

"Gotong Royong" is the shared labor of breaking our backs together, the shared sweat of toil, and the united struggle of helping one another.

Every act is for the good of all; every drop of sweat is for the happiness of all.

Ho-lopis-kuntul-baris — all for the common good! That is the essence of *gotong royong*!"

SOEKARNO

The Birth of Pancasila speech, 1 June 1945

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Patriot Bonds: A Love Letter for Indonesia's Future

Horror-blockbusters usually rule the Indonesian box office, but the recent national hit that got everybody talking is a tender punch to the gut: “Sore: Istri dari Masa Depan” – “Sore: The Wife from the Future.”

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Photo credit: Cerita Films

The film follows Jo, a gifted photographer who lets his talent rot under the weight of bad habits. Reckless with his time and health, he stumbles blindly through life.

Then comes Sore. Calm, mysterious, claiming to be his wife from the future.

Her mission? To save him.

Every time Jo slips up, the timeline resets. Sore is sent back to square one, again and again, in her relentless attempt to course correct his life. “If I had to live ten thousand lives, I would always choose you,” she tells him.

Unfortunately, Jo doesn’t change. Not until it’s too late.

For some, Sore reads as a metaphor for love, devotion, or regret.

That said, what if Sore wasn’t fiction?

The Bottom Line

**Everyone has bad habits – even countries.
And they can carry generational consequences.**

In Indonesia, STEM graduates make up just 20% of our workforce, far behind Malaysia's 43.5% and Singapore's 36.6%, and our PISA scores remain well below the global average. Yet even for those who do earn STEM degrees, specialized downstream jobs are in short supply.

Compound this with the fact that by 2045, almost 20% of Indonesians will be aged 60 or older. Our workforce will shrink, productivity will drag, and growth potential will tighten.

Unfortunately, demographics aren't our only pressing issue. Case in point: national landfills are bursting at the seams, air pollution is hitting record levels, and if our apathy continues, Indonesia's annual waste production of about 32 million tons will more than double by 2045.

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A plastics mountain in Serang / Photo credit: Valerine Chandrakesuma

So, while Jo faced a fight for his life, our cruel twist of fate could be this: growing old, and ill, before we grow rich. The clock reads about 20 years.

But that future isn't inevitable. The key is to target high-growth and high-value industries that yield the greatest multiplier effects – in economic terms but also environmental ones – while ensuring all economic actors, from corporations to consumers, thrive.

Public and Private: Two Sides of the Same Coin

To achieve these ambitious goals, our economy needs a shock to the system. Because if we just do the same things, how can we expect a different outcome?

Other countries have proven that thesis.

China's rise to become a global superpower all began with Deng Xiaoping leaving behind its centrally planned system for a socialist market economy.

Deng's reforms, which began in 1978, opened China to the world – in trade, capital, and technology – while encouraging the country's private sector.

Over a decade later, China's economy grew rapidly – in 1992, GDP growth was 14.3%.

Vietnam did the same in 1986 with its sweeping post-war reforms, Doi Moi – which means “renovation.”

The country re-legalized private businesses while forcing state-owned enterprises to be more efficient.

In less than one generation, Vietnam cut its poverty rate from over 70% to less than 6%.

Danantara Indonesia is here to be that engine of change. And yet, we can't do it alone.

National-scale projects demand diversified financing. Funds come not only from the dividends of state-owned enterprises, but also bank loans, co-investments with other investors, and many other possibilities.

Public-private partnerships are no longer novel, yet time and again they have proven their worth.

It's like Taiwan in the late 1980s. Its tycoons grumbled when the government leaned on them to back a risky chip venture.

Three decades later, those “reluctant” stakes in TSMC became generational fortunes.

History shows that when private capital rallies for public good, the whole nation moves forward.

It's time for Indonesia to replicate that strategy through its own playbook:
Indonesia Inc.

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Labuan Bajo, East Nusa Tenggara province / Photo credit:
Danantara Indonesia Investor Relations Team

Patriot Bonds: Where Impact Meets Financial Resilience

Even with strong public-private synergy, great ambitions mean we need to go the extra mile, and Indonesia must chart new, untested paths. The Patriot Bonds are just one example of the broader **Indonesia Inc.** strategy.

Through private placement, Danantara Indonesia will issue tens of trillions of rupiah in bonds to the nation's most prominent business leaders. This lets them channel their wealth into something more - not just projects from their individual companies.

The proceeds will be invested into sectors like energy transition and others, with goals to drive productivity, create jobs, and protect the environment.

This is capital that will serve as our arsenal to prosper – including long after the bonds have matured.

Just as earlier generations of our business community laid the foundations of Indonesia's industrial capacity in the 1950s and 1960s, today's industrialists have the chance to leave their own lasting mark. The risks then were real; so are the risks now.



The West Irian Liberation Monument, Central
Jakarta / Photo credit: David Ananda / Unsplash

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Even though the coupons sit below prevailing market levels, the structure reflects the bond's purpose. It's like impact-first funds: those willing to sacrifice returns if it pushes their cause forward.

But impact investors understand that once the payoff arrives, it will dwarf the sacrifice.

Change like this will not happen overnight; the projects will take much time and effort. But with the Patriot Bonds, our business leaders trade short-term gains for a lasting legacy: building our nation. Doing so creates long-term value not just for shareholders, but all stakeholders – society at large, and the country they call home.

It's reminiscent of the Indonesian spirit of *gotong royong*, the tradition of communities working together toward a shared goal.

Choosing to Act Before the Clock Runs Out

Sore's tragedy lies in Jo's refusal to change – his hesitation until it's too late. Indonesia's advantage is the opposite: we can act now, while the window is still open.

Because in real life, Indonesia cannot turn back the clock like Sore did. What we can do is reclaim it – by investing in the country's long-term growth, and the well-being of our people.

That includes addressing our problems with waste, as we have mentioned earlier. If you are interested to learn more, the section below will provide more color about this pressing issue.

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Indonesia's garbage crisis: a ticking time bomb

In 2024, Indonesia had 20.7 million tons of unmanaged garbage. If nothing changes, our waste volumes could hit a whopping 82 million tons annually by 2045.



A school of fish swimming among trash in Indonesia / Source: Naja Bertolt Jensen / Unsplash

Here's how you can imagine it. 20.7 million tons of garbage would fill 13,800 Olympic pools. In 2045, it could fill up 55,000.

Unmanaged waste isn't just ugly. It poisons people, kills wildlife, and spreads disease. It clogs drains and fuels floods. If you burn it in the open, it chokes the air.

Worse: not only does trash emit methane - a gas 80x more potent than carbon dioxide - it also makes up 20% of all human-caused methane emissions.

With our collective willingness and waste-to-energy (WTE) tech, garbage volumes - and their emissions - at landfills could shrink significantly.

Between 1990 and 2018, Germany's WTE plants reduced methane emissions by 79%. Closer to home, Vietnam's Soc Son WTE plant can process 1.4 million tons of waste annually. It already handles over 60% of capital Hanoi's daily waste.

The choice is stark. Either we turn trash into energy today, or we leave them to our kids - as mountains.



The Patriot Bonds are a rallying call to our most capable businesses; to shoulder the work of nation-building alongside the state, to pool resources for projects that will define the next century of prosperity.

Because when 2045 comes and Indonesia turns 100, we will measure our wealth not just in GDP, but in the strength and dignity of our people.

By choosing to invest into Indonesia's future, our business community declares to the world: "Even if we lived a thousand lives, we would still choose to be Indonesian."

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Did You Know?

In Leang Karampuang, a cave in the Maros-Pangkep karst of South Sulawesi, Indonesia, researchers have found the world's oldest known narrative cave art.

Dating back about 51,200 years, the painting shows three human-like figures interacting with an animal – the earliest known example of visual storytelling.

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Danantara Indonesia Diaries is a newsletter produced by Danantara Indonesia's investor relations team.

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