

Thursday, Jul. 9th, 2020

GENERAL NEWS AND HEADLINES

More doctors, health workers die of COVID-19

Koran Tempo

As of Wednesday, a total of 48 doctors and 41 nurses have died, with some testing positive for COVID-19 and others suspected of contracting the virus. Previously, only doctors and nurses who worked in hospitals in urban areas had died from COVID-19, however, the Indonesian Medical Association (IDI) has noted that community health centers (Puskesmas) in villages are also reporting deaths of doctors.

According to IDI spokesman Halik Malik, many doctors contracted the virus due to a lack of personal protective equipment. Many Puskesmas were still awaiting shipments of protective gear from the government. In some regions, doctors had been forced to buy the protective equipment independently.

In addition to a lack of protective equipment, the quality of health facilities and health centers were not up to standard. Halik said a number of Puskesmas and hospitals were not equipped with COVID-19 examination facilities, including that of test kits.

"Many people contract the virus from undetected patients. Asymptomatic cases are also especially high," Halik said.

Moreover, Halik said the health workers' conditions also contributed to the deaths. According to Halik, there are still doctors over the age of 60 who continue to treat patients, despite the IDI recommending that medical personnel classified as vulnerable to rest or treat only non-coronavirus patients. Several doctors have, thus, died of comorbidities, such as diabetes and hypertension.

Police accused of ethics violation in Novel case

The Jakarta Post, p. 2

Corruption Eradication Commission (KPK) senior investigator Novel Baswedan's advocacy team has urged the National Police to investigate an alleged professional ethics violation by the legal team representing two police officers accused of attacking the top graft buster with acid.

The advocacy team accused National Police legal division head Insp. Gen. Rudy Heriyanto Adi Nugroho of misusing his authority to hide evidence and cover up the crime allegedly committed by his fellow police officers, Chief Brig. Ronny Bugis and Brig. Rahmat Kadir Mahulette, who are standing trial for assaulting Novel in April 2017.

At the time of the incident, Rudy was the Jakarta Police's general crime division head. He was responsible for handling the investigation of the crime scene. He is currently leading the legal team representing Ronny and Rahmat in court.

"Everything related to the investigation was under his responsibility, including the allegedly lost evidence, which looks like an action to cover up the crime," Kurnia Ramadhan, a spokesperson for Novel's advocacy team, said in a statement on Tuesday.

Govt discusses Perpres involving TNI

Media Indonesia, p

Political, Legal and Security Affairs Minister Mahfud MD has said the government is discussing a presidential regulation (Perpres) draft concerning the involvement of the Indonesian Military (TNI) in dealing with acts of terrorism. "The involvement of the TNI in handling terrorist acts is the mandate of a law that states so but will also be regulated by a presidential regulation," Mahfud said on Wednesday.

According to Mahfud, the matter is still being dealt with. "Because terrorism is considered an act of criminality, [the Perpres] will be named the Terrorism Act," said Mahfud. However, he further explained that it was necessary for the TNI to be involved should situations of certain scales and difficulty arise.

"[The Perpres] is being discussed. We have to draft one and hopefully it will be finished in a short time. All that remains is wrapping up a few issues," he added.

House supports optimizing police's role in cyberattacks

Kompas, p. 2

Even though comprehensive regulations are needed to regulate the protection of citizen's personal data and minimize the risks of cyberattacks on electronic systems and digital platforms, the police have the means and adequate technology to handle such threats. However, a number of obstacles continue to hinder the police's role.

House of Representatives Commission III chairman Herman Hery said the National Police not only had the ability to handle cyberattacks but also the necessary technology. House Commission III is exploring issues that hinder the police's ability to deal with cyberattacks, such as hacking and data leaks.

"Maybe there is a lack of personnel. We will check on this during the next meeting with the National Police," Herman said on Wednesday.

House Commission III member Taufik Basari also stated that the shortage of personnel was also an issue raised when the commission visited the police's Criminal Investigation Department (Bareskrim) last Monday. The Bareskrim Cyber Criminal Acts Directorate reported an overwhelming number of complaints that had to be followed up one-by-one due to a lack of personnel.

Lawmakers, businesses disagree over data regulation

The Jakarta Post, p. 3

Businesses that manage large quantities of the public's data have asked the House of Representatives not to regulate anonymized data in the personal data protection bill, saying that it could hamper their business development.

The businesses – grouped under the Indonesian Hospital Association (PERSI), the Indonesian E-Commerce Association (idEA), the Association of Indonesian Financial Technology (Aftech) and the US-ASEAN Business Council (USABC) – expressed their concerns in a hearing on the bill with House Commission I overseeing defense, foreign affairs, information and intelligence on Monday.

"We must distinguish aggregate data and individual data. Aggregate data is unidentified, unlike individual data. Unidentified data should be excluded from this regulation," Bima Laga of idEA said.

Budi Sampurna of PERSI echoed Bima's sentiments, saying that hospitals normally classed anonymized behavioral data of their patients as impersonal data. He added that all patient personal data should be considered confidential, which could not be transmitted or opened without the patient's consent, except under certain circumstances.

Lawmakers questioned the businesses' arguments for excluding anonymized data from the bill, saying that companies should get the data holders' permission to use such data to create behavioral profiles.

"We understand the businesses' concerns, but for me, whatever the purposes are, they should have the owner's consent," Charles Honoris of the Indonesian Democratic Party of Struggle (PDI-P) said.

BUSINESS AND ECONOMICS NEWS AND HEADLINES

Debt issue to spring in second semester

Bisnis Indonesia, headline

Indonesian rating agency Pemeringkat Efek Indonesia (Perfindo) has received 59 debt issue mandates worth Rp 74.16 trillion (US\$5.16 billion) as of June 30.

The majority of issuers are companies in the banking, multifinance and infrastructure sectors. In addition, a number of issuers have also said they planned to issue debts in the second semester for refinancing, operational and investment needs.

Mandiri Sekuritas fixed income research head Handy Yuniarto projected that debt issuance in the second semester would see an upward trend. He said the cost of funds would be more preferable for corporates in the third quarter as the yield on sovereign debt papers (SBN) they used as a benchmark for their coupon has lowered.

According to the Indonesian Central Securities Depository (KSEI), more than 10 companies in the real sector have debts due in the second semester, with total domestic debts of Rp 12.11 trillion. Meanwhile, Rp 3.26 trillion worth of medium

term-notes are also due in same period. Therefore, Indonesia Securities Pricing Corporation (PHEI) research and market information head Roby Rushandie said most debt issuances in the second semester would be for refinancing.

Small banks face liquidity pressures

Kontan, headline

The Financial Services Authority (OJK) recorded an 8.87 percent year-on-year (yoy) increase in third-party funds (DPK) in May. However, there were gaps among banks of different categories, indicating rising inequality among banks.

The BUKU IV category, banks with a core capital of more than Rp 30 trillion (US\$2.09 billion), experienced the highest DPK growth with 11.34 percent yoy. The BUKU II category, banks with a core capital between Rp 5 trillion and Rp 30 trillion, comes next with DPK growth of 7.95 percent yoy. Meanwhile, the BUKU III category, banks with a core capital between Rp 1 trillion and Rp 5 trillion, saw its DPK grow 4.75 percent yoy.

However, the BUKU I category, banks with core capital below Rp 1 trillion, saw its DPK fall 3.44 percent yoy, including a Rp 9 trillion drop in a single month to Rp 32.97 trillion in April from Rp 42.01 trillion in March.

Private lender PT Bank Woori Saudara director Sadhana Priatmadja said the drop in DPK was caused by a statement from an official institution regarding some banks' health, causing customers to move their funds from BUKU I and BUKU II banks to BUKU IVs, foreign and state-owned banks.

Furthermore, state-owned Bank Nasional Indonesia economist Ryan Kiryanto said slower liquidity growth in smaller banks was due to the high debt restructuring demand from borrowers.

Govt to revise tariff on lobster larvae exports

Koran Tempo, economic headline

The government is mulling over a new non-tax revenue (PNBP) tariff to revise Government Regulation (PP) No. 75/2015. The revision would adjust 2,000 export tariffs in the maritime and fisheries sector, including the tariff for lobster larvae exports.

Exporting company PT Alam Laut Agung owner Suryade said the government planned to set at Rp 2,000 (14 US cents) tariff per lobster larva. Meanwhile, business owners are proposing a lower tariff of Rp 500 per lobster larva.

The Indonesian Chamber of Commerce and Industry's (Kadin) deputy chairman for maritime affairs and fisheries, Yugi Prayanto, said a Rp 2,000 export tariff is too high for lobster larvae of the *Panulirus Homarus* species but acceptable for the *Panulirus Ornatus* species. He added that the *Panulirus Homarus* tariff should be Rp 1,000 per seed.

According to a prevailing regulation, the lobster larvae export tariff refers to the tariff set for crustaceans, such as shrimps, crabs and small crabs, in which exporters have to pay a Rp 250 tariff per 1,000 larvae they export.

Foreign investors show interest in banking, JCI surpasses 5,076

Investor Daily, headline

The Jakarta Composite Index, the main gauge of Indonesian share prices, went up 1.78 percent to 5,076 at market closing on Wednesday. The index shot through the psychological level of 5,000. The top 10 big-cap stocks bolstered the rise, especially issuers in the banking sector.

Foreign investors recorded net purchases worth Rp 249.89 billion (US\$17.39 million) for state-owned Bank Rakyat Indonesia shares and Rp 171.31 billion for private lender Bank Central Asia shares. The two issuers saw their share price rise by 5.28 percent and 3.51 percent, respectively, on Wednesday. In addition, state-owned Bank Mandiri saw its share price increase by 4.46 percent.

Binaartha Sekuritas analyst M. Nafan Aji Gusta said the banking sector experienced the most significant increase because it was supported by a loan disbursement from the government to state-owned banks.

Nafan and Sucor Sekuritas Analyst Hendriko Gani also projected that the Indonesia Stock Index (IDX) would see an upward trend until this weekend.

However, PT Philip Sekuritas Equity analyst Anugerah Zamzani projected that the JCI would not hit 6,000 in July because of uncertainties caused by the COVID-19 pandemic and a possible second wave of infections.

Consumers remain anxious despite 'new normal'

The Jakarta Post, p.1

Indonesian consumers remain anxious about entering the so-called "new normal" as shown in their continued reluctance to leave their homes despite the easing of travel restrictions, resulting in a sustained home-based economy, consumer research firms have reported.

According to a report by market research firm Kantar, almost half of all Indonesians are still worried about going out. Between June 9 and 19, 46 percent of over 4,000 respondents said they were still worried about leaving home. Between June 4 and 8, that figure was only 40 percent.

In line with that trend, the number of people wanting to go out has decreased. Between June 4 and 8, 32 percent of respondents said they were "eager to start hanging out with friends" and 23 percent said they were "dying to eat out".

Between June 9 and 19, however, the number dropped to 28 percent and 15 percent, respectively, indicating a sustained trend for home-cooked meals.

Meanwhile, 45 percent of respondents said they would continue to eat only home-cooked food.

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