



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

Monday, Oct. 19th, 2020

GENERAL NEWS AND HEADLINES

Jokowi wants better public communication as govt readies for vaccinations Tempo (https://tinyurl.com/y5p6q7kf); Kompas (https://tinyurl.com/yxq6itm2)

President Joko "Jokowi" Widodo has asked his ministers to prepare the country's COVID-19 vaccination plan, especially in regard to public communication.

"[COVID-19 vaccination] is a very complex matter. Should this be communicated poorly, similar [objections] to those against the Job Creation Law can emerge," the President said during a meeting earlier today.

Jokowi thus asked his ministers to provide detailed information related to COVID-19 vaccination to the public. "I don't want any information on COVID-19 vaccination to be twisted and to result in a street rally. The public is trapped in a very difficult situation," Jokowi added.

Jokowi said that some information must be publicly disclosed, such as the prioritized recipients of the vaccine and who will get the vaccine for free.

Most residents want PSBB to end to resume economy: Survey

The Jakarta Post (https://tinyurl.com/y5uaby5a)

Most residents want the large-scale social restrictions (PSBB), imposed to curb COVID-19 transmission, to end so the economy can be resumed, a survey by pollster Indikator Politik Indonesia shows.

The survey on COVID-19 mitigation related to economic interest and health, conducted from Sept. 24 involving 30 to 1,200 respondents in each of the 34 provinces, showed that 55 percent of respondents wanted the PSBB policy to be stopped to support the economy.

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The poll revealed that 39 percent of respondents wanted the PSBB to be continued in order to tackle coronavirus transmission, the pollster executive director Burhanuddin Muhtadi said.

Burhanuddin said perception on PSBB implementation fluctuated between May and September, according to several surveys conducted by Indikator. He explained that the current figure contrasted with a similar survey in May, when 50.6 percent of respondents wanted the government to continue PSBB, while only 43.1 percent wanted the policy to be ended.

MUI proposes idea to increase presidential term to 7 to 8 years CNN Indonesia (https://tinyurl.com/y5jbmwno)

Indonesian Ulema Council (MUI) edict commission chair Hasanuddin AF said that the council would propose a fatwa to change the presidential term limit to a single seven- to eight-year term from the current two five-year terms.

Hasanuddin said that such an idea was proposed due to mounting friction within the public and inequality between presidential candidates. He added that incumbent presidential candidates had the potential to abuse their power to be re-elected.

Hasanuddin, however, said that such a proposal was currently being reviewed by the council to later be discussed during the MUI's national congress slated for Nov. 25 to 28.

Previously, a similar idea was also proposed by United Development Party (PPP) senior politician Syaifullah Tamliha. Syaifullah said that the one eight-year term would allow the president enough time to fulfil his campaign promises.

BUSINESS AND ECONOMICS NEWS AND HEADLINES

BI: Burden sharing realization reaches Rp 229.68 t

CNBC Indonesia (https://tinyurl.com/y5w9f68t); Bisnis Indonesia (https://tinyurl.com/y5w9f68t)

Bank Indonesia (BI) Governor Perry Warjiyo has said the purchase of government bonds under the burden sharing scheme – authorized under joint ministerial decree (SKB) II between BI and the Finance Ministry signed on July 7 – had reached

Rp 229.68 trillion (US\$15.6 billion) as of October 13. Meanwhile, BI's purchases of government bonds on the primary market, as agreed in SKB I between BI and the Finance Ministry dated April 16, reached Rp 61.6 trillion. "In total, in SKB I and II, BI purchased Rp 291.3 trillion in government bonds on the primary market," Perry said.

Finance Minister Sri Mulyani rejects zero percent car tax proposal

Kontan (<u>https://tinyurl.com/y543tqqb</u>); Bisnis Indonesia (<u>https://tinyurl.com/y5jcoj8h</u>); CNBC Indonesia (<u>https://tinyurl.com/yxdcsfw4</u>); CNN Indonesia (<u>https://tinyurl.com/yxfako4v</u>)

Finance Minister Sri Mulyani Indrawati has rejected the zero percent car tax proposal supported by the Industry Ministry. Sri Mulyani said fiscal incentives provided during the pandemic should support all industries and should not result in negative impacts on other sectors of the economy. Association of Indonesian Automotive Manufacturers (Gaikindo) secretary-general Kukuh Kumara told CNBC Indonesia that no official decision on the proposal had been made. "We do not work based on signal. For us, the important thing is certainty in policy decision-making," Kukuh said.

Budget deficit widens to 4.16 percent of GDP in September

Bisnis Indonesia (https://tinyurl.com/y6jmdgws); Kompas (https://tinyurl.com/y69a7zz4)

The Finance Ministry has announced that Indonesia's state budget deficit swelled to Rp 682.21 trillion (US\$46.3 billion), or 4.16 percent of gross domestic product (GDP), in September, from 3.05 percent of GDP in the previous month. Finance Minister Sri Mulyani Indrawati said the increase was still within the range of the government's target this year at 6.34 percent of GDP as stipulated by Presidential Regulation No. 72/2020. Meanwhile, state revenue realization reached Rp 1.16 quadrillion or 68.2 percent of the year's target, and state expenditure was Rp 1.84 quadrillion or 67.2 percent of the target.

Finance Ministry to revise 12 ministerial regulations

Kontan (https://tinyurl.com/yy2z7cvy)

The Finance Ministry has announced a plan to revise 12 finance ministerial regulations (PMK) following the passage of the Job Creation Law by the House of Representatives. "There will be revision on 12 PMKs that regulate income tax, value-added tax and the general taxation system," Taxation director general Suryo

Utomo said. Besides revising 12 PMKs, the ministry will also issue two new government regulations, Suryo added.

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