

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

Monday, Sep. 7th, 2020

GENERAL NEWS AND HEADLINES

Jokowi asks Terawan to improve COVID-19 testing capacity disparity

Tempo (https://tinyurl.com/y2n77jnv)

President Joko "Jokowi" Widodo has called on the Health Ministry to improve the country's COVID-19 testing capacity, which he considers unequal across regions.

"I don't want to see any disparity between provinces," Jokowi asserted during a Cabinet meeting earlier Monday.

President Jokowi has also specifically asked Health Minister Terawan Agus Putranto to formulate a comprehensive mechanism to prevent disparity in COVID-19 testing, such as in providing details on the number of laboratories needed by each province.

The national COVID-19 task force previously reported that Jakarta ranked first among provinces in terms of COVID-19 testing capacity due to the capital's high number of laboratories.

DKPP urges establishment of regional elections task force to curb COVID-19 spread

Kompas (https://tinyurl.com/y6lvq6ac)

Election Organization Ethics Council (DKPP) member Alfitra Salam has proposed the establishment of a task force to specifically enforce COVID-19 health protocols as the regional elections draw near. The idea was proposed following reports on several regional electoral candidates who violated health protocols, such as gathering their supporters in large numbers during candidate registration for the 2020 simultaneous elections over the weekend.

Alfitra further said that the task force could be established in each General Elections Commission (KPU) regional office. The task force, Alfitra added, could comprise the Elections Supervisory Agency (Bawaslu), the Public Order Agency (Satpol PP) and the police force.

To Subscribe: info@tenggara.id

Alfitra said the implementation of health protocols must be prioritized to prevent the possible emergence of new COVID-19 clusters.

KAMI spreads wings to West Java

CNN Indonesia (https://tinyurl.com/y3ng4b7g); Detik (https://tinyurl.com/yydejcto)

The Save Indonesia Coalition (KAMI) president and cofounder declared the establishment of the coalition's West Java branch earlier Monday. The declaration took place in the private residence of Jumhur Hidayat, former head of the Agency for the Placement and Protection of Indonesian Migrant Workers (BNP2TKI), in Bandung, West Java.

KAMI West Java declaration committee member Harry Mulyana said the declaration had been postponed twice. Harry deemed the postponement a deliberate effort to prevent the declaration.

Earlier last month, 150 national figures reportedly agreed to form KAMI, a movement that aims to prevent any deviations from Indonesia's founding principles. The public figures include prominent government critics such as Rachmawati Soekarnoputri – the daughter of Indonesia's first president Sukarno – former coordinating maritime affairs minister Rizal Ramli, former Indonesian Military (TNI) commander Gen. (ret.) Gatot Nurmantyo and Islam Defenders Front (FPI) chairman Sobri Lubis.

BUSINESS AND ECONOMICS NEWS AND HEADLINES

Forex reserves reach record high in August

Bisnis Indonesia (https://tinyurl.com/y3k9w2fv); Kontan (https://tinyurl.com/y6tewpdp)

Bank Indonesia has announced that the country's foreign exchange (forex) reserves reached a record high of US\$137 billion in August. "The increase in August forex reserves was the result of the disbursement of external public debt, as well as tax and revenue from the oil and gas trade," BI spokesperson Onny Widjanarko said. The current reserves are estimated to be sufficient to support nine months of imports, or 9.4 months of imports and payment for the government's short-term debts, he added.

PEN disbursement reaches 39.11 percent

Kontan (https://tinyurl.com/y5z2za4n)

The government had disbursed 39.11 percent of the total national economic recovery program budget, or Rp 271.94 trillion (US\$18.4 billion) out of Rp 695.2 trillion, as of Sept. 2. According to Finance Ministry data, the PEN disbursement rate for the social assistance program is the highest at 55.9 percent of Rp 203.9 trillion. Next is the disbursement for the micro, small and medium enterprise (MSME) assistance program at 42.19 percent of the allocated Rp 123.46 trillion. PEN funds for large corporations have not yet been delivered.

KUR disbursement reaches Rp 89.86 trillion in August

Kontan (https://tinyurl.com/yxkmyfh5)

The government had disbursed Rp 89.86 trillion (US\$6.1 billion) for micro credit program Kredit Usaha Rakyat (KUR) as of Aug. 31 – 47.2 percent of the government's target. The Finance Ministry's Treasury Directorate General announced through social media that 2.6 million borrowers had received KUR funds. East Java received the most at Rp 17.15 trillion, followed by South Sulawesi at Rp 4.71 trillion and North Sumatra at Rp 3.72 trillion.

Fintech firms offer to help disburse govt's COVID-19 funds

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

The Indonesian Fintech Lenders Association (APFI) has offered to help accelerate the disbursement of national economic recovery program (PEN) funds as the government struggles to amass the data needed to deliver the money to the right places. AFPI chairman Adrian Gunadi said on Thursday that the platforms could help the government target micro, small and medium enterprises (MSMEs) because the fintech lending industry catered to the unbanked. The industry had a data center and analytics capabilities that could help address the disbursement challenges, he added. AFPI advisory board member M. Chatib Basri said in a webinar on Thursday that data from the fintech lending industry could be put to good use to assist the economic recovery.

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.