

**PARTICIPATING IN THE WINE & CHEESE EXPO
JAKARTA, MAY 9 – JUNE 1, 2014**

THE FOOD & BEVERAGES MARKET IN INDONESIA

The food and beverage sector, fuelled by rising incomes and increased spending on food by the middle class has seen a constant impressive growth over the past years in Indonesia. Urban lifestyles are giving rise to a more varied diet, with an increasing demand for imported products, which is supported by the development of retail infrastructure in the form of malls and hypermarkets.

The monthly Indonesian average expenditure per capita in food and beverages averaged to approximately 51.0 percents. The turnover of the Food and Beverage industry has been growing at an average pace of close to 8-9% to a total of USD 70 billion in 2012. The share of the European Union in the food imports into Indonesia has remained very modest, with only USD 180 million recorded in 2011. Main food and beverages exporters to Indonesia remain the United States, Australia, ASEAN and China.

According to the Business Monitor International report on Food and Drink in Indonesia, the Food and Beverage consumption is expected to keep on rising in the coming years, mainly due to the wage growth prospects. Indeed, the food consumption forecast growth for 2014 counts to +7,5% and to +6,9% for 2017. For alcoholic drinks, the growth is expected to amount to +11,7% in 2014 and +8,4% in 2017. Soft drinks value sales' growth in 2014 should increase by 9,5% in 2014 and by 8,8% in 2017. Finally, the mass grocery retail value sales' growth is expected to amount to +11,7% in 2014 and +10,0% in 2017.

Like in many other South-East Asian markets, wine consumption in Indonesia, despite the fact that the country has the world's largest Muslim population, is becoming more and more popular. Indonesians perceive wine as a healthier alternative than other alcoholic beverages. Between 2005 and 2011, the consumption of wine in Indonesia increased by an annual average of 25% with a demand very much driven by the upper-income local population, but as well by the expatriate and tourist communities. The industry predicts a similar trend for 2014 and 2015 with an estimated annual growth of 20%.

- Opportunities

Increasing urbanization, growing health consciousness, and changing life styles will remain strong forces behind the growth of the F&B sector. The small market share owned by European producers leaves space for positive developments, with a local population more and more demanding for high quality, prestigious European products.

- Challenges

Despite the promising prospects, European F&B exporters face important challenges in entering the Indonesian market. The series of Free Trade Agreements signed by Indonesia with neighboring or Asian countries gave place to preferential import tariffs and rendered the competitiveness of some European products.





Moreover, it has to be mentioned that the F&B market in Indonesia is heavily regulated and that exports of wine are subject to very high import duties increasing the prices significantly (up to 170%). All imported food items must bear Indonesian language labelling and indicate genetically modified ingredients, as well as be registered with the Indonesian Department of Health. Regarding alcoholic beverage, on 6th December 2013, was released the President Regulation no. 74/2013. It granted authority to the regents and mayors in local areas, as well as to the governor of Jakarta, to determine the places where alcoholic beverages can be sold and / or consumed. Currently, there are 3 areas where selling and consuming alcoholic beverages is restricted: Bandung, Banten, and Depok.

MARKET ENTRY STRATEGY

In order to successfully enter the Indonesian market, it is highly recommended, and in some cases mandatory (alcoholic beverages), to find a local partner either as importer or as distributor. They will help with the local procedures and the registration and certification with the Agency for Drug and Food Control (BPOM).

The following event will provide the right platform for European F&B producers and distributors to introduce their products and meet potential local partners:

JAKARTA FASHION AND FOOD FESTIVAL (JFFF)

JFFF is the product of a collaboration between Summarecon Agung inc. and the Provincial Government of Jakarta with the support of the Ministry of Tourism and Creative Economy and the Ministry of Trade. The festival was first held in 2004 and continues its mission to raise awareness for International products among the Indonesian local population. JFFF is a highly popular event in Jakarta, which attracted 3,34 million visitors in 2012 and 3,46 million visitors in 2013. This year, JFFF will be held from May 9 until June 1 in Kelapa Gading, North Jakarta.

JFFF is a platform for three large main events: Fashion Extravaganza, Food Festival, and Gading Nite Carnival.

- **Fashion Extravaganza** presents many ready-to-wear looks from known designers, independent designers, and young designers through a fashion and trade show. It will be held from 16th May until 1 June 2014.
- **Food Festival** is an appreciation towards traditional culinary varieties as well as cultural exchange between nations. It is divided into 2 components: Kampoeng Tempo Doeloe and **Wine & Cheese Expo**. Kampoeng Tempo Doeloe will present the Indonesian traditional food, while the Wine & Cheese Expo will introduce international delicacies. The rationale behind this division is to integrate and introduce international products into Indonesian urban lifestyles. It brings together producers, distributors, importers but also end-consumers. It will be held from 9th of May until 1 June 2014.
- **Gading Night Carnival** hailed as the pioneer of night carnivals in the country, and will present a large parade with cultural performances in the whole area of Kelapa Gading. The





theme of this year's carnival is 'Inter-nations" and will give place to all countries represented to display their cultural specificities and national outfits. This event will be held on 15th of May 2014.

EUROPEAN PAVILION IN WINE AND CHEESE EXPO

A **European pavilion** will be featured during the whole duration of the **Wine & Cheese Expo**. The aim is to introduce European wine, but also, more broadly, European delicacies (sweets, chocolate, regional specialties, etc.) to the Indonesian market. A large Indonesian audience will be present: end-consumers but also distributors and importers as well as retail companies. **The first week of the event, May 9 until May 18, will be dedicated to European F&B products and introduction of European culture.**

This 'Europe week' will provide a comprehensive platform for all EU 28 embassies and representing companies (wineries, but also F&B producers and/ or distributors) to introduce their home country and their products.

The EU-Indonesia Business Network will make available a range of activities and services to give the opportunity to the visiting European companies to present themselves and to meet with their end-consumers and potential importers. The EIBN will provide market information, invite the relevant business target group (importers, distributors, retail companies, etc.) and assist the European companies on the spot in meeting with potential local partners.

In parallel, **the stage in the venue will be available at all time for workshops and various programs** to be provided by European embassies and companies.

Tentative program is as follows (all empty slots in the program can be filled in by European companies and embassies with workshops, product tastings, cooking demo, cultural performances, etc.):

First Weekend

Schedule	Friday 9 May	Saturday 10 May	Sunday 11 May
11:00			
14:00 – 16:00			
18:00 - 19:00	Opening Ceremony JFFF & 'Europe Week'		
19:00 - 20:00		Wine Dinner (Chef Djoko from Vin+ - menu tba) & Introduction of selected wines	
20:00 - 22:00	Wine dinner (Chef Adhika Maxi - menu tba) & Introduction of selected wines		
22:00 - 23:00			



Weekdays Schedule

Schedule	Monday 12 May	Tuesday 13 May	Wednesday 14 May
15:00 - 16:00	Product Tasting for importers and distributors (15 participants)	Product Tasting for importers and distributors (15 participants)	Product Tasting for importers and distributors (15 participants)
16:00 - 18:00	Business meetings and networking	Business meetings and networking	Business meetings and networking
19:00 - 20:00		Diplomatic Wine Club dinner (tbc)	
20:00 - 22:00			
22:00 - 23:00			

Second Weekend

Schedule	Thursday 15 May (public holiday)	Friday 16 May	Saturday 17 May	Sunday 18 May
11:00				
14:00 - 16:00				Fruit eating competition
16:00 - 17:00	Gading Nite Carnival			Live Cooking Demo by Italian Chef (tbc)
17:00 - 18:00			Live Cooking Demo by Nirwana Lestari (tbc)	
18:00 - 19:00				
19:00 - 22:00		Wine Dinner (Chef Antoine Audran from Vin+ - menu tba) & Introduction of selected wines	Wine dinner (Chef Adhika Maxi - menu tba) & Introduction of selected wines	
22:00 - 23:00				





HOW CAN YOU PARTICIPATE?

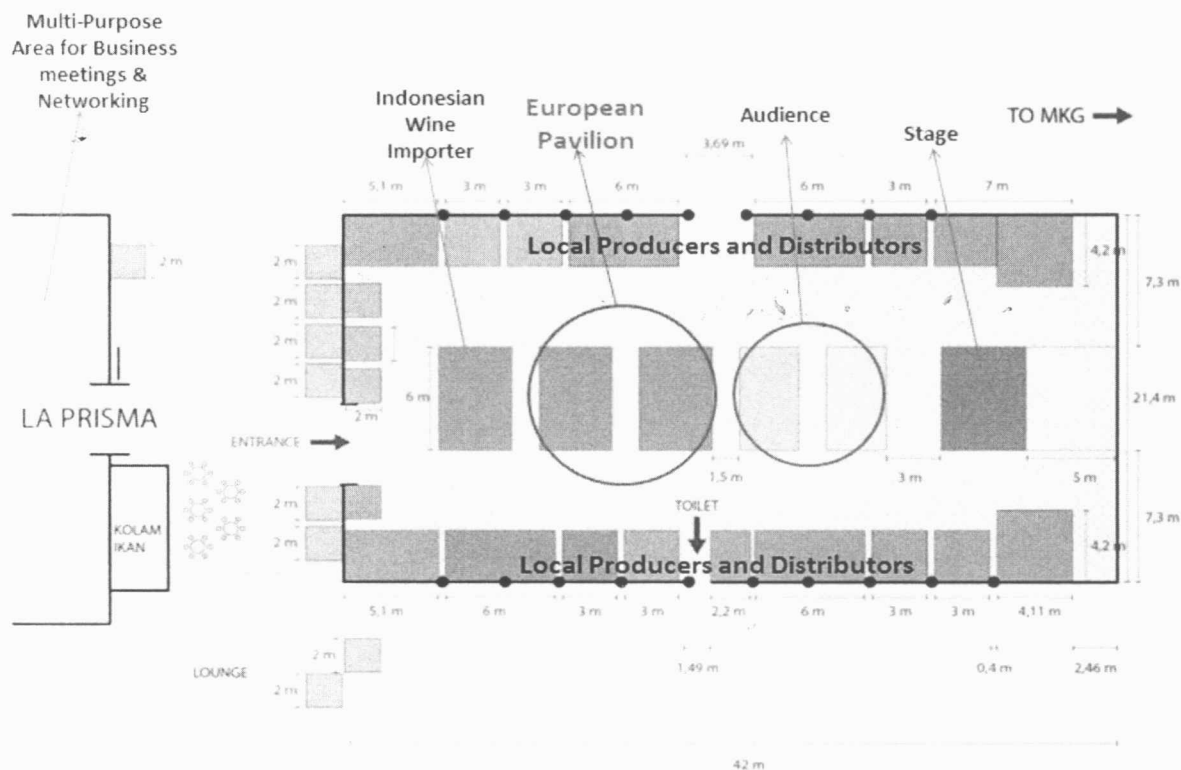
EU Member States embassies: Country areas will be available within the European pavilion and can be utilized by each embassy to display material (flag, flyers, etc.). Each embassy can also propose programs for the main stage such as workshops, cooking demos by national chefs, traditional performances, etc.

EU F&B producers and distributors:

- Product display and tasting in the country areas within the European pavilion
- Workshops and product presentations in the pavilion or on the main stage
- Product tasting on the main stage
- Product introduction during the wine dinners
- Participation in the product tasting for selected importers and distributors
- Individual meeting requests can be arranged on the side of the event (please contact us for more information)

VENUE

Jl. Bulevar Kelapa Gading
 Kelapa Gading
 Jakarta 14240, Indonesia





WHAT TO DO NEXT?

EU Member States embassies: Circulate the information to potentially interested national companies. Register your interest in participating and make program suggestions to the EIBN team:

EU F&B producers and distributors: Inform your national embassy in Indonesia that you would be interested in participating in the event. Contact the EIBN team for additional information and program suggestions:

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