

Wednesday, Jul. 15<sup>th</sup>, 2020

## GENERAL NEWS AND HEADLINES

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### Jokowi gathers governors to discuss sanctions for health protocol violators

Detik (<https://tinyurl.com/yamw9ogv>); Okezone (<https://tinyurl.com/ydgbw2oe>)

President Joko "Jokowi" Widodo gathered governors at Bogor Palace this morning. East Java Governor Khofifah Indar Parawansa said Jokowi gave instructions regarding sanctions to be implemented for violators of health protocols.

"The President gave instructions to uphold discipline. Indeed, there should be sanctions, whether fines or administrative. [Sanctions] are needed to increase public discipline, accompanied by the efforts to keep the economy's wheels turning," Khofifah said.

Besides Governor Khofifah, the meeting was also attended by Jakarta Governor Anies Baswedan, South Sulawesi Governor Nurdin Abdullah, Banten Governor Wahidin Halim, Central Java Governor Ganjar Pranowo and West Java Governor Ridwan Kamil.

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### Clusters emerge in *pesantren*, VP summons COVID-19 task force chief

Tempo (<https://tinyurl.com/yaglzheg>)

Vice-presidential spokesman Masduki Baidlowi said Vice President Ma'ruf Amin had summoned national COVID-19 task force chief Doni Monardo to discuss several COVID-19 clusters that had emerged in *pesantren* (Islamic boarding schools).

According to Masduki, Ma'ruf and Doni agreed that *santri* (Islamic boarding school students) who had not yet returned to *pesantren* were to refrain from doing so. "If it is possible, do long-distance learning," he said.

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Ma'ruf has also requested that only *pesantren* in “green” and “yellow zones” hold face-to-face instruction and that strict health protocols be put in place. Masduki added that *pesantren* were expected to administer routine polymerase reaction tests (PCR), in coordination with the local COVID-19 task force.

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## **National Police threaten to sack officers who issued Djoko's travel permit**

*Kompas* (<https://tinyurl.com/ybz3zrzh>); *CNN Indonesia* (<https://tinyurl.com/y9xqot6z>)

The National Police's Criminal Investigation Department (Bareskrim) chief, Insp. Gen. Listyo Sigit Prabowo, has said that he will crack down on officers who were proven to have been involved with longtime fugitive and graft convict Djoko Tjandra, who is still at large.

Previously, the Indonesia Police Watch (IPW) released a statement claiming that Tjoko's travel permit had been issued by Bareskrim through the civil servant investigators Coordinating and Oversight Bureau. Listyo then formed a joint team to investigate the alleged individuals involved in issuing the permit.

“If this is proven, I will take decisive action against the individuals involved. This is to maintain the spirit of the institution,” said Listyo.

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## **BUSINESS AND ECONOMICS NEWS AND HEADLINES**

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### **BPS: June's trade surplus US\$1.27billion**

*Kontan*, (<https://tinyurl.com/y94pw3zl>); *Bisnis Indonesia*, (<https://tinyurl.com/ydg38scw>); *CNN Indonesia*, (<https://tinyurl.com/yb25vlvb>)

Indonesia recorded US\$1.27 billion trade surplus in June. Accumulatively, Indonesia trade surplus from January to June reached \$5.5 billion, a reversal from last year's trade deficit at \$1.93 billion. Statistics Indonesia (BPS) head Suhariyanto said export in June increased by 2.28 percent year-on-year (yoy) or 15.1 percent month-to-month (mtm) to \$12 billion. Import increased by 27.6 percent mtm but dropped by 6.36 percent yoy to \$10.76 billion.

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## **Govt expects deliberations on job creation omnibus bill to finish in August**

*The Jakarta Post*, (<https://tinyurl.com/yctolxec>); *Tirto*, (<https://tinyurl.com/y9zrjgh6>)

The government expects the House of Representatives to finish deliberating the omnibus bill on job creation by late August or early September, Coordinating Economic Minister Airlangga Hartarto said on Tuesday. He added that lawmakers had finished deliberating 'half of the chapters' in the bill. "The government is seeking to conduct structural reform through the omnibus bill on job creation," Airlangga, who also serves as Golkar Party chairman, said in a virtual presser held by the European Business Chamber of Commerce (EuroCham) in Indonesia. "[The omnibus bill] will be a big push for Indonesia's economy and help it transform as the fundamental problems we face is having hyper regulations," said Rizal Affandi Lukman, deputy for international economic cooperation at the Office of the Coordinating Economic Minister.

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## **Taiwan's Cathay Life to increase ownership in Bank Mayapada**

*Investor Daily*, (<https://tinyurl.com/y7cauhs8>); *The Jakarta Post*, (<https://tinyurl.com/y7tolblv>)

Taiwan-based Cathay Life Insurance, a subsidiary of Cathay Financial Holdings, is preparing to increase its ownership of PT Bank Mayapada Internasional (Bank Mayapada), the bank's executive says. The publicly listed insurance company now owns 37.33 percent of Bank Mayapada, making it the bank's biggest shareholder, followed by PT Mayapada Karunia Corporation, which owns 26.42 percent of the total shares. "They do have a desire to increase their ownership as part of their long-term strategy. In regard to the number of shares, what the composition of ownership will look like and when, are still being prepared by Cathay," Bank Mayapada president director Hariyono Tjahjarijadi told *The Jakarta Post* on Monday. The Financial Services Authority (OJK) has reportedly given Cathay the green light to acquire 51 percent of the bank's shares or more, which will make Cathay majority shareholder.

Hariyanto hinted that Bank Mayapada would be upgrading to a BUKU IV bank, or banks with a core capital of over Rp 30 trillion (US\$2.08 billion), upon completion of the deal. The bank is now in the BUKU III category with a core capital between Rp 5 trillion and Rp 30 trillion.

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## BI's survey: Bank loans to contract by 33.9 percent in Q2

*Kompas*, (<https://tinyurl.com/y74zo5f7>); *Tempo*, (<https://tinyurl.com/yddtzskn>)

Bank Indonesia's (BI) banking survey found that the level of new loan growth has fallen into the negative territory of 33.9 percent in the second quarter of 2020, a reversal from the level of positive 78.3 percent in last year same period. In the previous quarter, new loan growth was recorded at positive 23.7 percent. BI spokesperson Onny Widjanarko said new loan growth is expected to recover in the third quarter following regulations to loosen bank loans requirements.

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