



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

Tuesday, Aug. 4th, 2020

GENERAL NEWS AND HEADLINES

Eight new regional police chiefs appointed

Merdeka (https://tinyurl.com/y27ranpz); CNN Indonesia(https://tinyurl.com/y27ranpz); CNN Indonesia(https://tinyurl.com/y5st4rxj)

National Police chief Gen. Idham Azis appointed today eight high-ranking officers as regional police chiefs through the issuance of a police telegram signed on Monday.

The newly appointed officials are Insp. Gen. Herry Rudolf as the East Kalimantan Police chief, Insp. Gen Bambang Kristiono as the North Kalimantan Police chief, Insp. Gen. Z Panca Putra as the North Sulawesi Police chief, Brig. Gen. Yan Sultra Indrajaya as the North Sulawesi Police chief, Insp. Gen Merdisyam as the South Sulawesi Police chief, Brig. Gen. Abdul Rahman Baso as the Central Sulawesi Police chief, Insp. Gen. Lotharia Latif as the East Nusa Tenggara (NTT) Police chief and Brig. Gen. Akhmad Widyagus as the Gorontalo Police chief.

Besides appointing eight new regional police chiefs, Idham also transferred the National Police's Criminal Investigation Unit (Bareskrim) officer AKBP Napitupulu Yogi Yusuf to a new post at the National Police's Assessment and Logistics Bureau. Napitupulu is the husband of state prosecutor Pinangki Sirna Malasari, who was allegedly involved in graft fugitive Djoko Tjandra's escape.

National Police spokesperson Sr. Comr. Argo Yuwono said Napitupulu's transfer had nothing to do with his wife's involvement in Djoko's case. "It is just a regular transfer," Argo told *CNNIndonesia.com*.

Gerindra in talks about Bobby's running mate in Medan mayoral race

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Tempo (https://tinyurl.com/y4ewrxhz)

Gerindra Party deputy chairman Sufmi Dasco Ahmad said his party and other political parties were still discussing possible candidates to run alongside Bobby Nasution, son-in-law of President Joko "Jokowi" Widodo, in this year's Medan mayoral race.

As for Gerindra, Dasco said his party was particularly coordinating with the Indonesian Democratic Party of Struggle (PDI-P), among several other political parties.

Dasco did not respond when asked about the possibility of a Gerindra member running alongside Bobby, saying that they would wait and see further development of the Medan mayoral race.

Many Indonesians fed up with political dynasties: 'Kompas' survey

The Jakarta Post (https://tinyurl.com/y6p6eodo)

Many Indonesians are fed up with Indonesia's thriving political dynasties, a recent survey by the Research and Development Department of *Kompas* daily has revealed. Nearly 61 percent of the total 553 polled respondents said they did not like the idea of family members of political leaders running for regional head posts.

The survey, conducted via phone interviews from July 27 to 29, further revealed that 58 percent of the participants wanted a regulation to limit or altogether bar family members of public officials from running in regional elections. Around 35.8 percent of them did not agree with such regulation, while 6.2 percent chose to abstain.

Attempts to limit the growth of political dynasties have occurred in the past. In 2015, for instance, the House of Representatives passed the Regional Elections Law, which barred family members of an incumbent from running for a regional head post. However, the law was later overturned by the Constitutional Court, which argued that equal opportunity needed to be preserved for all.

BUSINESS AND ECONOMICS NEWS AND HEADLINES

Economists predict 6.09 percent contraction in Q2 as purchasing power shrinks

Bisnis Indonesia, (https://tinyurl.com/y6f87xtf); Detik, (https://tinyurl.com/y6f87xtf)

State-owned lender Bank Mandiri's chief economist estimates that Indonesia's gross domestic product (GDP) contracted by 6.09 percent year-on-year (yoy) in the second quarter, largely due to a 4.63 percent yoy contraction in household spending. Meanwhile, government spending would shrink by 0.53 percent yoy, marking a reversal from 3.74 percent yoy growth in same period last year. Publicly listed Bank BCA economist David Sumual is also concerned about households' weak purchasing power, emphasizing deflation of 0.1 percent in July and low accumulative inflation from January to July at 0.98 percent. Private lender Bank Permata's economist Josua Pardede predicts household spending in the second quarter to shrink by 4.79 percent yoy. The economic contraction may continue in the third quarter, unless the government is able to control spread of COVID-19 and implement the national economic recovery (PEN) program effectively.

OJK: Bank loan growth only 1.49 percent in June

Kontan, (<u>https://tinyurl.com/y5yzn73n</u>); CNBC Indonesia, (<u>https://tinyurl.com/y3wbcmze</u>); Tirto, (<u>https://tinyurl.com/y4xp846y</u>)

The Financial Services Authority (OJK) recorded a slowdown in the country's bank loans growth in June to 1.49 percent year-on-year (yoy) from 3.04 percent yoy in May. OJK chairman Wimboh Santoso said the slowdown was due to a 2.27 percent yoy contraction in bank loan growth for banks under the BUKU III category, or banks with core capital between Rp 5 trillion (US\$344 million) and Rp 30 trillion. Meanwhile, the nonperforming loan (NPL) ratio increased slightly from 3.01 percent in May to 3.11 percent in June. Nevertheless, the OJK is optimistic about bank loan growth in July. As of July 23, bank loans had increased by 2.26 percent yoy, Wimboh said.

Govt collaborates with IEA to encourage renewable energy investment

CNN Indonesia, (https://tinyurl.com/y3hem6jv); Antara News, (https://tinyurl.com/y3hem6jv)

The government has strengthened the cooperation with the Paris-based International Energy Agency (IEA) by producing a report on global energy analysis as a step to boost the development of renewable energy in the country. Energy and Mineral Resources Ministry spokesperson Agung Pribadi said the report showed the IEA's commitment to support Indonesia in reinvigorating its energy sector. State-owned electricity company PLN and various institutions participated in producing the report, Agung added. The report includes investment trends and funding in the energy sector, an estimation of required capital expenditure, demand projection under a sustainable scenario and a summary of Indonesia's macroeconomic performance. The report has been distributed to the French Chamber of Commerce. Moreover, the IEA has assisted the energy ministry in coordinating a meeting with French businesses in September 2020 promoting investment in Indonesia's renewable energy sector.

Passenger number at Soekarno-Hatta airport more than doubles in July

Kontan, (https://tinyurl.com/y4fv93wz)

The number of passengers at Soekarno-Hatta International Airport in Tangerang, Banten, increased by 125 percent month-to-month (mtm) to 897,559 passengers in July, state-owned airport operator PT Angkasa Pura II's operational director Muhamad Wasid said. Meanwhile, the number of passengers at all airports under Angkasa Pura II's management – 19 in total – rose by, on average, 143 percent mtm to 1.52 million passengers. The number of aircraft movements grew by 65 percent mtm, specifically from 12,020 to 21,431. Despite the improvement in July, the figures are still below prepandemic level. At Soekarno-Hatta International Airport, for instance, the average number of passengers per day was 150,000 – or 4.5 million passengers per month.

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