

Friday, Oct. 16th, 2020**GENERAL NEWS AND HEADLINES**

Students continue demonstrations, urge President to issue Perppu*Liputan6, (<https://tinyurl.com/y39fcs5x>)*

University students took to streets again today, continuing their protest against the controversial Job Creation Law. National Association of University Student Executive Bodies (BEM-SI) coordinator Remy Hastian said the students would also issue a vote of no confidence on the government and its representatives.

Remy added that the demonstrations would be conducted peacefully and free from any anarchist actions. "The rallies will serve as a reflection of the intellectual and moral movement of Indonesian university students," asserted Remy.

According to Remy, today's demonstration was primarily intended to urge the issuance of a regulation in lieu of law (Perppu) revoking the Job Creation Law, to condemn to government's attempt to intervene in public movements and demonstrations opposing the Job Creation Law, as well as to condemn various repressive actions carried out by security personnel against demonstrators.

Labor union refuses to join deliberation on jobs law's derivative regulations*The Jakarta Post (<https://tinyurl.com/y4mrcg5z>)*

The Confederation of Indonesian Trade Unions (KSPI) has asserted that it will not participate in the deliberation of regulations to implement the Job Creation Law. "Workers reject the law; therefore, it's impossible for us to accept or even to be involved in the discussion of the supporting regulations," KSPI chairman Said Iqbal said in a statement on Thursday.

He conveyed his suspicion that the government only used the unions to legitimize the speedy deliberation of the law's derivative regulations. Said went on to say that the workers felt betrayed, because the House of Representatives had not fulfilled its promise of involving unions in the omnibus law's deliberation. "They didn't listen to our opinions, even though we had submitted our feedback on a draft of the law."

The KSPI stated workers' protests against the Job Creation Law would grow bigger in the future. Apart from taking to the streets, the union would pursue legal measures against the recently passed law by requesting a judicial review by the Constitutional Court.

Recovered patients double in number

CNN Indonesia, (<https://tinyurl.com/y4mbcpjb>)

The number of COVID-19 patients in Indonesia who have recovered hit a record high twice this week. An exponential increase of recovered COVID-19 patients occurred on Oct. 13 and Oct. 15, during which the number of recoveries reached 4,777 and 5,810 respectively.

The majority of patients who were declared recovered on Oct. 15 resided in Central Java and Jakarta. On that day, 2,233 COVID-19 patients in Central Java recovered from the disease, bringing the total tally to 22,264 recoveries. Meanwhile, 1,050 patients in Jakarta, which has been Indonesia's epicenter of COVID-19 transmissions, were declared recovered on the same day, bringing the total recoveries in the capital city to 75,881.

Other provinces that recorded a considerable number of COVID-19 recoveries on Oct. 15 include East Java (312), West Java (304) and Banten (250).

COVID-19 task force spokesperson Wiku Adisasmito said Indonesia's COVID-19 recovery rate stood at 77.3 percent, surpassing the global average of 75.1 percent. "This week the recovery rate of COVID-19 has increased by 4.4 percent," said Wiku.

BUSINESS AND ECONOMICS NEWS AND HEADLINES

PGN to distribute gas from Kepodang field to PLN

CNBC Indonesia (<https://tinyurl.com/y2oc2bc9>); Kontan (<https://tinyurl.com/y35wln3h>)

Gas distribution company PT Perusahaan Gas Negara (PGN), through its subsidiary PT Saka Energy Muriah, will distribute gas from Kepodang field to a power plant at Tambak Lorok, Central Java, owned by state-owned electricity company (PLN). Muriah's gas production is estimated to be within the range of 10 to 20 million standard cubic feet per day (MMSCFD). PGN strategy and business development director Syahrial Mukhtar said Kepodang field had the potential to produce 15 billion British thermal units per day (BBTUD) in 37 months for PLN. To support gas distribution from Kepodang field to PLN's power plant at Tambak Lorok, Muria is currently applying for a plant gate price scheme to the Upstream Oil and Gas Special Regulatory Taskforce (SKK Migas) and the Energy and Mineral Resources Ministry.

Inka to work on railway project in Congo next year

Kontan (<https://tinyurl.com/yymxkyaz>)

State-owned train manufacturing company PT Industri Kereta Api (Inka) will work on a railway project in the Democratic Republic of Congo in 2021. Inka will work together with state-owned foundry company PT Barata Indonesia, state-owned electronics manufacturer PT LEN Industri, state-owned airline PT Merpati Nusantara Airlines and state-owned aircraft manufacturer PT Dirgantara Indonesia. The Congolese government and TSG Group signed the Master Framework Joint Development Agreement in January and a memorandum of understanding in September. Following the signing of the aforementioned agreements, TSG signed a Master Implementation Joint Development Agreement with Inka and the other state-owned enterprises (SOEs), as well as a build, own, operate, transfer (BOOT) scheme with the Congolese government, Inka spokesperson Bambang Ramadhiarto said. The project value is US\$2 billion, Bambang added.

Energy ministry to assess eight geothermal fields for exploration

Kontan (<https://tinyurl.com/y66phywh>); Antara News (<https://tinyurl.com/y33w9gva>)

The Energy and Mineral Resources Ministry has prepared evaluations of eight geothermal fields for exploration activity, using data from the ministry's Geological Agency. The ministry's research and development head Dadan Kusdiana said the initial evaluation phase would be done at Cisolok field in Sukabumi regency, West Java, focusing on potential risks and their mitigation. The evaluation study will be conducted by a team consisting of expert staff for the energy and mineral resources minister, the Geological Agency and the Renewable Energy Directorate General.

S&P downgrades Modernland

CNBC Indonesia (<https://tinyurl.com/yyeyqodp>)

Credit rating agency S&P Global Ratings downgraded publicly listed property developer PT Modernland's bonds from SD to D following the company's failure to make interest payments for its bonds amounting to US\$240 million on Oct. 13. S&P concluded that Modernland would not be able to pay the interest, even after extending the payment for a 30-day grace period, due to the company's poor cashflow. S&P also believes that Modernland needs to restructure its bond.

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.