



*Press Release*

## **IBC Business Competitiveness Outlook 2025: IBC Pushes for Economic Growth and Competitiveness through Governance Reform and Public-Private Collaboration**

Jakarta – The association of Indonesian CEOs and business leaders Indonesian Business Council (IBC) presented its business competitiveness projections in a report and public discussion “IBC Business Competitiveness Outlook 2025” in Jakarta, 13 January 2025.

In its report, IBC emphasized the importance of four approaches that the government needs to take to strengthen collaboration with the business world and attract investment. The four approaches include: governance reform to improve ease of doing business, private-government collaboration in infrastructure development and improving socio-economic quality, increasing industrialization through downstream strategies, and promoting a green economy.

IBC Chief Operation Officer William Sabandar stated that the government will carry out a very heavy and big mission. "In this big effort, in 2025 the new government will seek alliances and attract massive investment and requires strong efforts. IBC believes that to achieve this mission governance must be reformed and innovation must be pursued," he said.

William added that governance reform is needed to build trust, ensure achievement of programs, and prevent “leakage”. While innovation will help unlock hidden opportunities – and help secure Indonesia’s regional competitiveness.

Coordinating Minister for Economic Affairs Airlangga Hartarto, who shared a keynote speech, stated that this year Indonesia is still facing several risks and uncertainties, such as commodity price volatility, high interest rates in developed countries such as the United States, and China's economic growth which is still below expectations.

"We also face the challenges of climate change that we are witnessing in many parts of the world. With this, the global economic outlook is estimated to still be below the COVID level, around 3.2%. But Indonesia is still able to maintain economic growth," said Airlangga.

According to Minister Airlangga, the government hopes to maintain economic growth like last year, which is around 5%. Compared to neighbouring countries such as Thailand which grew around 3%, and South Korea which grew 1.5%, Indonesia is still maintaining good growth.

"If we look at the PMI in December, we are growing where the expansion is 51.2%. Additionally, the consumer index and real sales index also grow positively," explained Airlangga.

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**About Indonesian Business Council (IBC):**

Indonesian Business Council (IBC) is the association of CEOs and business/industry leaders of Indonesian major corporations established in February 2023. IBC promotes and strengthens Indonesia's competitiveness and increase the contribution of the private sector to economic development through advocacy and good public policy. IBC produces research-based policy recommendations with inputs from business leaders. Visit IBC website for more information: <https://business-council.id/>