

Thursday, June 25th, 2020

GENERAL NEWS AND HEADLINES

Manpower minister defends Chinese workers' arrival in Konawe

CNBCIndonesia.com, (<https://tinyurl.com/y7rc3smt>)

Despite mounting protests, Manpower Minister Idah Fauziah confirmed that the government had approved the arrival of 500 Chinese workers in Konawe, Southeast Sulawesi, amid the COVID-19 pandemic. The government, according to the minister, deemed the arrival of Chinese workers as necessary as their skills were required by companies in Konawe.

"[The Chinese workers] will be working together with Indonesian workers. There will be a transfer of knowledge, which will eventually result in Indonesian workers acquiring the Chinese workers' skills. This will enable Indonesian workers to land the jobs currently held by Chinese workers," explained Ida.

Previously, it was reported that PT Virtue Dragon Nickel Industry and PT Obsidian Stainless Steel would bring hundreds of Chinese workers to Konawe. The workers are scheduled to arrive in Indonesia either in late June or early July and to assist nickel smelter construction in Konawe. The Chinese workers' imminent arrival triggered a public protest on Wednesday in Ranomeeto regency, which borders South Konawe and Kendari, Southeast Sulawesi.

Party elites to meet tonight

CNNIndonesia.com, (<https://tinyurl.com/y8t3gq86>)

Democratic Party chairman Agus Harimurti Yudhoyono (AHY) is set to meet Golkar Party chairman Airlangga Hartarto at Golkar's headquarters in Jakarta tonight. Democrat official Ossy Dermawan said the meeting was to kickstart AHY's recent appointment as the party's chief. Ossy, however, declined to explain whether or not some specific political agendas would be discussed during AHY's meeting with Airlangga.

AHY was previously appointed as the Democratic Party's new chairman through acclamation during the party's national congress back in March, succeeding his father Susilo Bambang Yudhoyono (SBY). Following his appointment, however, AHY's leadership has been contested by several party cadres, including Subur Sembiring who claimed to be one of the Democratic Party's founders. Subur, who met Coordinating Maritime Affairs and Investment Minister Luhut Binsar Pandjaitan and Law and Human Rights Minister Yasonna Laoly to convey his skepticism about the legitimacy of AHY's appointment, has since been dismissed from the Democratic Party.

KPU commissioners sanctioned for ethics violation

Kompas.com, (<https://tinyurl.com/y8hrp6gt>)

The Election Organization Ethics Council (DKPP) has decided to yet again sanction General Elections Commission (KPU) commissioners Arief Budiman, Viryan Azis, Ilham Saputra and Pramono Ubaid Tanthowi for an ethics violation.

The sanction was made following a report made by Novianus YL Patanduk, a candidate for South Sulawesi Legislative Council back in 2019 legislative election. Novianus, who registered his candidacy through the Indonesian Democratic Party of Struggle (PDI-P), acquired the largest number of votes in his electoral district. Regardless, Novianus failed to secure a seat in the council as the PDI-P revoked his party membership due to allegations of electoral fraud against him.

The KPU's South Sulawesi chapter then granted the PDI-P's request to replace Novianus with another legislative candidate. This replacement process, Novianus believes, was not in line with the established procedure as it took place when his fraud case was still under investigation, prompting him to report both the central KPU and its South Sulawesi chapter to the DKPP.

BUSINESS AND ECONOMICS NEWS AND HEADLINES

IMF turns pessimistic on Indonesia's growth prospects

CNBC Indonesia, (<https://tinyurl.com/yccl2lhb>); *Tirto*, (<https://tinyurl.com/y6u9d2gk>)

The International Monetary Fund (IMF) has revised down its economic projection for Indonesia in 2020 and 2021. Previously, the IMF predicted 0.5 percent gross domestic product (GDP) growth in 2020 and 8.2 percent growth in 2021. In its new

World Economic Outlook report, which is titled “The Great Lockdown”, the Indonesian economy will contract by 0.3 percent this year and grow by 6.1 percent next year. Besides having lower economic growth, the country is also expected to have a higher debt to GDP ratio of 37.7 percent, compared with 36.9 percent in the IMF’s previous projection.

PLN asks House members to disburse Rp 48.46 trillion compensation payments

CNBC Indonesia, (<https://tinyurl.com/y74fwqby>); Kompas, (<https://tinyurl.com/y9orywr8>); Republika, (<https://tinyurl.com/ya78d5ab>)

The government still owes compensation payments worth Rp 48.46 trillion (US\$3.4 billion) to state-owned electricity company PLN. PLN president director Zulkifli Zaini explained that the payments included Rp 23.17 trillion for 2018, Rp 22.25 trillion for 2019 and Rp 3 trillion for this year’s electricity relief scheme for households in the 450-volt ampere (VA) and 900-VA categories. During today’s meeting, Zulkifli pleaded with House of Representatives members to disburse the compensation payments, so the company can pay its debts on time.

22 active military and police officers hold commissioner positions in SOEs

Kompas, (<https://tinyurl.com/ydf89zyw>)

Arya Sinulingga, an aide to State-Owned Enterprises (SOEs) Minister Erick Thohir, admitted to *Kompas* that 22 active military and police officers hold commissioner positions in various SOEs. The minister needs them to monitor the SOEs and give advice on legal matters, Arya said. He also argued that appointing active military and police officers was a common practice. The previous president, for instance, appointed 85 military and police officers as SOE commissioners.

AGO names 13 investment companies, OJK official suspects in Jiwasraya case

CNBC Indonesia, (<https://tinyurl.com/y7fq3qul>), (<https://tinyurl.com/yax3jnav>); CNN Indonesia, (<https://tinyurl.com/y8dotzco>)

The Attorney General’s Office (AGO) has named 13 investment companies as suspects in the Jiwasraya corruption case, which caused state losses worth Rp 12.16 trillion (US\$854.8 billion). The companies are PT Danawibawa Manajemen Investasi or Pan Arkadia Capital, PT OSO Manajemen Investasi, PT Pinnacle Persada

Investasi, PT Milenium Danatama, PT Prospera Aset Manajemen, PT Maybank Aset Manajemen, PT Pool Advista, PT Corfina Capital, PT Trizervan Investama Indonesia, and PT Sinarmas Aset Manajemen. Besides that, the AGO also named an official at the Financial Services Authority (OJK) a suspect. The official is OJK deputy commissioner for capital market monitoring division 2 Fakhril Hilmi.

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