

Wednesday, Jul. 22th, 2020

GENERAL NEWS AND HEADLINES

Minister Tjahjo proposes dissolution of 18 more government agencies

Kompas (<https://tinyurl.com/y35e72ju>); *The Jakarta Post* (<https://tinyurl.com/y2mdd8ac>)

Administrative and Bureaucratic Reform Minister Tjahjo Kumolo has revealed that he has presented President Joko “Jokowi” Widodo with a list of 18 more government agencies that could be disbanded.

“The Administrative and Bureaucratic Reform Ministry has proposed, through the State Secretariat and the Cabinet Secretariat, a list of 18 government agencies to the President,” Tjahjo told *Kompas* earlier today.

“We are currently waiting for the State Secretariat’s review,” Tjahjo added.

President Jokowi disbanded 18 government agencies through the issuance of Presidential Regulation (Perpres) No. 82/2020 on Monday as part of his commitment to simplify the bureaucracy and alleviate budget constraints amid the ongoing health emergency.

Ganjar Pranowo ranks first in presidential electability survey

Detik (<https://tinyurl.com/y6qhghkx>)

Central Java Governor Ganjar Pranowo is trending upward as a potential candidate for the 2024 presidential race, according to the latest survey from pollster Indikator Politik Indonesia, which was conducted from July 13 to 16.

The survey revealed that 16.2 percent of the 1,200 respondents said they would vote for Ganjar if the election was held now. Ganjar’s electability rating increased 4.4 percent in this month’s survey compared to a similar survey conducted by the same pollster in May.

The survey also revealed that Jakarta Governor Anies Baswedan's electability rating had increased 4.6 percent to 15 percent, compared to the survey conducted in May, which saw Anies' electability rating at 10.4 percent.

Meanwhile, Defense Minister Prabowo Subianto saw his electability continue to drop, falling to 13.5 percent in this month's survey, from 14.1 percent and 22.2 percent in the May and February surveys, respectively.

Potential COVID-19 vaccine arrives in Indonesia for clinical trial

The Jakarta Post (<https://tinyurl.com/yylmyu8t>)

A potential COVID-19 vaccine developed by China-based biopharmaceutical company Sinovac Biotech arrived in Indonesia on Sunday.

Foreign Ministry acting spokesperson Teuku Faizasyah said that the potential vaccine had been delivered to state-owned pharmaceutical holding company PT Bio Farma for a clinical trial.

He said the Foreign Ministry only facilitated the distribution from China to Indonesia and Bio Farma had collaborated with Sinovac Biotech to allow a transfer of technology and vaccine material between the two companies.

He added that the vaccine materials sent from China would be formulated in Bio Farma's facilities. The Phase 3 trial in Indonesia will involve nearly 1,600 volunteers and be funded by Bio Farma.

BUSINESS AND ECONOMICS NEWS AND HEADLINES

Jiwasraya to restructure insurance policies in August

Kontan, (<https://tinyurl.com/y5tmjnc2>); *CNBC Indonesia*, (<https://tinyurl.com/y6hzcglm>)

State-owned insurance firm Jiwasraya is drafting a plan to improve the company's performance and fulfill its obligation to its customers. The plan was drafted with the State-Owned Enterprises (SOE) Ministry and the Finance Ministry as shareholders. Jiwasraya president director Hexana Tri Sasongko said

restructuring insurance policies was the main priority in improving the company's financial health and would begin soon. The restructuring is expected to start in August following the House of Representatives' approval. The return on investment has been lowered to a minimum of 7 percent from the previous 10 to 14 percent. Deputy SOE Minister Kartika Wirjaatmadja said that as a part of the restructuring, Jiwasraya's policies would be transferred to a new company and Jiwasraya would be permanently closed.

BKPM: Investment realization in second quarter misses target

Tempo, (<https://tinyurl.com/y2a429lw>, <https://tinyurl.com/y25m9nkv>)

The Investment Coordinating Board (BKPM) recorded Rp 191.9 trillion (US\$13.13 billion) in investment realization in the second quarter, absorbing as many as 263,109 workers. The investment realization declined by 3.4 percent year-on-year, falling by 8.9 percent from the first quarter of this year. Foreign investment accounts for Rp 97.6 trillion of the total amount. BKPM head Bahlil Haladalia said that the investment realized was below the Rp 200 trillion target previously set by the board. However, the accumulated investment realization in the first half of the year increased by 1.8 percent to Rp 402.6 trillion, resulting in the employment of 566,194 people. This means 43.9 percent of the BKPM's Rp 817.2 trillion investment target this year has been met. Bahlil added that the majority of the investment had gone to Java, which saw Rp 100.6 trillion, or 52.4 percent, of the total investment.

Gojek appoints former Amazon executive as CTO

CNBC Indonesia, (<https://tinyurl.com/yxdulx3d>); *Tempo*, (<https://tinyurl.com/y59d3quq>)

Indonesian ride-hailing firm Gojek has appointed Severan Rault as Chief Technology Officer (CTO) for Southeast Asia after he joined the company earlier this year as head of engineering for its marketplace platform. Rault has more than 20 years of experience in software development, including serving as the director of software development at Amazon, where he led the team that founded drone delivery service Amazon Prime Air. "It is a time like no other at Gojek. The company is entering a critical phase as it moves from startup to maturation, and it's special to be a part of that," Severan said. Meanwhile, Gojek co-CEO Kevin Aluwi is optimistic that Severan can lead Gojek to better product and service development. "Severan is a technology leader who cares deeply about delivering value to users across our ecosystem, and we are very excited for him to continue on his long track record of excellence here at Gojek," said Kevin.

Taiwanese audio firm leaves China to build factory in West Java

The Jakarta Post, (<https://tinyurl.com/y5t7dlu7>)

Taiwan-based audio system manufacturer PT Meiloon Technology Indonesia has officially begun the relocation of its factory from China to Subang, West Java. The firm is one of seven companies that committed in June to move their factories from China to Indonesia, representing a total investment of US\$850 million. The Investment Coordinating Board (BKPM) recorded that the company had pledged to invest \$90 million and employ more than 8,000 workers in Indonesia. Meiloon investment is the first recorded company in Indonesia to begin the construction of its facilities before its business license has been issued, as a result of special assistance from BKPM. In addition, the government is preparing thousands of hectares of land in Majalengka regency, West Java, to develop an industrial park to attract more investment. There are 199 companies considering developing their businesses in Indonesia with a total potential investment of \$41.4 billion and the potential addition of 162,000 jobs, according to BKPM.

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