



Minister of Trade of The Republic of Indonesia

Our Ref. 668 /M-DAG/SD/04/2011

Jakarta, 29 April 2011

Mr. Karel de Gucht
Member of the European Commission
BE-1049 Brussels
Belgium

Dear Commissioner,

Re: RED and Palm Oil and Several Other Issues

Thank you for your letter ref: MH/amw/Ares-454047 dated April 14, 2011.

In order to prepare for our forthcoming meeting in early May, I would like to take this opportunity to follow up your letter and also to raise a number of other concerns that I hope could be covered during your visit to Indonesia:

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B. Vision Group and observations on a possible Indonesia-EU Comprehensive Economic Partnership Agreement (CEPA)

I understand the Vision Group is close to completing a report and I do not wish to prejudge the outcome as their work is intended to be independent in nature. However, one of the important aspects of the approach of the Vision Group is to be innovative in terms of the scope and nature of a possible CEPA between Indonesia and the EU.

I have followed with interest recent Commission policy with regard to trade being considered the key to growth with strategic partnerships being negotiated on four essential pillars which you have summarized on a number of occasions: tariff elimination; broad agenda covering regulatory and non tariff issues; secure substantial gains from public procurement; and services.

These four pillars are present in the EU-Korean and EU Colombian Agreements and they appear also to be the foundation of current negotiations with Singapore and Malaysia. As the new EU policy is well set out, I would like to seek your views on how you foresee the scope and form of a possible agreement between Indonesia and the EU - to include the innovative dimension mentioned.

In this respect, I see innovation in terms of:

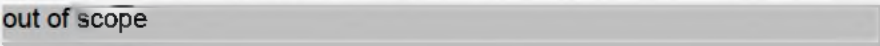


- a. The approach to be adopted. I believe we should set out a scope of chapters for a possible agreement, to include, for example, sustainability, geographical indications, mutual recognition of certification and standards, and then to consider several forms of possible agreements.

4.1(a)



- b. Set targets and time limits for capacity building. For example, an agreement could cover mutual recognition of certification and standards in selected areas within a prescribed timeframe, and capacity building is brought in to ensure that the institutions are ready within the deadlines set.

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Yours sincerely,

4.1(b)

[REDACTED]

Mari Elka Pangestu

Cc.:

1. Vice Minister of Trade of the Republic of Indonesia;
2. Director General for International Trade Cooperation, the Ministry of Trade;
3. Ambassador of the Republic of Indonesia to Belgium and the EU, Brussels;
4. Ambassador and Head of the European Union Delegation to Indonesia.

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[illegible]