

Wednesday, Oct. 7th, 2020

GENERAL NEWS AND HEADLINES

Corruption hampers investment, not labor issues: Fadli Zon

Kompas (<https://tinyurl.com/y3wmjasm>)

House of Representatives Deputy Speaker Fadli Zon of the Gerindra Party has argued that the main issues hindering investment in Indonesia are corruption, bureaucratic inefficiency, policy instability and tax regulations, based on data from the World Economic Forum (WEF).

Thus, he deemed the Job Creation Law inadequate to address the problem because of its focus on labor issues.

Fadli added that public voices had been marginalized throughout the deliberation of the jobs law and acknowledged that the law was passed at an inappropriate time. He said that it was only natural that the omnibus law face strong opposition from various walks of society.

Civil servants expected to maintain neutrality ahead of regional elections

Kompas (<https://tinyurl.com/y3rljqpf>); *Kompas* (<https://tinyurl.com/y5jv4uzt>)

Vice President Ma'ruf Amin has said that state civil servants (ASN) are expected to maintain their neutrality ahead of the 2020 regional elections to uphold the essence of democracy. This was conveyed by Ma'ruf at the National ASN Virtual Movement Campaign, held by the State Civil Apparatus Committee (KASN) on Wednesday.

In the elections vulnerability index (IKP) of the 2020 elections reported by the Elections Supervisory Agency (Bawaslu) on Feb. 25, civil servant neutrality is one of the five dominant indicators of election vulnerability. According to the latest Bawaslu report, the first week of the elections campaign period already saw a total of 1,300 public reports on violations in the elections' preliminary stages. Of this total, 600 reports concern the neutrality of civil servants.

During the same event, the Corruption Eradication Commission (KPK) chairman also reminded civil servants not to participate in activities affiliated with political parties.

KPK to raise concern over 'leniency' of Supreme Court in graft convicts' case reviews

The Jakarta Post (<https://tinyurl.com/yy7385uz>)

The Corruption Eradication Commission (KPK) is set to meet with Supreme Court leaders following a number of case review decisions that led to lighter punishments for graft convicts.

KPK commissioner Nurul Ghufron said KPK leaders would call on the Supreme Court to prevent the misuse of case reviews as a tool for graft convicts to get lighter sentences for their crimes.

"We hope [the mechanism] that is supposed to uphold justice for both the convicts and the public will not be misused by those trying to seek lenient decisions," Ghufron said as quoted by *kompas.com* on Tuesday.

He said the KPK was concerned after 22 graft convicts obtained lighter punishments in their case review pleas.

"We have observed how [case review petitions] appear to be a new strategy for corruption convicts."

Even though the lower court's ruling had a strong legal standing, 12 out of those 22 graft convicts still managed to get their sentences cut after their case reviews were approved by the Supreme Court between 2019 and 2020, Ghufron added.

BUSINESS AND ECONOMICS NEWS AND HEADLINES

Indonesia's foreign reserves fall \$1.8b in September

Bisnis Indonesia (<https://tinyurl.com/y3b7ebga>); *CNBC Indonesia* (<https://tinyurl.com/y4wre4tq>); *Kontan* (<https://tinyurl.com/y6bh7lmk>); *CNN Indonesia* (<https://tinyurl.com/y39nvyqb>)

Bank Indonesia reported a decline in the country's foreign exchange reserves from US\$137 billion in August to \$135.2 billion in September. "Foreign exchange reserves fell in September due to the payment of government debt and the need to maintain exchange rate stability amid high uncertainty in the global financial

market," BI spokesperson Onny Widjanarko said. The current reserves level is sufficient to support 9.1 months of imports and payments of the government's short-term debts.

Govt extends cash transfer to MSMEs until December

CNN Indonesia (<https://tinyurl.com/y2ve6kr4>)

The government announced an extension of its cash transfer for micro, small, and medium enterprises (MSMEs) until December. Cooperatives and Small and Medium Enterprises (SMEs) Ministry finance deputy Hanung Harimba Rachman reminded regional governments in eastern Indonesia to submit data of potential recipients because the implementation of the program in eastern Indonesia was still lagging. "We should receive the data by the end of November," Hanung said. Cooperatives and SMEs Minister Teten Masduki has asked for the House of Representatives Commission VI's approval to extend the cash transfer program.

Ace Hardware Indonesia faces debt postponement petition

CNBC Indonesia (<https://tinyurl.com/y2kxghzv>); *CNN Indonesia* (<https://tinyurl.com/y5fh39da>); *Detik* (<https://tinyurl.com/yyuqjrwy>)

Home improvement and lifestyle products retailer PT Ace Hardware Indonesia is facing a debt postponement petition (PKPU) at the Central Jakarta District Court from law firm Wibowo & Partners. The plaintiff requests the court to apply a 45-day debt postponement period on the company after the court makes its ruling. Ace Hardware spokesperson Helen P. Tanzil has not responded to requests from news media for comment.

Erick demands limitation on business permit for new power producers

CNBC Indonesia (<https://tinyurl.com/y4c42288>)

State-Owned Enterprises (SOEs) Minister Erick Thohir sent a letter to Energy and Mineral Resources Minister Arifin Tasrif demanding operational support for state-owned electricity company PLN by limiting the issuance of new business permits for new power producers. Erick's aide Arya Sinulingga told reporters that the request would only affect new power producers and not existing independent power plants. PLN was currently facing severe power oversupply and had asked businesses to purchase electricity from PLN rather than investing in a new power plant, Arya added.

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