



NANMEI KENBUNROKU

南 溟 見 聞 録

Vol.

002

No.2

Connecting Japan and Indonesia through
resources, logistics & construction.

PUBLISHED MONTHLY / PDF EDITION

Greetings

Dear Friends & Partners

I hope this message finds you well. I am Yoichi Harimaya, CEO of PT. Japan Bridge Asia. This monthly newsletter is sent to valued partners, colleagues, and individuals with whom I have had the pleasure of exchanging business cards or collaborating professionally.

We act as a bridge for business between Japan and Indonesia, centered on resources, logistics and construction. "Nanmei" — the Southern Sea toward which the great Peng bird flies in Zhuangzi's fable. Looking out from Japan to the islands of the south, I began this journal to deliver living, on-the-ground intelligence and the larger currents that run beneath it.

In our previous issue, I briefly touched upon the concept of the "Demographic Dividend." While this phrase is frequently cited when discussing Indonesia's vast economic potential, surprisingly few people have examined the actual numbers behind it. In this issue, we dive deeper into what this **demographic advantage** really means for the nation's future.

— Yoichi Harimaya
CEO, JAPAN BRIDGE ASIA

CONTENTS

TABLE OF CONTENTS

- 01 What Exactly Is Indonesia's Demographic Dividend?
- 02 A Closer Look at the Age and Gender Breakdown
- 03 Indonesia vs. Japan: Present Realities and Future Trajectories
- 04 Driven by Youth: The Unstoppable Momentum of Indonesia

IN THIS ISSUE

Reading Indonesia's youth as an asset, through the lens of its demographic dividend.

No. 1

CHAPTER 01

What Exactly Is Indonesia's Demographic Dividend?

A demographic dividend occurs when the working-age population significantly outnumbers dependent populations.

Specifically, it refers to a window of time when the proportion of working-age individuals (ages 15–64) expands rapidly relative to children and the elderly. Because the workforce is large and the dependency burden is light, capital savings, investments, and consumer spending naturally surge. Both Japan's post-war economic miracle and China's meteoric rise took place during their respective demographic bonus periods.

Indonesia is currently in the sweet spot of this phase. As of 2025, its total population stands at approximately 284 million (ranking 4th worldwide). Of this total, the working-age population accounts for 196 million, or 69%. The dependency ratio — the number of children and elderly supported per 100 workers — is just 45. In short, every two workers only need to support one dependent, creating an exceptionally light and agile economic structure.

284 M TOTAL POPULATION (4TH WORLDWIDE)	69 % WORKING-AGE SHARE (15–64)	45 DEPENDENCY RATIO (PER 100 WORKERS)
--	-----------------------------------	---

However, this window of opportunity will not stay open forever. Projections by Statistics Indonesia (BPS) indicate that the demographic dividend will peak in the mid-2030s and gradually close through the 2040s. This limited timeline is precisely why the national target of becoming a high-income nation by "Golden Indonesia 2045" (marking the centennial of independence) is being pursued with such urgency and passion.

Every two workers support just one dependent —
an exceptionally light and agile structure.

No. II

CHAPTER 02

A Closer Look at the Age and Gender Breakdown

Looking at the raw data provides a clear, 3-dimensional picture of the country's youthfulness (based on 2025 BPS estimates).

GENDER	143.55 million men (50.5%) and 140.89 million women (49.5%). The gender ratio is remarkably balanced at roughly 101 men for every 100 women.
AGE GROUPS	Ages 0–14: 66.72 million (23.5%). Ages 15–64: 196.13 million (69.0%). Ages 65+: 21.58 million (just 7.6%).
MEDIAN AGE	31 years old. The midpoint of the entire nation sits right in the prime of their working years.

The population pyramid displays a wide, healthy expansion toward the younger demographics. Approximately 4.4 million babies are born each year (ranking 6th globally), with a total fertility rate of 2.1 — holding steady at the population replacement level. Gen Z and Millennials alone make up nearly half of the entire population. Indonesia today is a country where digital natives form the majority.

A country where digital natives form the majority.

Indonesia vs. Japan: Present Realities and Future Trajectories

Placing Indonesia side-by-side with Japan reveals a striking contrast:

2025 EST.	INDONESIA	JAPAN
Total Population	~284 Million	~124 Million
Median Age	~31 Years Old	~50 Years Old
Aged 65+ Share	7.6%	29.4% (World's Highest)
Working-Age Share (15–64)	69.0%	~60%
Population Trajectory	Expanding (to 2050s)	Contracting (Declining)

The difference in median age — 31 versus 50 — represents a gap of roughly a full generation. Japan's aging rate of 29.4% is the highest in the world, entering a stage where two working adults support one elderly citizen. By 2070, Japan's aging rate is projected to reach 39%, leaving just 1.3 workers per senior.

Conversely, Indonesia's population will continue growing into the 2050s, expected to peak at over 320 million. Yet, Indonesia will eventually face a similar shift. Fertility rates are gradually declining, and the risk of "getting old before getting rich" — failing to reach advanced-economy status before the dividend closes — is the scenario the nation fears most. In this context, Japan's experiences — both its historic success stories and its challenges in preparing for hyper-aging — offer an invaluable roadmap for Indonesia.

No. IV

CHAPTER 04

Driven by Youth: The Unstoppable Momentum of Indonesia

Behind these statistics lies the vibrant energy on the ground.

On weekday mornings, Jakarta's cafes are packed with professionals in their 20s and 30s conducting business deals, while evening food stalls bustle with young workers unwinding after work. Businesses are launched right from smartphones, with ride-hailing, digital payments, and bank transfers executed seamlessly through mobile apps. In a nation with a median age of 31, youth is the social default. Adoption of new technologies is rapid, consumer appetite is strong, and there is a fearless entrepreneurial mindset across society.

When you pair the core foundation discussed in our last issue — AI, energy, and natural resources — with this powerful engine of 196 million young workers, you see the true structural potential of Indonesia. However, a demographic dividend does not automatically translate into economic prosperity. It only becomes a true dividend when backed by solid systems — quality education, job creation, and strategic capital investment. This is precisely where Japanese technology, expertise, and investment can play a transformative role.

A Shrinking Japan, an Expanding Indonesia —
a timely opportunity to leverage each other's strengths.

Japan offers advanced technology, strategic capital, and insights gained from navigating an aging society. Indonesia offers dynamic market growth, rich resources, and, above all, a youthful workforce. **At PT. Japan Bridge Asia, our mission is to serve as the bridge connecting these two worlds.**

A shrinking Japan and an expanding Indonesia. Rather than viewing this dynamic through a lens of pessimism versus optimism, we should recognize it as a timely opportunity to leverage each other's strengths.

Japan offers advanced technology, strategic capital, and insights gained from navigating an aging society. Indonesia offers dynamic market growth, rich resources, and, above all, a youthful workforce. At PT. Japan Bridge Asia, our mission is to serve as the bridge connecting these two worlds.

We look forward to sharing more insights from the Southern Seas in our next edition.



Yoichi Harimaya YOICHI HARIMAYA

CEO & REPRESENTATIVE, PT. JAPAN BRIDGE ASIA

Based locally in Indonesia, Yoichi drives long-term operations centered on energy resources, logistics, and construction. He also provides M&A advisory services and market entry support for Japanese enterprises. Deeply rooted in the local business landscape, he leverages real-time industry insights and strong networks to build lasting bridges between Japan and Indonesia.

PT. JAPAN BRIDGE ASIA

Connecting Japan and Indonesia through resources, logistics & construction.



WEB japanbridge.asia

MAIL info@japanbridge.asia

HEAD Wisma Keiai Lt.2, Jl. Jend. Sudirman No.Kav. 3,
Jakarta Pusat, DKI Jakarta 10250, Indonesia