



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

Tuesday, Sept. 1st, 2020

GENERAL NEWS AND HEADLINES

House speaker provides update on bill deliberation progress

Republika (https://tinyurl.com/y5ewfkga)

In her speech during the House of Representatives' plenary meeting earlier today, House Speaker Puan Maharani explained that there were 248 bills included in the 2020-2024 National Legislation Program (Prolegnas). Puan added that besides the bills listed in the 2020-2024 Prolegnas, there were also 37 bills that were prioritized to be ratified this year considering the ongoing COVID-19 pandemic.

Puan further explained that the House had finished the deliberations and ratified six bills. "We are also deliberating 10 more bills, whereas 19 bills are in the process of drafting," Puan said.

Puan also asserted that the House was committed to welcoming any input from the public. The Indonesian Democratic Party of Struggle (PDI-P) politician hoped that people would participate in the bills deliberations by expressing their criticism to ensure the legitimacy of the country's laws and regulations.

Seven applicants for KPK spokesperson post pass administrative screening Tempo (https://tinyurl.com/y6s8rsfw); Detik (https://tinyurl.com/y528shc8)

The Corruption Eradication Commission (KPK) has announced that seven applicants have passed the administrative screening process to fill the antigraft body's spokesperson post. KPK acting spokesman Ali Fikri said that the seven applicants comprised one from an official state or police/military post and six members of the general public.

Ali said the KPK had received as many as 2,174 applications for the post. He further said that the seven applicants who had passed the administrative

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screening would undergo academic and health screenings as well as an interview and presentation of their vision and mission.

The KPK, however, has yet to disclose detailed information about the seven applicants.

RI talks COVID-19 vaccine with China

Kompas (<u>https://tinyurl.com/yxgtwe9c</u>)

Chinese President Xi Jinping contacted on Monday President Joko "Jokowi" Widodo to discuss the handling of the ongoing COVID-19 pandemic, particularly in regard to the development of a potential vaccine, as the two countries commemorate 70 years of bilateral relations.

President Xi said that his country, in its capacity, would always support Indonesia's efforts to mitigate the health crisis.

Currently, China-based biopharmaceutical company Sinovac Biotech, in cooperation with state-owned pharmaceutical holding company Bio Farma, is conducting the phase III clinical human trials of a potential COVID-19 vaccine.

President Xi has expressed hope that the cooperation would boost the availability and affordability of COVID-19 vaccines for not only both countries, but also worldwide.

BUSINESS AND ECONOMICS NEWS AND HEADLINES

BPS reports 0.5 percent deflation in August

CNBC Indonesia, (https://tinyurl.com/y3ds7elq); Kontan, (https://tinyurl.com/y3ds7elq); CNN Indonesia, (https://tinyurl.com/y3z48bw4)

Statistics Indonesia (BPS) has reported 0.5 percent deflation in August. As a result, Indonesia's accumulative inflation from January to August went down to 0.93 percent. Compared to same month last year, inflation was recorded at 1.32 percent year-on-year. BPS head Suhariyanto said, "There is slowdown of inflation

globally, even toward deflation in some countries, because the COVID-19 pandemic has hit both demand and supply."

Manufacturing activity expands in August

Kontan, (https://tinyurl.com/y69pszrv); CNBC Indonesia, (https://tinyurl.com/y3krvqlg)

Indonesia's manufacturing industry has shown early signs of recovery. IHS Markit's Manufacturing Purchasing Managers' Index (PMI) for Indonesia rose from 46.9 in July to 50.8 in August, showing an expansion in manufacturing activities against the previous month. The increase in demand for manufacturing products was driven by the domestic market, while external demand remained weak. An IHS Markit analyst said companies utilized their input stocks to meet demand, resulting in a declining level of stocks.

Foreign visits drop 89 percent in July

CNBC Indonesia, (https://tinyurl.com/y36edwzq); CNN Indonesia, (https://tinyurl.com/y36edwzq); Kompas, (https://tinyurl.com/yy572dk9)

Statistics Indonesia (BPS) has reported that the number of foreign visitors dropped by 89.12 percent year-on-year in July to around 159,800 visitors. Compared to the previous month, the figure increased slightly by 0.95 percent month-to-month. BPS head Suhariyanto said the low number of foreign visitors in July was due to the implementation of large-scale social restrictions (PSBB) and the decision of many countries to implement travel restrictions. A total of 53.4 percent of foreign visitors came from Timor Leste by land.

Tiktok, Facebook, Disney start to collect VAT

Kontan, (https://tinyurl.com/y2cvssgr); Kompas, (https://tinyurl.com/y5yu774q)

Ten digital companies, including Chinese video-sharing platform TikTok and Walt Disney Company Southeast Asia, started to collect 10 percent value-added tax (VAT) from Indonesian consumers on Tuesday. The provision is regulated under Taxation Directorate General Regulation No. PER-12/PJ/2020. Other companies included in the regulation are social media company Facebook Ireland, Facebook Technologies International, Facebook's payment subsidiary Facebook Payment International, Amazon Services LLC, Audible Inc., Alexa Internet, Audible Ltd., and Apple Distribution International.

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