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Att:

Committee Secretary
Joint Standing Committee on Treaties
PO Box 6021, Parliament House, Canberra ACT 2600
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Re: Indonesia-Australia Comprehensive Economic Partnership Agreement

To whom it may concern,

I first lived in Indonesia 1997 – 2000, have visited many times since. More recently, I spent 15 months in Bali, Yogyakarta and Jakarta exploring business opportunities. Investigations included:

1. How to effectively establish and run a service-based business serving Indonesian customers;
2. Impact Investment (by Australian Provide Debt and Equity based financiers); and
3. Alliances and cooperation in the Arts.

I am writing to provide some recommendations for effective development of Comprehensive Economic Partnership Agreement between Indonesia and Australia.



1. Harmonisation of business basic practices and taxation¹

I would like to see a **digital integration of the two tax codes**, and the ability for the ATO to release my information directly and immediately, in a digital form, with my permission, to the Indonesian Tax Department directly. This way, I can invoice an Indonesian company and get paid without any further involvement on my part. As a supplier, I should not have to facilitate communications between the two governments on my own behalf.

¹ My company did a piece of work for an Indonesian company in March 2019. I still haven't been paid. The Indonesian Tax Department requires:

- ✓ A Certificate of Residency
- ✓ A Certificate of Domicile of Non Resident for Indonesia Withholding Tax, which requires a Certification by a Competent Authority or Authorized Tax Office.

This required me to submit written requests by post or fax, but NOT by email, with an allowance of 28 days for the ATO to process my requests when they receive them. The request is to have information about me, which is already somewhat publically available, *confirmed* by the ATO, to the satisfaction of the Indonesian Tax Authority, so I can be paid for a job.

I submitted my requests to the ATO, after wading through the ATO website trying to figure out how the to give the Indonesian Government what they require.

The ATO received my request, on July 16th 2019, but did not deem it suitable to inform me that the documents had been received. They receive far too many requests to give everyone replies I'm told. Thing is, I didn't receive my documentation within 28 days, and had no idea if the documentation had been received. I contacted the ATO 6 weeks after my request, going through a maze of menu selections to finally speak to a person... to discover that my documentation had indeed been received, but had not been assigned a case worker. So my payment is delayed by 6 weeks, whilst the ATO tries to figure out how to get a person to stamp two pieces of paper and send it back to me.

This is the process that every new business has to go through before they can invoice a company in another territory... and given that my current application is for 12 months from January 2019, I may have to go through the same rigmarole again in 2020. This is unacceptable.



Both parties, the Indonesian and Australian governments should set a target of 5 working days or less to identify and verify two businesses. With The Indonesia-Australia Comprehensive Economic Partnership, both territories have an obligation to enable companies in each territory to quickly, easily and cheaply deliver contracts for services. Digital technologies, including Blockchain technologies exist today, which enable this to be done in an instant. Business harmonisation for service delivery is very different to commodities, both in scale and longevity, and should be regarded as such.

Further...

The Indonesia-Australia Comprehensive Economic Partnership Agreement has a moral imperative, to quickly, easily and cheaply enable and support transacting businesses between the two territories; lest corrupt influences be introduced which create inhibitive roadblocks and costs, simply to generate another revenue stream for “clipping the ticket at the gate”.

Make no mistake, Indonesia is on track to become Australia’s most important trading partner. Trade effective harmonisation of business activity and taxation regimes will allow and encourage entrepreneurs in both territories to develop markets in the respective territory, and, to favour the members of the Indonesia-Australia Comprehensive Economic Partnership for it’s dedication to develop shared prosperity.

2. Favourable Investment terms

Harmonise Capital Gains Tax between both territories. This would mean negotiating the reduction on Capital Gains Tax payable by Australian Investors into Indonesia, on the basis of same-similar provisions made by the Australian government.



3. Co-production agreements for film production projects

Art and Storytelling is the bedrock of our humanity, and critical to the cultivation of cultural understanding, humanisation, and the dissolution of stereotypes.

I would like to see more co-film production. In Australia, Sharing Story is an important part of Australia's Original Cultural makeup and should be represented in the Indonesia-Australia Comprehensive Economic Partnership.

To drive the development of Transnational Film Co-production agreements, significant cash and cash back incentives should be provided within 12 months, with support initiatives including joint film - production funding initiatives, which simply and easily harmonise financing state-sponsored funding mechanisms and permissions for film co-productions.

The Indonesian film and animation making Industry is growing, with significant opportunities for both parties to learn and grow together.

4. Produce BIGGER Music and Cultural events together

Australia and Indonesia produce some of the world's most incredible music. It is also home to 265 million potential fans and followers. Australia should commit to proactively engaging Indonesian markets to produce Large-scale Contemporary, Cross-cultural Music and Culture events, to give people in both countries the chance to fall in love with their artists. As the Indonesian middle class grows, Indonesia will be a potent market for Australian artistic and creative talent.



5. Lead Innovation Initiatives

The Australian education system, for the time being, is the best in the region. The real “edge” however, is in our ability to Innovate. Innovation drivers build the patents of today, Unicorns of tomorrow and command the big bucks for contracts. Australia should be proactively demonstrating innovation in ASEAN at every opportunity, across all sectors to maintain our competitive edge.

6. Lead ENVIRONMENTAL CLEAN UP Initiatives

The social and environmental interdependencies between our two territories is increasing., with significant economic implications. Both territories are guilty of practices, which have led to environmental degradation, the loss of oceanic and animal habitat, reductions of biodiversity, and increases in air land and water pollution. Any truly Comprehensive Economic Partnership between Indonesia and Australia must include a significant commitment to curtaining these practices and reversing these alarming trends.

Further, any trade or economic development support lend by the Australian government to Indonesia, or vice-versa, cannot be at the expense of the living environment. Our success as a species depends on it.

7. Develop Waste to Commodity Conversion Technologies

Indonesia has a MASSIVE environmental clean-up job ahead of it. Australia has some outstanding Waste to Commodity Conversion Technologies and environmental measurement and monitoring technologies, with a very small local market to develop. Austrade, DFAT and the Department of Industry, Innovation and Science could be working far more effectively with each other to implement initiatives that commoditise waste in Indonesia, and provide leadership to proactively cultivate and roll out emerging waste technologies in partnership with local businesses and industries. This shall create create two-way trade value and generate significant Social and Environmental Impacts.

For the circular economy to take hold, and Indonesia and Australia need to help each other to turn waste into products, cheaply, quickly and easily.

8. Develop first responder partnerships for significant Environmental Emergencies for the region

The region needs to develop coordinated response capacity for Natural Disasters. Specialties and emergency response technologies and training can be developed to future proof our two territories, and friends in the region.

To conclude:

I am pleased to contribute, and to continue to contribute to look forward to an authentically impactful Indonesia-Australia Comprehensive Economic Partnership Agreement.

Sincerely,

Brett Elliott

Director

First Planet Pty. Ltd

