

Govt steps up efforts to improve EODB

Marchio Irfan Gorbiano

THE JAKARTA POST/JAKARTA

In its first move to enhance the ease of doing business (EODB) in Indonesia this year, the government plans to launch an online integrated business licensing system in March.

To implement the system, called Single Submission, the government will deploy several task forces to process business permits and supervise the application of licensing checklists at special economic zones (SEZ) and free trade zones (FTZ) through data sharing.

Coordinating Economic Minister Darmin Nasution said task forces would also be in charge of a wide range of functions pertaining to business licensing proce-

Govt to set up task forces in February, launch single submission in March

Red tap remains major obstacle to doing business in RI

dures, from supervising to problem solving.

They will be available in the regional level as well as the national level, and support the one-stop integrated service under the authority of the Investment Coordinating Board (BKPM).

"Our target is to establish all task forces and see them work by the end of February," Darmin said after a coordination meeting at his office on Wednesday.

Making it easier for businesses to operate in Indonesia is among the key concerns of President Joko "Jokowi" Widodo, who made the target of pushing the country into the top 40 list of the World Bank's 2018 EODB ranking.

Late last year, however, the global lender placed Southeast Asia's largest economy in 72nd position out of 190 countries.

The archipelago had managed to climb from its previous ranking at 91st place, but is still lagging behind its Southeast Asian peers, such as Thailand (26th) and Vietnam (68th place).

The notorious red tape of Indonesian bureaucracy is one of the major obstacles business people must grapple with, forcing them to spend days merely to register

their businesses, as they are required to deal with multiple institutions to secure many operational permits.

In addition, Indonesia also performed low in the ease of paying taxes, with entrepreneurs needing to spend around 207.5 hours per year to complete the forms required for paying their taxes.

The Finance Ministry is working on ways to ease the process of paying taxes for businesses, especially small and medium enterprises (SMEs), Finance Ministry Sri Mulyani said after Wednesday's meeting.

She added that it would also form a task force to help SMEs in dealing with tax authorities.

Darmin further said the government was also trying to ad-

dress the complex red tape in priority sectors such as logistics and transportation to smoothen business transactions in the country.

In addition to creating a system to better serve businesses, the government is also identifying past investments, the realization of which met a number of stumbling blocks.

"We have identified investments that were committed prior to the issuance of the Perpres [Presidential Regulation], but have yet to be realized," he said, referring to Perpres No. 91/2017 on the acceleration of doing business.

"Consequently, we can understand existing problems, as well as find the solutions."

According to data from the Of-

fice of the Coordinating Economic Minister, 190 investment projects were in the pipeline during the 2010-2017 period, but none have been realized.

Of the total, domestic investment amounted to Rp 351.19 trillion (US\$261.63 billion), while foreign investment settled at \$54.6 billion.

Edy Putra Irawady, a special staffer for the coordinating economic minister, said the government would also continue to widen the coverage of its one-stop integrated service at the regional level.

It would commence a trial period of the service in three regions, namely Purwakarta in West Java, Palu in Central Sulawesi and Batam in Riau Islands in the second week of January.

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ELECTRICITY

Dozens of renewable power plant projects in limbo

Viriya P. Singgih

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Even though state electricity firm PLN and 68 independent power producers (IPPs) agreed in 2017 to develop renewable energy-fueled power plants, the later's failure to gain financing has delayed the realization of the projects.

Throughout 2017, the Energy and Mineral Resources Ministry witnessed the signing of power purchase agreements (PPAs) between PLN and 68 IPPs for the development of renewable power plants with a capacity of 1,207 megawatts (MW).

The ministry has repeatedly boasted about such an achievement, especially considering that PLN could only sign 45 PPAs with renewable energy developers over the 2014-2016 period.

However, as of today, only 13 of those 68 renewable developers have reached financial closure for their projects, eight of which have

started construction.

"The government will invite the other 55 developers to discuss what their problems are," the ministry's renewable energy director-general Rida Mulyana said on Wednesday.

A number of renewable energy business groups have said domestic lenders were only willing to provide soft loans with a relatively high interest rate of 12 percent for renewable energy developers in the country, particularly considering some of the unfavorable clauses for private investors that are stipulated in their agreements with PLN.

The agreements follow the Energy and Mineral Resources Ministerial Decree No. 50/2017 on the use of renewable energy for power generation.

The decree sets a price cap on electricity generated by renewable sources, except geothermal, hydro and waste, at 85 percent of a region's electricity supply cost (BPP) if it is higher than the national average.

However, it also allows PLN and IPPs to hold business-to-business negotiations over tariffs on electricity from wind, solar, biomass, biogas and marine power plants in certain regions that have a BPP under the national average.

"Such negotiations have opened up a chance for collusion because PLN has arbitrarily set different prices in different regions without any strong basis," said Riza Husni, chairman of the Association of Hydroelectric Power Plant Developers (APLTA).

For instance, Riza mentioned the Batunobota I mini-hydro power plant (PLTM) in Tolitoli, Central Sulawesi, which has a capacity of 4 MW. The price for electricity generated from the plant has been set at Rp 1,320 (9 US cents) per kilowatt hour (kWh), or 65 percent of the local BPP.

On the other hand, the tariff for the Totabuan I minihydro power plant in North Sulawesi, which has a capacity of 5 MW, has been

set at Rp 1,254 per kWh, or 75 percent of the local BPP.

Furthermore, Riza also questioned the clause in Decree No. 50/2017 that requires private investors to develop renewable power plants with a build-own-operate-transfer (BOOT) scheme.

Under the BOOT scheme, IPPs are obliged to sell their power plants to PLN after their PPAs expire at the meagre price of \$1,000. All taxes applied during the transfer of the projects will be borne by the renewable energy developers.

Riza also urged the Energy and Mineral Resources Ministry to revise the clause allowing PLN to directly select a private developer for a renewable project, saying that it was better for the company to directly appoint its partner.

"We simply ask the government to give us a fair shot to develop the renewable energy sector in the country. Don't just favor the developers of fossil fuel power plants," Riza said.

DIPLOMACY

Foreign policy focuses affirm Indonesia's 2018 steadiness

Agnes Anya

THE JAKARTA POST/JAKARTA

Indonesia's focuses for its 2018 foreign diplomacy are expected to convince the global community about the country's commitment to security and welfare stability ahead of a national election year in 2019, observers said on Wednesday.

Foreign Minister Retno LP Marsudi laid out Indonesia's foreign policy focuses on Tuesday during an annual press statement.

An international relations expert from Bandung's Padjajaran University, Teuku Rezasyah, said the eight focuses carried a strong message that would convince the global community of Indonesia's ability to both help maintain world peace and look after its internal security in the upcoming political period.

Indonesia is entering a critical time for politics with simultaneous regional elections set to be held in 2018 and a presidential election in 2019, he said.

Nonetheless, with the foreign diplomacy focuses, the ministry has showed that Indonesia's security remains stable and, hence, the country remains capable of helping maintain global security and welfare stability.

"During political years, the

foreign community will usually think it is a turbulent period," he said.

"However, with the focuses, the Foreign Ministry seems to say: 'Our home remains in order and our foreign policy will also go well.'"

Among this year's focuses are to strengthen ASEAN unity and centrality by supporting Singapore's chairmanship, to intensify peace and humanitarian diplomacy with like-minded countries and to host several multilateral events, including the 2018 Asian Games and the first Indonesia-Africa Forum.

Indonesia will also intensify its campaign to be a non permanent member of the United Nations Security Council for the 2019 to 2020 period and reinforce negotiations on boundary delimitation to safeguard its borders and sovereignty.

Other focuses are to strengthen protection of Indonesians abroad, negotiate trade and economic cooperation agreements and the fight against transnational crimes.

Meanwhile, an international relations expert from Binus University, Tirta N. Mursitama, said the focuses revealed Indonesia's attempt to secure a "middle power" position in the world while strengthening its protection of its

citizens.

"Generally, this is positive. Indonesia looks more assertive [to the global community] and also protective [of its citizens]," Tirta told *The Jakarta Post*, explaining that middle power countries are those with moderate power that nevertheless have large influence and international recognition.

Indonesia's assertiveness, he said, can particularly be seen in its desire to further push economic and trade negotiation with various regional partners, such as the European Union and the European Free Trade Association, which groups together Iceland, Liechtenstein, Norway and Switzerland.

Indonesia's assertive stance is also seen in its campaign to woo the votes of UN member states to win a non permanent Security Council seat.

In addition, as a middle-income country, Indonesia is setting up the so-called Indonesian Aid agency under the Foreign Ministry to manage foreign aid worth Rp 1 trillion (US\$70 million).

However, Tirta said Indonesia must also be able to maintain a balance between fostering economic growth and playing a role on both the regional and global stages.

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INFRASTRUCTURE

Ministry to finish review of delayed railway project

Farida Susanty

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The government seeks to finish a review on the construction of a China-backed Jakarta-Bandung railway project worth US\$5.9 billion this month, after a two-year delay in construction.

The project's groundbreaking, tackled by Indonesian and Chinese consortium PT Kereta Cepat Indonesia China (KCIC), and primarily funded by a loan from China Development Bank (CDB), took place in early 2016, while construction is slated to finish by 2019. However, no significant progress has been made since the event because of a few issues, particularly land procurement.

With the delay and mounting doubts over the financial viability of the project, President Joko "Jokowi" Widodo instructed Coordinating Maritime Affairs Minister Luhut Pandjaitan and State-

Owned Enterprises Minister Rini Soemarno to review the project.

"We will give our indication report [on the railway project] to the president within a month," Luhut said, adding that the examination also involved state-owned infrastructure financing firm PT Sarana Multi Infrastruktur (SMI), which is under the auspices of the Finance Ministry.

Luhut said the review also checked the feasibility of developing a 140-kilometer track and other options, such as a 200-km track connecting Jakarta to Kertajati Airport in Majalengka, West Java.

Located some 200 km south-east of Jakarta, the airport is slated to open its doors in the first half of this year, with the main target to serve haj participants.

It is expected to ease aircraft and passenger congestion at the country's main gates, Soekarno-Hatta International Airport and Husein Sastranegara Airport in

Bandung, West Java.

Currently, the fast railway project is designed to consist of four stations, namely Walini, Tegalluar, Karawang and Halim.

The track extension to cover 200 km will link Tegalluar Station in Bandung regency and Kertajati Airport with a distance of 80 km. The airport may later be connected to Soekarno-Hatta International Airport as well.

So far, KCIC has secured only 53 percent of around 600 hectares of land needed for the project. The lack of progress has been attributed to CDB's refusal to disburse \$4.5 billion last year. The project was initially estimated to cost \$5.1 billion, but the figure soared to \$5.9 billion because of a few technicalities.

Jokowi has also questioned the extra revenue expected from a transit oriented development (TOD) located near the train stations, and reportedly asked local

companies in the consortium, including state-owned construction firm PT Wijaya Karya and state-owned railway operator KAI, to reduce their majority shares of 60 percent to only 10 percent.

Luhut further said the review team was also addressing the land procurement issue.

"Maybe there should be a first-hand land procurement process and no more third-party involvement," he said.

Luhut further underlined that the government would rather see the project delayed than canceled, but emphasized it must "honor its agreement with China" by not changing investors, subsequently squashing chances for the project to be given to other investors.

In 2015 the government gave the train project to China in what became the latter's victory against Japan, Indonesia's long-standing investor, particularly in infrastructure.

Regulator to auction

\$1.2 billion gas pipeline projects

Viriya P. Singgih

THE JAKARTA POST/JAKARTA

The Downstream Oil and Gas Regulatory Agency (BPH Migas) plans to offer gas pipeline projects in Kalimantan worth US\$1.2 billion through an auction, while pledging to take firm actions against tender winners that have abandoned their projects.

The first project up for auction is the offshore gas pipeline spanning 487 kilometers from Natuna in Riau Islands to West Kalimantan, with an investment of \$595 million.

This pipeline will then be connected with the onshore West Kalimantan-Central Kalimantan pipeline measuring 1,018 km and the Central Kalimantan-South Kalimantan pipeline span-

ning 192 km, which have an investment of \$516.14 million and \$97.34 million, respectively.

BPH Migas head Fanshurullah Asa said these three pipelines would deliver gas to various gas-fueled power plants, as well as support industrial activities in Kalimantan, such as those at the Landak and Ketapang industrial estates in West Kalimantan.

"These pipelines will also be able to channel gas to various gas networks in cities across the province," he said Tuesday.

"The gas supply can come from various sources, including from Bontang [in East Kalimantan]. Even if we're running out of supply from Kalimantan, we can bring in the gas or buy it from other sources in Sumatra."

Fanshurullah said the three

facilities would eventually be integrated with other pipelines, including the Kalimantan-Java (Kalija) II pipeline, which will span from Bontang to Kepodang gas field in Jepara, Central Java.

Aside from putting up gas pipelines projects for auction, the regulator has threatened to revoke PT Bakrie & Brothers' and PT Rekayasa Industri's status as tender winners for delaying projects.

In 2006, private investment firm PT Bakrie & Brothers won a tender to develop the Kalija II pipeline. Meanwhile, state-owned construction company PT Rekayasa Industri (Rekind) was named the tender winner for the Cirebon-Semarang pipeline, which will stretch 255 km across West Java and Central Java.

However, almost 12 years on,

Bakrie and Rekind have yet to kick off construction on the two projects.

"We have given an ultimatum to Rekind to break ground on the Cirebon-Semarang pipeline no later than July 2018. Otherwise, we will revoke the company's status as tender winner and re-open the tender process for this project," Fanshurullah said.

"We will deliver a similar treatment to Bakrie. We will punish the company if it still fails to start the construction process [of Kalija II pipeline] this year."

Fanshurullah said it was important to boost the development of such gas pipelines to optimize the utilization of Indonesia's natural gas supply, including for household gas networks. Otherwise, the country would be forced

to keep exporting its gas, particularly in the form of liquefied natural gas (LNG).

Indonesia plans to sell 277 LNG cargoes throughout 2018, both for the domestic market and exports. As many as 158 cargoes will be shipped from the Bontang LNG plant in East Kalimantan, while the remaining 119 will come from the Tanguh LNG plant in West Papua.

Last year, the country was only able to sell a total of 270 cargoes, down from 290 cargoes in 2016.

The government has launched the 2016-2030 roadmap for gas infrastructure development that will require a \$48.2 billion investment.

It also aims to develop city gas networks connecting 100,000 households throughout 2018, up

from 59,809 households last year.

Komaidi Notonegoro, executive director of Jakarta-based energy think tank ReforMiner Institute, previously said the use of such city gas would ease the government's subsidy burden, especially for the subsidies of 3-kilogram liquefied petroleum gas (LPG) canisters.

"If the investment value of developing 100,000 household gas connections is equal to Rp 1 trillion, the subsidy savings can be used to build 3 to 4 million new connections," Komaidi said.

State-owned energy giant Pertamina has estimated that its total LPG sales will reach 7.5 million metric tons throughout this year, 60 percent of which will be imported products, up from 7.2 million metric tons in 2017.

Pelindo II prepares Rp 2t to join Patimban Port bidding

Anton Hermansyah
THE JAKARTA POST/JAKARTA

State-owned port operator PT Pelindo II has earmarked Rp 2 trillion (US\$140 million) from its capital expenditure (capex) this year to take part in a bidding for Patimban port operatorship.

Located in Subang, West Java, the port development, worth \$3 billion in total, is one of the flagship projects between Indonesia and long-time major investor Japan.

For 2018, Pelindo II has allocated Rp 11.4 trillion in capex, all of which will be sourced internally.

Pelindo II president director Elvyn Masassya said it was ready to join in the bidding process, which may begin in February or March, and had prepared the necessary capital.

To become the operator of the port, a company is required to provide 10 percent of the project's total value of Rp 40 trillion.

Indonesia is set to hold a majority share of 51 percent in the operatorship, while Japan will control 45 percent.

Pelindo II to join bidding in February or March

Some companies express interest in teaming up as Patimban port operator

"Of the Rp 4 trillion, Indonesia's portion is 51 percent. We have the cash [to cover the requirement]," Elvyn said on Wednesday.

He added that Pelindo II had some offerings from other companies eager to become its partners in a consortium to manage the port, but declined to specify names.

The Patimban port will be situated around 70 kilometers from the Karawang Industrial Estate and Bekasi in West Java, where many Japanese firms, especially automotive producers, set up their manufacturing facilities.

The construction of a car terminal is part of the development plan of the port.

Late last year, Indonesia and Japan inked a loan agreement that will pave the way for the lat-

ter to disburse 118.9 billion yen in funds to kick off the project.

The funds will be used to cover the first phase of the project, which will consist of the construction of an 8.1-km access road to the port, a terminal, a bridge and a back-up area.

In a separate development, Pelindo II and fellow state-owned port operators PT Pelindo I, PT Pelindo III and PT Pelindo IV plan to merge their subsidiaries as an initial step in the formation of a port management holding company.

At present, each of them controls subsidiaries in various areas, such as marine service, terminal management and supporting services.

The merger of the marine service business units would become the priority for this year, Elvyn said.

Pelindo II seeks to unite its marine service subsidiary, PT Jasa Armada Indonesia, and PT Pelindo Marine Service (PMS), the subsidiary of Pelindo III, which has a large presence in Sulawesi.

"The merger will expand our operational areas. While each of

our subsidiaries now operates in the areas under each Pelindo, they will need to cover all areas in Indonesia after the merger.

Other than the merger plan, Pelindo II expects to list two of its 12 subsidiaries in the bourse with the initial public offerings (IPOs) targeted this year.

PT Indonesia Kendaraan Terminal (IKT) is set to go public in the first half of this year, while PT Pelabuhan Tanjung Priok (PTP) is scheduled to do so in the second half.

On Wednesday, Pelindo II signed a memorandum of understanding (MoU) with the Agrarian and Land Spatial Planning Ministry in Jakarta on solving land conflicts in the port area.

Agrarian and Land Spatial Planning Minister Sofyan Djalil said in the past, the state used to neglect its land, which was later occupied by another party.

"We will focus on reclaiming the state's assets in the SOEs [state-owned enterprises], especially Pelindos, which have much land," said Sofyan.

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Lawyer, doctor charged with helping Setya evade arrest

Kharishar Kahfi

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The Corruption Eradication Commission (KPK) has moved against the people accused of enabling graft suspect Setya Novanto to evade arrest last year by charging his former lawyer and a doctor who admitted him to the hospital with obstruction of justice.

Setya, who once led the Golkar Party and served as the House of Representatives speaker, is the first lawmaker to be charged in the multimillion dollar graft case pertaining to the e-ID card procurement project.

On Wednesday, the KPK announced that it had named Setya's former lawyer, Fredrich Yunadi, and Bimanesh Sutarjo, a doctor working at the Medika Permata Hijau Hospital, as obstruction of justice suspects for allegedly assisting Setya in his alleged attempt to evade the KPK's questioning.

"Both suspects allegedly concluded to admit the suspect to the hospital and manipulate his medical records," KPK deputy chairwoman Basaria Panjaitan said.

Basaria referred to the night of Nov. 16, when Setya was reportedly involved in a traffic accident

Lawyer, doctor accused of manipulating Setya's medical records

Lawyer allegedly booked entire floor of VIP hospital

in Jakarta and rushed to a nearby hospital. The accident occurred after the embattled politician went missing the night before, avoiding arrest by the KPK.

From the KPK's investigation, it was found that Setya was admitted directly to a VIP room instead of the hospital's emergency unit. "Fredrich allegedly came to hospital earlier to coordinate with the hospital management," Basaria said.

She added that the doctor had reportedly received a call from Setya's lawyer in which the lawyer booked an entire floor of the hospital hours before the suspect was admitted.

"Investigators were also hindered in gathering information related to the reported accident, which led to Setya's hospitalization," she said.

Previously, the KPK had requested the Indonesian Immigration Office to issue travel bans on

Fredrich, along with former journalist Hilman Mattauch, Setya's adjutant Adj. Comr. Reza Pahlevi and another lawyer, Achmad Rudyansyah. Hilman, a MetroTV journalist, was in a car with Setya when the accident took place.

Fredrich and Bimanesh became the second and third suspects named by the antigraft body on suspicions of obstructing investigations into the e-ID graft case, which reportedly caused Rp 2.3 trillion (US\$161 million) in state losses.

Last year, the KPK named Markus Nari, a Golkar politician, a suspect of the same crime for allegedly manipulating suspects and witnesses in the graft case to not testify honestly.

"We have warned everybody to honor the ongoing legal process and to not hinder the investigation into cases, especially corruption cases," Basaria said.

"We urge those who work as lawyers and doctors to work in line with their professional codes of ethics and not become involved in hampering legal enforcement efforts, especially in graft probes."

She ended the press briefing by thanking doctors at the state Cipto Mangunkusumo General Hospital as well as the Indonesian Doctors Association (IDI)

that had helped investigators in the case.

In addition to naming the suspects of obstruction of justice, the graft busters have also been intensifying investigations into the graft case itself in order to uncover the involvement of other individuals in one of the biggest cases ever handled by the commission.

On Wednesday, investigators questioned Setya and his family, namely his wife Deisti Astriani Tagor and children Dwina Michaela and Rheza Herwindo.

The KPK also questioned former Hanura Party politician Miryam S. Haryani, who was previously convicted of committing perjury in the trial of the case.

"They were questioned as part of our new investigation into the graft case," KPK spokesman Febr Diansyah confirmed.

Investigators have also questioned several politicians who served in the House during the deliberation of the procurement project between 2011 and 2012 including current Law and Human Rights Minister Yasoni Laoly from the Indonesian Democratic Party of Struggle (PDI-P) and former House speaker Marzuki Alie from the National Mandate Party (PAN).

Parties fight for key regions

Nurul Fitri Ramadhani
and Safrin La Batu

THE JAKARTA POST JAKARTA

The General Elections Commission (KPU) closed on Wednesday registration for hundreds of contenders in the June regional elections, which have been touted as a prelude to the 2019 legislative and presidential elections.

More than 171 regions, including 17 provinces, will elect their new leaders this year, but public attention has been focused on four provinces deemed as battlegrounds for the 2019 elections: West Java, Central Java, East Java and North Sumatra.

While the coalition pattern in other provinces is relatively more fluid, with members of the ruling coalition and those of the opposition often becoming strange bedfellows, the coalition pattern in three of the four provinces has largely been seen as indicative of the ongoing rivalry between parties supporting President Joko "Jokowi" Widodo and those supporting Prabowo Subianto.

The Gerindra Party, the Prosperous Justice Party (PKS) and the National Mandate Party (PAN) have built a strong coalition in West Java, Central Java and North Sumatra, which are the first-, third- and fourth-largest provinces in the country.

Only in East Java, the second-largest province, did they fail to nominate their own candidate after failing to persuade Yenny Wahid, a noted Nahdlatul Ulama (NU) figure, to run for governor.

In a last-minute decision, Gerindra and the PKS decided to endorse Saifullah "Gus Ipul" Yusuf and Puti Guntur Soekarno, making them strange bedfellows with the Indonesian Democratic Party of Struggle (PDI-P) and the National Awakening Party (PKB), which had nominated the pair first.

"Yes, it's true. We support Gus Ipul in the East Java election," Gerindra executive chairman Nizar Zahro told *The Jakarta Post*.

Puti is a PDI-P lawmaker. She was nominated as Gus Ipul's running mate after another PDI-P member, Azwar Anas, pulled out of the race following the leaking of photos allegedly showing him in a compromising position with an unidentified woman.

171 regions, including 17 provinces, will elect leaders in June

Parties focus on major provinces on populous Java island

"We're happy that Gerindra wants to join us. Because the coalition in regional elections doesn't always reflect the national contest. However, we admit that in this year's elections, all parties have their eye on the 2019 election," PDI-P executive Bambang Dwi Hartono said.

The PAN, meanwhile, decided to join the coalition led by the Golkar Party, endorsing Khofifah Indar Parawansa and her running mate, Emil Dardak.

In West Java, the Gerindra-PKS-PAN coalition is rooting for former military general Sudrajat and his running mate, Bekasi

Mayor Ahmad Syaikhu.

Members of the ruling coalition are standing behind three other gubernatorial contenders: Bandung mayor and front-runner Ridwan Kamil; West Java deputy governor Deddy Mizwar and PDI-P politician TB Hasanuddin.

The PDI-P initially planned to endorse Ridwan Kamil, but the candidate reportedly refused the party's offer to pair him with former West Java police chief Anton Charliyan, who once had a conflict with a Muslim group.

In Central Java, the Gerindra-PAN-PKS coalition has endorsed former minister Sudirman Said. The parties are cooperating with the PKB, which has a NU constituent at its core. PKB executive Ida Fauziah has been named Sudirman's running mate.

They will compete against the incumbent candidate, Ganjar Pranowo and his running mate, Taj Yasin, the son of noted NU

figure Maimun Zubair. The pair is backed by the PDI-P, the Dems, Golkar, the United Development Party (PPP), NasDem and Hanura.

"The Central Java election will be a very tight competition, because both tickets represent NU voices. Both pairs have a strong backing. Therefore, parties' machines will work at their best," PPP secretary-general Arsul Sani said Wednesday.

In North Sumatra, Gerindra-PKS-PAN has successfully maintained their alliance, supporting retired military commander Edy Rahmayadi and running mate Musa Rajekshah. The pair is also endorsed by Golkar, NasDem and Hanura.

The PDI-P came up with its own pair, Djarot Saiful Hidayat and Sihar Sitorus. The party managed to secure the support of the PPP to field the pair, but local PPP executives rejected the decision

of the party's central board in Jakarta and boycotted the nomination of Djarot on the grounds that Sihar was non-Muslim.

"The PPP must endorse a Muslim-Muslim pair. Whoever they are, we don't care, as long as they are Muslim," PPP North Sumatra chairman Yulizar Parlagutan said.

Voxpol Center Research and Consulting executive director Pangsi Syarwi Chaniago said coalitions in some areas, especially in populous provinces in Java, might reflect political parties' strategies for the 2019 elections.

"The coalitions here give us an idea of how the presidential election will go," Pangsi said.

APRIADI GUNAWAN, ARYA DIPA, WAHYOE BOEDIWARDHANA, DJEMI AMNIFU, RIZAL HARAHAH, PANCA NUGRAHA, SEVERIANUS ENDI AND ANDI HAJRAMURNI CONTRIBUTED FROM MEDAN, BANDUNG, SURABAYA, KUPANG, PEKANBARU, MATARAM, PONTIANAK AND MAKASSAR

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