

Chapter IX - Business Travel

Business Customs

The best time for an initial business trip is September through June, as school holidays and vacation time in the summer months can impact on the availability of many business people. Visitors should check the local holiday schedule before traveling to Indonesia. The normal business attire is a lightweight business suit or white shirt, tie and slacks for men, and a business suit or dress for women.

Indonesia is a very diverse country, with more than 300 different ethnic groups. Some Indonesians are traditional in culture, others may be considerably “Westernized.” Many Indonesians do not conduct business transactions or make decisions in the same direct fashion Americans do, so U.S. business people should be prepared to spend a good deal of time with clients before getting down to the business transaction. Traditional Javanese culture emphasizes harmony and the word “no” is rarely used. This can make it difficult for a Westerner to ascertain exactly how a business proposal is being received. Patience and the development of personal relations is the key. Because Indonesians do business with “friends,” people that they know, developing a rapport is crucial. While quality and price are important, they are secondary to the personal interaction of the business partners.

During business meetings, tea or coffee is almost always served and should be accepted. However, it should not be consumed until the host invites you to do so, which may not occur until the end of the meeting. Generally speaking, it is best to use the right hand in receiving or eating. Although hand shaking is a common practice, avoid hearty handshakes and other physical contact. Do not show the soles of your shoes when seated.

A publication that may be of use to some business executives is “The Guide for Business Representatives,” available for sale by contacting: Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, tel.: (202) 512-1800, fax (202) 512-2250. Business travelers to Indonesia seeking appointments with U.S. Embassy-Jakarta officials should contact the Commercial Section in advance. The Commercial Section can be reached by telephone at (62-21) 526-2850 or by fax at (62-21) 526-2855. More extensive contact information is available in Chapter XI.

Business Hours:

Commerce:

0800-1600 Monday to Friday*
0800-1300 Saturday

Government:

0800-1630 Monday to Friday*

Banks:

0800-1600 Monday to Friday*
0800-1300 Saturday

Shops:

0900-2200 Monday to Saturday

*Moslems are released for prayers every Friday from 1100-1200.

When making a business trip do not expect to schedule meetings for Friday afternoons or Saturdays.

Travel Advisory and Visas

Entrance and Residence Requirements: Tourists and business visitors from the United States may obtain a 60-day short visit pass upon arrival. All visitors must have at least 6 months validity left in their passports and a round-trip or onward ticket. To extend this pass a trip outside the country is usually required. Visitors to Indonesia should reserve enough funds to pay the Rp. 50,000 airport departure tax.

A 6-month to 1-year temporary residence visa may be obtained from the Embassy of the Republic of Indonesia, for either single or multiple entries (See Chapter XI for contact information). When requesting residence visas, one should allow sufficient time to meet whatever requirements may be imposed (e.g. sponsorship letters). All residents must pay a Rp. 1 million fiscal tax at the airport every time they leave the country.

Employment is not allowed without a work permit from the Ministry of Manpower. In addition, foreign and domestic investors must submit an employment plan to the Capital Investment Coordinating Board (BKPM) to obtain approval for expatriate employee work permits. Permits are issued only for positions that cannot be filled by Indonesian nationals.

Travel advisory: Although travel within Jakarta and other major Indonesian cities is generally safe, one should exercise caution to avoid becoming a target of petty thieves and pickpockets. As a result of the economic crisis and increased unemployment, the amount of petty crime is on the increase, particularly in the popular tourist areas. Demonstrations in cities across Indonesia are on the increase as well, and visitors to Indonesia should avoid these gatherings and other situations that could become violent. Please see note about taxis in the “Transportation” section below.

Up to date travel advisories may be obtained from the U.S. Embassy or Department of State, or on the U.S. Embassy home page (<http://www.usembassyjakarta.org>).

Business Infrastructure and Environment

Transportation: In Jakarta, taxis are inexpensive and widely available except during morning and evening rush hours and Saturday nights during the peak social season, when they become scarce. In Jakarta, make certain the taxi meter is turned on. In other cities it may be common for drivers to negotiate a price rather than use the meter. However, one should also exercise extreme caution while using taxis. The number of patrons reporting thefts and assaults in taxis has increased in recent months, and has prompted many expatriates to use only the most reputable taxi companies, opting to summon taxis by telephone rather than flagging them down on the street. In Jakarta, Blue Bird taxis (and the sister Silver and Golden Bird luxury taxis) are considered to be the safest and most reliable and they can be summoned by telephone (794-1234).

Business travelers may wish to hire a private car which can be arranged through their hotel prior to arrival. Rates for this exceed \$100 per day. Alternatively, arrangements can also be made with a taxi driver. Taxi and private limo drivers may not speak much English or be particularly knowledgeable about the city, and visitors are occasionally taken on roundabout routes. Allow plenty of time between meetings to accommodate Jakarta traffic jams; one half hour between locations in the central city is recommended.

Train and air services are usually used for domestic travel. Domestic flights are the most convenient way to travel to most in-country destinations, but the train from Jakarta to Bandung is perhaps an exception, as it is highly recommended. For intercity train service, book a first-class (Eksekutif) seat if available, which can be done by travel agents or at the train station one week in advance. Ferry services for people and vehicles link the major islands and many of the smaller islands.

Language: The national language of Bahasa Indonesia is spoken all over Indonesia, in addition to local languages. English is widely spoken and understood in Jakarta by most business people, although much less so in other cities. Most of the better hotels have English-speaking staff, as do the shopping centers which cater to expatriates. International telephone operators also speak English. However, the level of English can vary. Indonesian firms hoping to conduct business with foreigners generally try to employ some English speakers.

Telecommunications: Telephone services vary between areas in Jakarta. They depend largely on the local telephone exchange's capacity to handle traffic. Phone service is good along the main business thoroughfares and the newer residential areas, which are served by fibre optic trunk lines. In the older residential areas service is less reliable, extra phone lines can be costly, and obtaining them can be time consuming. International direct dial (IDD) lines are available and will allow connection to an AT&T, Sprint or MCI operator, but rates are considerably higher than calling from the United States. Cellular services are readily available but the quality of service varies.

Internet: A number of Internet Service Providers (ISPs) operate in Indonesia. The following are some of the largest and most established ISPs in Indonesia:

IBM Internet Connection
PT. Sistelindo Mitralintas
Landmark Center I, 32nd Floor
Jl. Jend. Sudirman No.1
Jakarta 12910
Tel: (62-21) 523-8128
Fax: (62-21) 522-3432
E-mail: jakarta@ibm.net
Internet: <http://www.ibm.net>

CBNnet
PT. Cyberindo Aditama
Mangala Wanabakti IV, Suite 808 A
Jl. Gatot Subroto, Senayan
Jakarta
Tel:(62-21) 574-2488
Fax:(62-21) 574-2841
E-mail: sales@cbn.net.id
Internet: <http://www.cbn.net.id>

RADNET
PT. Rahajasa Media Internet
Plaza 89, Suite 601
Jl. H.R. Rasuna Said Kav. X-7/6
Jakarta 12940
Tel: (62-21) 252-6363
Fax:(62-21) 252-4777
E-mail: service@rad.net.id
Internet: <http://www.rad.net.id>

Idola
PT. Aplikanusa Lintasarta
Menara Thamrin, 19th Floor
Jl. M.H. Thamrin Kav.3
Jakarta 10340
Tel: (62-21) 230-2345
Fax: (62-21) 315-8870
E-mail: alminpal@idola.net.id
Internet: <http://www.idola.net.id>

Express Delivery & Airlines: DHL and Federal Express operate in the major cities; incoming parcels are subject to delay at customs. Many foreign firms have established their own regular pouch service, using normal air freight services. Airlines flying into Jakarta include Garuda (the national airline), Singapore Airlines, Cathay Pacific, KLM, and a number

of other regional carriers. Connections can be made to all major airlines, including U.S. carriers, in Singapore or Hong Kong. No U.S. airlines currently fly into Jakarta, although Continental Airlines flies into Denpasar, Bali.

Housing: Housing is expensive, although currently housing costs are rapidly declining. Depending on the size and location of the residence, one can expect to pay from \$2,000-\$5,000 per month for an expatriate standard house or a luxury apartment in Jakarta. The cost of gas, electricity, and water per month is estimated to be about Rp. 50,000, Rp. 2 million, and Rp. 250,000. Rent is usually paid in U.S. dollars, and leases are typically paid two years in advance.

Health: It is recommended that short term visitors to Indonesia receive the Hepatitis A, Hepatitis B, and Typhoid vaccinations, in addition to all routine childhood immunizations before arrival. The Hepatitis vaccination series takes six months to complete. Those considering travel outside the major cities (Jakarta, Surabaya, Medan, southern Bali, etc.) should take anti-malaria medication; Mefloquine or Doxycycline are considered adequate prevention measures against malaria. Physicians in the United States should be able to answer questions pertaining to immunizations and other health concerns.

Air pollution in the larger cities causes a number of common respiratory ailments to both visitors and long-term residents.

Dehydration as a result of intestinal illnesses can be a serious, even life-threatening condition if not treated. Persons suffering from severe diarrhea should obtain oral rehydration tablets from a pharmacy. If vomiting makes it impossible to adequately rehydrate, visit a clinic immediately.

There are a few modern, well-equipped clinics and hospitals in Jakarta which are considered adequate for minor illnesses, but expatriates generally prefer to fly to Singapore or their home countries for treatment of serious illnesses and/or operations. In the event of illness or emergency, the following clinics and hospitals are among those frequented by expatriates in Jakarta:

Clinics

AEA International/SOS Medika Clinic

Jl. Puri Sakti 10

Cipete, Jakarta Selatan

Tel: 750-5980 thru 86 - Medical Center and Appointments

750-5973 - Client Services and Information

750-6001 - Emergencies and Alarm Center

Medikaloka Health Care Centre

Times Square Building

Mezzanine and 2nd Floor

Jl H.R. Rasuna Said, Block X-1, Kav. 1-2

Jakarta Selatan
Tel: 526-1118

Jakarta Medical Scheme

Setia Budi Building-II
Jl. H.R. Rasuna Said
Kuningan, Jakarta
Tel: 520-1034, 525-5367

Hospitals

R.S. Pondok Indah

Jl. Metro Duta Kav. UE
Pondok Indah
Tel: 765-7525

Notes: has 24 hour emergency room, own ambulance service and a large clinic.

R.S. Jantung Harapan Kita

(National Cardiac Center)
Jl. Letjen S. Parman Kav. 87
Tel: 568-4085, 568-4088

Notes: Hospital is dedicated to heart problems. There is an intensive care area, and a 24 hour emergency room for cardiac care. This is the place to go for suspected heart attack.

R.S. Cipto Mangunkusumo

(Central Hospital)
Jl. Diponegoro 69
Menteng
Tel: 330808/314-4757

Notes: A government hospital with a good intensive care unit. Cardiologist on duty 24 hours/day. For emergency cardiac care, go to the cardiac emergency unit, not to the regular emergency room.

R.S. MMC Kuningan

Jl H.R. Rasuna Said Kav. C-21
Kuningan
Tel: 520-3435 thru 3450

Notes: 24 hour emergency room and own ambulance service, in addition to a large clinic.

Food: Exercise reasonable care in food preparation at home and menu selection while eating out because of questionable sanitation practices. Imported meats, vegetables, and packaged foods are readily available from most stores in the Hero grocery store chain (locations throughout Jakarta), at Sogo in the Plaza Indonesia/Grand Hyatt complex, and at Kem Chicks in the Kemang district.

Drinking tap water anywhere in Indonesia is not advised. Use commercial bottled water from your hotel or purchased from a supermarket. “Aqua” is one of the more common brands used by expatriates. Avoid buying bottled water from street vendors if possible.

Short term visitors to Indonesia are well-advised to eat only in hotels and restaurants that cater to up-scale visitors. Do not eat from street stalls. Avoid raw, unpeeled fruits and uncooked vegetables, food that is prepared in advance and then left to stand, and raw or undercooked meats, seafood, and shellfish in questionable eating venues. At home, wash and soak all local fruit and vegetables in Clorox-treated, soapy water.

Holiday Schedule

The U.S. Embassy and American Consulate in Surabaya close on American and Indonesian holidays. Holiday dates for FY 1999 are listed below.

| U.S. Holiday | Indonesian Holiday | Date |
|-------------------------------|--|-----------------|
| | Independence Day | Aug. 17, 1998 |
| Labor Day | | Sept. 7, 1998 |
| Columbus Day | | Oct. 12, 1998 |
| Veterans' Day | | Nov. 11, 1998 |
| Thanksgiving | | Nov. 26, 1998 |
| | Ascension of Mohammed | Nov. 17, 1998 |
| Christmas Day | Christmas Day | Dec. 25, 1998 |
| New Year's Day | New Year's Day | Jan. 1, 1999 |
| Martin Luther King's Birthday | | Jan. 18, 1999 |
| | Idul Fitri(End of Ramadan) | Jan. 19-20,1999 |
| Washington's Birthday | | Feb. 15, 1999 |
| | Saka New Year (Nyepi) (Hindu New Year-1921) | March 18, 1999 |
| | Idul Adha 1419H (Moslem Day of Sacrifice) | March 28, 1999 |
| Good Friday | | April 2, 1999 |
| | Moslem New Year (1420H) | April 17, 1999 |
| | Waisak (Buddhist New Year) | May 30, 1999 |
| Ascension of Christ | | May 13, 1999 |
| Memorial Day | | May 31, 1999 |
| Independence Day | | July 5, 1999 |
| | Mohammed's Birthday | July 25, 1999 |
| | Independence Day | August 17, 1999 |
| Labor Day | | Sept. 6, 1999 |