

RI ready for 'world's most complex poll'



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Last batch of election materials has been delivered

Key issues include recapping results, taking election minutes

The General Elections Commission (KPU) has been delivering the last batch of election materials to over 800,000 polling stations (TPS) across the country and overseas and holding briefings for field workers in the hope of minimizing glitches in what Vice President Jusuf Kalla has called the world's most complex election.

Some 192 million people are eligible to vote for president and vice president, as well as legislative members at different levels in the concurrent elections on April 17.

Some regions have begun distributing the materials to TPS, while others are still waiting for deliveries.

Manggarai subdistrict on Flores Island, East Nusa Tenggara, is still waiting for new ballots to replace about 144,000 damaged ballots from the central KPU.

"KPU Manggarai has not yet

received additional ballots from the KPU head office," KPU Manggarai head Albertus Effendi told *The Jakarta Post* on Wednesday.

Albertus said that while waiting for replacement ballots, KPU Manggarai had begun packing election materials to be distributed later to the district offices, district elections committees (PPK) and to TPS.

"The delivery process, especially to areas on smaller islands, will depend on the weather," he said.

KPU commissioner Ilham Saputra has given assurances that the KPU had sorted out logistical issues. "We have resent 1.5 percent of election materials that were necessary for various reasons. [The number] sounds small, but it is very important," he said.

Preparations are also under way on the ground.

The head of the polling station working committee (KPPS) in Bencongan subdistrict, Tangerang, Banten, Indradhi Nugraha Mulyanto, said the KPU recently organized briefings for 7,540 people who would work at about 140 polling stations in the area.

"Some of us don't have experience in [organizing voting]," he said.

Some of the key issues addressed in the briefings included how to recap the results and take election minutes.

"Each polling station must make a report. If we don't make one, we should redo the process," he said.

More than 5.6 million election workers will have to handle extremely arduous bureaucratic procedures. One mistake in any step of the poll administration may render the entire process invalid.

According to Ilham, some KPPS, mostly additional ones, have yet to hold technical briefings because they appointed members only recently.

In Malang, East Java, all the district elections committees have received all the election materials.

In West Jakarta, election vol-

unteers carried out a simulation to count and recap ballots using software on Wednesday.

KPU West Jakarta head Cucum Sumardi said the results of counting by the volunteers would be used as a comparison for official data. "The official results will be calculated manually [by election officers]," Cucum said.

On voting day, he said, the volunteers would upload data from polling result forms from each polling station onto the software.

"We have three times 24 hours to work after voting," he said.

Anas Malik, a volunteer from North Meruya subdistrict, said preparations had reached 90 percent.

In the next few days, the KPU is expected to give out instructions about voting procedures on social media, emphasizing measures to take to avoid votes being deemed invalid.

About 14.3 million or 10.76 percent of votes were declared invalid in the 2014 presidential election, according to the KPU.

"With such intensive briefings, we expect invalid votes to be below 10 percent," KPU commissioner Pramono Ubaid said.

Solid footing for Jokowi but tide changing in Kalimantan

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Ghina Ghaliya and N. Adri

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BALIKPAPAN

Resource-rich Kalimantan is among the most diverse regions in the country. With a direct border with Malaysia in the north, the Indonesian part of Borneo Island hosts communities of multiple races, ethnicities and religions.

The Indonesian Democratic Party of Struggle (PDI-P) and the Golkar Party have traditionally dominated Kalimantan, resulting in the victory of PDI-P member Joko "Jokowi" Widodo as president and Jusuf Kalla as vice president in 2014.

But the conservative 212 movement, which created a string of sectarian rallies to prosecute former Jakarta governor Basuki Tjahaja Purnama, sent ripples across Kalimantan, which is seeing a change in its political landscape.

In the aftermath of the 212 rally, harmony in West Kalimantan was disrupted when a cleric of the Indonesian Ulema Council (MUI), Tengku Zulkarnain, who had openly supported the sectarian protest, was rejected in Pontianak by the Dayak community.

Dayak leaders said Zulkarnain had insulted them by calling them a *kafir* (infidel). The community's rejection was amplified by then-West Kalimantan governor Cornelis, who is also a member of the PDI-P and had made strong remarks against Islam Defenders Front (FPI) clerics, threatening to oust them if they ever had "the guts" to enter the province.

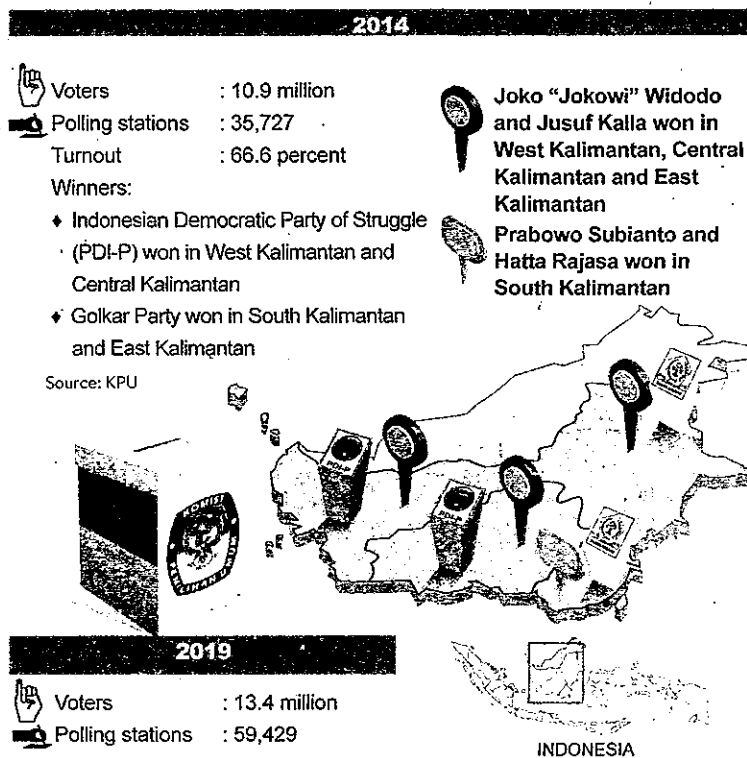
While the remarks were aimed to fight intolerance spread by the radical Muslim group, many found the remarks of the governor, who had served for a decade, equally provocative and intolerant.

His daughter Karolin Margret Natasa later failed to succeed him in 2018, losing to Sutarmidji, the Pontianak mayor who ran with the support of Golkar, NasDem, the Prosperous Justice Party (PKS) and United Development Party (PPP).

In January, the Dayak community through the Dayak Customary Council, which is controlled by Cornelis, declared their support for Jokowi's reelection bid with MUI leader Ma'ruf Amin, whose appointment is perceived as Jokowi's way to keep Muslim votes in the April elections.

Dini Suryani, a political re-

Kalimantan



PDI-P, Golkar traditionally dominate Kalimantan

Jokowi has strong presence in Kalimantan

Political shift took place after 212 movement

searcher for the Indonesian Institute of Sciences (LIPI), told *The Jakarta Post* on Sunday that Jokowi still had a strong presence in Kalimantan.

"Residents feel the significant impact of the trans-Kalimantan toll road, which connects East Kalimantan, North Kalimantan and West Kalimantan," she said.

She added that rejection of the FPI in Kalimantan had existed before the 212 rally because of the group's radical stance. In 2012, the Dayak community also rejected the FPI when Rizieq Shihab, an FPI cleric, arrived in Palangkaraya, Central Kalimantan. A mass organization, the East Kalimantan Youth Movement, also banned Rizieq in Samarinda, East Kalimantan, in August 2014.

The local Muslim community has been largely influenced by Musyawaratutthalibin, an Islamic mass organization emerged in South Kalimantan before Indonesia's independence. The group,

which promoted "the middle path" in Islamic teachings, was slowly eroded as the members started to embrace Nahdlatul Ulama (NU) and Muhammadiyah, the country's two largest Islamic organizations.

The strong influence of Muslim clerics is still common, especially in South Kalimantan, and the clerics' political choices are still followed by the people, Dini said.

In 2014, the province that was dominated by Golkar gave victory to the Prabowo Subianto-Hatta Rajasa ticket, which was the pair's only win in Kalimantan. At that time the party's national board endorsed the ticket.

As Golkar now supports Jokowi, South Kalimantan Governor Sahbirin Noor, who is serving his second term, has declared his support for Jokowi-Ma'ruf.

Jokowi and the PDI-P are also supported by businessmen and politicians, such as Mardani H. Maming and Rosehan Noor Bahri, both of whom have large followers on social media.

Mardani was once a Tanah Bumbu regent, an area known for its coal, iron ore deposits as well as oil palm plantations. Other businessmen that have pledged allegiance to Jokowi in the regency include Andi Syamsuddin Arsyad, a coal conglomerate.

However, in Banjarmasin, the province's capital, the PKS and National Mandate Party (PAN) have gained a lot of sympathy, especially from local Muhammadiyah members that support Prabowo and Sandiaga Uno.

In East Kalimantan, the tide has changed for Jokowi supporters with the victory of Isran Noor in last year's gubernatorial election. The candidate, which was backed by Gerindra and the PKS — supporters of Prabowo-Sandiaga — won after he promised to build a mosque in Samarinda.

"[Isran] used identity politics and he succeeded," political expert Herdiansyah Hamzah of Samarinda-based Mulawarman University said.

However, he added that Isran's victory might not lead to Prabowo's since the governor was considered a challenge to pluralism in the province, which is also home to the Dayak community and several minority groups.

"The groups oppose the idea of a caliphate that is attached to some Prabowo-Sandiaga supporters, so the mass organizations there are fully supporting Jokowi-Ma'ruf," he said.

Prabowo faces another issue in Berau regency after his pulp company, PT Kertas Nusantara, laid off 1,500 employees since 2014. The workers continue to demand for their backpay.

According to a March survey by Litbang *Kompas*, a research arm of *Kompas* daily, Jokowi-Ma'ruf is predicted to win by 51.6 percent in the presidential election, while Prabowo-Sandiaga is predicted to secure 35.5 percent of votes in Kalimantan.

Jokowi-Ma'ruf will likely clinch 64.6 percent of votes, according to a survey by the Centre for Strategic and International Studies (CSIS) and 58.4 percent according to a Charta Politika poll, also conducted in March.

Dini said palm oil entrepreneurs largely influenced Central Kalimantan. In the 2016 Central Kalimantan gubernatorial election, all candidates were supported by oil palm entrepreneurs. The election was won by Sugianto Sabran, a businessman that runs Tanjung Lingga Group.

"The Central Kalimantan governor is a Jokowi supporter as he had declared his return to the PDI-P after previously being supported by Gerindra and several other parties," the LIPI researcher said.

ASEAN local currency guideline in works

Riska Rahman
THE JAKARTA POST / JAKARTA

ASEAN is looking to expand the use of local currencies to settle trade and direct investment between member countries in a bid to stabilize the region's financial market.

Bank Indonesia (BI) is drafting a local currency settlement framework guideline that will enable the use of local currencies to settle trade and direct investments between ASEAN member countries.

BI international department deputy director Haris Munandar said the central bank was giving suggestions on the drafting of the ASEAN local currency settlement (LCS) framework guideline.

"We want to expand the use of local currency in bilateral trade and direct investments to more countries in the region," he said during a press briefing in Jakarta on Tuesday.

Only Indonesia, Malaysia, Thailand and most recently the Philippines have committed to promoting the use of local currencies in bilateral trade under the LCS.

BI international department director Wahyu Purnomo said Indonesia had implemented the framework with Malaysia and Thailand in 2017 and the three countries recently agreed to implement the framework with the Philippines during the ASEAN Finance Minister and Central Bank Governors Meeting in Chiang Rai, Thailand, last week.

He said the framework between the four countries was only applicable to bilateral trade. However, he added the LCS framework would also be applicable to direct investments between the four countries.

Given that Indonesia, Malaysia, Thailand and the Philippines had implemented the framework, Haris said, BI would model the ASEAN LCS framework guideline on the four countries' existing framework and would be open to suggestions from other countries as well.

He said the guideline would contain the steps countries needed to take to enable the use of local currency in bilateral settlements, such as establishing memorandum of understandings and cross-currency quotations.

He continued that the guideline would also help the countries choose which private banks could carry out the transaction.

He expected the draft to be finished by the end of this year, after which it would be discussed among the 10 ASEAN central bank governors during the next Finance Minister and Central Bank Governors Meeting in Vietnam in 2020.

Wahyu expressed hope that when the use of local currencies

So far, four countries committed to using local currencies

Use of local currencies only applicable to bilateral trade

cies would become significant, it would make the region more stable, especially during events of massive capital outflows that often disrupted trade transactions in the region.

He said, however, that the guideline merely presented an alternative to other member countries in settling their trade transactions.

"We're not aiming to replace the use of US dollars in trade in the region with this framework, but only present an alternative," he said, noting that there were many traders in the region that still needed to use the greenback.

Bank Central Asia economist David Sumual said local currency transactions with Malaysia and Thailand were still insignificant.

"The amount of local currency settlements is still in the millions [of dollars equivalent], far below our total trade that hit almost US\$300 billion in February," he said.

BI data showed that local currency settlement between Indonesia and Thailand was the equivalent of \$50 million; while transactions between Indonesia and Malaysia was the equivalent of \$130 million in 2018. As of the first quarter, transactions between Indonesia and Thailand stood at an equivalent of \$10 million, while transactions between Indonesia and Malaysia stood at an equivalent of \$50 million.

David said this was not only caused by the fact that many traders still needed to use the US dollar but simply because they did not know that they could use local currencies to settle transactions with other countries.

Indonesia Employers Association (Apindo) deputy chairwoman Shinta Kamdani agreed with David, saying that many exporters and importers were unaware that they could use the rupiah, Malaysian ringgit or Thai baht in their transactions.

That said, she suggested the government do more to raise awareness and help make the rupiah more stable.

David added that other countries' government, banks and the central banks had to educate traders to promote the existing local currency settlement framework between Indonesia, Malaysia, Thailand and the Philippines, so that it could have a significant impact once the guideline had been implemented.

Go-Jek, Grab contribute Rp 93.1t to RI economy: Surveys

Norman Harsono
THE JAKARTA POST/JAKARTA

Average increase of income



113%
Rp 4 million
Previously: Rp 1.9 million



114%
Rp 7 million
Previously: Rp 3.3 million

*Survey in 5 cities

Sources: CSIS, Tenggara Strategics

Go-Jek and Grab, a local ride-hailing duopoly, contributed a total of Rp 93.1 trillion (US\$6.56 billion) to Indonesia's informal economy last year through additional income for drivers and food merchants, according to different surveys.

Grab, according to a survey released on Thursday, contributed Rp 46.2 trillion through three business units: GrabBike with Rp 15.7 trillion, GrabCar with Rp 9.7 trillion and GrabFood with Rp 20.8 trillion. Kudo, an Indonesia-based online payment start-up, which was acquired by Grab in April 2017, contributed another Rp 2.7 trillion. Including Kudo, Grab's total contribution to the economy was Rp 48.9 trillion.

Homegrown ride-hailing company Go-Jek, meanwhile, contributed Rp 44.2 trillion to the informal economy last year via its Go-Ride and Go-Food business units, according to a separate survey released last month.

Go-Jek began its operation in the country in October 2010 while Grab, which was founded in Singapore in 2012, expanded into Indonesia in 2015.

Yose Rizal Damuri, an economist at the Centre for Strategic and International Studies (CSIS), told reporters in Jakarta the new data offered a fresh perspective on economic development.

"There's never been a significant reduction of informal employment. Only a few points at best. So maybe we need a new paradigm where it's not about reducing informality but increasing informal income," he told reporters at the launch of the survey on Grab's role in unlocking the potential of Indonesia's informal sector.

He was referring to Statistics Indonesia (BPS) data showing that the percentage of informal workers in the working population decreased from 62 percent in 2011 to 56.8 percent last year.

Grab's survey, jointly conducted by the CSIS, Tenggara Strategics (affiliated with *The Jakarta Post*) and Grab, also shows that ride-hailing is a popular means of informal employment, as 33 percent of Grab's car drivers and 38 percent of its motorcyclists had no income prior to joining the company.

The Grab survey shows that ride-hailing doubled the average monthly income from Rp 1.9 million to Rp 3.9 million for motorcyclists and from Rp 3.3 million to Rp 7 million for car drivers.

Go-Jek and Grab's drivers, who

are considered self-employed, count as informal workers, and many of the companies' food merchants are also informal because they don't have formal business entities.

The Go-Jek survey, conducted by the University of Indonesia with Go-Jek, found that ride-hailing increased the monthly average income of the company's motorcyclists by 44 percent from Rp 2.2 million to Rp 3.31 million. It did not measure the income increase of Go-Car drivers.

The survey also found that 75 percent of drivers were fresh high school graduates and 15 percent were higher education graduates.

Grab Indonesia president Ridzki Kramadibrata welcomed the survey's positive results saying, "we [still] have more to do to ensure a larger portion of the Indonesian population can grow as well as develop the national internet economy."

GrabFood merchants that took part in the survey, all of whom were micro and small entrepreneurs, also experienced an average 25 percent increase in daily sales from Rp 1.4 million to Rp 1.85 million.

However, the sales of 16 percent of vendors did not increase from the lowest income bracket of less than Rp 500,000 per day even after joining the company.

Furthermore, neither the Go-Jek nor Grab survey calculated drivers' operational costs such as fuel, phone credit and repairs, which may drive profits below minimum wage as experienced by many Uber and Lyft drivers in the United States, according to a 2018 paper by the Massachusetts Institute of Technology.

Therefore, economist Yose urged policymakers to use more evidence-based research such as his organization's survey instead of consultations when drafting new policies, especially for those involving the country's fast evolving digital economy.

"Don't be like a ministry that issued a policy then backed out a month later because they didn't really have a base for the policy," he said.

He was referring to the Finance Ministry's revocation of its regulation on e-commerce tax, following mounting protest from digital economy players, who said it would slow down e-commerce growth.

"Our study shows the benefits [of ride-hailing]. It is now the task of regulators to find out its costs, then draft policies that can empower workers without creating friction in the economy," he said.

GAS

Govt accelerates Masela Block development

Stefanno Reinard Sulaiman

THE JAKARTA POST/JAKARTA

The government is putting pedal to the metal to accelerate the development of the gas-rich Masela Block in the Arafura Sea off Maluku.

Coordinating Maritime Affairs Minister Luhut Pandjaitan will meet with the chairman of Royal Dutch Shell on April 21 to discuss the continuation of the block's development.

The government would stick to its decision to build on-shore gas processing facilities for the gas block, Luhut said as quoted by *Katadata.co.id*.

There are a number of obstacles hampering the development of the Masela Block. Besides the difficulties of finding a location for the on-shore gas facilities, a revision of the Plan of Development (PoD) for the block has also not been approved.

According to Luhut, the development of the gas facilities would need at least 1,000 hectares of

land and the local government would have to find a location and complete the land acquisition process within a year.

Meanwhile, the undersecretary in charge of infrastructure in the Office of the Coordinating Maritime Affairs Minister, Ridwan Djamiluddin, said he hoped that the Environment and Forestry Ministry would accelerate the process to provide land within six months.

In addition, the meeting with Shell will also discuss the production sharing split. "Once it is approved, the company's PoD will be approved," Ridwan added.

According to Shell's website, the chief executive of the company is Ben van Beurden, while Charles O. Holliday is the non-executive chairman of the oil giant, which partly owns the Masela Block. But, there is no confirmation yet, who will meet Luhut.

The head of the Upstream Oil and Gas Regulatory Task Force (SKKMigas), Dwi Soetjipto, said negotiations related to the approv-

al of the revised PoD would be completed in the first half of this year.

Previously, Dwi told the press that the review of the revised PoD also included the technology to be used in the project, the investment commitments and the local content requirement.

Besides completing the revision of the PoD, Inpex — as the operator of the gas block — also has to tackle three main tasks this year, namely, public consultation for the Environmental Impact Analysis (Amdal), submitting the Amdal to the Environment and Forestry Ministry and to start the baseline survey.

The Masela Block is operated by Inpex of Japan, which has a 65 percent stake, while Royal Dutch Shell owns the remaining 35 percent.

Meanwhile, Inpex's senior specialist media relations officer, Moch. Nunung Kurniawan, told *The Jakarta Post* recently that the company was still in discussions with SKKMigas over its PoD revision, especially on cost and technical matters.

"We [Inpex], are still holding discussions about PoD-related matters with the Indonesian government surrounding a cost efficient and economically competitive project," he said.

When asked about the cost of the project, which SKKMigas has estimated to be US\$16 billion, Nunung added that Inpex could not confirm this number for now, saying that it "was taking into consideration the complexity of the Abadi project".

He said Inpex was also in discussion with the government over the contract extension of the Masela Block, which Energy and Mineral Resources Minister Ignasius Jonan had previously said would be extended by up to 27 years.

The extension was initially set at 20 years as per regulation. The additional seven years is compensation for changing the project development scheme from off-shore to on-shore. The Masela Block is expected to begin production in the second quarter of 2027.

Govt approves Jakarta's mega projects: Clean water comes first

Sausan Atika

THE JAKARTA POST/JAKARTA

Having signed off on Jakarta's 10-year infrastructure plan worth Rp 571 trillion (US\$40.35 billion) last month, the central government says clean water and public transportation should be prioritized.

National Development Planning Minister Bambang Brodjonegoro, cited during a plenary session at the Jakarta development planning forum (Musrenbang) nine mega projects, ranging from transportation and public housing to drinking water and sanitation, and flood control

The transportation sector comprises the expansion of the MRT network from the existing 15.7 kilometers to 223 km, the LRT Jakarta network from the existing 5.7 km to 116 km and the Transjakarta bus routes to 2,149 km, the construction of 27 km of elevated railway for the commuter line and the revitalization of up to 20,000 *angkot* (public minivans).

Projects under the transportation sector will require an investment of Rp 315 trillion in total.

Other than transportation, the city administration is also seeking to provide up to 600,000 units of public housing worth Rp 90 trillion, full coverage of clean water supply worth Rp 27 trillion, and to expand the domestic sewerage system to 81 percent coverage at a cost of Rp 69 trillion.

The city may also allocate Rp 70 trillion to construct projects related to flood mitigation and raw water supply.

All the projects are expected to be complete by 2030.

Of the nine projects, Bambang said that clean water supply and sanitation should be priorities, as those were basic needs for every Jakarta resident.

"First is the necessity to improve basic services, especially in terms of clean water and sanitation. Because there are still Jakartans who have yet to gain access to proper sanitation, let alone clean

Jakarta's 2030 public infrastructure target

No	Project	Budget (in trillion rupiah)	Sector	PPP potential
1	MRT network development 223 km	214	Transportation	Yes
2	LRT network development 116 km	60	Transportation	Yes
3	Transjakarta extended route 2,149 km	10	Transportation	Yes
4	Elevated loopline railway network development 27 km	27	Transportation	Yes
5	Housing provision up to 600,000 homes (financing scheme 30 percent)	90	Public housing	Yes
6	Clean water supply coverage 100 percent	27	Drinking water	Yes
7	Wastewater treatment coverage up to 81 percent	69	Wastewater treatment	Yes
8	Public minivan (<i>angkot</i>) revitalization up to 20,000 vehicles	4	Transportation	No
9	Flood mitigation and addition of raw water supply	70	Natural resources	Yes
Total		571		

Source: Jakarta administration and Bappenas

household water supply," he said.

According to the National Development Planning Agency (Bappenas), 63.85 percent of Jakarta residents had access to clean water last year, above the 61.29 percent national average. Meanwhile, 90.73 percent had access to proper sanitation, above the 74.58 percent national average.

"Secondly, we hope for and will support a big transformation in

the context of city public transportation [...] because Jakarta is home to 10 million residents, which might reach 20 million during the day. Therefore, railway-based transportation must be a priority," he said.

Jakarta Governor Anies Baswedan said the projects would be funded through several schemes, with the largest portion likely to come from loans.

electricity, telecommunications, clean water and wastewater treatment, waste management and urban facilities projects.

Anies seconded Bambang, saying that the types of funding to be used would be announced later, once a final decision had been made.

"At this time, we are open to all [funding] options. Pak Bambang has said not to feel burdened [with funding]. Indeed, since the beginning we have not planned using only the state or city budgets," Anies said.

Anies added that the various infrastructure developments would be conducted simultaneously.

"The point is infrastructure development [...] will be conducted simultaneously. Not gradually," he said.

"It is much cheaper when all is conducted simultaneously, because when talking about numbers, they may seem tremendous, but it is relatively cheap compared with the economic benefits we will gain."

The central government is currently exploring potential funding schemes for the projects. Bambang revealed that the central government had encouraged the city administration not to rely on the state budget and city budget, but to use the government-to-business cooperation (KPBU) scheme or non-state budget investment financing (PINA) instead.

"We encourage the Jakarta administration not to rely on state or city funding to build the infrastructure until 2030, but rely on the KPBU or full private participation," Bambang said.

Both schemes allow the private sector to invest in the city's infrastructure projects.

Of the projects, eight out of nine — excluding the *angkot* revitalization — may be funded using the aforementioned schemes.

Bappenas has recorded 19 national infrastructure projects already funded by implementing the KPBU scheme, including transportation, road, power and