3/huffingtonpostcom-why-entrepreneurs-are-heading-to-south-australia>, accessed 5 July 2019

⁵⁰ Indonesia Population, <https://www.worldometers.info/world-population/indonesia-population/>, accessed 5 July 2019

⁵¹ APJII: Jumlah Pengguna Internet di Indonesia Tembus 171 Juta Jiwa, <https://tekno.kompas.com/read/2019/05/16/03260037/apjii-jumlah-pengguna-internet-di-indonesia-tembus-171-juta-jiwa>, accessed 5 July 2019

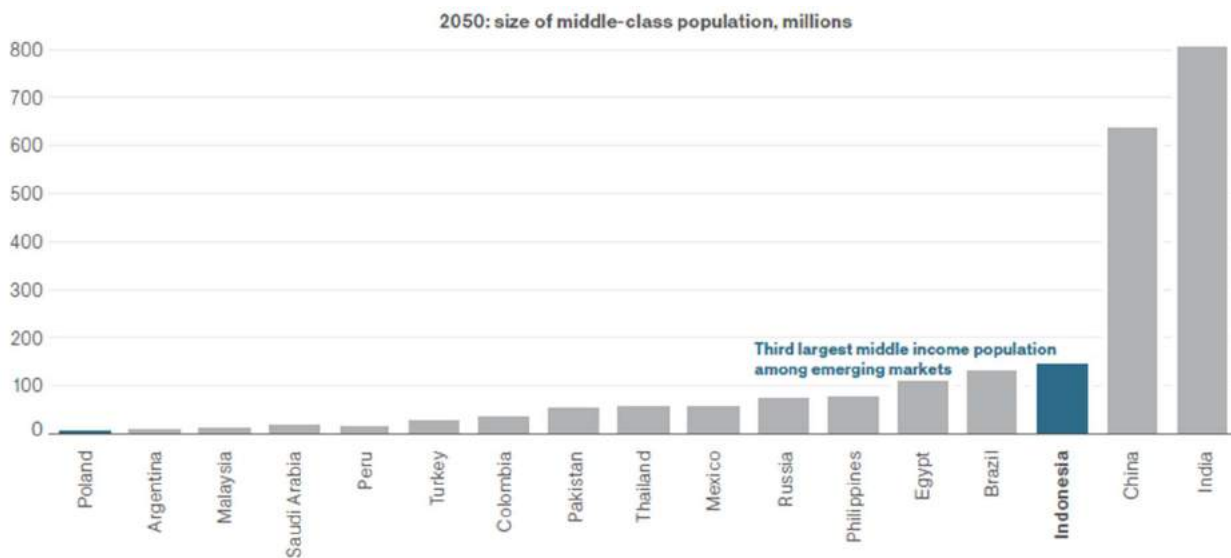
⁵² Ambisi Jokowi Jadikan Indonesia Energi Digital Asia, <https://inet.detik.com/cyberlife/d-3198249/ambisi-jokowi-jadikan-indonesia-energi-digital-asia> accessed 5 July 2019

Indonesia predicted to hit 130 Billion USD in ecommerce transactions by 2020⁵³. Indonesia's economic and population growth mean the country's consumer class could also grow from 45 million in 2010 to 135 million by 2030 – an additional 90 million consumers in 20 years.

Not just to find information and chat, the nation's emerging middle class are ready to spend its new disposable income on personal items such as fashion, makeup and electronics⁵⁴ and make the internet as part of their lifestyle. The consumptive behavior people in Indonesia is the reason why e-commerce in Indonesia will continue to grow. At a glance⁵⁵:

1. Indonesia's digital economy was the largest and fastest growing in Southeast Asia in 2018.
2. Indonesia ranks #1 for e-Commerce transactions in 2018.
3. Indonesia has the largest Internet user base in the region with 150 million users in 2018.
4. Indonesia e-Commerce sector is poised to grow to USD 100 billion by 2025, accounting for USD 4 of every USD 10 spent in the region.
5. Digital trade in Indonesia could grow by 768 percent, creating USD 172 billion worth of economic opportunities by 2030.

By 2050, Indonesia will have the third largest middle class among emerging markets⁵⁶



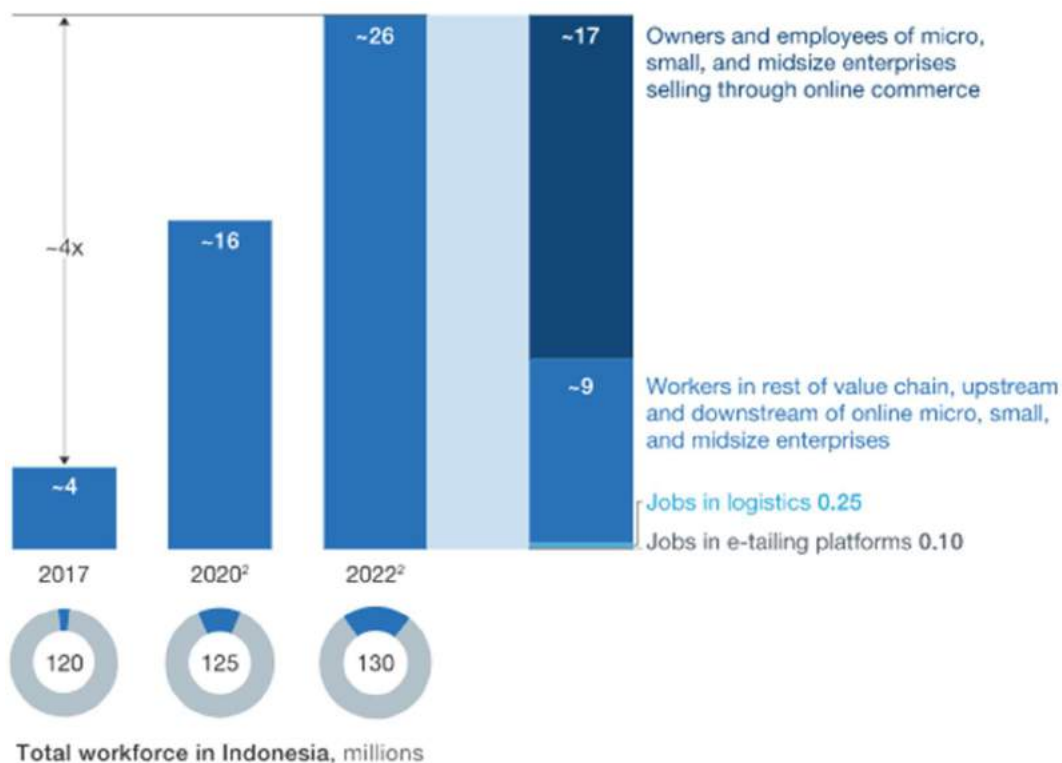
⁵³ Indonesia predicted to hit USD 130 bln in ecommerce transactions by 2020, <http://www.thepayers.com/ecommerce/indonesia-predicted-to-hit-usd-130-bln-in-ecommerce-transactions-by-2020/763297-25> accessed 5 July 2019

⁵⁴ e-commerce in Indonesia: A guide for Australian business

⁵⁵ Can Indonesia become Southeast Asia's digital hub?, <https://www.gapurabali.com/news/2019/03/13/can-indonesia-become-southeast-asias-digital-hub/1552457651> accessed 20 July 2019

⁵⁶ HSBC, Consumer in 2050: the rise of the EM middle class, October 2012.

The potential of the e-commerce industry in Indonesia cannot be underestimated. From the analysis data of Ernst & Young, the growth in the value of online business sales in the country increases 40 percent annually⁵⁷. Not to mention job supported by online commerce.



Indonesia government have a vision of “Indonesia: The Digital Energy of Asia”. The policy summary relating to Indonesia's position as Asia's digital energy is as follows⁵⁸:

1. Strategic plan to focus on SMEs and involve as many SMEs as possible in national economic development.
2. e-commerce expedition that combines 31 initiatives from 8 ministries and government institutions to ensure the growth of the technopreneur sector with a target of achieving e-commerce transactions of 130 billion USD in 2020.
3. Friendly policy towards foreign investment to attract investment and venture capital investment.

⁵⁷Indonesia Akan Jadi Pemain Ekonomi Digital Terbesar di Asia Tenggara, https://kominform.go.id/index.php/content/detail/6441/Indonesia+Akan+Jadi+Pemain+Ekonomi+Digital+Terbesar+di+Asia+Tenggara/0/berita_satker, accessed 20 July 2019

⁵⁸ Pemerintah Suarakan “Indonesia: The Digital Energy of Asia”, <https://mastel.id/indonesia-the-digital-energy-of-asia/>, accessed 20 July 2019

-
4. Facilitating access to funding for digitizing SMEs and pilot companies through the People's Business Credit (Kredit Usaha Rakyat/KUR) and making regulations that are more attractive to venture capital.
 5. Providing an easy and attractive exit strategy by deepening capital market liquidity for technology company listings.
 6. Adoption of pro-innovation policies such as: national programs to create 1000 national digital technopreneurs and regulations on safe harbor to protect e-commerce players.

Not only that, the government also formulated the main principles in developing e-commerce through affirmative action. These five principles are⁵⁹:

1. All citizens of Indonesia have the same opportunity to access and become e-commerce actors,
2. All Indonesian citizens have the knowledge and knowledge to be able to utilize information technology for the economy,
3. Minimize the loss of jobs during the era of digital economy transition,
4. Device implementation law and policy must support e-commerce security which includes technology neutrality, transparency and international consistency, and
5. Local e-commerce player, especially beginners and SMEs, must get proper protection and be a top priority.

Therefore at the end of 2014, the Government of Indonesia: under the coordination of the Coordinating Ministry for Economic Affairs in collaboration with the Ministry of Communication and Information and related ministries / institutions, stakeholders from associations and e-commerce businesses, as well as world caliber consultants Ernst & Young, who worked pro bono by deploying their multi-disciplinary experts from regional and global, began working to develop E-commerce Roadmap and worked together in preparing a good ecosystem for developing the local e-commerce industry.

To prepare the roadmap before it was passed, the Indonesian government also issued an economic policy package 14 which targeted the digital economy ecosystem, consisting of eight aspects⁶⁰:

⁵⁹ Indonesia Akan Jadi Pemain Ekonomi Digital Terbesar di Asia Tenggara, https://kominfo.go.id/index.php/content/detail/6441/Indonesia+Akan+Jadi+Pemain+Ekonomi+Digital+Terbesar+di+Asia+Tenggara/0/berita_satker, accessed 20 July 2019

⁶⁰ Ini Isi Lengkap Paket Kebijakan Ekonomi Jilid 14 soal e-Commerce, https://www.liputan6.com/bisnis/read/2648931/ini-isi-lengkap-paket-kebijakan-ekonomi-jilid-14-soal-e-commerce?utm_expid=.9Z4i5ypGQeGiS7w9arwTvQ.0&utm_referrer=https%3A%2F%2Fwww.liputan6.com%2Fbisnis%2Fread%2F2648931%2Fini-isi-lengkap-paket-kebijakan-ekonomi-jilid-14-soal-e-commerce, , accessed 20 July 2019

-
1. Funding. In this aspect the government will facilitate and expand access to funding through the scheme:
 1. People's Business Credit (Kredit Usaha Rakyat) for digital platform, so they can expand their user base.
 2. Grants for business incubators who will guide / assist start-up.
 3. Funding for digital MSMEs.
 4. Angel capital
 5. Seed capital
 6. Crowdfunding
 2. Taxation. Here the government will provide tax incentives through:
 1. Tax reduction for local investors who invest in start-up.
 2. Simplification of permit for tax procedures for e-commerce start-ups with a turnover of IDR 4.8 billion per year through the implementation of Government Regulation Number 46 of 2013 concerning Income Tax on Income from Businesses Received or Obtained by Taxpayers with Certain Gross Circulations. so that the final income tax is only 1 percent.
 3. Provide equality of tax treatment between foreign e-commerce entrepreneurs and domestic. Foreign business actors who provide services and / or content in Indonesia must fulfill all tax provisions.
 3. Consumer protection
 1. Harmonizing regulations concerning electronic certification, accreditation processes, payment mechanism policies, protection of consumers and e-commerce industry players, and dispute resolution schemes.
 2. Development of national payment gateways in stages.
 4. Education and Human Resources
 1. Improve e-commerce awareness campaigns.
 2. Designing a national incubator program.
 3. Compilation and improvement of e-commerce curriculum.
 4. Increasing e-commerce education to consumers, actors, law enforcement.
 5. Logistics
 1. Improve e-commerce logistics through the National Logistics System (SISLOGNAS) to increase shipping speed and reduce shipping costs.
 2. Revitalization, restructuring and modernization of PT Pos Indonesia (Persero) as a national postal service provider.
 3. Development of outsourcing of e-Commerce logistics facilities.
 4. Develop a Logistics System from the Village to the City with synergy between markets, terminals, commodities, and the main market, regional distribution centers, and arrangements for village and city transportation.

-
6. Communication Infrastructure: To accelerate the development of high-speed broadband networks, so that e-commerce can be utilized throughout Indonesia.
 7. Cyber security: Conducting a national supervision system model in e-commerce transactions and increasing public awareness about cybercrime and compiling SOPs related to consumer data storage, certification for consumer data security.
 8. Establishment of Implementing Management: Systematic and coordinated efforts to implement e-commerce Roadmap and simultaneously monitor and evaluate the implementation of e-commerce Roadmap

In August 2017 Presidential Regulation No. 74 of 2017 on Roadmap for the National Electronic Commerce System for 2017-2019 was released. The roadmap provides guidelines for Indonesia's digital economy sector and in so doing regulates various technologies, covering further issues such as logistics, cybersecurity, taxation, human resources development and consumer protection.

This roadmap works as⁶¹:

1. References to the Central Government and Regional Governments to regulate sectoral policies and action plans in order to accelerate the implementation of the e-Commerce in their respective fields of work contained in development planning documents; and
2. Reference for stakeholders (e-Commerce)

The Road Map is intended to provide direction and steps for preparing and implementing e-commerce by referring to four principles, namely:

1. Openness to all parties;
2. Legal certainty and protection;
3. Prioritizing and protecting national interests and micro, small and medium enterprises as well as start-up businesses; and
4. Enhancing the human resource expertise of the perpetrators.

After the roadmap is released there are some positive results from it. The Indonesian Government continues to support an expansion of SMEs by utilizing the digital platform. In reassuring an inclusive and multi-stakeholders' approach to digital economy, the Indonesian Government facilitates training for SMEs all around Indonesia. This training highlights, among others, ways and means to move them from offline to online. As per 2017 according to Minister

⁶¹ Inilah Perpres No. 74 Tahun 2017 tentang 'Road Map E-Commerce' Tahun 2017–2019, <https://setkab.go.id/inilah-perpres-no-74-tahun-2017-tentang-road-map-e-commerce-tahun-2017-2019/>, accessed 20 July 2019

of Communication and Information Rudiantara, around 3.97 million MSMEs have gone online now. But that number is still a little compared to the total MSMEs in Indonesia which reached 59.2 million thus he targeted to bring 8 million MSMEs go online in 2019. This initiative is in accordance with the direction of President Joko Widodo: the digital economy must focus on MSMEs to reduce economic division⁶².

Now in 2019, The Ministry of Communication and Information (Kominfo) notes that there are 10.35 million Micro, Small and Medium Enterprises (MSMEs), fishermen and farmers who are connected to digital platforms in 2018. This number exceeds the government's target, which is 8 million MSMEs online in the year 2019.

In detail, MSMEs who have gone online from 2017 to 2018 is 9.61 million. In 2018 alone, MSMEs that go online reached 4.91 million from the target of 2.67 million. While farmers and fishermen who are connected to the online platform are 739.85 thousand throughout 2017-2018. Especially in 2018 alone, 406.3 thousand of the target of 400 farmers and online fishermen. This year, the Ministry of Communication and Information hopes that online fishermen and farmers will reach 1 million⁶³.

The government also encourage people to form their own startups through National 1000 Start Up Digital Movement which started in 2016. Starting with 10 cities namely Jakarta, Bandung, Surabaya, Yogyakarta, Semarang, Malang, Medan, Bali, Makassar, and Pontianak. In these 10 cities an innovation center will be created as a meeting point for the technology, creative and cultural communities, as well as providing a shared workspace so that participants and local creators can collaborate to create solutions for community needs, both at the local and national levels⁶⁴.

On May 20, 2019, the Ministry of Communication and Information together with staff and the person in charge of the program of the 1000 Startup Digital National Movement agreed to change the name of the program to the National 1001 Digital Start Up Movement. The program launched is planned to be held in 15 cities. The number 1001 is the embodiment of binary numbers used in digital computing activities. This name was chosen with the aim of producing 1,000 solutions for 1 country.

⁶² 8 Juta UMKM Ditargetkan "Go Online" pada 2019, https://kominfo.go.id/content/detail/11512/8-juta-umkm-ditargetkan-go-online-pada-2019/0/sorotan_media, accessed 20 July 2019

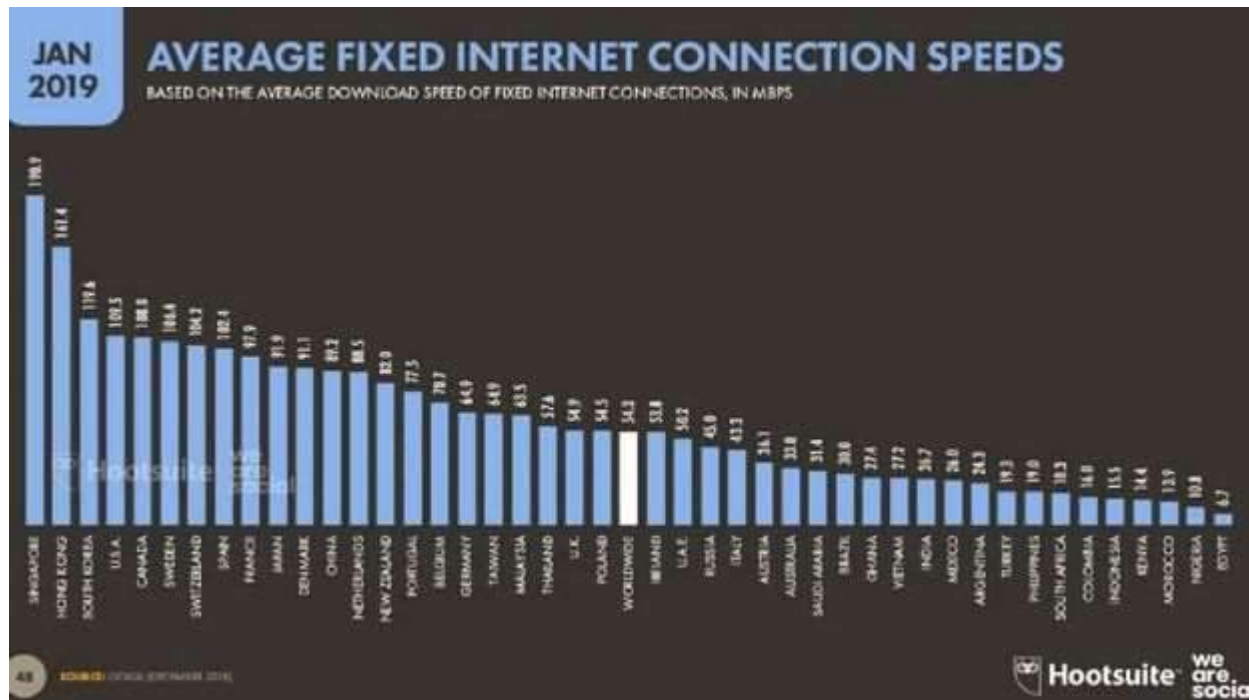
⁶³ Lampau Target, 10 Juta UMKM, Petani, dan Nelayan Go-Online, <https://katadata.co.id/berita/2019/01/17/lampau-target-10-juta-umkm-petani-dan-nelayan-go-online>, accessed 20 July 2019

⁶⁴ Kominfo Luncurkan Gerakan Nasional 1000 Startup Digital, https://www.kominfo.go.id/content/detail/7689/kemkominfo-bersama-kibar-luncurkan-gerakan-nasional-1000-startup-digital/0/berita_satker, , accessed 20 July 2019

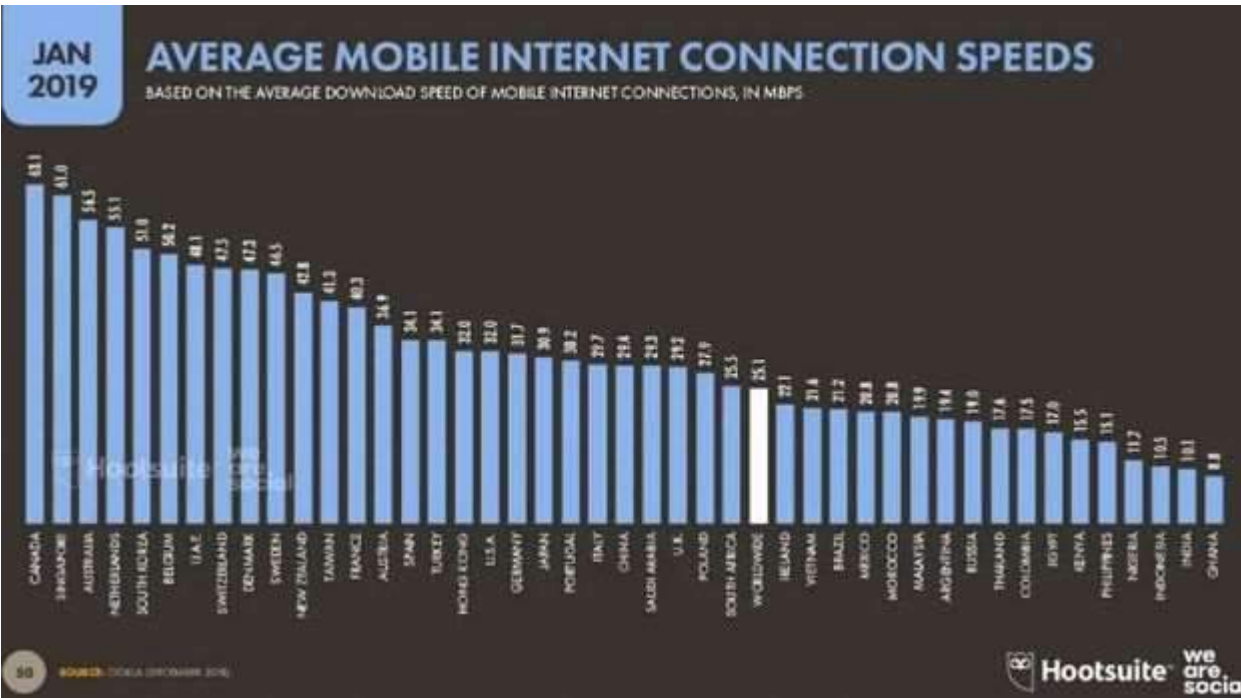
Other important facts⁶⁵

1. 525 startups from the National 1000 Start Up Digital Movement program had been established, on average engaged in the agriculture and tourism sectors. This figure will certainly continue to increase, considering this program is still running until 2020.
2. Since Walking Starting last June 2016, this program claims to have successfully filtered 48,000 filtered participants from 10 cities in Indonesia.

The government also aware that a good infrastructure is also needed. Since the average internet speed in Indonesia is ranked 42 out of a total of 46 other countries. This result was obtained from Ookla data in December 2018. The average speed of internet cable in Indonesia is 15.5 Mbps. while the average world cable internet speed is 54.3 Mbps. This speed on average experiences a 33 percent increase every year. Indonesia's cellular internet speed is around 10.5 Mbps. While the average cellular internet speed in the world is at 25.1 Mbps and is up 18 percent annually.



⁶⁵ [Flash] Gerakan Nasional 1000 Start Up Digital Berevolusi dengan Nama Baru, <https://id.techinasia.com/gerakan-nasional-1000-start-up-digital-nama-baru>, accessed 20 July 2019



To fix this the government have develop a project called Palapa ring. Palapa Ring is a telecommunications infrastructure project in the form of 36,000 kilometers of fiber optics throughout Indonesia. The project consists of seven small optical fiber circles (for Sumatra, Java, Kalimantan, Nusa Tenggara, Papua, Sulawesi and Maluku) and a backhaul to connect them all, which will reach 440 cities / districts throughout Indonesia.

The Palapa Ring project will integrate existing networks with new networks in the eastern part of Indonesia (East Palapa Ring). East Palapa Ring will be built as far as 4,450 KM consisting of sub marine cable for 3,850 km and land cable along 600 KM with fifteen-point landing points in 21 cities / regencies.

The network has a capacity of 100 GB (Upgradeable 160 GB) by carrying the ring concept, two pairs (four cores). The Palapa Ring project development strategy is to form a consortium where members of the consortium consist of telecommunications operators in the country.

This network will become the foundation of all telecommunications operators and users of telecommunications services in Indonesia and integrated with existing networks owned by telecommunications operators⁶⁶.

⁶⁶ Sekilas Palapa Ring, https://kominfo.go.id/content/detail/3298/sekilas-palapa-ring/0/palapa_ring, , accessed 20 July 2019

This vision through the Presidential Regulation as the digital energy of Asia had also shifted the government mindset. The government seeks to encourage the digital economy by shifting its role, not only as a regulator but also as a facilitator and even an accelerator⁶⁷.

CONCLUSIONS AND RECOMMENDATIONS

As Australia and Indonesia is very near, and both seems ready and poised to embrace a shared, inclusive, and equal access to digitalization. With very different characteristic in population size, geography, culture, internet penetration both countries can apply the lessons learned to boost even further their digital economy.

The successful digitization of both countries digital economy will rest on the ability of the public and private sectors to fill the role to play in respective country, The Australian government could learn on how Indonesia government are:

1. Pushing SME's from offline to online. Thus, benefiting the platform and the SME's.
2. Connecting all the island in Indonesia with Internet (Palapa Ring).
3. An end to end approach to nurture startup (1000 Startup).

While the Indonesia government could learn on how Australian government are:

1. Establishing a place to gather startups in one place, to create an ecosystem that reinforces each other (Launchvic, Sydney Startup Hub, Tonsley)
2. Providing entrepreneurship visa.
3. Creating a culture that everyone has a role to play and everyone could take part in this new era.

Those learning of course needs to boil down in policy and regulation. Both countries need to ensure that the policies enacted are durable—that is, properly enforced and resistant to subsequent distortion and undercutting. There are inherent tensions between these goals of adaptability and durability, and it will be an ongoing challenge to find an appropriate balance between them. To help meet this challenge, it is imperative that processes be established at the outset for generating and disseminating to policy makers a broad array of information about relevant scientific and technological developments and about the effectiveness and costs of existing policies⁶⁸.

⁶⁷ Terobosan Pemerintah untuk Percepat Ekonomi Digital Indonesia, https://www.kominfo.go.id/content/detail/15975/terobosan-pemerintah-untuk-percepat-ekonomi-digital-indonesia/0/berita_satker, accessed 20 July 2019

⁶⁸ Limiting the Magnitude of Future Climate Change, 2010, Climate Choices Panel on Limiting America's

While it is true policies should be formulated based upon clarity of services and markets; as the European Union (EU)'s expresses it "Better Regulation for Better Results Agenda" adopted in May 2015. The approach explicitly recognizes the unregulated and international nature of the Internet by applying a Regulatory Fitness and Performance Program (REFIT) designed to regulate better by "removing red tape and lowering costs without compromising policy objectives". Policies are reviewed on a continuous basis to ensure that the regulations are "fit for fast-changing industries".

Policies should also be based upon objective assessments of the social and economic impacts of; regulators should accumulate data from regulated markets for policy assessments, clearly articulating both the objectives and the data sources to avoid unintended consequences of poor policy and to maximize social welfare.

However, regulators are prone to overly risk-averse stances, which can discourage innovation and choke off unexpected, but potentially highly beneficial, goods and services. Excessive risk aversion can occur where⁶⁹:

- The longer-run impacts of new technologies are difficult to determine
- Concern with one objective override other considerations and benefits
- There is public or political pressure to increase regulation beyond what might be justified under an objective risk assessment.

If somehow Australia and Indonesia could learn from each other and making sure that policies and regulation in each country support growth, which is essential to ensure the Government's agenda remains fit for purpose, with a nuanced approach that delivers the best results for both countries. Our shared success will be measured by how both countries ability to engage with technology, ensuring technology for equality of opportunity and by using technology, anyone can have the same opportunity to become an economic hero who contributes for the glory of each country.

⁶⁹ Growing the digital economy in Australia and New Zealand Maximizing opportunities for SMEs, Joint Research Report, January 2019