

POLICY RATE

Little space left for Bank Indonesia's monetary easing

Prima Wirayani

THE JAKARTA POST/JAKARTA

With less than two months left to end of 2017, Bank Indonesia (BI) has a small window of opportunity for monetary easing to help boost the country's economy before closing down amid looming external risks.

The central bank held its policy rate — also known as its seven-day reverse repurchase (repo) rate — at 4.25 percent on Thursday, after conducting a two-day Board of Governors' meeting. The deposit and lending facility rates were also unchanged at 3.5 percent and 5 percent, respectively.

Maintaining the rates was in line with maintaining macroeconomic and financial system stability, while being supportive of economic recovery based on the latest developments, BI Governor Agus Martowardojo said in a press conference on Thursday.

"The current policy rate is sufficient to maintain inflation at the targeted rate, and current account deficit at a healthy level," Agus said.

Indonesia's inflation reached 3.58 percent year-on-year (yoy) in October, still within BI's range of 3 percent to 5 percent, and below the government's target of 4 percent at year-end.

Agus said BI would continue to pay attention to global and domestic risks, including developed countries' plans to tighten their monetary policies, warmer geopolitical situations, as well as Indonesia's cooling household spending and banks' loan growth.

On the global side, for instance, there are fears that funds will be transferred from emerging markets, including Indonesia, to advanced economies when the United States' Federal Reserve raises its fund rate in December, while also shrinking its balance sheet as the market projected.

As for domestic risks, Indonesia

maintained a record lower-than-expected gross domestic product (GDP) growth at 5.06 percent yoy in the third quarter compared to 5.01 percent in the first half, still lower than the government's target of 5.17 percent by year-end.

Economists said looming global risks have put more pressure on BI, leaving it with very little space to ease its policy rate to help spark Indonesia's economic growth. But the central bank still has opportunities in its macroprudential policy side.

"I initially thought a policy on LTV [loan-to-value ratio] will be announced [this month] as the central bankers looked enthusiastic and [hinted at] an announcement during a focus group discussion in early September," Bank Tabungan Negara (BTN) chief economist Winang Budoyo told the *The Jakarta Post* on Thursday.

BI is still assessing a macroprudential policy, namely spatial LTV for mortgage, in which down payments for property-related loans will be regulated based on regions in a bid to jack up loan demand.

Nationwide bank loans grew by 7.9 percent yoy in September, lower than the 8.3 percent seen a month earlier, prompting BI to cut its credit growth target to 8 percent this year, the lowest level from its earlier range projection of between 8 and 10 percent.

However, BI saw no need for a lower LTV, which is currently set at 85 percent, as the current average in the banking industry hovered at between 65 percent and 70 percent as lenders kept mitigating risks, said Sugeng, BI deputy governor for payment system and macroprudential.

Bank Central Asia (BCA) chief economist David Sumual said the main issue was more on the fiscal side rather than monetary, suggesting the government increase its spending while BI focuses on maintaining stability by keeping its policy rate flat until early next year.

Setya's flight ends in hospital bed

Kharishar Kahfi
and Safrin La batu

THE JAKARTA POST/JAKARTA

In a turn of events on Thursday night, hours after he went missing to avoid arrest, Golkar Party chairman Setya Novanto was involved in a traffic accident, calling into question the odds of him being detained by the Corruption Eradication Commission (KPK) over alleged graft.

Setya, who is also the speaker of the House of Representatives, was rushed to Medika Hospital in Permata Hijau, South Jakarta, after a car accident in the area that night.

"[The car Setya was in] was traveling at a high speed when the accident occurred," Fredrich Yunadi, one of Setya's lawyers, said at the hospital.

Setya, who was reportedly on his way to attend a media interview, suffered a concussion and several other injuries, including scratches to his hands from shards of glass from the shattered windscreen, Fredrich said.

The accident is the latest in a string of incidents hampering the graft case. Setya has dodged many of 12 KPK summonses for questioning in the e-ID card graft case, citing various reasons, including illness, a working visit and immunity as a lawmaker.

The KPK has stepped up efforts to hold Setya responsible in one of the biggest corruption scandals in the country's history, but when investigators went to his residence in South Jakarta with an arrest warrant on Wednesday night, they failed to find Setya.

"We have done everything we

Setya involved in traffic accident after arrest warrant

KPK puts Golkar leader on most-wanted list

can to persuade him to meet summonses as a witness and suspect," KPK spokesman Febri Diansyah said on Thursday.

Deemed a key figure in the e-ID case, Setya might drag others into the KPK investigation, including senior politicians from various political parties implicated in the case — which some say may be used by Setya as leverage to gain support to evade KPK detention.

Dozens of politicians implicated in the case include Law and Human Rights Minister Yasonna Laoly and Central Java Governor Ganjar Pranowo, both of whom are



JP/Wendro Ajistyatama

Helpless: Setya Novanto pictured in his hospital bed at Medika Permata Hijau, Jakarta.

members of the Indonesian Democratic Party of Struggle (PDI-P) and are considered close to President Joko "Jokowi" Widodo.

Setya is known as a powerful politician and has been credited with turning the second-largest party of the country to back Jokowi for the 2019 presidential race.

The KPK arrest attempt on Wednesday night came only hours after Jokowi publicly said that the KPK should consider using all means available to summon Setya, who lodged another pretrial motion against his second suspect-naming last Friday.

Golkar and the PDI-P are also among major proponents of the House's political inquiry into the KPK, which was launched shortly after the e-ID investigation. Critics believe it is an attempt to reduce the KPK's power and disrupt its investigation into the case.

Yet, the antigraft body remains resolute in the e-ID case and placed Setya on a wanted list shortly after the accident, urging him to turn himself in.

"We decided to request that the National Police put him on the wanted list," said Febri, who also revealed that a KPK team would go to the hospital to assess Setya's condition.

The KPK has warned that no one should offer sanctuary to Setya.

"Those who protect or hide [Setya] may face three to 12 years in prison, as stipulated in the Corruption Law," Febri said.

It is not the first time the KPK felt what appears to be retaliation from suspects trying to evade in-

vestigation. In early 2015, police named two KPK commissioners as suspects of document forgery and perjury, respectively, after then-National Police chief Budi Gunawan had been named a suspect of graft, in what was widely believed to be a police vendetta.

Police refuted such speculation, while the Attorney General's Office (AGO) subsequently dropped the charges against the KPK commissioners. Budi later was cleared of suspect status following a pretrial motion.

Setya losing support in Golkar Party

Nurul Fitri Ramadhani and
Margareth S. Aritonang

THE JAKARTA POST/JAKARTA

The alleged involvement of House of Representatives Speaker and Golkar chairman Setya Novanto in the e-ID graft case has drawn a rift within the ranks of the party.

While some members are strongly behind the tainted leader, other top-tier leaders are cautious of expressing support for Setya, although all agree the presence of a chairman in a crucial moment of consolidations ahead of the 2018 regional elections and the 2019 presidential and legislative elections is dearly needed.

After a prolonged power play involving their chairman ended with the issuance of an arrest warrant by the Corruption Eradication Commission (KPK), almost all Golkar members now see few options but to ask the graft suspect to give up his top seat in the party.

To solve the internal crisis, leaders of Golkar's provincial executive boards (DPD I) from 25 provinces gathered at a hotel in Central Jakarta on Thursday evening. The main point on the agenda was to appoint an acting chairman, several Golkar executives said.

At the meeting, the heads of the provincial branches, who have a voting right in replacing central executive board members, called for immediate measures to "save" the party's internal crisis from worsening further, as that may impact Golkar's electability in the political contests.

"The most important thing is to save the party first," Golkar's West Java executive board chairman Dedi Mulyadi said in a written statement on Thursday.

"We have to comply with the ongoing legal process. All of us, including the chairman, have to adhere to [the legal process]. Setya has to show a good example as a law-abiding citizen," he added.

Golkar's central executive board chairman Andi Sinulingga said party members were now united on the need to hold an extraordinary meeting (Munaslub) and would discuss it in the near future.

"The plan to officially replace the chairman through a Munaslub is true. The Munaslub can be held if there is a proposal from at least two thirds of DPD I members," Andi said.

For months, Setya has played hide-and-seek with the KPK, re-

Almost all Golkar members want Setya Novanto to give up party leadership.

Golkar preparing to hold extraordinary national meeting to elect new chairman

fusing to heed its summonses for questioning, citing various reasons ranging from health issues to tight schedules. He also claimed to enjoy immunity as a lawmaker.

Since throwing its support behind President Joko "Jokowi" Widodo in 2016, which coincided with Setya taking the leadership seat of the party, Golkar has declared its commitment to fighting corruption, drug abuse and intolerance. Golkar elites are now seeking ways to demonstrate they still stand firm on those commitments.

Golkar has suffered a decline in electability lately, with Setya's alleged involvement in the multi-million US dollar graft case seen as a major factor.

A Centre for Strategic and International Studies (CSIS) survey released in September put Golkar's electability at 10.9 percent, much lower than the support of 14.1 percent the party got in the 2014 election.

Even senior party members have pushed to oust Setya. Vice President Jusuf Kalla, a former Golkar chairman, has called on the party to replace Setya, arguing he was unfit to lead the party.

"Setya must be immediately [replaced] if he is nowhere to be found. If a captain disappears, why wouldn't we replace the captain?" Kalla said on Thursday in Kemayoran, Central Jakarta, after attending a national meeting of the NasDem Party.

Another former Golkar chairman, Akbar Tandjung, also called on the party to replace Setya, warning the party would otherwise face defeat in the 2019 legislative election.

"The only way to ensure Golkar's solidity and good consolidation is a change of chairmanship," Akbar said.

"Setya did not set a good example as the leader of a legislative body and political party. More importantly, that can be a burden for the image and electability of the party. This will eventually taint the image of the legislative body," political observer Emrus Sihombing of Pelita Harapan University said.

Golkar's bold move

House of Representatives Speaker Setya Novanto has managed yet again to show his Houdini abilities, forcing Corruption Eradication Commission (KPK) investigators to leave his home empty handed following a five-hour search to arrest him on Wednesday night. But how long can Setya remain on the loose with the KPK not prepared to give up its hunt for the Golkar chairman after issuing an arrest warrant for him?

With the KPK having already banned Setya from traveling overseas in connection with its investigation into his alleged role in the high-profile electronic ID card corruption case, he has no choice but to surrender himself. Otherwise the KPK will declare him a fugitive.

When the KPK named him a suspect for the first time in July he could hide behind medical treatment as an excuse to evade questioning and detention. However, the KPK this time around is well prepared for such stalling tactics.

Aside from the non-stop cyber bullying he and his family have had to endure, the embattled Setya has also seen his political support wane. The longer he remains embroiled in the billion-dollar scandal the more likely his political buddies are to desert him for their own safety.

It appears Setya is filing a judicial review against the 2002 KPK Law as a last resort to protect himself from criminal prosecution, but this will take time and the Constitutional Court may turn down his motion given the fact that corruption is considered an extraordinary crime. In demanding the judicial review, Setya is insisting that the KPK Law is violating the Constitution, which provides lawmakers like him partial immunity, including from prosecution.

Whatever efforts, legal or non-legal, he takes, the graft case will exhaust him, his family, his party, the House and perhaps the whole nation. The public simply wants him, because of the high-ranking position he holds, to show his respect for, rather than contempt of, the law. Ever since the probe into the alleged e-ID card graft began, Setya has used his power to seek every option to resist the enforcement of the law.

For the sake of its own future amid its declining popularity, Golkar can regain public trust and help facilitate the KPK investigation into Setya at the same time. Some, if not many, within the party have realized that their chairman is now a liability, rather than an asset. A number of opinion surveys, which have indicated that Golkar would not make it into the top three if the legislative election was held today, serve as a warning the party should not ignore.

In such a time of crisis, Golkar should take into account the demands from its own cadres to replace Setya with a figure who can lead the party's revival. Like it or not, Setya is holding the party hostage, despite it being part of the ruling coalition. A change of guard would prove that the party's guiding norms of achievement, dedication, loyalty and an unblemished record still count.

The bold move would not only help Golkar but also the nation to uphold the supremacy of the law.

Government still prioritizes low cost, existing track

**Farida Susanty
and Arya Dipa**

THE JAKARTA POST
JAKARTA BANDUNG

The government has reiterated its stance on the Jakarta-Surabaya railway project, a flagship collaboration between Indonesia and Japan, by opting for the use of the existing track in order to keep the cost affordable.

Newly-appointed Transportation Ministry railway director general Zulkifri said the government was still leaning towards utilizing the available track.

The ministry has estimated that with the existing track, the project would only cost Rp 60 tril-

lion (US\$4.4 billion), while building a new track would require Rp 100 trillion.

"But how it [the railway] will be designed will be decided later," he told *The Jakarta Post* on Thursday.

Zulkifri said both the Agency for the Assessment and Application of Technology (BPPT) and the Japan International Cooperation Agency (JICA) were still consolidating the results of their respective studies and the government was still awaiting the conclusion at the end of this month.

The project to revitalize the railway connecting the country's capital Jakarta and East Java's

capital Surabaya will cut the travel time between the two cities to around 5.5 hours from 12 hours at present.

In its previous report, the BPPT predicts that since the travel time is reduced to around five hours, around 12.45 percent of air passengers traveling between the cities will shift to trains.

The figure is equal to 8.04 million air passengers last year.

The government has considered three designs for the railway project, namely a fully conventional track with hundreds of level crossings, a partially-elevated track to avoid level crossings and a fully-elevated high-speed track. The last option is included be-

cause the distance from Jakarta to Surabaya is more than 700 kilometers.

Up to present, the project, expected to finish in 2020, has yet to progress because no decision has been made on the issue.

Both BPPT and JICA are in talks about the design options for the railway as well as its cost.

The discussions have been lengthy as both agencies have different assumptions and data.

BPPT's transportation systems technology and infrastructure center director, Rizqon Fajar, said his agency focused on the cost for the project and the sequences.

"The main thing for the revitalization of the Jakarta-Surabaya

track is that its financing should cost as little as possible and run in sequences," he told the *Post*.

Although the government did not set the target for the cost, the agency aimed to press the cost below Rp 60 trillion as projected.

The project cost would primarily depend on the facilities that the government will build, such as fly overs, pedestrian crossing bridges (JPO) and the sequencing of the phases, such as the breakdown of the project into two parts, namely a track from Jakarta and Semarang, Central Java and later another track from Semarang to Surabaya, Rizqon added.

By executing the railway project in phases, the cost of building

a new track could still come in at under Rp 60 trillion for a single track, he further said.

Separately, Transportation Minister Budi Karya Sumadi said on Wednesday in Bandung that the use of the existing track would also solve the problem of level grade crossings in Jakarta, Semarang and Surabaya.

The government has previously said that overhauling the existing track would have a lot of consequences, including the elimination of almost 1,000 level grade railway crossings and the impossibility of reaching the maximum speed because of the existence of more than 100 turns.

ELECTRICITY

Free upgrade to lift power consumption

Viriya P. Singgih

THE JAKARTA POST/JAKARTA

State electricity firm PLN is set to provide free power upgrades for 13 million of its 66 million household customers without any price changes next year, despite signs of discord with the government over the detailed arrangement of such a plan.

At present, PLN has 37 groups of customers who subscribe to a wide array of power capacities, ranging from 450 volt amperes (VA) for subsidized household customers, to more than 30,000 kilo volt amperes (KVA) for industrial clients.

The company plans to simplify the grouping by moving 13 million customers currently subscribed to 1,300 VA, 2,200 VA, 3,300 VA and 4,400 VA categories to the 5,500 VA category. At present, customers of all five categories pay a flat electricity price of Rp 1,467.28 (10 US cents) per kilowatt hour (kWh).

If the plan is realized, these customers would be able to use 5,500 VA with minimum subscription equal to the current 1,300 VA category.

"We will do it for free without any increases in our electricity rates," PLN president director Sofyan Basir said on Thursday.

"But if current customers of the 1,300 category refuse to be upgraded, it's up to them; the upgrade is optional."

Sofyan said PLN would cover the costs to install new miniature circuit breakers needed to upgrade power subscriptions nationwide, with Java being the firm's first priority.

However, PLN had yet to calculate the cost of the plan, he added.

Sofyan underlined that nothing had been decided, as the company, along with the Energy and Mineral Resources Ministry, was still formulating the best strategy for the nationwide upgrade.

The ministry's electricity director general, Andy Noorsaman

Sommeng, said adjustments to PLN's customer grouping were needed to offset the soaring capacity of the country's power plants and the increasing sales of electricity in years to come.

"The main idea is to provide more flexibility to customers of certain groups in order to increase their productivity. We couldn't do it in the past because of a lack of capacity among PLN's power fleet. But now, we have constructed various new power plants and developed transmission and distribution networks across the country," Andy said.

The government has tasked PLN with procuring 35,000 MW in generating capacity to increase the country's electricity reserve margin — the gap between capacity and peak demand — to more than 30 percent.

However, the development of those plants is based on the assumption that PLN's electricity sales volume will climb by 8.3 percent in the 2017-2026 period, while the company only saw a 3.1 percent growth within the first nine months of this year.

Therefore, it is crucial for PLN to boost its electricity sales, including through this free power-upgrade plan, because excess capacity would choke the company with multi-billion dollar costs.

Indonesian Consumers Foundation (YLKI) chairman Tulus Abadi expected PLN to stick with its commitment to maintain current electricity prices and to ensure the safety of all customers should it decide to move forward with its power-upgrade plan.

"If PLN upgrades a customer's power subscription to 5,500 VA from 1,300 VA without properly adjusting the electrical installations, the customer's house could catch fire," Tulus said.

He also warned that customers could grow more consumptive with access to more electricity, hence the need to educate them.

PLN speeds up efforts to boost renewable energy use

Viriya P. Singgih

THE JAKARTA POST/JAKARTA

State-owned electricity firm PLN is speeding up efforts to boost the use of clean energy as it seals power purchase agreements (PPAs) with developers of renewable plants with a total capacity of 1,189.2 megawatts (MW), and plans to add another 600 MW before year-end.

In its latest move, PLN signed on Thursday PPAs with nine independent power producers (IPPs) that were set to develop 640.65 MW worth of renewable plants with a combined investment of Rp 20.4 trillion (US\$1.5 billion).

Of all renewable plants, six will be developed in Java with electricity rates ranging from 6.51 to 11.76 US cents per kilowatt hour (kWh), while other three facilities will be constructed outside Java with prices ranging from 7.89 to 10.52 US cents per kWh.

"We might be able to sign more PPAs with developers of renewable plants with a total capacity of around 600 MW before the end of this year, bringing the total figure to around 1,800 MW in 2017 alone. This has never happened before," PLN president director Sofyan Basir said at a press conference on Thursday.

As of last year, Indonesia had renewable power plants with a total capacity of 6,003 MW, 66.8 percent of which came from 4,010 MW worth of hydro power plants.

Through its latest electricity procurement business plan (RUPTL), PLN has envisioned the development of additional renewable power plants with a total capacity of 21,549 MW, about 57.3 percent of which will come from hydro facilities.

This plan, if realized, will help increase the renewables portion of Indonesia's electricity generation to 22.5 percent from the current 11.9 percent, and help the country meet its commitment to slash greenhouse gas emissions by 29 percent by 2030.

Rida Mulyana, the Energy and Mineral Resources Ministry's director general for new and renewable energy, said Indonesia had only utilized 2 percent of its overall renewable energy potential worth 441.7 gigawatts (GW).

Therefore, he said, the govern-

ment would strive harder to boost the development of renewable plants, including by simplifying the permit issuance process for such facilities and setting a more competitive price for renewable electricity.

PLN, nine IPPs sign deals to develop 640.65 MW worth of renewable plants
Ministry has set a price cap on electricity from renewable sources

"We have seen a significant improvement, as can be seen through the signing of 68 PPAs between PLN and IPPs with a total capacity of 1,189.2 MW as of November 2017, which will lead to a reduction of greenhouse gas emissions by 4.76 million tons of CO₂," Rida said, adding that renewable facilities would play a big role in electrifying remote regions.

To make renewable electricity affordable, the ministry has set a price cap on electricity from renewable sources — except geothermal, hydro and waste — at 85 percent of the local electricity supply cost (BPP), if it is higher than the national average.

The ministry has also allowed business-to-business negotiations between PLN and independent power producers (IPPs) over electricity tariffs from solar, wind, biomass, biogas and marine power plants in regions with a BPP under the national average.

However, PLN saw its BPP climb by 5.7 percent to Rp 1,283 between March and July following a hike in global coal prices, forcing the company to take various efficiency measures to keep its financial performance healthy.

The ministry has also asked PLN to reassess the purchase of electricity from "big scale" coal-fired power plants in Java, specifically ones that have yet to start construction or have not received a guarantee letter of business

(SJKU) from the Finance Ministry.

As a result, PLN has come to an agreement with developer PT Cirebon Power to reduce the price of electricity generated from the expanded Cirebon coal-fired power plant in West Java, which has a capacity of 1,000 MW, to around 5.5 US cents per kWh from the previous 6.3 US cents.

At present, the company is also negotiating with PT Bakrie Power and Malaysia-based YTL Power International Berhad to reduce the price of electricity generated from the Java 3 coal-fired plant, also in West Java. The facility, which will have a capacity of 2x660 MW, is expected to sell electricity at 5.5 US cents per kWh, down from the previous 6 US cents.

"Furthermore, we will also review the PPAs for old coal-fired power plants that have operated for more than 10 years, so that we can get a more efficient price," Sofyan said.

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New mass graves from purges found

Agence France-Presse

JAKARTA

A new set of mass graves from Indonesia's anticommunist purges has been discovered, a victim rights group said Thursday, after recently declassified United States documents showed Washington had full knowledge of the extent of the brutal massacres.

Some 16 new grave sites containing about 5,000 suspected victims of the Cold War killings were pinpointed on the country's main island Java, according to the organization.

Historians say up to 500,000 alleged Indonesian Communist Party (PKI) supporters were killed between 1965-1966 by soldiers and civilian militias around the time General Suharto became president.

He blamed the Indonesian Communist Party for a failed coup and rose to power on the back of the bloodshed, going on to lead the world's most populous Muslim nation with an iron fist for three decades.

Witnesses of the massacres

Some 16 new grave sites pinpointed on Java

Purges long remained taboo in Indonesia

led investigators to the latest grave sites, with more than 100 others scattered across the island nation.

"One of the witnesses said his grandfather's job was to wash the dead bodies," said Bedjo Untung, head of the 1965 Victims Group.

"He would follow his grandfather and saw him clean about 50 bodies a day," he added.

Untung — who was imprisoned as a member of the Communist party in the mid 1960s — urged Indonesia's human rights commission to investigate and protect the graves as well as members of his group.

A presidential spokesman did not immediately respond to a request for comment.

Although they were among some of the worst massacres of the Cold War era, the purges have long remained taboo in Indone-

sia, which had the world's third-biggest communist party after China and the Soviet Union before the killings.

Last month, declassified US documents showed how American officials across the archipelago knew of the massacres, including the complicity of prominent Muslim civil society groups in the killings. But diplomats offered little public protest, keen to take advantage of the communist party's destruction at the height of the Cold War.

The 39 US embassy documents cover the period from 1964 to 1968 and uncovered new details about one of the most tumultuous periods in modern Indonesian history.

Jakarta reopened the painful history last year for the first time by backing a series of public discussions after President Joko "Jokowi" Widodo ordered a senior minister to launch an investigation.

But no concrete action to delve into the country dark's history or bring perpetrators to account has so far been taken.

Police, experts criticize plan to lift motorcycle ban

Callistasia Anggun Wijaya

THE JAKARTA POST/JAKARTA

Jakarta Governor Anies Baswedan's plan to let motorcycles pass through the capital's main thoroughfares has drawn wide criticism, with opponents arguing that it would be counterproductive to the city administration's efforts to encourage residents to use public transportation.

Anies earlier said he planned to scrap the motorcycle restriction policy — which has been implemented along Jl. MH Thamrin and Jl. Medan Merdeka Barat in Central Jakarta since 2015 — for the sake of equality among road users.

This means he would revise Gubernuratorial Regulation No. 141/2015 on motorcycle restriction, which was issued by former Jakarta governor Basuki "Ahok" Tjahaja Purnama.

The National Police's Traffic Corps (Korlantas) chief Insp. Gen. Royke Lumowa has expressed his disagreement over the plan, saying that he would not support a policy that could hamper efforts to develop the capital's public transportation system.

Administration should consider significant increase of motorcycle users: Researcher

Jakarta has 13.64 million registered motorcycles, according to police

"The policy should prioritize the use of public transportation," Royke said recently.

Dedy Herlambang, a researcher at the Institute of Transportation Studies (Instran), said the administration should consider the likelihood of a significant increase of motorcycle users in the city as a result of Anies's plan.

As of June this year, the Jakarta Police have listed 13.64 million registered motorcycles in the capital, 678,000 more than the previous year.

Dedy added that the governor should consider the safety of road users, given that motorcycle crashes were the most common type of road accidents.

The Jakarta Transportation Agency revealed in September that 499 motorcycle drivers lost

their lives in 2016 due to road accidents. Another 1,575 suffered from severe injuries, while 3,462 suffered from light injuries, the agency said.

"If [Anies's] policy is merely about fairness and equality, all modes of transportation, such as trucks and *bajaj* [three-wheeled vehicle], should also be allowed to pass the main thoroughfares," Dedy said.

He pointed out that the administration issued Gubernuratorial Regulation No. 141/2015 and No. 25/2017 on traffic control through the Electronic Road Pricing (ERP) policy, which first went through intense deliberations and studies.

Therefore, it should not change the policy without conducting further studies and research, Dedy said.

Meanwhile, Anies is mulling over plans to revise the ERP policy and apply it to both four-wheeled vehicles, as currently regulated, and motorcycles.

Based on Bylaw No. 5/2014 on transportation, the ERP will only be applied on some roads, including Jl. Sudirman, Jl. MH Thamrin

and Jl. Medan Merdeka Barat.

Dedy said the policy could control the number of motorcycles passing through thoroughfare with a higher rate.

Last year, Ahok planned to set minimum ERP rate of Rp 30,000 (US\$2.21) for cars.

"The [ERP] rate for motorcycles should be higher than for cars," Dedy said.

The city administration is still in the tender process of procuring ERP facilities and expects to implement the regulation in 2018.

Apart from that, Committ for the Phasing Out of Lead Fuel (KPBB) executive director Ahmad Safrudin has encouraged the city administration to prioritize Jakarta's pedestrians in managing traffic.

"Sidewalks should be integrated with public transportation facilities and the main destinations for pedestrians, such as schools, offices, hospitals and commercial areas," he said.

The administration should also provide facilities for cyclists because bicycles could be an efficient form of transportation for residents, Ahmad added.

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20 countries join alliance to phase out coal by 2030

Nina Chestney
and Stine Jacobsen

REUTERS/BÖNN, GERMANY

Twenty countries and two United States' states have joined an international alliance to phase out coal from power generation before 2030, environment ministers said on Thursday.

Since signing the Paris Agreement in 2015, which aims to wean the world off fossil fuels, several countries have made national plans to phase out coal from their power supply mix.

The Powering Past Coal alliance brings together many of these countries and others that will commit to phasing out coal, sharing technology to reduce emissions, such as carbon capture and storage, and encouraging the rest of the world to cut usage.

Coal is responsible for more than 40 percent of global emissions of the greenhouse gas carbon dioxide.

The alliance includes Angola, Austria, Belgium, Britain, Canada, Costa Rica, Denmark, El Salvador, Fiji, Finland, France, Italy, Luxembourg, the Marshall Islands, Mexico, the Netherlands, New Zealand, Niue, Portugal and Switzerland, ministers said.

The US states of Washington and Oregon, as well as five Canadian provinces have also signed up.

The alliance, which is not legally binding, aims to have at least 50 members by the next United Nations climate summit in 2018 to be held in Poland's Katowice, one of Europe's most polluted cities.

"To meet the Paris Agreement target of staying below 2 degrees, we need to phase out coal," Canada's Environment and Climate Change Minister Catherine McKenna told a news conference to launch the alliance initiative.

"There is also an immediate urgency—coal is literally choking and killing our people. The market has moved, the world has moved. Coal is not coming back," she added.

But some of the world's biggest

Britain, Canada, Marshall Islands launched initiative

Alliance to share technology, encourage others

Coal must be phased out to meet Paris goals: minister

coal users, such as China, India, the US, Germany and Russia, have not joined.

The pace of Germany's exit from coal power has dominated talks in Berlin this week on forming a new German government.

The Powering Past Coal launch comes just days after US administration officials, along with energy company representatives, led a side event at the talks to promote "fossil fuels and nuclear power in climate mitigation."

The event triggered a peaceful protest by anti-coal demonstrators and jarred with many ministers who are working on a rule book for implementing the 2015 Paris Agreement, which aims to move the world economy off fossil fuels.

"We show that even if the United States withdraws [from the Paris Agreement], we stand united and this initiative underlines that," Danish Energy and Climate Minister Lars Christian Lilleholt said.

Graham Winkelman, who heads mining firm BHP Billiton's efforts to combat climate change, told Reuters the company supported initiatives such as Powering Past Coal but said the needs of different countries had to be taken into account.

"In relation to agreements to end the use of coal, we recognize that countries will take different paths depending on their current energy mix," he said, adding that reducing emissions was the "most important objective."

The alliance was kicked off by Britain, Canada and the Marshall Islands, which urged other nations to join them in a letter, which was seen by Reuters on Wednesday.