

Indonesia–Australia Comprehensive Economic
Partnership Agreement IA-CEPA ECP KATALIS

Accelerating Growth in the Care Economy through Trade & Investment

November 2024

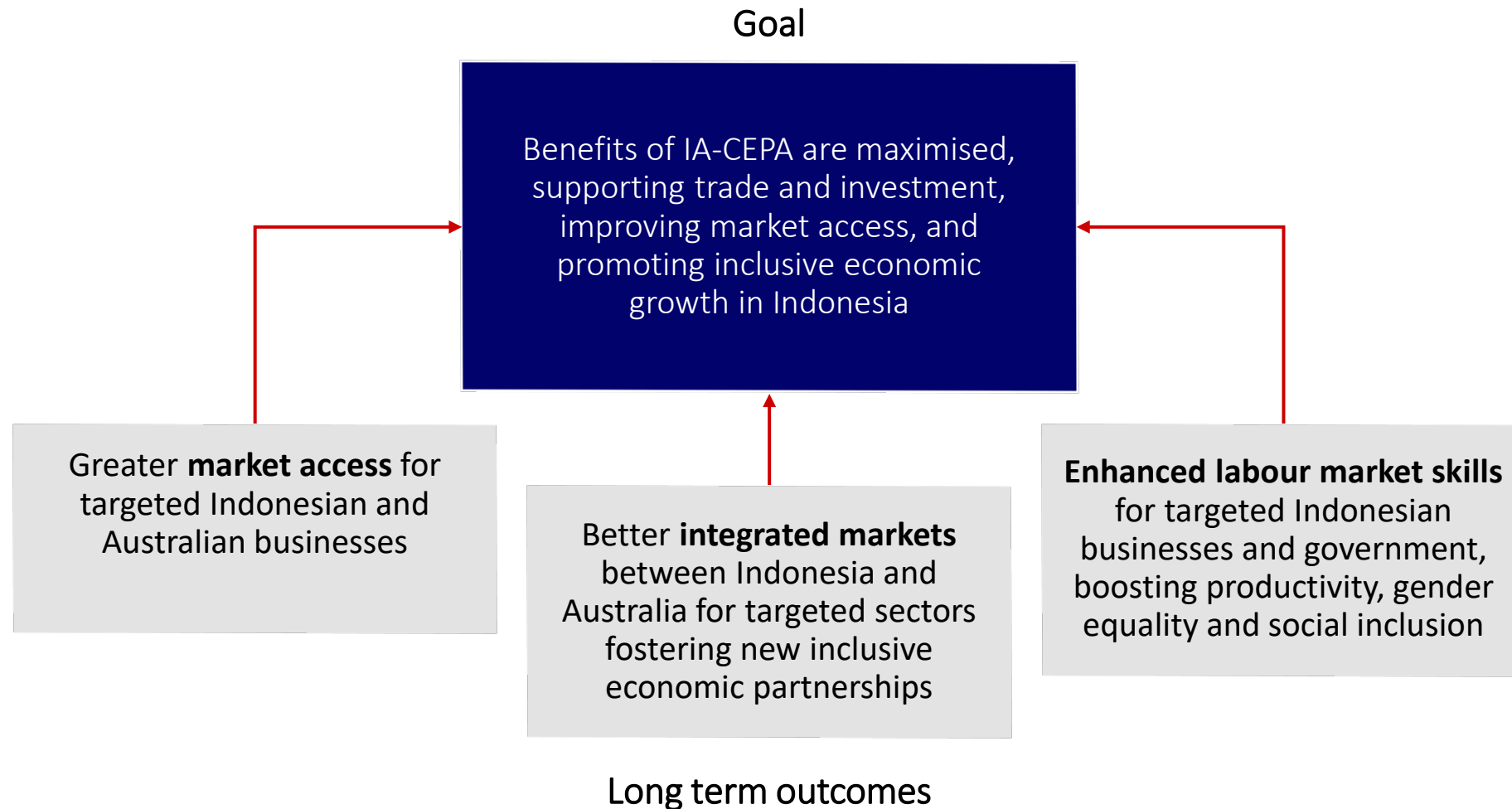


Introduction

- Katalis is an aid-for-trade program. It promotes **economic cooperation** between Indonesia and Australia and is designed to **maximise the benefits of the Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA)** and build stronger, more inclusive, economic partnerships.
- Officially launched in July 2021, Katalis has an initial Australian Government contribution of **26.8 million USD in Official Development Assistance (ODA) over five years**.
- Katalis is **commercially focused** and aims to **provide greater market access for Indonesian and Australian businesses, support better integrated markets, and develop skills** to take advantage of emerging opportunities and recover from the COVID-19 pandemic.
- As a **business-led program with activities designed to develop economic partnership** between Australia and Indonesia, Katalis works with businesses, business associations and governments to develop and expand bilateral trade and investment.
- To date, **Katalis has contributed to more than 67 million USD in trade and investment**, the majority of which has been in the health sector and will create multiple opportunities for women

The design and implementation of Katalis has resulted in significant development and commercial outcomes

Program logic focuses on access, integration and skills



Katalis & Development Outcomes

By fostering increased trade and investment, Katalis seeks to benefit **women, people with disability and rural groups** with:

- Increase economic opportunities
- Increase skills
- Increase labour force participation

Katalis also seeks to **support businesses** to:

- Increase awareness of commercial benefits of GESI
- Implement GESI initiatives (e.g., workplace policies and practices) that support more integrated and inclusive bi-lateral trade and investment.

Women in Leadership in
Indonesian-Australian
Bilateral Business

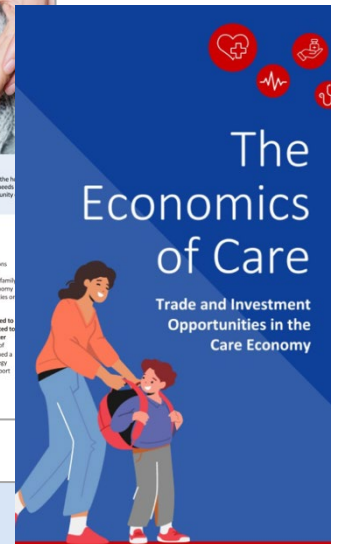
Census on Women in Executive Leadership Team in IDX200 companies



Study, public dialogue and social media campaign on bilateral trade and investment opportunities in assistive technology

Katalis Increasing Focus On The Care Economy

- Initial IA-CEPA impact analysis revealed that increasing worker mobility would have the most significant economic impact for Indonesia.
- Opening portfolio of activities reflected both the **highest potential commercial outcomes** and significant **benefits for women**.
- As the portfolio grew and included more care-related activities, Katalis began deliberately promoting trade and investment in the care economy – **drawing attention to its commercial attractiveness and lever of women's empowerment**.



The Care Economy: An under valued cornerstone of thriving economies and societies

- Unpaid care responsibilities represents one of the **main obstacles** for women to achieve full participation in the economy (including in trade).
- Women globally spend on average, **three times more hours than men** on care work.
- **Unpaid care work**, if compensated, would be equivalent to **11 trillion USD** and represent 9% of global gross domestic product (GDP).
- Growth in the care economy creates more opportunities for women-led businesses and women employees.

Benefits of investing in care economy:



Increased labor force participation (of women);
growth in women-led businesses



Economic growth



Poverty reduction



Social dividends : improved cognitive development of children, improved health and nutrition, improved quality of life

Care Economy Approach And Portfolio

Approach

- **Remove barriers and facilitate mutually beneficial trade and investments** in healthcare, aged care, and early childhood education and childcare (ECEC) and care adjacent sectors.
- **Support skills development and exchange** in caring sectors
- **Research** how provisions in the IA-CEPA and (bi-lateral) trade more broadly contributes to closing care gaps
- **Raise awareness** of the potential commercial (and development) opportunities of increased trade and investment in the care economy.

Portfolio

- Aged care
- Assistive Technology
- Care Related EdTech
- Care Related Digital Services
- Healthcare
- Nursing mutual recognition agreement (MRA)

Direct Investment in The Care Economy

Conducive trade policy: IA-CEPA opened up the Indonesian health and aged care sector to foreign investment.

Market Integration: Katalis reduced the perceived risk of the deal by financing a banking feasibility study and securing GoI and GoA tacit support for the deal.

Anticipated Gender & Development Outcomes:

- Increased skills, employment and income for **thousands of women** care workers, nurses, and doctors and support staff.
- Improved maternal and child health outcomes

Aspen Medical International is a joint venture between Australian healthcare company Aspen Medical and Indonesian construction company PT. Jasa Sarana, which is planning a **nearly 1.3 billion USD investment to build 23 hospitals and 650 community clinics in West Java alone.**



Indonesian and Australian government officials attended the groundbreaking ceremony of Aspen Medical International Hospital in Depok, West Java, June 2023

Skills Development and Exchange

Conducive trade policy: IA-CEPA provides for exchange programs and special initiatives to strengthen Indonesia's labour force

Skills: Brokered deals between Australian Registered Training Organizations (RTOs) and Technical and Further Education Providers (TAFEs) to provide care-related micro-credentials on leading EdTech platforms. Supporting pilot to deliver aged care training and qualifying work experience to graduate nurses in Indonesia (Cert. 3)

Market Access: Supporting bilateral cooperation between nursing professional bodies and disseminating research on mobility options for skilled Indonesian workers.

Anticipated Gender & Development Outcomes:

- Increased skills, employment and income for women care workers, nurses, and support staff.



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LIVING WELL
SENIORS COMMUNITIES



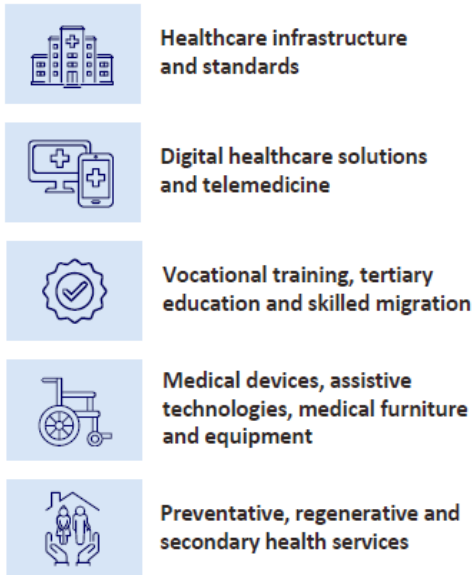
PINTAR

Australian RTOs the University of New England, Chisholm Institute and Queensland Technical and Further Education are partnering with Indonesian training platforms, **PINTAR** and **BINUS**, to offer care-related micro-credentials spanning broad topics such as infection control, healthcare customer service, improving workplace mental wellbeing and resilience, and medical administration including managing confidentiality, privacy and security in healthcare.

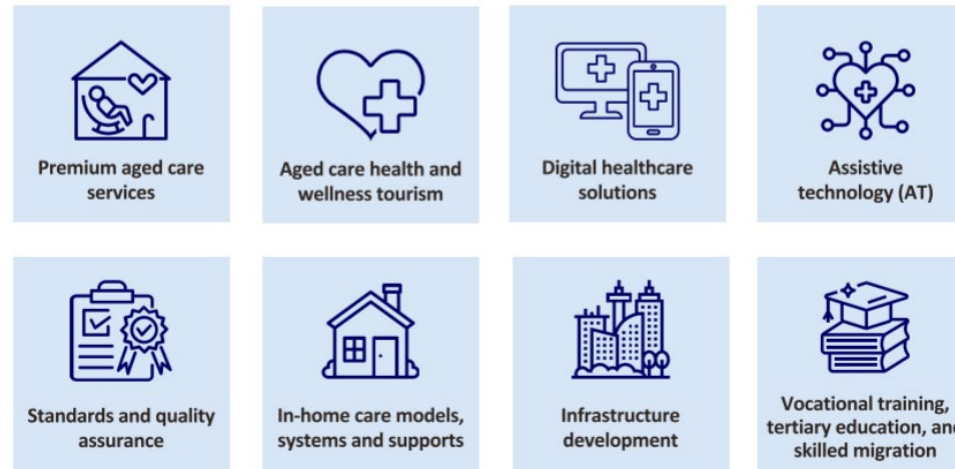
Living Well Communities is a leading developer and operator of premium seniors living in Indonesia, originally from Australia. With Katalis support, it is now partnering with an Australian RTO to deliver aged care training in Indonesia to graduate nurses, and providing the required work experience in their centres, paving a new pathway for Indonesian nurses to access aged care jobs in Australia.

Additional Trade & Investment Entry Points

Healthcare



Aged care



Enabling Environment

- Supportive trade policy (IA-CEPA)
- Favorable demographics
- Rising incomes
- Urban migration
- Shifting social norms
- Care workforce surpluses (Indonesia) and gaps (Australia)
- Complementary economies

Early Childhood Education & Childcare



Opportunities For Enhanced Economic Partnership



Accelerate growth in the care economy through trade agreements



Promote Mutual Recognition Agreements (MRAs)



Provide technical assistance, capacity building and skills exchange

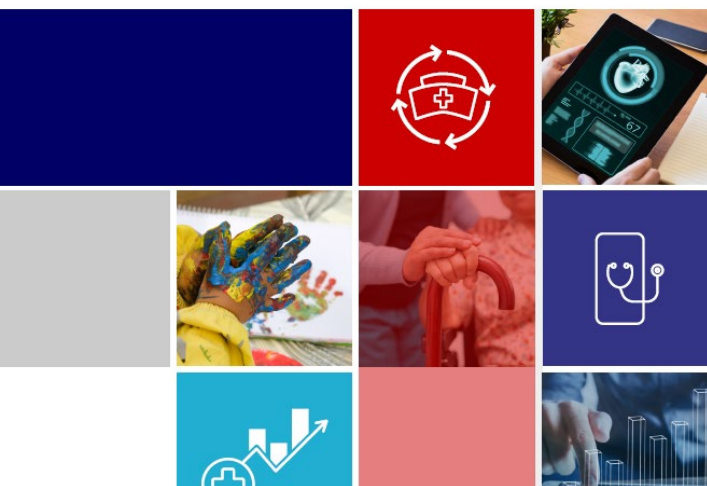


Empowering change: Cultivating a thriving care economy

Trade and Investment Policy and The Care Economy

How the Indonesia-Australia Comprehensive Economic
Partnership (IA-CEPA) is Closing the Care Gap

November 2024



Thank You!

Want to learn more? Download our Trade and Investment Policy and the Care Economy Paper [here](#).