

Wednesday, Apr. 8th, 2020

GENERAL NEWS AND HEADLINES

Jakarta to tighten mobility restrictions

The Jakarta Post, headline; Kompas, headline; Republika, headline; Media Indonesia, p. 2; Investor Daily, p. 12

The Jakarta administration will tighten measures to restrict people's movement after being granted permission by the central government to implement large-scale social restrictions (PSBB) to curb the COVID-19 outbreak.

The Health Ministry granted the request early on Tuesday, shortly after Jakarta Governor Anies Baswedan slammed the ministry for being too bureaucratic in handling the outbreak, which has infected at least 1,369 people and killed 106 in Jakarta alone.

The governor told a press conference on Tuesday evening that the city had already implemented large-scale social distancing policies but they had now become legally binding to all residents following the ministry's decision to approve Jakarta's PSBB status.

Starting on Friday, gatherings of more than five people will be prohibited, Anies said, and public transportation services will limit passenger numbers to 50 percent of capacity and restrict their operational hours from 6 a.m. to 6 p.m.

The governor assured that private vehicles could still enter Jakarta, but a limit will be imposed on the number of passengers allowed in each vehicle.

"The Jakarta administration and the central government will give social aid to low-income people affected by the PSBB policies," the governor said. "We are asking everyone to follow the rules [...] We will not tolerate any activities that can cause infection."

The new measures, Anies said, will be detailed in a special regulation to be issued on Wednesday.

Agriculture minister launches free groceries delivery

Media Indonesia, p. 1

The Agriculture Ministry has joined hands with local tech giant Gojek to overcome communities' difficulties in accessing basic food needs amid the COVID-19 outbreak, during which citizens are encouraged to stay at home. The ministry and Gojek launched online grocery shopping on April 3.

Agriculture Minister Syahrul Yasin Limpo said the agricultural sector had demanded priority amid the outbreak. Cooperating with Gojek was done in accordance to President Joko "Jokowi" Widodo's directive for all ministries, central and regional governments to focus on ensuring food stock and distribution.

"In accordance to the directive of the President, we are asked to ensure the availability of 11 foodstuffs in the midst of the pandemic until Idul Fitri. I appreciate Gojek's cooperation [...] as we can now provide grocery shopping services for the community without them having to leave home," Minister Syahrul said at the launch.

Lawmakers criticize police chief's telegram

Republika, p. 2

A police telegram dated April 4 that ordered the monitoring of the dissemination of hoaxes surrounding the COVID-19 pandemic, defamation of the President and government officials as well as online shopping scams related to the selling of health equipment, has been deemed dangerous and a potential abuse of authority. Criticizing the President and government officials is deemed as a problematic clause in the telegram, with at least one person having been arrested on charges of insulting President Joko "Jokowi" Widodo.

House of Representatives Commission III member Ahmad Sahroni argued that Indonesia is a democratic country and that the public had the right to criticize the President and the government. Moreover, amid the COVID-19 outbreak, Ahmad continued, the police should be focusing on providing services and protection to people who are experiencing difficulties.

Similarly, House Commission III member M Nasir Djamil has also asked the police to take on a more persuasive approach. According to Nasir, it is undeniable that false information about COVID-19 can be detrimental to the community, however citizens who criticize state policies that deal with this outbreak still have the right to be protected.

Criminal Code revision faces greater rejection

Kompas, p. 2; Media Indonesia, p. 4

The public has continued to reject the discussion and ratification of revisions of the controversial Criminal Code (KUHP) as a national state of emergency is prohibiting the public from participating in the revision of the bill, which still contains many problematic articles.

Joining the civil society group, the National Commission on Human Rights (Komnas HAM) has urged the House of Representatives and President Joko "Jokowi" Widodo to delay the ratification of the bill.

Komnas HAM commissioner Choirul Anam said that in terms of time, the discussion of the KUHP was inappropriate as the nation was still struggling to overcome the COVID-19 outbreak. Moreover, public participation in the discussion of the KUHP revisions was necessary and the House had yet to reveal the latest draft of the bill to the public.

West Java to impose curfew, limit people's movement

The Jakarta Post, p. 3

The West Java administration is set to implement a curfew across 27 cities and regencies to limit people's movements and help curb the spread of COVID-19.

"The [West Java] Police chief has agreed to this plan as long as the [local administrations] coordinate local law enforcement," West Java Governor Ridwan Kamil said in a statement on Monday.

He has ordered local authorities to make immediate plans for the curfew, which he said was part of efforts to instill discipline among residents, as West Java would soon submit a request to the central government for large-scale social restrictions (PSBB).

The administration is still waiting for waiting for comprehensive data and mapping on the spread of the disease in 27 cities and regencies, including the results of massive COVID-19 rapid testing administered in the province.

"We need that information to support our PSBB request," he said.

Once approved, PSBB in West Java will particularly focus on areas that border Jakarta — the national epicenter of the outbreak — to better synchronize policies aimed at curbing transmission, he added.

BUSINESS AND ECONOMICS NEWS AND HEADLINES

Businesses on alert over PSBB

Bisnis Indonesia, headline

The business sector is anticipating the possibility that Jakarta and certain local governments will impose large-scale social restrictions (PSBB) that will likely affect their business operations.

Health Minister Terawan Agus Putranto has given the green light to the Jakarta administration to implement PSBB to prevent the spread of COVID-19 in the capital city, which has recorded the highest number of COVID-19 cases and related deaths in the country.

Jakarta Governor Anies Baswedan said the capital city would start implementing the PSBB starting Friday. "Jakarta has actually implemented PSBB since three weeks ago. The difference is that beginning on Friday, there will be law enforcement on the field," Anies said.

Indonesian Chamber of Commerce and Industry deputy chairman Shinta W. Kamdani and Indonesian Employers Association (Appindo) supervisory board chairman Sofjan Wanandi said that businesses would support the implementation of PSBB in Jakarta. But they called on the authorities not to disrupt the distribution of goods so that the businesses could still operate properly.

Olefin, Aromatic and Plastic Industries Association (Inaplas) secretary-general Fajar Budiyo said the PSBB should not hamper the logistical distribution of raw materials to and from Jakarta, so that businesses could operate normally.

Under the PSBB, local authorities should facilitate the distribution of goods, especially basic goods, as governed by a trade ministerial circular on the availability of basic goods.

Indonesian Retailers Association (Aprindo) chairman Roy N. Mandey said a number of retail outlets would remain open during the PSBB so that people could still meet their daily needs.

Authorities go all out to prevent economic crisis

Investor Daily, headline

The government, Bank Indonesia and the Financial Services Authority (OJK) are doing their best to prevent the Indonesian economy from falling into crisis.

Finance Minister Sri Mulyani Indrawati said that from the government's side, the state budget was the best instrument to protect the people and the economy from going into crisis, and "Therefore, we are maintaining our state budget in a prudent, accountable and transparent way."

To manage the budget, the government has gone into the international market to raise funds. The finance minister said the government had issued global debt papers totaling US\$4.3 billion (about Rp 69 trillion).

Meanwhile, Bank Indonesia Governor Perry Warjiyo said the central bank would continue to intervene in the market to maintain the stability of the rupiah, so that it would stay at Rp 15,000 per US dollar by year-end.

Perry also said the central bank would continue to supply liquidity into the market through quantitative easing to drive up economic activities impacted by the coronavirus pandemic.

OJK chairman Wimboh Santosa said his side had urged banks and non-bank financial institutions to go easy on customers facing difficulties in servicing their debts.

Wimboh said state-owned banks had given loan payment relaxations to 168,569 debtors, with total debt value of Rp 28.7 trillion. Private commercial banks are also giving loan payment relaxations to their customers but the OJK has not obtained the figures yet.

Govt relies on foreign funds

Kontan, headline

The government is relying on foreign funds to finance additional social safety net programs and various stimulus packages to revive the economy from the impacts of the coronavirus pandemic.

The government's additional spending includes Rp 75 trillion (US\$4.69 billion) in healthcare programs to fight the spread of the coronavirus, Rp 110 trillion in social safety net programs and Rp 70.1 trillion to support small and medium enterprises.

The government on Tuesday issued US dollar-denominated debt papers (SUN) totaling US\$4.3 billion (around Rp 69 trillion). The SUN comprises three series, with maturities of 10.5 years, 30.5 years and 50 years.

Finance Minister Sri Mulyani Indrawati said the yields of Indonesian debt papers with longer maturity showed a flattening tendency, indicating investors' confidence in Indonesia.

"These tenors are the longest we've ever had. This implicitly shows that investors still have confidence in our track record in economic and finance management," said Sri Mulyani.

Five months until business as usual: RI companies

The Jakarta Post, p. 1

Business players expect to resume normal operations in September or October as companies weather economic paralysis and lay off workers to cope with the economic shocks of COVID-19.

Indonesian Chamber of Commerce and Industry (Kadin) chairman Rosan Roeslani told *The Jakarta Post* that businesses expected the coronavirus pandemic to peak around June before seeing major improvements by September.

“However, the economic recovery from the pandemic could last until 2021 or even the next two years,” he said on Monday. The rebound period would be especially long for industries hit hardest by the pandemic, such as tourism, he said.

Scientists have predicted that the peak of the COVID-19 outbreak in the country will occur around April with about 71,000 cases as the government accelerates rapid testing to identify and contain the virus. As of Tuesday, 2,738 COVID-19 cases had been identified in Indonesia with 221 deaths, among the highest death rates in the world, half of which were in Jakarta.

After President Joko “Jokowi” Widodo announced a public health emergency and a large scale social distancing policy, some manufacturers stopped production such as carmakers Suzuki Indonesia and Honda Indonesia. More than 16,000 employees in the capital city have been laid off or have had to take unpaid leave as companies grapple with the effects of the coronavirus.

“What businesses can do right now is maintain liquidity and cash flow,” said Rosan. “Halt nonessential spending to avoid layoffs. What’s important now is to be able to survive during this pandemic.”

Micro, Small and Medium Enterprises Association (Akumindo) chairman Ikhsan Ingratubun said the government needed to prepare stimuli for small businesses that employed daily workers most vulnerable to economic shocks. More than half of Indonesia’s workforce, 70.49 million people, are informal workers with minimal or no social support.

“I ask for relief on electricity and water [bills]. We don’t have any income. My business closed down. I don’t know how to pay the THR [holiday bonus],” said Ikhsan, the owner of a restaurant chain. “Without a proper policy there will be a social and security threat.”

Govt needs to expand pre-employment cards coverage

Kompas, p. 9 (headline of Economy & Business page)

The government has decided to launch the pre-employment card ahead of

schedule but data is still limited to those that had lost their job in the formal sector. Therefore, a number of parties have called on the government to pay more attention to those who had lost work in the informal sector.

Indonesian Workers Organization (OPSI) secretary-general Timboel Siregar said workers who had lost their jobs in the formal sector did not know they were entitled to pre-employment cards, which would give them access to training and a monthly stipend.

Therefore, Timboel urged the government to intensify their effort to reach out to unemployed people, both in the formal and informal sector, so that the cards reached the intended targets.

Manpower Minister Ida Fauziyah confirmed that the ministry's data only covered workers in the formal sector, especially those who were under BPJS Jamsostek.

Ida said the government had planned to provide pre-employment cards to the unemployed in the informal sector, as those in the formal sector were already covered by BPJS Jamsostek. To do so, however, a number of regulations need to be revised. Therefore, for now, the government would distribute pre-employment cards to those who had lost their jobs in the formal and informal sectors.

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