

Wednesday, May 6<sup>th</sup>, 2020

## GENERAL NEWS AND HEADLINES

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### Jokowi appoints Boy Rafli Amar as BNPT head

CNN Indonesia (<https://tinyurl.com/y9uk5bsp>); Kompas (<https://tinyurl.com/ycg3eoxr>);  
TribunNews (<https://tinyurl.com/yd3ko6ty>); Detik (<https://tinyurl.com/yb8gtq8u>)

President Joko "Jokowi" Widodo appointed Insp. Gen. Boy Rafli Amar as the head of the National Counterterrorism Agency (BNPT) earlier today at the State Palace. Boy replaces Comr. Gen. Suhardi Alius, who was transferred to the National Police as a criminal policy analyst, and was appointed as per Presidential Decree No. 86/TPA/2020 on the dismissal and appointment of BNPT employees and leadership.

A select number of Cabinet ministers attended the inauguration ceremony in keeping with the COVID-19 health protocol.

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### Transportation services made available for government officials

CNN Indonesia (<https://tinyurl.com/ybuv7jeg>); Kompas (<https://tinyurl.com/y7a39vt7>)

Transportation Minister Budi Karya Sumadi, who resumed full-time duty yesterday after nearly two months convalescing from COVID-19, said that government officials were permitted to travel to certain regions when absolutely necessary as part of their duties.

Budi requested the exception for state officials earlier today at a virtual working meeting with House of Representatives Commission V, with transportation restrictions still in force for other purposes, including *mudik* (exodus).

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Budi noted that the regulation was stipulated in Transportation Ministerial Regulation (Permenhub) No. 25/2020 on *mudik* transportation management for Idul Fitri 1441 Hijriah, as well as the related Coordinating Economic Minister Circular. He added that besides state officials, logistics and distribution services would also be exempt from the COVID-19 transportation restrictions.

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## **House grills Health Ministry over ventilator production red tape**

*The Jakarta Post* (<https://tinyurl.com/yb2yjh5s>)

Lawmakers have slammed the Health Ministry for causing unnecessary delays to the Research and Technology Ministry's COVID-19 research consortium in ventilator development to help meet skyrocketing demand during the outbreak.

Maman Abdurrahman of House Commission VII on research and technology, took issue with the Health Ministry's lengthy approval process for the urgently needed medical equipment.

By Tuesday, the ministry had approved just two out of 27 ventilators that are being developed by domestic manufacturers for meeting the standards of its Health Facilities and Safety Center (BPFK).

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## **BUSINESS AND ECONOMICS NEWS AND HEADLINES**

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## **Consumer confidence lowest since 2008**

*CNBC Indonesia*, (<https://tinyurl.com/y9hhcrkq>); *Kontan*, (<https://tinyurl.com/ybckooone>); *CNN Indonesia*, (<https://tinyurl.com/ycjfw99x>); *Antara*, (<https://tinyurl.com/y9uxcvfv>)

Indonesian consumers have changed from being optimistic to being pessimistic about the current economic condition and the country's future economic prospects. According to Bank Indonesia's latest survey, the consumer confidence index (IKK) fell sharply in April to 84.8 from 113.8 the previous month. Declining income and low employment opportunities are cited as the main factors influencing consumer perceptions.

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## **BI, OJK to raise credit ceiling for MSMEs debt restructuring**

*Bisnis Indonesia*, (<https://tinyurl.com/y9dmlarq>); *Republika*, (<https://tinyurl.com/yc5bn454>)

Bank Indonesia and the Financial Services Authority (OJK) are preparing a new economic recovery program, which includes raising the credit ceiling for the micro, small and medium enterprises (MSMEs) debt restructuring program. Moreover, the new economic recovery program will allow MSMEs to delay principal plus interest payments for the next six months, BI Governor Perry Warjiyo said. BI will also support bank loan disbursement through additional liquidity injection worth Rp 503.8 trillion (US\$33.27 billion), Perry added. On the other hand, the central bank's interest rate policy will be focused on exchange rate stabilization.

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## **BI: capital outflow slows in April**

*CNBC Indonesia*, (<https://tinyurl.com/ycel7rgv>); *Tempo*, (<https://tinyurl.com/y98edu5h>); *Kompas*, (<https://tinyurl.com/y8yb7pmm>)

Bank Indonesia (BI) Governor Perry Warjiyo said capital outflow from the country reached Rp 10.39 trillion (US\$686 million) in April, significantly down from Rp 121.26 trillion in the previous month. From May 1 to 5, Indonesia received Rp 1.17 trillion in capital inflow, he added. Perry predicts capital inflow will improve in the coming months.

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## **BPK voices concern over public debt management**

*Kontan*, (<https://tinyurl.com/ybj9ngjv>); *Katadata*, (<https://tinyurl.com/y9bxf58>)

The Supreme Audit Agency (BPK) has voiced its concern over the fiscal sustainability of public debt management, particularly on the government debt papers (SBN), by the Finance Ministry as well as the National Development Planning Agency (Bappenas). According to its written report on the evaluation result of the second half of the 2019 fiscal year, the government was unsuccessful in improving the liquidity of the SBN market. Consequently, the government needs to pay a higher premium rate than its corresponding peer group. The BPK also criticizes the usage of productive debts because the government has not set any indicators that can be used for evaluating such debt.

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