

**Tuesday, Apr. 14<sup>th</sup>, 2020**

## GENERAL NEWS AND HEADLINES

### **Govt's COVID-19 response command strengthened**

*Kompas, headline*

President Joko "Jokowi" Widodo officially declared the COVID-19 outbreak in the country as a national disaster through the issuance of Presidential Decree No. 12/2020 yesterday. The decree issuance could serve as an opportunity to strengthen the government's efforts to mitigate the outbreak, as affirmed by State Secretary Pratikno.

"The decree provides greater flexibility for the COVID-19 task force head [Doni Monardo] as well as his team to tackle COVID-19," said Pratikno on Monday evening.

The decree stipulates that the disaster management will be mainly carried out by the COVID-19 task force through a collaboration with other ministries and state institutions, as well as regional administrations. It also asserts that in formulating and introducing policies on COVID-19 management in their respective jurisdictions, governors, mayors and regents must act in line with the central government in an attempt to strengthen coordination between the central government and regional administrations.

Doni, who also serves as National Disaster Mitigation Agency (BNPB) chief, said he would optimize his authority to ensure coordination and strengthen command in enforcing COVID-19 policies as well as in distributing assistance, among others.

### **Pekanbaru to impose PSBB as other regions' requests turned down**

*Republika, headline*

The Health Ministry has approved Pekanbaru administration's request to impose large-scale social restrictions (PSBB) as part of its attempt to curb the spread of COVID-19 infections. Health Minister Terawan Agus Putranto signed Health

Ministerial Decree No. 250/2020 on Sunday to officially grant the permit to Pekanbaru a few days after the city lodged its request.

Terawan explained that he approved Pekanbaru's request due to a considerable increase of COVID-19 transmissions in the region. As of Monday, there are nine confirmed COVID-19 cases in the region, with one of them having reportedly recovered.

Meanwhile, the Health Ministry has turned down requests from other regions, namely Sorong municipality and Fakfak regency in West Papua, Mimika regency in Papua, Rote Ndao regency in East Nusa Tenggara (NTT) and Palangkaraya municipality in Central Kalimantan, to impose PSBB.

Terawan said those regions had yet to fulfill the criteria set by his ministry to impose PSBB.

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## **Confusion on first work day under PSBB**

*The Jakarta Post, headline; Media Indonesia, headline*

The first work day of the largescale social restrictions (PSBB) period in Jakarta was marked by confusion and chaos, with people unsure of the government's regulations on public transportation.

Commuter train stations in Greater Jakarta were packed with people on Monday morning after the Jakarta administration enforced restrictions on passenger numbers on public transportation. Many offices still required workers to come in for work despite the PSBB requirement that all nonessential workplaces be closed and implement work-from-home policies.

Commuter line operator PT Kereta Commuter Indonesia (KCI) reported that the buildup of passengers occurred mainly in two of Jakarta's satellite cities, Depok and Bogor in West Java, which have been hit hard by the COVID-19 outbreak but have yet to impose PSBB status.

"We hope the PSBB status will be accompanied by control and supervision from the local administrations, especially in controlling the mobility of community members," KCI external relations manager Adli Hakim said in a media statement on Monday.

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Social analyst Devie Rahmawati of the University of Indonesia said that, while public activity had yet to significantly decreased, asked law enforcers to prioritize persuasive measures in enforcing their authorities as opposed to repressive measures.

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## **High-ranking police officers elected as KPK executives**

*Koran Tempo, Nasional; Kompas, p.2*

The Corruption Eradication Commission (KPK) is set to inaugurate four of its newly appointed executives. Two of the new executives are high-ranking police officers, namely Yogyakarta Police deputy chief Brig. Gen. Karyoto, who has been appointed as the KPK's law enforcement deputy and police commissioner Endar Priantoro as the KPK's investigation director.

The remaining two elected executives are Communications and Information Ministry executive Mochamad Hadiyana, who was appointed the KPK's information and data deputy and attorney Ahmad Burhanuddin as the KPK's legal bureau head.

KPK spokesman Ali Fikri said the appointed figures had underwent a selection process with 49 other candidates. The process, according to Ali, included administrative screening, competency assessment, interviews and health screening held from between March and April.

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## **Constitutional Court Law reform in spotlight**

*The Jakarta Post, headline*

Experts have raised questions over the House of Representatives' move to amend the Constitutional Court Law, especially as the revision may harm justices' independence and discourage the public from exercising their rights to challenge potential controversial laws currently being deliberated by lawmakers.

According to the draft bill, Constitutional Court justices can hold their position until the age of 70, 10 years longer than the maximum age for justices set in the existing 2011 Constitutional Court Law. The minimum age of justices, however, has also been revised from 47 to 60 years old. Nor can they be replaced, as the bill scraps a provision stipulating that justices can serve for only five years and must be reelected for another term.

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"It curtails the justice monitoring system and allows justices to hold their positions for as long as possible, which could affect their independence when issuing rulings," said Erwin Natosmal Oemar, an activist from the Public Interest Lawyer Network Indonesia (PilNet) who often represents judicial review cases at the Constitutional Court.

Lawmaker Taufik Basari of House Commission III overseeing legal affairs, who is also a member of Baleg, confirmed the authenticity of the bill, which is currently being discussed by the commission, saying that it had been initiated and prepared by Baleg.

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## BUSINESS AND ECONOMICS NEWS AND HEADLINES

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### Govt secures food supply amid pandemic

*Bisnis Indonesia, headline*

According to Agriculture Ministry data, rice stocks in the country comprising existing stocks as of February and harvest production from March till May are estimated to reach 15.9 million tons.

This is more than enough as the country's monthly average consumption stands at 2.53 million tons per month, which would total 8.3 million tons by the end of May. The country's stock until the end of May would be enough to supply rice until September. However, uncertainty remains over when the coronavirus pandemic will end.

The Food and Agriculture Organization (FAO) has warned that the COVID-19 pandemic will disrupt food supply globally in April and May. Although the country's food stock statistics look safe, Institute for Development of Economics and Finance (Indef) researcher Dhenny Yuartha Junita said the government should take into consideration possible disruptions caused by the pandemic, such as stock and price volatility.

According to former deputy agriculture minister Bayu Krisnamurthi, the government needs to provide stimulus to secure food supplies amid the pandemic. In addition, Indonesian Corn Producer Association chairman Sholahudin said the stimulus should also be given in the form of seeds and fertilizer as well as market absorption and price fairness.

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## **Banks to revise 2020 targets**

*Kontan, headline*

Banks are revising their credit targets this year, taking into account the impact of the COVID-19 pandemic on their businesses. In addition, the uncertainty over when the pandemic will end presents banks with difficulties to set a definite target.

Assuming the pandemic will end in May, Bank Tabungan Negara (BTN) estimates their credit growth to reach 8 to 9 percent this year. However, should the pandemic last longer, the credit growth is estimated at a lower rate, at only 5 to 6 percent growth if the pandemic ends in June or July.

Bank Indonesia (BI) previously cut its credit growth projection from 9 to 11 percent down to 6 to 8 percent this year. A source told *KONTAN* that 5 percent growth was good enough amid the public health emergency.

Two prominent banks in the country, Bank Central Asia (BCA) and Bank Rakyat Indonesia (BRI), are reportedly also revising their credit growth targets. Although the targets they set at the beginning of the year were conservative, the banks are calculating even more conservative targets. BRI previously targeted 10 to 11 percent credit growth this year, while BCA only targeted 7 to 8 percent.

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## **Businesses to meet demand for health gear in late April**

*Investor Daily, headline*

The domestic manufacturing industry will be ready to meet 100-percent demand for protective health gear (APD) at 16.5 million units per month. The textile and textile product (TPT) producers have diversified their business, from only five companies producing 855,000 APD pieces sold to 36 companies now producing 18.4 million APD pieces.

Medical workers have complained about a lack of sufficient APD supply when treating COVID-19 patients. The lack of medical devices and equipment has hindered medical care and caused the high number of fatalities among doctors and nurses.

The Industry Ministry has formed partnerships with domestic manufacturing companies to produce APD including masks, hazmat suits, caps, towels, gloves, boots and goggles. Assuming the companies are producing at full capacity, domestic production will be able to meet demand by the end of April.

Several producers who have started to produce washable coveralls and disposable coveralls are the West Java chapter Indonesian Textile Association, producing 400,000 to 700,000 pieces per week since Apr. 6, PT Pan Brothers with 100,000 pieces since Apr. 9 and PT Sri Rejeki Isman (Sritex) also at 100,000 pieces.

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## **One-fifth of SMEs collapse**

*Koran Tempo, economic headline*

The Industry Ministry is preparing a number of programs to help small and medium enterprises (SME) weather the impact of the COVID-19 pandemic on businesses. The ministry's SME secretary-general Gati Wibawaningsih said as many as 987,000 SMEs, around one-fifth of the total, had collapsed due to falling demand.

The ministry has reallocated Rp 92 billion (US\$5.85 million) to help SMEs. Of the total, Rp 10 billion will be used for purchases of additional equipment required by SMEs at discounted prices, Rp 15 billion to build centers for raw materials that will provide raw material supplies to SMEs at a cheaper price, Rp 52 billion to prepare new entrepreneurs by providing training for workers recently laid off, while the rest will be channeled to industrial centers.

At the same time, banks are providing credit relief to help SMEs whose businesses have been affected by the pandemic. Bank Mandiri, the biggest SME credit portfolio holder at Rp 103 trillion, is relaxing installments by extending loan periods and adjusting interest rates. BNI Syariah, with similar programs, prioritizes heavily impacted sectors such as tourism, transport, commerce and agriculture.

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## **Govt introduces new social benefits as 2.8 million lose jobs**

*The Jakarta Post, p.1*

Indonesia's preemployment card program, a social safety net offering aid similar to unemployment benefits, saw an immediate spike in interest within a few days of its launch, as 2.8 million people have lost their jobs nationwide as a result of businesses temporarily halting operations.

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Just a day after the program was launched on Saturday, 1.4 million people applied for benefits worth a total of Rp 3.5 million (US\$223) — to be given for four months — in the first registration phase, according to data from the Office of the Coordinating Economic Minister.

“We initially wanted to reduce youth unemployment, but now we are also focusing on furloughed workers, those who have lost their jobs or small entrepreneurs who have lost customers,” Denni Puspa Purbasari, the president director of the program’s management, told an online talk on Monday.

With a budget of Rp 20 trillion, the program will cover 5.6 million participants aged 18 years or above who are currently not attending university, particularly those who have yet to receive any social assistance.

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