

**Tuesday, Sep. 8<sup>th</sup>, 2020**

## GENERAL NEWS AND HEADLINES

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### Year-end elections must proceed: President Jokowi

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

President Joko "Jokowi" Widodo has said the country will press ahead with its plan to hold simultaneous regional elections on Dec. 9 despite the pandemic. The President said that no country, including Indonesia, could predict when the pandemic would be over.

"The regional elections must proceed. We cannot wait until the pandemic is over because no one knows when the COVID-19 pandemic will end," said Jokowi.

Considering the pandemic, Jokowi said the regional elections had to comply with established health protocols. Jokowi then instructed all poll organizers, including the Indonesian Military and the National Police, to monitor people's compliance with health protocols.

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### Jokowi reminds bureaucrats, police, military to maintain neutrality in upcoming elections

Kompas (<https://tinyurl.com/y3csll6l>); Detik (<https://tinyurl.com/y3cfrzen>)

President Joko "Jokowi" Widodo has reminded bureaucrats, the Indonesian Military (TNI) and the National Police to maintain their neutrality as the 2020 regional elections near.

Jokowi said quality democracy must still be upheld during the pandemic. The President added that the use of provocative slogans, language and symbols was strictly prohibited.

To maintain the neutrality of state officials, the government, including the Administrative and Bureaucratic Reform Ministry, the Home Ministry, the National Civil Service Agency (BKN), the State Civilian Bureaucracy Commission (KASN) and the Elections Supervisory Agency (Bawaslu), have prepared a Joint Ministerial Decree (SKB), Administrative and Bureaucratic Reform Minister Tjahjo Kumolo said in a written statement.

Tjahjoe said that the decree would provide guidelines for state officials as the elections drew near.

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## **Jokowi forms national team to accelerate vaccine development**

*The Jakarta Post* (<https://tinyurl.com/yxwh84a9>)

President Joko "Jokowi" Widodo has established a national team to accelerate the development of a possible COVID-19 vaccine and to improve the country's resilience in responding to the pandemic.

The team was established through Presidential Decree No. 18/2020 on the national team for the acceleration of COVID-19 vaccine development, which was signed by the President on Sept. 3.

While Jokowi is set to oversee the team, Coordinating Economic Minister Airlangga Hartarto has been appointed to chair the team's steering committee. Research and Technology Minister and National Research and Innovation Agency head Bambang Brodjonegoro has been placed in charge of the development of a potential vaccine, with the assistance of Health Minister Terawan Agus Putranto and State-Owned Enterprises Minister Erick Thohir.

The Coordinating Human Development and Culture Minister, the Coordinating Political, Legal and Security Affairs Minister, the Foreign Minister, the Industry Minister, the Trade Minister, the Education and Culture Minister and the Food and Drug Monitoring Agency (BPOM) head have been appointed to the team as well.

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

### **BI: consumer remains pessimistic**

*Bisnis Indonesia* (<https://tinyurl.com/yys3lpu4>); *CNN Indonesia* (<https://tinyurl.com/y63opxg6>)

Bank Indonesia announced that consumers remained pessimistic in August. According to the central bank's survey, Indonesia's consumer confidence index (IKK) showed little to no improvement, specifically from 86.2 in July to 86.9 in August – a value below 100 signifies pessimism. Consumer expectation of the country's economic prospect within the next six months also weakened as shown by the consumer expectation index (IEK), which dropped to 118.2, from 121.7 in the previous month.

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## **Oil lifting surpasses target in August**

*Antara News* (<https://tinyurl.com/y6c6behe>); *CNN Indonesia* (<https://tinyurl.com/yxmy4nq4>)

The Upstream Oil and Gas Regulatory Task Force (SKK Migas) stated oil lifting in August reached 706,900 barrels per day (bpd), equal to 100.3 percent of the government's target of 705,000 bpd. SKK Migas spokesperson Susana Kurniasih said the task force would try to accelerate production operation to maintain the current level of oil lifting until the end of the year. Meanwhile, gas lifting reached 5,516 million standard cubic feet per day (mmscfd), equal to 99.3 percent of the government's target of 5,556 mmscfd. The company was confident that gas consumption would rise in the next few months, Susana added.

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## **MTN issuance reaches Rp 5.9 trillion in September**

*Investor Daily* (<https://tinyurl.com/y6p22e3s>)

The Indonesian Central Securities Depository (KSEI) reported that accumulative medium-term note (MTN) issuance from January to early September had reached Rp 5.98 trillion (US\$404 million). The MTNs consist of dollar-denominated MTNs worth \$85.77 million and MTNs denominated in rupiah at Rp 4.72 trillion. During the first week of September, pulp manufacturer PT OKI Pulp & Paper Mills issued an MTN worth Rp 300 billion. Last month, three companies issued MTNs amounting to Rp 737.1 billion.

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## **Weak demand, govt program drive PGN profit down 88 percent**

*The Jakarta Post* (<https://tinyurl.com/y4e45m5q>)

Gas distributor PT Perusahaan Gas Negara (PGN) saw its net profit fall 87.6 percent year-on-year (yoy) to US\$6.72 million in the first half of the year as a result of weak energy demand and a government gas incentives program. Meanwhile, the company's revenue dropped 17.9 percent yoy to \$1.47 billion, dropping more sharply than its expenses, which declined 16.7 percent yoy to \$1.01 billion following operational cuts. PGN finance director Arie Nobelta Kaban said the company was affected by a "triple-down-effect" of weak global gas prices, low domestic gas demand and a disadvantageous rupiah exchange rate during the COVID-19 crisis. PGN lost an estimated \$22.86 million in revenue between April and June as a result of government gas incentives for industries and state-owned electricity company PLN. PGN has been required to sell gas to select industries and PLN power plants for about \$6 per million British thermal units (mmbtu), instead of the market rate of about \$8 per mmbtu.

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