



#### YOUR GUIDE TO INDONESIA'S MOST IMPORTANT NEWS OF THE DAY

## Thursday, Aug. 13<sup>th</sup>, 2020

#### **GENERAL NEWS AND HEADLINES**

## COVID-19 mass vaccination to involve military, police

Tempo (<a href="https://tinyurl.com/y5zmob6q">https://tinyurl.com/y5zmob6q</a>); Republika (<a href="https://tinyurl.com/y2bgua47">https://tinyurl.com/y2bgua47</a>); Kompas (<a href="https://tinyurl.com/yxa3oroo">https://tinyurl.com/yxa3oroo</a>)

State-Owned Enterprises (SOEs) Minister, and executive chairperson for the national economic recovery and COVID-19 response team, Erick Thohir has said that the government will involve the Indonesian Military (TNI) and National Police in conducting mass COVID-19 vaccinations.

Both the military and the police will be tasked with strengthening public discipline in the implementation of health protocols. However, because both institutions also have medical personnel, they will assist the Health Ministry, the Education and Culture Ministry as well as the Indonesian Red Cross (PMI) in carrying out the vaccinations.

Phase III human clinical trials of the potential COVID-19 vaccine are currently being carried out. If successful, it will be the last phase before the vaccine can be mass produced.

# Job creation omnibus bill deliberations continue despite opposition

Kompas (<a href="https://tinyurl.com/yxormwdq">https://tinyurl.com/yxormwdq</a>)

Indonesian Legal Aid Institute (YLBHI) chairwoman Asfinawati has described the current House of Representatives' performance as the worst since the Reform Era.

Asfinawati explained that when the House discussed the job creation omnibus bill during the recess period, which should have been used by lawmakers to conduct working visits to electoral districts to learn the aspirations of the people, it violated the House's regulations.

The YLBHI, along with other civil society organizations, will continue to voice their opposition to the omnibus bill by holding a protest in front of the House complex in Senayan on Friday.

# Home minister urges residents to tone down Independence Day celebrations

CNN Indonesia (<a href="https://tinyurl.com/y3gr3nfp">https://tinyurl.com/y3gr3nfp</a>)

Home Minister Tito Karnavian has asked local administrations and communities not to hold certain competitions in celebration of the upcoming 75<sup>th</sup> Indonesian Independence Day. Tito said that certain competitions, such as *panjat pinang* (pole climbing) and cracker eating, may risk COVID-19 transmission.

However, if the public insists on holding the competitions, Tito said, they must implement and strictly comply with health protocols.

Several regions have already appealed for no celebrations on August 17. For example, the Depok administration in West Java has already asked its residents not to hold any competitions to celebrate the occasion, as they could lead to crowds gathering.

#### **BUSINESS AND ECONOMICS NEWS AND HEADLINES**

### Mall visitor numbers remain low

CNBC Indonesia (<a href="https://tinyurl.com/yyvbrbvw">https://tinyurl.com/yyvbrbvw</a>)

The number of visitors to shopping centers in Jakarta has remained low since they reopened on June 15. The government allows a maximum 50 percent of the normal capacity for visitors entering malls, but the traffic is only reaching 30 to 40 percent at some shopping centers at weekends, according to Indonesian Shopping Center Association (APPBI) Jakarta branch chairman Ellen Hidayat. Ellen said the number of visitors remained low because not all tenants have reopened as some of them fall under the restricted categories, such as gyms, karaoke halls and children's play centers.

## **Coal prices and production fall**

CNBC Indonesia (<a href="https://tinyurl.com/y2dg3ytg">https://tinyurl.com/y2dg3ytg</a>)

Indonesia's reference coal price (HBA) has experienced a steep drop since April, with the latest price being US\$50.34 per ton, a decrease from July's \$52.16. Furthermore, Energy and Mineral Resources Ministry Mineral and Coal Directorate General data show that coal production fell from 46.36 million tons in June to 41.11 million tons in July. Energy ministry spokesperson Agung Pribadi said the downward trend in the coal price was caused by low demand because of the COVID-19 pandemic, while global supply remains high. The Indonesian Coal Mining Association (APBI) previously advised producers to reduce production by 15 to 20 percent. However, APBI executive director Hendra Sinadia said he could not confirm if the fall in coal production was caused by its recommendation, adding that each company had its own policy in responding to low demand.

## PLN electricity supply improves in Kalimantan

Kontan (<a href="https://tinyurl.com/y37t6jit">https://tinyurl.com/y37t6jit</a>); Bisnis Indonesia (<a href="https://tinyurl.com/y565qkf3">https://tinyurl.com/y565qkf3</a>)

State-owned electricity company PLN has improved its electricity supply to provide better services in Kalimantan. PLN now has an electricity system with more than 400-megawatt (MW) capacity that connects three provinces, East Kalimantan, South Kalimantan and Central Kalimantan. Five local companies in Central Kalimantan are reported to have converted from using captive power to the PLN system, namely PT Lamong Energy, PT Tapian Ngadengan, PT Kalimantan Kayu Industri, PT Kumai Usaha Marina and Sultan Immanudin regional hospital (RSUD). In addition, PLN continues to develop the Tanjung Batu combined cycle power plant (PLTGU Tanjung Batu) in East Kalimantan by increasing its capacity. The power plant currently has a total capacity of 220 MW and is developing 2x50 MW in additional capacity. Ghani said the power plant was ready to supply electricity to the new capital city.

# Upper middle-income bracket halts spending, hoards cash

Bisnis Indonesia (<a href="https://tinyurl.com/y2thrt8x">https://tinyurl.com/y2thrt8x</a>)

The upper middle-income sector of the population is holding back spending, putting pressure on the domestic economy as consumer demand stultifies. Coordinating Economic Minister Airlangga Hartarto said that those holding deposits of more than Rp 200 million continue to increase their savings instead of spending. The government is also reviewing its stimulus policy by boosting public spending, Airlangga added. Statistics Indonesia (BPS) has reported that consumer

spending contracted by 5.51 percent year-on-year (yoy) in the second quarter of this year. State-owned PT Bank Mandiri chief commissioner Chatib Basri said upper middle-income consumers were holding back on spending and investing to prepare for rainy days because of the COVID-19 pandemic, while the lower-middle income bracket does not have enough cash either to spend or save.

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