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Indonesia

SHETRADES OUTLOOK | 2024



SheTrades



MINISTRY OF TRADE
REPUBLIC OF INDONESIA



UK International
Development

Partnership | Progress | Prosperity



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ABOUT THE SHETRADES COMMONWEALTH PROJECT

TIMEFRAME

March
2018

March
2025

OBJECTIVE

To increase economic growth and job creation in Commonwealth countries by enabling the increased participation of women-owned businesses in international trade. The project is funded by the United Kingdom Foreign, Commonwealth and Development Office and implemented by ITC under the framework of the SheTrades Initiative.

ACTIVITIES

- Provide governments with the tools, information and capacity to implement gender-responsive policies. Also offer a platform for governments to work collectively and share best practices, including through SheTrades Outlook and in-country technical assistance on policy reform.
- Provide direct support to women-owned businesses. Build their competitiveness and their capacity to participate in trade through intensive training, mentoring and coaching.
- Work with business support organizations to improve the service offering for women entrepreneurs.
- Engage private sector partners to adopt business practices that create economic opportunities for women-owned businesses.



INTRODUCTION

SHETRADES OUTLOOK

Creating Trade Opportunities for Women in Indonesia

This policy brief presents an analysis and recommendations for Indonesia to unlock women's participation in trade by improving the policy ecosystem. It is based on the results of the SheTrades Outlook tool in Indonesia, which collected and analysed data from 18 national institutions and five private sector organizations.



WHY DOES WOMEN'S ECONOMIC EMPOWERMENT MATTER?

Indonesia is the largest economy in South-East Asia. It is developing rapidly, and in 2022 had a growth rate of 5.3%. Indonesia is also endowed with a large population base, giving it an edge in terms of human capital. However, Indonesia has not fully harnessed this potential. Despite comprising nearly half of the Indonesian population, women's labour-force participation rate was only 53% in 2023, compared with 82% for men.

E-commerce has presented a key avenue for women to engage in business and trade in Indonesia, particularly since the COVID-19 pandemic. According to the International Finance Corporation, women business owners make up a third of the businesses on the e-commerce platform Lazada.¹ At the national level, meanwhile, women-owned businesses only represented 22% of registered businesses.²

Indonesia's economic outlook warns of falling productivity and job/skill mismatches. Human capital development will be crucial in ensuring that Indonesia is able to sustain its economic growth. This is also a key priority under [Indonesia's Vision 2045](#). Vision 2045 aims to increase human resource competitiveness, reduce inequality and poverty, and achieve equitable economic growth, among other outcomes. Women's active participation in the economy can directly contribute to the goals of reduced inequality and poverty as well as equitable economic growth. Moreover, investing in women's access to skills and resources can help increase human capital in Indonesia. Tailored support and gender-responsive policies will be crucial in increasing women's access to skills and their participation in the economy through labour, entrepreneurship and trade.

SheTrades Outlook identifies priority areas for improvement and good practices regarding women's economic empowerment in Indonesia. It can therefore provide critical data to help policymakers ensure women's economic inclusion and accelerate progress towards achieving Indonesia's vision for 2045.

1. International Finance Corporation (2021). *Women and e-commerce in Southeast Asia*.

<https://www.ifc.org/content/dam/ifc/doc/mgrt/202105-digital2equal-women-and-e-commerce-southeast-asia.pdf>

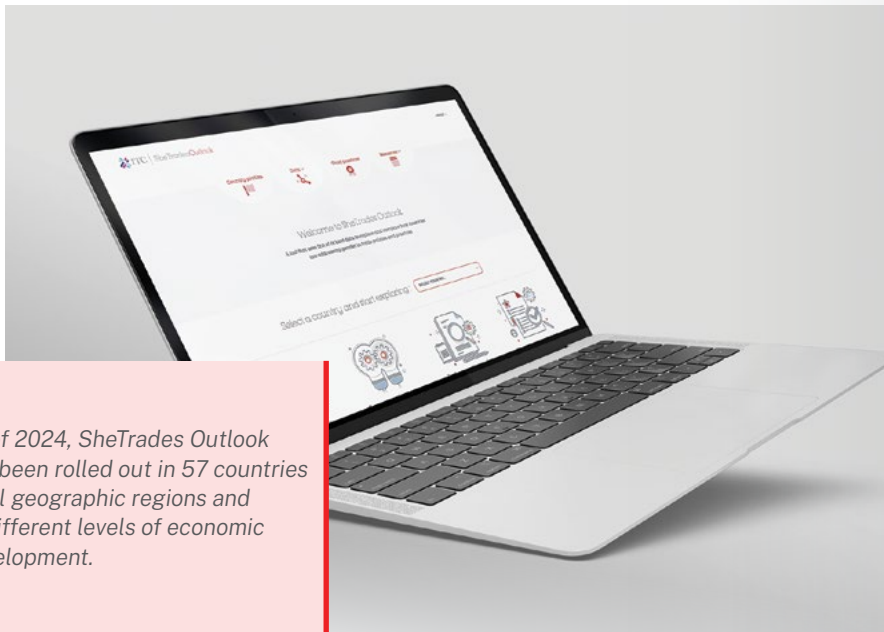
2. World Bank (2024). TCdata360, available at <https://tcdata360.worldbank.org/> (accessed 3 July 2024).

WHAT IS SHETRADES OUTLOOK?

SheTrades Outlook is an innovative, evidence-based policy tool designed by the International Trade Centre (ITC). It identifies policies, laws or programmes that contribute to or prevent women's participation in the economy and in trade. This first-of-its-kind tool is based on 55 indicators. These are grouped under six interlinked pillars—Trade Policy, Business Environment, Legal and Regulatory Framework, Access to Skills, Access to Finance and Work and Society.

SheTrades Outlook is based on data collected by national consultants from 20 national institutions and organizations on average per country. Data are collected through interviews based on semi-structured questionnaires. Examples of institutions surveyed include ministries of trade, education, finance, technology and women's affairs; public procurement authorities; Customs authorities; central banks; national statistics offices; business associations; chambers of commerce; and other trade support institutions.

SheTrades Outlook also uses reliable, publicly available and recently updated databases from the Inter-Parliamentary Union; the United Nations Educational, Scientific and Cultural Organization; the United Nations Statistics Division; the World Bank and the World Economic Forum. Additionally, national experts have identified an average of three good practices per country.



As of 2024, SheTrades Outlook has been rolled out in 57 countries in all geographic regions and of different levels of economic development.

SheTrades Outlook – results

For the data collection, 23 organizations – 18 national institutions and five private sector organizations – were interviewed. Institutions were chosen based on their strategic objectives and relevance for the six pillars of the initiative. The institutional survey was conducted in 2024. This policy brief presents the latest available data.

The SheTrades Outlook indicator scores range from zero to one. Indonesia performed the highest in Access to Skills and Access to Finance. This was followed by Business Environment, Legal and Regulatory Framework, and Work and Society. It performed the lowest in Trade Policy.

Detailed information on the scores under each pillar is presented below. This includes strengths, bottlenecks and gaps identified in the data.



FIGURE 1: SHETRADES OUTLOOK INDICATOR SCORES

TRADE POLICY



Consultation process	
Initiatives or mechanisms are in place to include women's associations/organizations in consultation processes	
Women's associations/organizations participate in consultation processes	
Trade and gender-related concerns are included in policies and agreements	
Policy or action plan on gender equality and women's empowerment includes trade-related concerns	
Trade agreements or regional economic integration agreements include gender provisions	
Assessment, monitoring and evaluation	
Ex-ante and ex-post gender impact assessments of trade agreements are carried out	
Trade policy uses gender indicators	
Gender-disaggregated data	
Law or regulation mandates the collection of gender-disaggregated data	
Gender-disaggregated data is collected on companies	
Women's participation in strategic roles	
Women are represented in ministerial and parliamentary positions	
Capacity building on gender issues	
Trade Ministry staff receive training on gender issues	
A gender focal point focusing on trade and gender issues has been established	



The Trade Policy pillar focuses on the inclusiveness of trade policies, agreements and practices. It also includes the adoption of gender-responsive practices in trade and trade-related institutions.

Indonesia exhibits the lowest performance in this pillar. There are opportunities for improvement, such as:

- Including women's business associations in consultation processes
- Including trade-related concerns in the national strategy on gender equality
- Mainstreaming gender in trade policy and agreements
- Undertaking gender impact assessments of trade agreements
- Using gender indicators in projects and programmes
- Adopting an internationally recognized definition of a women-owned or women-led business
- Mandating the collection of gender-disaggregated data
- Establishing a trade and gender focal point and conducting training for Ministry of Trade (*Kementerian Perdagangan, MoT*) staff on gender issues.



WHAT WORKS?

In 2020, the Government of Indonesia launched the National Strategy for Inclusive Finance for Women (SNKI-P). The strategy recommends a formal definition for women-owned businesses based on any of the following criteria:

1. The individual responsible for running the business, or the individual who runs the business on a daily basis, is a woman, or that 51% or more of the business capital is owned by women, both personal capital and credit,
2. The legal documents for the business (business license/business certificate/business registration number) are in the name of a woman, or 20% or more shares/capital of the business are owned by women. The business has one or more women as Chief Executive Officer/Chief Operating Officer and more than 30% of the board of directors is made up of women.

The recommended definition for a woman-owned business was circulated through a letter among a number of financial institutions. However, it is yet to be adopted.

In addition to this, the Presidential Regulation No. 2 of 2022 on national entrepreneurship development provides a definition of a woman entrepreneur. It is defined as a woman who: (i) owns and manages at least one business that has been registered in the electronically integrated business licensing system; and (ii) owns a business with at least 51% ownership of business capital. Only two national institutions use this definition.

Given the advances Indonesia is making on adopting a formal definition of a woman-owned business, the government can consider adopting an internationally recognized definition of women-owned or women-led business as prescribed by the International Organization for Standardization (ISO) [International Workshop Agreement \(IWA\) 34: Women's entrepreneurship – Key definitions and general criteria](#). Using such a standard definition across institutions can help better target beneficiaries of women's economic empowerment programmes and monitor the impacts of these programmes. Adopting ISO IWA 34 can also contribute to collecting comparable data on women's entrepreneurship within the Association of Southeast Asian Nations (ASEAN) and internationally.

3. Women-owned business – business that is over 50% owned by one or more women, whose management and control lie with one or more women, where a woman is authorized to sign the legal documents and financial accounts of a business, and which is operated independently from businesses that are not owned by women.

4. Women-led business – business that is at least 25% owned by one or more women; whose management and control lie with one or more women; which has at least one third of the board of directors comprised of women, where a board exists; where a woman is authorized to sign the legal documents and financial accounts of a business; and which is operated independently from businesses that are neither led nor owned by women.

WHERE IS MORE PROGRESS NEEDED?

MoT invites women's business associations to consultation processes when a policy is specifically targeted towards women. There is an opportunity for MoT to include women's business associations regularly in consultation processes on trade policies and agreements. This can help ensure that the specific needs and challenges that women face are addressed by the policy. MoT can also consider collecting gender-disaggregated data on participants in consultations.

In SheTrades Outlook, the levels of gender responsiveness in trade agreements are rated as 'limited', 'evolving' or 'advanced'. Indonesia is party to 17 free trade agreements. However, none have an evolving or advanced level of gender responsiveness. The government should consider incorporating gender equality issues in trade agreements, which can enable women's participation in the economy through trade and increase opportunities for decent work. The government may refer to the ITC policy guide, [Mainstreaming Gender in Free Trade Agreements](#) for specific recommendations and model clauses to improve women's participation in trade through trade agreements.

To improve monitoring and evaluation of the impact of trade policy on women, MoT can use gender indicators to track the outcomes of trade policies and programmes. Awareness-raising and capacity-building trainings on the importance of conducting gender impact assessments before and after signing a trade agreement can also be undertaken, to ensure that the positive impacts of trade agreements for women are being maximized while minimizing the negative impacts. In addition to training on gender impact assessments, MoT can also provide training to its staff on trade and gender issues.

Collection of gender-disaggregated data on companies engaged in international trade can also help in monitoring and evaluation of trade policy. The Ministry of Manpower (*Kementerian Ketenagakerjaan*) collects gender-disaggregated data on company employment, while the Ministry of Cooperatives and Small and Medium-sized

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Enterprises (SMEs) (*Kementerian Koperasi dan Usaha Kecil dan Menengah*, MoCS) collects gender-disaggregated data on company ownership but specifically for SMEs. There is an opportunity for national institutions to collect gender-disaggregated data on exporting firms.

The government can also consider establishing a law to mandate the collection of gender-disaggregated data across all agencies and departments. Currently, the National Bureau of Statistics (*Badan Pusat Statistik*) only collects gender-disaggregated data for certain indicators—such as population and health, employment and unemployment, land ownership, literacy and tertiary graduates—as well as on access to the internet. Sometimes it also collects gender-disaggregated data based on requests from different national institutions.

The Indonesian government through the Ministry Of Women Empowerment And Child Protection implements the [Deputy's Strategic Plan for Gender Equality 2020-2024](#), which aims to achieve women's empowerment in the economic, social, political and legal fields through the implementation of gender-responsive policies. It focuses on:

- Gender mainstreaming in policies and regulations
- Gender-responsive planning and budgeting across national institutions
- Raising awareness on gender equality
- Providing women with trainings
- Increasing women's role in leadership positions.





The Strategic Plan also includes objectives on strengthening women's entrepreneurship. However, there is also an opportunity to include trade concerns.

The Strategic Plan also aims to create work units that monitor progress on institutionalizing women's empowerment in various development fields. As part of the work unit, MoT can consider establishing trade and gender focal points in charge of trade and gender issues at MoT. Currently, MoT and the Ministry of Women Empowerment and Child Protection (*Kementerian Pemberdayaan Perempuan dan Perlindungan Anak*) cooperate on trade and gender issues.

LEGAL AND REGULATORY FRAMEWORK



<p>Signing, ratification and enforcement of key international conventions</p>	
<p>Country has ratified the CEDAW and CEDAW optional protocol</p>	
<p>Country has ratified and enforced ILO Conventions 100, 111, and 183</p>	
<p>Gender-responsive budgeting approach</p>	
<p>Government uses gender-responsive budgeting approach</p>	
<p>Laws that facilitate access to productive resources</p>	
<p>Law provides women and men with equal rights to property and access to financial services</p>	
<p>Laws that facilitate access to the labour market</p>	
<p>Law mandates non-discrimination in employment based on gender, protection from sexual harassment and equal remuneration for work of equal value</p>	
<p>Paid parental leave policies</p>	
<p>Maternity leave benefit is mandated</p>	
<p>Paternity leave benefit is mandated</p>	
<p>Childcare and education support and facilities</p>	
<p>Parents receive childcare and education support</p>	



This pillar assesses a country's adoption of laws and regulations protecting and promoting women's rights. It also covers laws and policies encouraging women's entry into, and continuity and advancement in, labour markets. An example would be laws that support women to combine work with childcare responsibilities.

Over 50% of the data for this pillar was sourced from the World Bank Women, Business and the Law; the Office of the High Commissioner for Human Rights; and the International Labour Organization (ILO) Information System on International Labour Standards.

Indonesia achieved medium-high performance in this pillar. This is linked to the ratification of international conventions and the establishment of national laws that provide men and women with equal rights to ownership of property as well as to open a bank account, and prohibit gender-based discrimination and sexual harassment in the workplace. The government provides paternity leave and childcare benefits and has adopted a gender-responsive budgeting approach.

WHAT WORKS?

Internationally, Indonesia has demonstrated its commitment to gender equality by ratifying the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) and ILO Conventions 100 (equal remuneration) and 111 (non-discrimination in employment and occupation).

Domestically, the government has legislated to ensure women and men have equal ownership rights to property. Indonesia also has laws prohibiting discrimination based on gender both when opening a bank account and in employment, and protecting against sexual harassment in the workplace.

The Ministry of Finance has implemented a gender action budget since 2019. Regulation No. 62/2023 mandates gender-responsive budgeting by all ministries and government agencies. The Ministry of Finance mandates ministries and agencies to perform gender analysis and prepare a Gender Budget Statement that identifies the allocation of funds towards policies, programmes and projects that address gender inequality.

The government provides fathers with two days of paternity leave with full pay. Civil servants and members of the police force who have children are provided with a child allowance equal to 2% of the basic salary. The child allowance is provided until the child is 25 years old.



WHERE IS MORE PROGRESS NEEDED?

Indonesia has signed the CEDAW Optional Protocol, with reservations on Article 29.

Indonesia can consider ratifying ILO Convention 183 on maternity protection. Currently, women receive 12 weeks of maternity leave with 100% pay. There is an opportunity to ensure that women have 14 weeks of maternity leave with full pay, in line with ILO Convention 183 on maternity protection.

Lastly, the government can establish laws to prohibit discrimination in access to credit, ensure equal inheritance rights and provide equal remuneration for men and women for work of equal value.

BUSINESS ENVIRONMENT



Representation of women business associations	
Women's business associations are represented at the national level	
Women-led businesses participate in activities conducted by chambers of commerce	
Business start-ups	
Support services are available when establishing a company	
National institutions implement incubator/accelerator programmes	
Access to trade and customs information	
Help and information desks are available at government offices to assist companies in complying with national regulations and export/import requirements	
Information on changes in customs procedures and trade regulations are announced in a timely manner	
Public procurement	
Information on public procurement process, vendors and transactions are available	
Preferential scheme on public procurement for women-led businesses is implemented	
Reporting and monitoring unfair practices in trade	
Means exist for women and men to report complaints on wrongdoing on trade regulations or procedures	
Trade facilitation and gender-responsive framework in customs	
Single-window electronic interface is available	
Gender-sensitive guidelines by the World Customs Organization or other national monitoring framework is implemented	
Border-level customs agents and officials receive training on gender-sensitive practices	



A business ecosystem conducive to resilient growth is essential throughout the business cycle. This pillar focuses on the inclusiveness of the business ecosystem and covers the industry bodies supporting women's entrepreneurship. It also assesses the ease and cost of establishing and running a business, trading across borders, and accessing information and public procurement markets.

Indonesia has a high score in this pillar. This is due to the existence of women's business associations in Indonesia; the availability of business support services, incubators and accelerator programmes; and the establishment of help desks and grievance redress mechanisms. Indonesia has adopted gender-sensitive practices in Customs and provides training on gender issues to Customs officials. Information about changes in Customs rules and public tenders is published online. Indonesia has also fully implemented a single window electronic interface. However, opportunities for improvement exist, such as collecting gender-disaggregated data on suppliers in public procurement, raising awareness on gender-responsive public procurement and adopting a preferential scheme for women-owned businesses in public procurement

WHAT WORKS?

The Indonesian Businesswomen Association (*Ikatan Wanita Pengusaha Indonesia*, IWAPI) is a national organization representing women in business. Another women's business association in the country is the Association of Women Facilitators of Small and Micro Enterprises but it is not present at the national level.

Women-led businesses regularly participate in activities organized by the Indonesia Chamber of Commerce and Industry (*Kamar Dagang Dan Industri*, KADIN). KADIN has organized targeted workshops for women on topics such as digitalization, food and beverages, and fashion.

Business support services are available when establishing a company in Indonesia. For instance, MoCS has an [online integrated business service centre](#). It provides information on licensing and legality, and offers business services such as operations and logistics, marketing, branding and design, finance, business and expert consulting, and survey and research. MoCS also implements the Entrepreneur Hub, which is an Indonesian entrepreneurial ecosystem platform that provides entrepreneurship support such as looking for business ideas and managing and developing your business.

The Ministry of Agriculture (*Kementerian Pertanian*) implements the [Youth Entrepreneurship and Employment Support Services](#) (YESS) programme. It provides training on business and management of agricultural start-ups, and develops business opportunities for the younger generation. Between 2019 and 2024, 50% of the total of 220,000 beneficiaries of the YESS programme were women.

The Ministry of State-Owned Enterprises (*Badan Usaha Milik Negara*), the Ministry of Communications and Information Technology (*Kementerian Komunikasi dan Informatika*, Kominfo), KADIN, IWAPI, the Indonesian Creative Culinary Entrepreneurs Association (*Asosiasi Pengusaha Kuliner Indonesia*), and the Indonesian Furniture and Crafts Industry Association also provide business support services to entrepreneurs on topics such as licensing and business legalization.

Incubator and accelerator programmes are also available for start-ups, with some targeting women entrepreneurs. For instance, ANGIN Advisory is a development advisory organization. It implements [BUILD](#), which is a women entrepreneur incubation programme. Each year it provides 10 women entrepreneurs with access to financial capital, with knowledge through one-on-one tailored training with industry experts, and with regional and national market access. [SheHacks Indonesia](#) is an innovation programme for Indonesian women that aims to reduce gender gaps by leveraging technology. It implements an accelerator programme for women-led start-ups.

Kominfo is implementing the [1,000 Digital Start-ups](#) programme, which aims to mobilize the Indonesian digital start-up ecosystem. It provides step-by-step assistance to create a digital start-up, with the final stage of the programme focusing on business incubation. MoCS implements the Entrepreneur Financial Fiesta, which helps accelerate business growth by connecting selected entrepreneurs/start-ups with national and global financial institutions. In 2024, 14 entrepreneurs received IDR 22.5 billion to grow their businesses. It also implements the Entrepreneur Hub, which provides incubator services to start-ups.

The Ministry of Manpower has developed Community-based Vocational Training Centres (Community BLKs) that also act as business incubators. In 2021, 25 Community BLKs were selected to become business incubators. Finally, the Ministry of Industry has an online platform called Industrial Human Resource Training Information System, which includes a business incubator.



The Directorate General of Customs and Excise (*Direktorat Jenderal Bea dan Cukai*, DGCE) has physical and [online](#) help desks that provide information and counselling on sector exports, trade statistics, export/ import incentives, rulings on the tariff classification and origin of imported goods, authorized operators, and pre-arrival processing. It also implements export clinics to support SMEs with information regarding export-related regulations.

MoT has established the [Trade Information System](#), which provides online import/ export licensing services, information on export and import policies and regulations, and technical guidance on export or import policies for various products. MoT and KADIN also launched the [export centre pilot project](#), which is a one-stop service for business actors to obtain export information, including buyer inquiry, export consultation, business intelligence and use of the Free Trade Agreement, as well as trade promotion services through business matching. MoT also operates regional export centres in Surabaya and Makassar.

MoCS has an online help desk that provides information on trade in the ASEAN market. The Ministry cooperates with Malaysia and Singapore to provide opportunities for micro, small and medium-sized enterprises (MSMEs) to expand their markets in these countries. MoCS also provides information to SMEs on the Swiss Import Promotion Programme, which assists MSMEs to enter the European market.

Updated information about Customs changes are visible at borders, published [online](#) and notified to large business associations. Smaller businesses often have to access updated information themselves via the online portal. Changes in trade regulations are also published on the MoT [website](#).



The Policy Institution for Procurement of Government Goods and Services (*Lembaga Kebijakan dan Pengadaan Barang/Jasa Pemerintah*, LKPP) publishes information on the application and selection process for public tenders on several online platforms, such as [INAPROC](#) and the [General Procurement Plan Information System](#) (*Sistem Informasi Rencana Umum Pengadaan*).

Indonesia has fully implemented a [single window electronic interface](#). Eight trade and Customs procedures can be completed online:

1. Electronic Customs declarations
2. Electronic application for and issuance of import and export permits, electronic submission of sea/air cargo manifests
3. Electronic application for and issuance of a preferential certificate of origin
4. Electronic application for and issuance of sanitary and phytosanitary certificates
5. E-payment of Customs duties and fees
6. Electronic application for Customs refunds
7. Electronic exchange of Customs declarations / certificates of origin / sanitary and phytosanitary certificates between Indonesia and other countries
8. Import and export licences.

In 2019, the Indonesia Single Window integrated into the [ASEAN Single Window](#) in order to fast-track the exchange of trade-related documents, such as the ASEAN Customs Declaration Document, electronic Phytosanitary Certificate and electronic Animal Health Certificate.





There are mechanisms to register complaints about wrongdoing in trade regulations and procedures. DGCE receives complaints via email, Instagram, telephone and letter, as well as through its website. Complaints can also be sent to MoT and/or the Ministry of National Development Planning. They forward the complaints to the relevant ministries and organize follow-up meetings to resolve the issue.

DGCE cooperated with the World Customs Organization to use its Gender Equality Organizational Assessment Tools. In 2021, it was found that 82% of employees in DGCE were men. DGCE has since revamped its hiring practices to include more women in the office staff and as field officers. DGCE has also used an analytical tool called the Gender Analysis Pathway to conduct a gender analysis of the organization.

DGCE has previously conducted trainings for its staff on gender, equality and diversity issues. It also organized a training on sexual harassment in the workplace, in which 2,790 of the 16,239 employees trained were women.

WHERE IS MORE PROGRESS NEEDED?

LKPP has a national database on registered suppliers and transactions on public procurement but it is not gender-disaggregated. Having gender-disaggregated data on suppliers can help map women's participation in government procurement and identify women-led businesses that should be notified regarding smaller public tenders.

The [Presidential Decree No. 2/2022](#) on the National Entrepreneurship Development 2021-2024 requires local governments to allocate 40% of their procurement budget to goods and services from small businesses. The government can also consider promoting women's participation in public procurement through inclusive policy and practices, and preferential schemes. The first step is to raise awareness about gender-responsive public procurement among LKPP and other procurement entities. LKPP can consider implementing targeted measures such as quotas and targets for women-led businesses in procurement opportunities, and requiring suppliers to subcontract women-led businesses. Adopting gender-responsive public procurement can ensure that women and men can equally submit bids, win tenders and supply to the government. The ITC policy guide, [Making Public Procurement Work for Women](#), provides specific steps to reshape public procurement and improve women's participation.

The government can consider collecting gender-disaggregated data on persons reporting trade malpractices. This can help assess women's needs and track how trade policy can be improved to benefit women.

ACCESS TO SKILLS



Education and literacy	
Law mandates compulsory education	
Gender disaggregated data on adult literacy	
Skills programmes for workers and entrepreneurs	
Enrolment rate in technical and vocational programmes (female/male ratio)	
Skills training programmes for workers are conducted	
Business skills training for MSME owners are conducted	
Training to facilitate access to markets are conducted	
Targeted support and capacity building programmes for women	
National institutions provide targeted support and capacity building programmes for women	
Access to ICT and business innovation support	
Policies and programmes are in place to support women's business innovation	
Access to internet	



Improved access to education is essential to building necessary skills and reducing the inequality of opportunities between men and women. It is also vital to break the vicious cycle of poverty. This pillar focuses on measures designed to enhance women's abilities and business-related skills. One objective is to close the education gap. Another is to equip women with the capacity to compete and succeed in international markets and occupations traditionally dominated by men.

Indonesia's performance in this pillar is the highest. This is related to the availability of upskilling programmes for workers and entrepreneurs, training on trade and public procurement processes, and targeted support and incentives for women's business associations. The Indonesian government also collects gender-disaggregated statistics on internet and mobile phone usage.

WHAT WORKS?

National institutions implement several skills training programmes for workers. For instance, the Ministry of Manpower has a programme on [productivity improvement](#) for workers and companies, under which it conducts training, workshops and seminars; and provides certifications. The Ministry also has an [Electronic \(vocational\) Training Information Management System](#), where workers can register for trainings and workshops to develop their technical and vocational skills. Topics include information and communications technology (ICT), business management, garments and apparel, beauty salon, processing, tourism and automotive engineering, among others. Finally, the Ministry of Manpower implements the 'Tailormade Training' programme, which aims to fill any labour-market gaps and increase productivity through vocational training.

Kominfo provides a [Digital Talent Scholarship \(DTS\)](#), which is a competency development training programme that is provided to Indonesian digital talents to improve the skills and competitiveness, productivity and professionalism of human resources in the ICT sector. Every year 600,000 people are trained under the DTS.



The Ministry of Industry also has an online platform called the Industrial Human Resource Training Information System, which provides competency-based training for industrial workers as well as certification and placements.

The ITC SheTrades Hub housed by the Womanpreneur Community in Indonesia organizes workshops for women-led businesses. Previous events have included:

- A digital webinar on export competitiveness
- A round table on exporting home decor and women's accessories to the British market with five women-led businesses
- A webinar series called 'Power Up Your Business', on harnessing digital technologies, efficient logistics and expanding business sustainably for women-led businesses.

MoCS provides training to entrepreneurs through the [SME Campus](#). The SME Campus aims to increase the capacity and competence of SMEs so that they are able to scale up and become competitive in both domestic and global markets. Trainings include digital marketing, preparation of documents, export readiness and retail store management. Half of the beneficiaries of the SME Campus have been women.

MoCS also has an Entrepreneur Development programme that offers counselling to entrepreneurs based on sector-wise needs. It also implements the SME Epic project, which provides SMEs with mentoring on how to obtain financing, investment and potential buyers. In 2024, some 150 SMEs have the opportunity to receive this assistance.

The Ministry of Agriculture, the Ministry of State-Owned Enterprises, and the Ministry of Tourism and Creative Economy also provide trainings to entrepreneurs and SMEs on business skills and development.

Training is available to help entrepreneurs navigate trade rules and public procurement procedures. For instance, DGCE operates export clinics to provide SMEs with information regarding export-related regulations. MoT also hosts webinars to raise awareness on trade regulations and policies. In December 2023, MoT organized a webinar on Minister of Trade Regulation Number 36 of 2023 concerning import policies. The Ministry of Agriculture conducted training workshops on import/export procedures and products that can be exported under the YESS programme.

In the last five years, LKPP has conducted several capacity-building trainings on procurement for business actors. In 2024, LKPP aims to train 4,300 business actors on topics such as: procurement opportunities; rules, procedures and relevant information regarding the government procurement system; and registration on the government procurement system.

IWAPI, the Association for Women in SMEs, the Ministry of Women Empowerment and Child Protection, and the Ministry of Agriculture provide targeted training to women entrepreneurs. There is also a targeted training programme in Indonesia called Shespreneur, which aims to increase women's product knowledge up to the marketing stage. Trainings include culinary and entrepreneurship training. In January 2023, 400 women benefited from the training. MoCS, the Ministry of Tourism and Creative Economy, and MoT provide transportation allowances to businesses for trainings.

The government in Indonesia collects gender-disaggregated statistics on internet use through the [telecommunication survey](#). In 2022, 63.53% of women were using the internet, compared with 69.39% of men.



WHERE IS MORE PROGRESS NEEDED?

National institutions should consider increasing the enrolment rate of women in technical and vocational education and training (TVET) programmes. In 2023, the female enrolment rate was 53%, according to estimates from the Ministry of Manpower.

There are programmes in place to support business innovation. For instance, Kominfo implements the [Development of Creative Digital Talent](#) programme, which aims to increase the capacity of application and web developers. There is also a [Go Digital](#) project in the country, which is a digital platform that brings together MSMEs to optimize, speed up and encourage the efficiency of MSMEs through e-commerce. The Ministry of Agriculture has a [Smart Agriculture](#) programme that provides farmers with training on smart farming using agricultural equipment, in addition to basic agricultural business training. There is an opportunity here for the government to mainstream gender in these programmes to ensure that they benefit women.



ACCESS TO FINANCE



Access to financial services	
Digital financial services are available	
There is access to formal financial resources (female/male ratio)	
Financial inclusion strategies and programmes	
Financial inclusion strategy or programme is implemented	
Financial support for women-led businesses and women's business associations	
Women-led businesses receive financial support to participate in trade fairs	
Fiscal and trade finance schemes	
Financial institutions are mandated to report gender-disaggregated data	
Fiscal schemes are available to facilitate entrepreneurial opportunities	
Trade finance schemes are available in the country to facilitate trade	
Financial instruments and other financing opportunities	
Financial instruments are available to support entrepreneurial opportunities	
Venture capital financing opportunities are available to support women entrepreneurs	



This pillar focuses on women's access to formal financial services. It also covers whether governments – alone or in partnership with the private sector – have developed innovative solutions to promote financial inclusion for women. Examples include removing or modifying bank requirements for physical collateral or verifiable cash flow so that women can access finance more easily.

Indonesia has a high performance in this pillar. This is related to several factors, including the availability of digital financial services, adoption of a financial inclusion strategy and financial literacy programmes, providing financial support to women-led businesses to participate in trade fairs, and providing financial schemes targeted at women.

WHAT WORKS?

Digital financial services—including mobile banking, online banking, issuing payments, sending/receiving money internationally, and peer-to-peer lending – are available in Indonesia.

The Government of Indonesia launched the National Women's Financial Inclusion Strategy in 2021. It focuses on seven priority areas:

1. Financial education and literacy
2. Support for women's MSMEs
3. Digital financial services for women
4. Expanding access to insurance and pension funds
5. Consumer protection
6. Support and empowerment for housewives
7. Gender-disaggregated data collection.

Additionally, the Government of Indonesia has formed the Indonesian Women's Digital Financial Inclusion Coalition consisting of government institutions, financial service providers and civil society organizations. The coalition has four action agendas – increasing access to technology, skills development, improving access to digital financial services, and encouraging the collection of gender-disaggregated data. The Ministry of Women Affairs and Child Protection, the Financial Services Authority, the Central Bank of Indonesia, the Ministry of Economic Affairs and the Ministry of National Development Planning have signed a mutual agreement to promote women's digital financial inclusion in the country in line with the goals of the Coalition. The agreement aims to ensure proper monitoring, implementation and sustainability of the four action agendas.

setor tunai

Rp 100.000

ATM ini dilengkapi dengan kamera CCTV

call 14000
icare



VISA e-money
mandiri e-cash

atm setor tarik

- setor tunai
- tarik tunai
- transfer
- bayar/beli
- top up e-money

mandiri call 14000

Rp100.000
Rp50.000



There are financial literacy programmes in the country. The National Committee for Improving Financial Literacy and Inclusion has developed a work programme focused on enhancing financial literacy. The programme includes providing financial literacy training and promoting the use of digital payment instruments. The Ministry of Women Affairs and Child Protection also collaborates with the Financial Services Authority and the Central Bank of Indonesia to increase awareness to prevent women from accessing illegal online loans when seeking financial support.

Women-led businesses also receive financial support to participate in trade fairs. MoCS provides IDR 200 million per exhibition to SMEs to participate in trade fairs. In total, 20% of this financial support is allocated to women's business associations. The Ministry also organizes exhibitions in priority sectors such as craft, food and beverages, and fashion, such as the INACRAFT Trade Fair.

The Ministry of Agriculture provides young farmers with subsidized booths to participate in trade fairs. The Ministry of Tourism and Creative Economy organizes trade fairs in collaboration with business stakeholders. The business partners usually provide subsidies to participating businesses on a lump sum basis. Lastly, Maybank Malaysia has supported women-owned businesses from the Association for Women in SMEs to participate in trade fairs. The ITC SheTrades Hubs in Indonesia facilitated the participation of women-led businesses in the Ambiente trade fair for the home decor sector in Frankfurt, Germany.

There are two trade finance schemes in the country. MoT implements the Special Export Assignment along with the Indonesian Export Financing Agency to provide export financing for the completion of projects and transactions that are commercially difficult to implement but deemed necessary by the government to support national export policies. An example of the financing provided under the Special Export Assignment is the tourism village grant worth IDR 20 million that is provided to tourism villages that are winners of the tourism village network programme. The Indonesian Export Financing Agency also provides export financing for MSMEs through a variety of facilities such as:

- Five-year investment credit and refinancing facilities
- A three-year working capital credit facility
- A one-year revolving working capital credit facility
- A one-year revolving scheme for value chain financing.

Trade finance schemes can help exporters access the capital necessary to sell their products in international markets. The government can consider creating a financing window for women-led businesses, as well as ensuring that women-led businesses are aware of existing trade finance schemes in the country.

Financial instruments to support women entrepreneurs are also available in the country. For instance, the government entity *Permodalan Nasional Madani* (PNM) launched a capital loan service for women-led SMEs through the Prosperous Family Economic Development ([PNM Mekaar](#)) programme in 2015. Its services are focused on women who are members of households with a maximum per capita income index of USD 1.99 per day or IDR 800,000 per month. The financing does not require physical collateral. The Association for Women in SMEs also collaborates with donors to provide its members with solidarity funds that can be used as business capital and social safety nets. Eligible entrepreneurs must be registered as members of the Women Financial Institution.

WHERE IS MORE PROGRESS NEEDED?

MoCS implements the Entrepreneur Financial Fiesta, which offers venture capital funding opportunities in the country. The Financial Services Authority has also launched a roadmap for the Development and Strengthening of Venture Capital Firms 2024–2028. It introduces two types of venture capital companies: a venture capital company and a venture debt corporation. It is hoped that through this roadmap, the venture capital companies can become an alternative financing model for Indonesian MSMEs, helping them develop innovative and new technology. There is an opportunity for the government to mainstream gender in the roadmap so women-led companies can benefit from venture capital financing opportunities.

Lastly, the government can encourage financial institutions to report gender-disaggregated data.



automobile

Sailing

Sailing ship

WORK AND SOCIETY



Woman's opportunities in the labour market



Women are allowed to work in the same industries and perform the same tasks as men



Estimated annual earned income, US\$ PPP (female-male ratio)



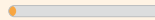
Labour force participation rate (female-male ratio)



Female share of employment in managerial positions (%)



Time spent on unpaid work



Time-use on unpaid domestic chores and care work (male-female ratio)





This pillar addresses the unconscious or conscious gender biases that prevent women from participating equally in the economy. This includes existing patterns of job segregation and the interventions set up by governments to address these biases. Indonesia has a low score in this pillar.

WHERE IS MORE PROGRESS NEEDED?

Indonesia has an opportunity to facilitate the participation of women in managerial positions. In 2022, women occupied only 31.7% of managerial positions.

Without a law on equal remuneration of women and men for work of equal value, the gender wage gap persists in Indonesia. In 2023, the female-to-male gender wage gap ratio in Indonesia was 0.697.

Time-use data is not collected in Indonesia. The government should consider undertaking this survey regularly and using gender-disaggregated data to understand the difference between how women and men allocate their time to unpaid care and domestic work.



The way forward

Indonesia aims to become the fifth largest economy in the world by 2045. However, challenges remain, including falling productivity and a mismatch in jobs and skills. Digitalization and the booming e-commerce sector offer opportunities to include women in the economy, which can help ensure sustained growth. However, to do so, it is essential to invest in the development of women as human capital. This can not only spur productivity but also ensure that women have the capabilities to take on decent jobs.

Based on the SheTrades Outlook results, Indonesia is already making progress on women's economic empowerment through access to skills and providing a conducive business environment. Particularly, the government has in place several training programmes for workers and entrepreneurs on digital skills, TVET and productivity training. National institutions also provide support services and incubator and accelerator programmes for women entrepreneurs to set up businesses. However, the results also point to areas where more progress can be made. Indonesia performs the lowest in the trade policy pillar. Women in Indonesia are heavily employed by the retail and wholesale trade sector. Ensuring gender mainstreaming in trade policy and programmes can improve women's economic outcomes and ensure that women benefit from trade.

Women's participation in business and trade can play a key role in achieving Indonesia's goals of Vision 2045. Based on the SheTrades Outlook results, the following recommendations can help women become a large contributor to Indonesia's economic growth through trade and business.

01

THE WAY FORWARD: MAINSTREAMING GENDER INTO TRADE POLICY

Indonesia has an opportunity to use trade policy as an instrument to promote gender equality and women's economic empowerment. Specifically, the government could:

- Include women's business associations and organizations in policy consultation processes
- Incorporate gender equality issues in trade agreements
- Raise awareness on the importance of carrying out gender impact assessments of trade agreements, and build government capacity to conduct such assessments
- Align the formal definition of a women-owned SME to the internationally recognized definition of a women-owned business specified in the ISO IWA 34: Women's entrepreneurship – Key definitions and general criteria
- Raise national institutions' awareness about the standard definitions of women's entrepreneurship and the importance of using the definitions in the implementation of projects, programmes and other initiatives on women's economic empowerment
- Providing training on gender issues to MoT staff.

02

THE WAY FORWARD: INCLUSIVE FRAMEWORKS

It is important to ensure that policies, schemes and practices related to business and trade benefit both women and men. To do this, the government can:

- Incorporate trade issues in the Deputy's Strategic Plan for Gender Equality 2020–2024
- Raise awareness on gender-responsive public procurement and the different options and steps to reform the public procurement system to promote greater participation of women in the procurement market.

03

THE WAY FORWARD: **MONITORING MECHANISMS**

To support the monitoring and evaluation of existing gender-responsive initiatives, the government can:

- Establish a law mandating the collection of gender-disaggregated data across all agencies and departments of the government
- Mandate financial institutions to collect gender-disaggregated data
- Regularly collect gender-disaggregated national statistics on time use
- Collect gender-disaggregated data on:
 - exporting firms
 - complainants of trade malpractices
 - vendors in public procurement
 - participants in skills training programmes.

04

THE WAY FORWARD: **TARGETED INITIATIVES**

Initiatives targeting women are crucial to ensure that they benefit from access to skills and finance initiatives. Specifically, national institutions can:

- Provide incentives to increase women's participation in TVET programmes
- Provide venture capital financing opportunities to women-led start-ups
- Raise awareness among women-led businesses on existing trade finance schemes in the country
- Establish a financing window for women-led businesses
- Mainstream gender in business innovation programmes and projects such as Development of Creative Digital Talent and Go Digital

GOOD PRACTICE: FACILITATING ACCESS TO TRADE FOR SMES

Developed through collaboration between DGCE and various stakeholders, including government agencies and academia, the Ease of Imports for Export Purposes for Small and Medium Industries (Kemudahan Impor Tujuan Ekspor Industri Kecil Menengah) initiative aims to support SMEs in Indonesia by providing fiscal incentives and streamlining import-export processes.

As part of the programme, the government provides essential infrastructure and financial incentives to support SMEs, ensuring they remain competitive alongside larger industrial entities. This support includes exemptions from import duty, value added tax, and sales tax on luxury goods. The programme facilitates the import of goods and materials for processing, assembly or installation for export purposes, or delivery to SME production facilities. DGCE facilitates eligible SMEs in accessing markets through a structured vertical unit system.

As of February 2024, the initiative has effectively involved 123 entrepreneurs and approximately 2,000 SMEs, with approximately 400 of these SMEs prepared to engage in product exporting.

Source: DGCE.

FOR FURTHER INFORMATION

More information about this policy brief and the SheTrades Outlook project can be found at: <https://outlook.shetrades.com/home>.

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Contribution to the United Nations Sustainable Development Goals:



#SheTrades

HER SUCCESS. OUR FUTURE.

The International Trade Centre's (ITC) SheTrades Initiative is a global platform that empowers women to engage in business, creating value for both them and their communities. The Initiative ensures that the right capacities and conditions are present to foster inclusive and sustainable trade.

SheTrades delivers activities and training that improve women traders' ability to do business successfully. At the same time, the Initiative works to remove inequalities that hinder women's participation in trade and foster a better trade environment for all.



SheTrades

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