

**Monday, Mar. 31<sup>th</sup>, 2020**

## GENERAL NEWS AND HEADLINES

### Jokowi refuses to impose lockdown on Jakarta

*The Jakarta Post, headline; Kompas, headline; Republika, headline; Koran Tempo, Berita Utama; Media Indonesia, headline*

While once again dismissing the option of imposing a lockdown on the capital, the government said on Monday that it would instead impose stricter regulations on social distancing coupled with “civil emergency measures”, a move that critics warn could exacerbate the COVID-19 crisis.

After a virtual Cabinet meeting on Monday, President Joko “Jokowi” Widodo instructed his Cabinet to prepare regulations on mass social distancing based on Law No. 6/2018 on health quarantine that restricts movement in particular regions. The President also instructed his aides to craft a clear regulation to act as guidance for regional administrations to enforce large-scale social distancing, although he added that the final decision on quarantine measures rested with the central government.

The Jokowi administration has been under pressure to impose a lockdown on the capital, which has become the region worst-hit by the COVID-19 outbreak. Indonesia recorded 1,414 cases with 122 deaths as of Monday. Jakarta accounted for 698 cases and 74 deaths.

Provincial and city administrations, as well as communities, have begun to take initiatives to close their borders to prevent the spread of the outbreak to their regions. But with Jokowi’s decision, these measures cannot be described as a “lockdown” or “quarantine”, because only the central government has the power impose such measures.

A constitutional law expert from Jakarta-based Jentera School of Law, Bivitri Susanti, said the use of the civil emergency status was misguided in the context of handling the COVID-19 outbreak because the situation, as stipulated in Perppu No. 23, implied a heavy-handed security approach.

## **House, govt, poll bodies agree to postpone regional elections**

*Kompas, p.1; Republika, p.3; Koran Tempo, Nasional*

The House of Representatives, the General Elections Commission (KPU), the Elections Supervisory Agency (Bawaslu), the Election Organization Ethics Council (DKPP) and the Home Ministry reached an agreement during a meeting on Monday to postpone all preliminary stages of the 2020 regional elections and to reschedule voting day initially slated for Sept. 23.

The postponement will be officiated by the government through the issuance of a government regulation in lieu of law (Perppu).

KPU chairman Arief Budiman said the decision would have a number of consequences, including related to budget and human resources.

House Commission II speaker Ahmad Doli Kurnia said budget-related consequences could be avoided by proposing a new budget by the end of this year.

During the meeting, it was also agreed that the remaining, unused Rp 9 billion (US\$550,796) from the overall Rp 14 billion 2020 regional elections budget would be allocated to address the COVID-19 outbreak in the country.

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## **House asked to halt omnibus bill deliberations**

*Republika, p.4*

Following a decision not to extend the House of Representatives' recess period, lawmakers have been requested to postpone their deliberation of the job creation omnibus bill amid the COVID-19 pandemic.

Indonesian Legal Aid Institute (YLBHI) chairwoman Asfinawati urged the House to prioritize efforts to assist the government in handling the outbreak.

Asfinawati added that instead of deliberating the contentious bill, lawmakers should instead focus on their responsibilities to ensure and meet the people's basic needs.

"[The necessities include] people's supply of food, water, sanitation and also financial aid for the poor," Asfinawati said.

According to Asfinawati, the House along with the government should discuss and finalize a new state budget allocated to fight the rapid spread of COVID-19 in Indonesia.

Regardless, House Speaker Puan Maharani has yet to decide whether or not to postpone the omnibus bill's deliberation. Puan, however, has assured that the House would focus on assisting the government in handling the COVID-19 outbreak.

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### **KPK claims transparency in selecting internal officials**

*Koran Tempo, Nasional*

The Corruption Eradication Commission (KPK) announced that the selection process of candidates to fill four vacant structural posts, namely law enforcement deputy, data and information deputy, investigation director and legal bureau head, had been transparent. To ensure transparency, KPK spokesman Ali Fikri pointed out that the antigraft body had decided to disclose the candidates' identities as well as provide updates on the progress of the selection process.

"The KPK has openly provided information on the candidates as well as the mechanism and stages of the selection process," Ali said on Monday.

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### **Three provinces retain zero-case status amid looming crisis**

*The Jakarta Post, p.3*

The rapid spread of COVID-19 has impacted as many as 30 provinces, with capital Jakarta identified as the outbreak's epicenter. As the rest of the country scrambles to avert a looming crisis, a few provinces have yet to report a single confirmed COVID-19 case — pending the test results of suspected patients under surveillance.

East Nusa Tenggara (NTT) has placed a total of 460 suspected patients under surveillance, according to the NTT administration's official website, [nttprov.go.id](http://nttprov.go.id). Of those, eight suspected patients with symptoms similar to the ones associated with COVID-19 are being treated at hospitals across the province, including Kupang, East and West Manggarai and East Sumba. Beyond those numbers, however, NTT has yet to report any confirmed COVID-19 cases.

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As of March 24, Bengkulu has reported 31 suspected cases, 28 of whom are patients under treatment (ODP), while three others are patients under surveillance (PDP).

Bengkulu Health Agency head Herwan Antoni said the administration had yet to find any confirmed COVID-19 cases in the province.

According to the latest update published on the local COVID-19 task force's official Instagram page *@diskominfobabel* on Sunday, Bangka Belitung has reported 23 suspected cases: 10 have tested negative for the disease, while the other 13 are still awaiting their test results.

The Gorontalo Health Agency wrote on its official Twitter page *@DinkesGtloProv* on Sunday that the number of confirmed COVID-19 cases in the province remains zero. However, the province has reported 844 suspected patients under treatment and 12 suspected cases under surveillance across six regions.

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## BUSINESS AND ECONOMICS NEWS AND HEADLINES

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### Social safety net to prevent social unrest amid stricter physical distancing

*Bisnis Indonesia, headline*

President Joko "Jokowi" Widodo on Monday called for stricter large-scale physical distancing accompanied by a civil emergency policy in order to curb the spread of COVID-19 in the country. The government has designed a social safety net to help people cope with the impact of physical distancing on the economy.

The Social Affairs Ministry has increased the nine basic necessities (sembako) assistance program to Rp 200,000 (US\$12.25) per month per poor household recipient (KPM) from Rp 150,000. The program's budget is Rp 28.08 trillion in total and will be given to 15.2 million recipients.

Meanwhile, the conditional cash transfer Family Hope Program (PKH) recipients will be able to withdraw in advance their April allocation in March and their July allocation in April.

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The ministry also sent a circular to governors and mayors to use the government's rice reserve. In addition, the families of COVID-19 victims will receive Rp 15 million in compensation from the government.

Jokowi urges the social safety net program targeted at informal sector workers and daily workers and incentive programs for micro and small businesses to be implemented soon. In addition to helping their economy, the programs could also prevent them from leaving big cities like Jakarta to go to their hometown.

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## **Large-scale physical distancing to prevent exodus**

*Kontan, headline*

President Joko Widodo on Monday declared a civil emergency with large-scale physical distancing (PSSB) as an effort to curb the spread of COVID-19 without implementing regional quarantines.

Indonesia's COVID-19 task force chief Doni Monardo said the government's decision was taken not only considering the social and economic perspectives, but also the public health perspective.

According to Doni, implementing local quarantines when the government was not prepared to provide food security, adequate medical equipment and strict enforcement would only create new problems. Doni said that in India, for example, the people immediately left cities en masse to their hometowns when the government announced a lockdown, leading to uncontrollable spread of the virus.

The government is deliberating a policy on the upcoming Idul Fitri exodus season. The decision on whether exodus is allowed amid the COVID-19 outbreak will be announced on Tuesday.

Should the government allow the exodus, the people are categorized as people under observation (ODP) and are required to quarantine themselves for 14 days and avoid physical contact upon arrival at their destination.

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## **Market players call for immediate stimulus implementation**

*Investor Daily, headline*

Market players are demanding the government immediately execute fiscal stimulus packages that have been announced as COVID-19 impact mitigation efforts. The stimulus execution is needed not only so the economy would start to recuperate, but also to demonstrate the government's capability in getting the impacts of COVID-19 under control.

The government has implemented several components in the first fiscal stimulus package such as increasing cash assistance for the poor to purchase the nine basic necessities (sembako) and the preemployment card launch. The second stimulus package that includes the six-month income tax exemption for manufacturing companies is scheduled to start in April. However, the government has yet to decide when to implement the third stimulus package.

When the government announced the third stimulus package, the Jakarta Composite Index (JCI) jumped by 401.27 points (10.19 percent) to 4,338.90 on Thursday's closing after falling for weeks. The daily jump was the index' highest increase in the past two decades.

However, the JCI fell again on Monday, dropping by 131.07 points (2.8 percent) on Monday's closing as stock markets weakened in the region. Japan's Nikkei was corrected by 1.57 percent, Shanghai 0.9 percent, Hong Kong's Hang Seng 1.32 percent and South Korea's Kospi 0.04 percent.

According to TCW Investment Management director for investment strategy Budi Hikmat, that stimulus package announcement was able to lower panic selling in the market last week. However, Binaartha Sekuritas analyst M. Nafan Aji saw that the third stimulus package's impact on the market would only be long term.

The third stimulus package includes budget allocation to provide medical protective gear, unconditional cash transfer (BLT) to the bottom 40 percent of the population and the issuance of recovery bonds.

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## **Government guarantees food security**

*Koran Tempo, p.3*

The Transportation Ministry's land transportation secretary general Budi Setiyadi said that food stock would remain safe if local or partial quarantine was

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put in place, since it only restricted people movement.

According to Budi, if the Jakarta provincial government decided to implement a quarantine, it would be followed by adjoining cities such as Depok, Bekasi, Tangerang and Bogor.

Jakarta Governor Anies Baswedan has previously proposed for regional quarantine in the Jakarta Special Capital Region in order to curb the spread of COVID-19. The energy, food, health, communication and financial sectors keep operating under his proposal.

However, the decision on local quarantine lies with the central government, and President Joko Widodo announced only a large-scale physical distancing policy on Monday, and not a full-scale quarantine or lockdown.

The Transportation Ministry's air transportation director general Novie Riyanto also ensured that airports were still running in order to maintain logistics distribution channels. Airports are the main gate to distribute essential goods such as food, fuel, medicines and medical equipment.

Several regional governments previously planned to close airports such as Tjilik Riwut airport in Palangkaraya, Central Kalimantan and Sentani Airport in Papua. However, Novie emphasized that regional governments were unable to close airports without the central government's approval.

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## **Banks offer relief to help borrowers and themselves**

*The Jakarta Post, p.1*

A number of local banks have announced relief programs to help corporate and individual borrowers cope with uncertainties caused by the coronavirus outbreak, which has severely hit business activities in the country.

State-owned lender Bank Mandiri said it would provide relief in the form of deferral of loan payments and a reduction of administrative fees for borrowers with a loan ceiling of up to Rp 10 billion (US\$624,221), especially micro, small and medium enterprises (MSMEs).

The bank's corporate secretary, Rully Setiawan, explained on Friday that, in addition to corporate borrowers, borrowers of automotive loans and app-based motorcycle taxi drivers would be given similar relief.

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State-owned Bank Rakyat Indonesia (BRI) said it would provide relief in the form of extended repayment periods, adjusted interest rates, deferred loan repayment as well as reduced penalties.

Companies engaged in the sectors of tourism, transportation, hotel, trade, manufacturing, agriculture and mining would be given priority in applying for the relief, BRI president director Sunarso said in a statement.

The move followed a new rule issued by the Financial Services Authority (OJK) on March 19 that requires banks to provide relief in the form of loan restructuring to ease the financial difficulties faced by borrowers affected by the coronavirus crisis. The OJK proposed that relief be given to borrowers with a loan ceiling of Rp 10 billion.

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