



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

Tuesday, May 26th, 2020

GENERAL NEWS AND HEADLINES

Military, police deployed to prepare for 'new normal'

Tempo (https://tinyurl.com/ydf8lq49); TribunNews (https://tinyurl.com/yan76bta); Republika (https://tinyurl.com/ya2hjqou); CNN Indonesia (https://tinyurl.com/yaxfvmf3)

The government will deploy Indonesian Military (TNI) and National Police personnel in four provinces and 25 municipalities or regencies across Indonesia in a bid to prepare residents of the respective regions to adapt to the "new normal".

Indonesian Military (TNI) commander Air Chief Marshal Hadi Tjahjanto said that around 340,000 personnel would be deployed to enforce COVID-19 health protocol in and around 1,800 locations, such as shopping malls, tourist sites and traditional markets across the regions.

Govt, House discuss omnibus bill's problem inventory list

Media Indonesia (https://tinyurl.com/ycwueawu)

The House of Representatives' Legislation Body (Baleg) held a virtual meeting with the government on May 20 to discuss the problem inventory list (DIM) related to the latter's draft of the job creation omnibus bill.

Baleg chairman Supratman Andi Agtas said they had listed and discussed 75 points within the bill. Of the points discussed, 25, according to Supratman, concerned the substantial changes to the bill.

Five factions, namely the Indonesian Democratic Party of Struggle (PDI-P), the NasDem Party, the United Development Party (PPP), the Prosperous Justice Party (PKS) and the Gerindra Party suggested to change the name of the bill.

To Subscribe: info@tenggara.id

Supratman, however, suggested that all political parties concur with the proposed name.

Anies to decide Jakarta's PSBB status this week

Katadata (https://tinyurl.com/yb6ky9c5)

Jakarta Governor Anies Baswedan said the next two weeks would determine whether the city's large-scale social restrictions (PSBB) status would be extended. According to Anies, the decision to extend the implementation of the PSBB policy in the capital city would be determined by the transmission rate of COVID-19 in the city by June 4.

Anies added that in the meantime, experts were in the process of collecting the city's epidemiologic data. Anies said he would publicly disclose the data by the end of this week and then determine whether to extend the city's PSBB status.

BUSINESS AND ECONOMICS NEWS AND HEADLINES

Budget deficit might swell to 6.27 percent of GDP

Bisnis Indonesia, (https://tinyurl.com/ydxuewv8, https://tinyurl.com/yalptar6)

According to Finance Minister Sri Mulyani Indrawati, the state budget deficit may widen to Rp 1.2 quadrillion (US\$69.7 billion), which is equivalent to 6.27 percent of the country's gross domestic product (GDP). The government previously increased its budget deficit limit to Rp 853 trillion or 5.07 percent of GDP through Presidential Regulation (Perpres) No. 54/2020. To finance the widened deficit, mainly caused by decreasing state revenue, the government must up its borrowing by Rp 200.5 trillion to Rp 1.2 quadrillion.

Govt delays fourth batch of preemployment card registration

CNBC Indonesia, (https://tinyurl.com/y6um9cb6); Detik, (https://tinyurl.com/ycndqpvu)

The government has delayed a plan to open the fourth batch of preemployment card registrations on Tuesday. The program's spokesperson, Panji Winanteya Ruky, said the program working committee was still assessing the previous

batches and waiting for data on laid-off workers from the Manpower Ministry, as priority would be given to them. According to the ministry data up to May 1, more than 1.7 million workers have lost their jobs due to the COVID-19 pandemic.

COVID-19 pandemic affects govt housing program

Investor Daily, (https://tinyurl.com/y7669zzx)

The COVID-19 pandemic has affected a government housing program that aims to build 1 million houses in 2020 for mainly low-income families. According to Public Works and Housing Ministry data, the government finished construction for 215,662 houses from Jan. 1 to May 11. Out of the 215,662 houses, 79 percent was allocated to low-income families.

"We will try to meet our 2020 target of constructing 1 million houses. But the ministry's conservative estimate is around 900,000 houses due to the pandemic," said the ministry's housing provision director general, Khalawi Abdul Hamid.

APPBI prepares to open shopping malls in Jakarta with half capacity

CNBC Indonesia, (https://tinyurl.com/y83fup96)

(https://tinyurl.com/y83fup96)

The chairwoman of the Indonesian Shopping Center Association's (APPBI) Jakarta chapter, Ellen Hidayat, has announced that 64 shopping malls in the capital are preparing to reopen in early June. Sixty will open on June 5 and the rest on June 8.

Businesses in 18 business categories, including movie theaters, children's playgrounds, karaoke lounges, barbershops, massage services, bars and fitness centers, will not be allowed to reopen as yet. Meanwhile, Indonesian Armed Forces (TNI) commander Air Chief Marshall Hadi Tjahjanto said that shopping malls may only operate at 50 percent capacity. To ensure the enforcement of physical distancing, the Army will deploy tens of thousands of personnel in four provinces and 25 regencies or cities.

Disclaimer:

Tenggara Strategics always aims to use reliable sources in providing our best analysis to our clients, and is not responsible for any errors, inaccuracies and/or viewpoints in the original source material upon which we have based our analysis. The analysis contained in this document is intended exclusively for our clients who have subscribed to this service, and is not for public consumption or dissemination.

Nothing contained herein shall to any extent substitute for the independent investigations and the sound technical and business judgment of the reader. In no event will Tenggara Strategics, including its employees, be liable for any decisions made or actions taken in reference to the information contained in these documents, or for any incidental, consequential, indirect, special or exemplary damages, including damages from loss of profits or opportunities, even if advised of the possibility of such damages.