

Friday, Jul. 10th, 2020

GENERAL NEWS AND HEADLINES

Jokowi issues regulation on preemployment card

Kompas, (<https://tinyurl.com/y8qhmew9>)

President Joko "Jokowi" Widodo issued Presidential Regulation No. 76/2020 on the pre-employment card Tuesday. The regulation stipulates, among other things, that the appointment of digital platforms and agencies providing training courses in the pre-employment card program can be carried out without tenders.

According to the regulation, the selection and appointment of digital platforms and training agencies in the program were different from the procurement of goods and services. The latter is regulated under Presidential Regulation No. 16/2018, which stipulates that the procurement of goods and services by the government must follow a transparent and accountable mechanism.

Previously, antigraft watchdog Indonesia Corruption Watch (ICW) reported several indications of possible maladministration in the government's preemployment card program that could possibly incur state losses, prompt the practices of monopoly and cause conflicts of interest.

House urged govt to limit cost of rapid test kits

CNN Indonesia, (<https://tinyurl.com/yd3pxuoy>)

Member of House of Representatives Commission IX overseeing health care and manpower, Kurniasih Mufidayati, has urged the government to limit the cost of COVID-19 rapid test kits sold in the market. Limiting the cost is deemed important to prevent irresponsible actors from taking advantage of the pandemic to make profit.

"There should be a regulation [limiting the cost of rapid test kits] so that they do not become an unchecked business commodity. At least a maximum and minimum price must be set," said Kurniasih.

Kurniasih, who comes from the Prosperous Justice Party (PKS), appreciated the Health Ministry's decision to limit the cost of rapid tests at Rp 150,000 per test. Regardless, she argued that the exorbitant cost of rapid tests was affected not only by the testing cost set by health facilities but also by the price of test kits circulating in the market.

"The government must control the procurement of medical kits at both the upstream and downstream levels," said Kurniasih.

Police stop investigating alleged university graft

The Jakarta Post, (<https://tinyurl.com/ycl3phb7>)

The Jakarta Police have stopped an investigation into alleged bribery involving a Jakarta State University (UNJ) staff member, claiming no laws had been violated.

"After questioning [44] witnesses and two expert witnesses, we didn't find any violations," Jakarta Police spokesperson Sr. Comr. Yusri Yunus said on Thursday as quoted by *kompas.com*.

The police also reconstructed the case at the Education and Culture Ministry, where the alleged graft took place, and found no indication that illicit funds had changed hands.

"Therefore, the investigators decided to stop the investigation [into the UNJ case]," he said.

He added that the police would hand over the case to the ministry.

BUSINESS AND ECONOMICS NEWS AND HEADLINES

Jokowi authorizes LPS to directly inject cash to banks

Kontan, (<https://tinyurl.com/yakpshq2>) ; *CNN Indonesia*, (<https://tinyurl.com/ydxxbseu>)

President Joko "Jokowi" Widodo has issued Government Regulation (PP) No. 33/2020, which authorizes the Deposit Insurance Corporation (LPS) to directly inject cash to banks during the COVID-19 pandemic. The new regulation has been

in effect since July 8 and is a part of the National Economic Recovery program (PEN). According to the new regulation, the LPS can utilize 30 percent of its total assets to help troubled banks, with a maximum ceiling of 2.5 percent for each bank. The LPS needs to coordinate with the Financial Services Authority (OJK) regarding the designated bank's status before making a cash injection. After that, the OJK will conduct an assessment, and notify both the LPS and Bank Indonesia if the bank's shareholders cannot solve the bank's liquidity problem.

Bank Banten to receive Rp 1.5 trillion capital injection

Bisnis Indonesia, (<https://tinyurl.com/y8qg6tml>)

The Banten provincial government is still mulling a capital injection plan worth Rp 1.5 trillion (US\$103.7 billion) for ailing regional lender Bank Pembangunan Daerah Banten (Bank Banten). Banten Financial and Asset Management Board (BPKAD) head Rina Dewiyanti said the source of the capital injection was the provincial government's deposit in the bank. To convert its deposit into a capital injection, the Banten administration needs to revise its 2020 budget. Previously, Bank Banten planned to hold a rights issue twice, in June 2020 aiming for Rp 500 billion in fresh funds and by the end of this year with a target of Rp 700 billion. However, the planned rights issue has been postponed due to the COVID-19 pandemic.

PLN runs electric bus trial

CNN Indonesia, (<https://tinyurl.com/y9br2gm9>)

PLN Disjaya, the Greater Jakarta branch of state-owned electricity company PLN, is running a trial for two electric buses manufactured by PT Mobil Anak Bangsa (MAB), which is owned by Presidential Chief of Staff Moeldoko. MAB has handed over two 12-meter-long electric bus prototypes with a 250-kilowatt-hour battery capacity. "The trial began on July 1," MAB business development manager Prabowo Kartoleksono said. During the trial period, the buses will be used for PLN Disjaya's operational needs in Jakarta. Moreover, both parties will examine the impact of overnight battery charging.

GAPKI records 12.73 million tons of palm oil exports from January to May

Kontan, (<https://tinyurl.com/ycaa7aql>)

The Indonesian Palm Oil Producers Association (GAPKI) recorded 12.73 million tons of palm oil exports from January to May this year. The palm oil export volume

declined by 13.7 percent year-on-year (yoy). Nevertheless, the accumulative export value increased from US\$7.99 million to \$8.43 million. GAPKI executive director Mukti Sardjono said palm oil exports to China in May dropped 21 percent yoy. Likewise, palm oil exports to the European Union and Pakistan last month fell 16.6 percent and 23.4 percent, respectively.

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