

Monday, Apr. 6th, 2020

GENERAL NEWS AND HEADLINES

Anies slams red tape in COVID-19 fight

(The Jakarta Post, headline)

Jakarta Governor Anies Baswedan has accused the central government of stonewalling his efforts to contain the spread of the coronavirus by issuing a ministerial regulation that prevents him from directly imposing stricter measures to limit the movement of people.

Under pressure to control the rising number of cases and deaths in the capital, Anies strongly criticized the Health Ministry's new guidelines on large-scale social restrictions (PSBB), which included an assessment process and showed "no sense of urgency".

Earlier this week, President Joko "Jokowi" Widodo said that, in lieu of a regional or national lockdown, regional administrations could enforce physical distancing rules in their fight against COVID-19.

According to Government Regulation No. 21/2020 on the PSBB, provinces and cities are required to obtain a permit from the Health Ministry to impose such policies. No region has obtained this permit to date.

The regulation says that the ministry must make a decision within two days after a regional administration applies for the permit. The PSBB should then be implemented for 14 days, which can be extended in the case of continued transmission.

Anies said that he had sent a PSBB request to Health Minister Terawan Agus Putranto on Wednesday before the ministerial regulation was issued, and would wait for an answer instead of sending a new request. The ministry team was still discussing the request on Sunday afternoon.

Regions tighten social restrictions

(Republika, headline)

Association of Regency Administrations (Apkasi) chairman Abdullah Azwar Anas said that all regions in the country must enact the large-scale social restrictions (PSBB), which included the policies on physical distancing, work from home (WFH) and traffic diversion.

"In Banyuwangi, for example, we turned off the internet connection in public places so that people would not gather," said Abdullah, adding that the policy had been implemented in all regions in accordance with the directive from President Joko "Jokowi" Widodo.

The PSBB guidelines require administrations to collaborate with several state institutions, including the Religious Affairs Office (KUA) that is responsible for restricting the number of guests at akad nikah (Islamic weddings). Abdullah added that regional administrations had also reallocated their budget to fund the COVID-19 response, including the provision of basic staples, medical equipment and financial assistance.

Calls rise to halt deliberation of omnibus bill

(Republika, p.2; Kompas, p.2)

A number of parties have lamented the House of Representatives' decision to continue its deliberation over several problematic bills amid the COVID-19 outbreak in the country, including the Criminal Code bill and the omnibus bill on job creation.

Judiciary watchdog KoDe Inisiatif chairman Very Junaidi has urged the government to temporarily postpone the bills' deliberation. Very added that the House and the government must ensure public participation in the deliberation, which was not feasible at present due to the government's large-scale social restriction policy to stem COVID-19 transmissions.

Similarly, researcher Charles Simabura at Andalas University's Center for Constitutional Studies said that the President must remain consistent in the government's fight against the virus and implementing social restrictions by postponing the bills.

Supreme Court to elect new chief justice soon

(Kompas, p.2; Koran Tempo, Nasional)

The Supreme Court is to elect its new chief justice at 10 a.m. on Day, Date, to replace incumbent Hatta Ali, who is to retire on April 7.

All 47 Supreme Court justices will vote for one of three reported candidates: justice Andi Samsang Nganro, judiciary deputy chief Syarifuddin and non-judiciary deputy chief Sunarto. Supreme Court spokesperson Abdullah, however, dismissed the reports naming the three candidates, saying that the candidates would be disclosed later on Day during the election.

The election would be held today at the Supreme Court and broadcast live on YouTube, said Abdullah.

Public counsel Julius Ibrani of the Foundation of the Indonesian Legal Aid Institute (YLBHI) said that several civil organizations hoped that the next chief justice would possess high integrity and would be a role model. "They can be demonstrate [their integrity] through their lifestyle and wealth profile, which will reflect their income," said Julius.

Police generals vie for key KPK position

(The Jakarta Post, p.3)

After days of pressure from civil society organizations over a lack of accountability, the Corruption Eradication Commission (KPK) has publicized the names of the three final candidates for the KPK law enforcement deputy.

KPK acting spokesperson Ali Fikri said in a statement on Friday that all three candidates were police generals: Yogyakarta Police deputy chief Brig. Gen. Karyoto, South Sumatra Police deputy chief Brig. Gen. Rudi Setiawan and Brig. Gen. Agus Nugroho, the detectives training program head at the National Police Education and Training Institute (Lemdiklat).

While the KPK law enforcement deputy is usually a police general or other law enforcement officer, anticorruption activists have said that appointing a police general would create a conflict of interest.

Indonesia Corruption Watch (ICW) said on Wednesday that public trust in the antigraft body would be eroded further if an individual who "lacked integrity and capacity" was appointed to the position.

Ali dismissed the criticisms, saying that the selection process had been conducted transparently. He said the KPK had not prevented anyone from applying to the position.

BUSINESS AND ECONOMICS NEWS AND HEADLINES

Health ministerial decree ineffective in implementing PSBB

(Bisnis Indonesia, headline)

The Health Ministry issued Ministerial Decree No. 9/2020 regarding large-scale physical distancing (PSBB) guidelines on Friday, but its implementation remains questionable. According to Article 2 of the decree, the rapid increase in the number of COVID-19 cases is one of the criteria to put the PSBB in place. However, Health Minister Terawan Agus Putranto is slow in deciding to implement the PSBB in areas where the coronavirus disease is spreading fast.

Jakarta Governor Anies Baswedan is waiting for the minister's decision to declare the PSBB status for the area. The epicenter of the COVID-19 outbreak in Indonesia, the capital city makes up almost half the total number of cases in the country with 1,124 cases as of Sunday.

Governor Anies said the central government's decision was needed to implement PSBB in his province so his side could follow up by issuing a regional government regulation. However, Minister Terawan said he needed to discuss it with the task force first to recommend areas that needed PSBB implementation.

In addition to Jakarta, four other provinces have more than 100 confirmed cases, namely West Java with 252 cases, East Java with 188 cases, Banten with 177 cases and Central Java with 120 cases.

Rupiah depreciation puts SOEs at risk

(Kontan, headline)

State-Owned Enterprises (SOE) Minister Erick Thohir, in a teleconference call with the House's Commission VI overseeing trade, industry and SOEs on Friday, said there were at least three SOEs in addition to four state-owned banks that would be exposed to default risk induced by rupiah depreciation. The three SOEs are oil company PT Pertamina, electricity company PT PLN and national flag carrier PT Garuda Indonesia.

Minister Erick explained that PLN faced high risk because the company had debt totaling Rp 350 trillion (US\$21.35 billion), mostly in US dollars. The company recently issued debt papers in US dollars and euro with accumulated worth of US\$1.5 billion in November last year. However, the company remains optimistic about its cash flow since most of the debts have 10- to 30-year tenors.

Meanwhile, Pertamina remains cautious about importing oil amid the US-dollar exchange rate hike. The company is currently prioritizing cash use for operational and debt payments.

Lastly, Garuda is currently reviewing funding options to pay for debts due this year, including the US\$500 million debt due in June. The company is also considering negotiating with aircraft lessors since aircraft have been underutilized due to travel restrictions to mitigate the coronavirus pandemic.

Sixty issuers ready for Rp 17.28 trillion buyback

(Investor Daily, headline)

At least 60 issuers at the Indonesia Stock Exchange (IDX) have reported they are ready to buy back shares with an accumulated fund of Rp 17.28 trillion (US\$1.05 billion). The buyback is expected to give rise to positive sentiment in the domestic capital market, which has fallen 26.61 percent since January.

The Financial Services Authority (OJK) issued a circular on Mar. 9 relaxing requirements for issuers to buy back their shares during an extraordinary situation in which the market fluctuated irregularly. The circular allows issuers to buy back shares without approval from a general shareholders meeting (RUPS).

In addition, issuers are also allowed to buy back shares worth more than 10 percent of its paid-up capital, with a maximum of 20 percent, as long as their free float shares are worth at least 7.3 percent.

OJK chairman Wimboh Santoso said the capital markets, both globally and domestically, had shown positive indicators of recovery. However, the rebound acceleration will still rely considerably on the efficacy of each government's policy to mitigate the impacts of COVID-19 on the economy.

Govt to accelerate data collection

(Kompas, p.9)

The government's plan to open registration for the pre-employment card on Apr. 7 must be postponed since the participant candidate list has yet to be finalized. The candidate database is needed so the assistance allocated during the COVID-19 pandemic can reach the target.

According to Manpower Ministry data, 2,311 workers had been laid off by 56 companies as of Apr. 1, while 9,183 workers from 153 companies had not been paid fully. Labor unions advise the government to verify its data with that compiled by the labor unions.

Pre-employment card partnership director Panji W. Ruky said his side would open the registration in the second week of this month. He said there was a quota of 164,000 participants every week.

Panji also said the registration could be done directly online from their website or by recommendation from the ministries or institutions (K/L). The data compiled by the government comes from business associations, regional manpower departments, the Jamsostek social security program and labor associations.

Jakarta's poor at risk as city drags feet on COVID-19 social assistance

(The Jakarta Post, p.1)

The Jakarta administration's sluggish delivery of crucial social assistance funds in response to the COVID-19 outbreak is putting the city's underprivileged citizens at higher risk of slipping into destitution.

On March 20, Jakarta Governor Anies Baswedan said the administration would be disbursing social assistance to 1.1 million registered beneficiaries. However, Anies announced on Thursday that the number of beneficiaries had jumped to 3.7 million people, due to more people falling into poverty.

The governor has revealed that beneficiaries would be receiving Rp 1 million (US\$60.45) in subsidies per household per month for April and May. The Social Affairs Ministry allocates Rp 4.57 trillion to the social assistance program, while the remainder will be taken out of the city's budget. With an additional 2.6 million new recipients, Anies said the administration would require approximately 10 days to complete their credentials.

Social Affairs Ministry director general for social empowerment Pepen Nazarudin said the ministry was still waiting on the details of the beneficiaries. The disbursement mechanism remains unclear, but Pepen insisted it would abide by the physical distancing rules mandated by the government, hopeful of avoiding the rush and the long lines that often come with the distribution of staple food packages.

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