FOREWORD

The world has witnessed various technological advances that have revolutionised production methods, business organisation, and the way people work and live. Countries both in the North and the South are facing opportunities and challenges from a new wave of a technological revolution driven by progress in information and communication technology, complemented by new sources of energy and new types of materials. New technologies and high-tech-enabled business models have huge implications for development – both economically and socially.

Globally, the development of the digital economy has been integral to the achievement of the United Nations Sustainable Development Goals. The ASEAN Economic Community Blueprint 2025 (AEC 2025) highlights the importance of incorporating economic digitalisation in regional development. Digital integration is also important in contributing to the success of the AEC 2025 Consolidated Strategic Action Plan. Broadly speaking, digital transformation will help the region achieve the five objectives defined in the ASEAN Socio-Cultural Community Blueprint 2025: (i) human development, (ii) social welfare and protection, (iii) social justice and rights, (iv) ensuring environmental sustainability, and (v) building ASEAN identity.

Countries in the Association of Southeast Asian Nations (ASEAN) and East Asia have made remarkable progress in economic development. Whether the region can continue its rapid growth will to a great extent depend on how well it manages the digital transformation. An in-depth understanding of regional and national advantages and disadvantages, when faced with challenges from digitalisation, will help smooth the digital transformation and unleash Asia's development potential in the digital era. In this context, the Economic Research Institute for ASEAN and East Asia (ERIA) has undertaken a series of policy-oriented research projects on the digital economy.

The current volume, *Accelerating Digital Transformation in Indonesia* – prepared by Lurong Chen, Kalamullah Ramli, Fithra Faisal Hastiadi, and Muhammad Suryanegara – provides policy recommendations, from a country perspective, on how to accelerate the pace of digital transformation with a balance between efficiency and inclusiveness, and in the long term, how to synchronise the interaction amongst digitalisation, competition, innovation, and human development in Asian development.

Hidetoshi Nishimura
President
Economic Research Institute for ASEAN and East Asia (ERIA)

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