

Wednesday, June 3rd, 2020

GENERAL NEWS AND HEADLINES

Ministry vows school tuition fees won't rise during pandemic

CNN Indonesia, (<https://tinyurl.com/y7n2d7by>); Detik, (<https://tinyurl.com/y8z7mftt>); Kontan, (<https://tinyurl.com/y8s6jp55>)

The Education and Culture Ministry has promised that school tuition fees (UKT) will not increase during the COVID-19 pandemic, following a number of student protests regarding the issue.

The acting director general of higher education at the ministry, Nizam, said the increase of UKT at a number of public universities (PTN) was a decision made before the pandemic and would only apply to new students and depending on their guardian's economic capabilities.

Furthermore, Nizam stated that the Chancellors Council of Public Universities (MRPTN) had provided several options for relief of UKT payments during the pandemic. Students could apply for UKT postponement, instalments, discounts as well as financial assistance. The mechanism of applying for these waivers would be regulated in each PTN.

Moreover, the Education Ministry would provide 400,000 Smart Indonesia Lecture Cards (KIPK) for both private and public university students.

Jokowi signs regulation on Tapera public housing savings program

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

President Joko "Jokowi" Widodo signed Government Regulation No. 25/2020 on the public housing savings program (Tapera) on May 20.

The regulation provides further instructions for fund management body BP Tapera in collecting and organizing money for public housing intended for civil servants, military and police personnel, state-owned enterprise employees and private-sector employees.

Formal workers and individuals with monthly salaries equal to or surpassing the minimum wage, including foreign workers living in Indonesia for at least six months, are required to participate in the program. Its purpose is to accelerate the government's program to build 1 million houses a year.

Jokowi asks Attorney General, KPK to supervise economic recovery program

Kompas, (<https://tinyurl.com/ycrge9oq>); *TribunNews*, (<https://tinyurl.com/ycuanjzg>); *Media Indonesia*, (<https://tinyurl.com/y9wrkahd>)

President Jokowi has requested that various national economic recovery programs in response to the COVID-19 pandemic be carried out carefully, asking the Attorney General's Office, Development Finance Controller (BPKP) as well as the Corruption Eradication Commission (KPK) to supervise the programs.

The economic recovery programs include interest subsidies for micro, small and medium enterprises (MSMEs), placement of funds for banks affected by the restructuring, guarantees of working capital loans, participation of state capital in state-owned enterprises and government investment in working capital.

BUSINESS AND ECONOMICS NEWS AND HEADLINES

Sri Mulyani: National economic recovery budget swells to \$48 billion

Bisnis Indonesia, (<https://tinyurl.com/ycye9sck>); *CNN Indonesia*, (<https://tinyurl.com/y9hy8q9q>)

Finance Minister Sri Mulyani Indrawati has said the national economic recovery (PEN) budget has increased slightly to Rp 677.2 trillion (US\$48 billion), from the previous Rp 641.17 trillion. Rp 203.9 trillion will be spent on social assistance programs which include the preemployment card, village fund unconditional cash

transfer (BLT Dana Desa), staple foods program, as well as electricity subsidies. Micro, small and medium enterprises (MSMEs) will receive economic relief amounting to Rp 123.46 trillion. Similarly, larger companies will obtain a tax stimulus amounting to Rp 126.1 trillion. The government is also allocating Rp 44.57 trillion for flagging state-owned enterprises (SOEs) and Rp 97.11 trillion for regional governments, as well as ministries and agencies. Previously, the Finance Ministry had upped the PEN budget from Rp 491.55 trillion to Rp 641.17 trillion.

Rupiah appreciates ahead of 'new normal' implementation

CNBC Indonesia, (<https://tinyurl.com/y84q8ko6>); Antara, (<https://tinyurl.com/ya5wfhvz>)

The rupiah appreciated to Rp 14,180 per United States dollar at noon, from the previous closing price at Rp 14,415. Monex Investindo Futures research head Ariston Tjendra said the rupiah appreciation today was driven by positive sentiment over the global economic reopening and the implementation of the so-called "new normal" in Indonesia. Continuing riots in the US have spooked the financial markets and contributed to the US dollar depreciation, he added.

Jokowi signs regulation on public housing savings program

CNBC Indonesia, (<https://tinyurl.com/yd9l6f5r>); The Jakarta Post, (<https://tinyurl.com/yafgahsw>)

President Joko "Jokowi" Widodo signed Government Regulation No. 25/2020 on the public housing savings program (Tapera) on May 20, a program intended to aid the government's program to build 1 million houses a year. The regulation provides further instruction for fund-management body BP Tapera in collecting and organizing money for public housing intended for civil servants, military and police personnel, state-owned enterprises employees and private employees. Formal workers and individuals with monthly salaries equal to or surpassing the minimum wage, including foreign workers living in Indonesia for at least six months, are required to participate in the program.

According to Article 15 of the regulation, the public housing savings program will require its participants to pay a monthly deposit that equals 3 percent of an employee's monthly salary. The 3 percent payment is split between the employer and employee, with the employee paying 2.5 percent and the employer paying 0.5. The Tapera program contributions end when a participant reaches the age of 58. The participants can then draw their public housing savings after retirement.

Facebook, PayPal join list of Gojek's high-profile investors

Bisnis Indonesia, (<https://tinyurl.com/y7psxqoz>); Kontan, (<https://tinyurl.com/y8hcyrm9>); The Jakarta Post, (<https://tinyurl.com/yamk7bus>)

Technology giant Gojek has announced that United States tech companies Facebook and PayPal have invested undisclosed sums in its new round of funding, joining other high-profile global corporations such as Google and Tencent. The funds will be used to focus on increasing digital economic growth in Southeast Asia, especially payment and financial services inclusion for small and medium enterprises (SMEs). Gojek is the first Indonesian company to receive an investment from Facebook, with the social media company looking to create opportunities for businesses in Indonesia through its instant messaging service WhatsApp. Facebook has been on a mission to widen the market for its digital payment services, as the company has talked with several e-wallet companies in Indonesia.

Meanwhile, Gojek has agreed to integrate PayPal into Gojek's payment system, GoPay, giving GoPay users access to the PayPal network of 25 million merchants worldwide. "We are very excited about entering into a strategic relationship with Gojek to expand access and provide new experiences for our users in this very dynamic market," Paypal head of corporate development and ventures for APAC Farhad Maleki said. Gojek has raised a combined total of Rp 14.5 billion (US\$1 million) in fresh capital injections from seven investors this year.

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