

Feb. 10. 2018

J. Post

RI posts \$1b balance of payments surplus

JAKARTA: Indonesia recorded a US\$1 billion balance of payments surplus in the fourth quarter of 2017 on the back of improving capital and financial accounts amid rising inflows.

The overall balance of payments surplus throughout 2017 reached \$11.6 billion, indicating balanced external conditions supporting macroeconomic stability, said Bank Indonesia's (BI) undersecretary for communications Junanto Herdiawan in a statement.

Capital and financial accounts saw a surplus of \$6.5 billion in the fourth quarter last year amid investor optimism toward Indonesia's economy and improvement in yields of domestic financial assets. However, the surplus recorded was lower compared to a quarter earlier.

The lower surplus in capital and financial accounts was caused by several factors, the first being a declining surplus in direct investment, including in oil and gas.

Another factor was a decrease in surplus of portfolio investment because of outflows of foreign money in rupiah-denominated securities given the rising uncertainty in global financial markets in the early fourth quarter of 2017.

However, the country remained to see rising capital inflows, which helped drive its foreign exchange reserves to its highest point at \$130.2 billion as of December last year, sufficient to finance up to 8.3 months of imports and foreign debt.

The deficit in the current account, meanwhile, rose to \$5.8 billion, or 2.2 percent of the country's gross domestic product (GDP), in the fourth quarter of 2017. The deficit was higher compared to \$4.6 billion, or 1.7 percent of GDP, recorded in the earlier quarter. — JP

Trade deal talks to boost paper exports

Stefani Ribka

THE JAKARTA POST/JAKARTA

The country's pulp and paper producers are demanding the government speed up its negotiations with trade partners on free trade deals to lower import duties so that Indonesia's exports can be increased.

The Indonesia Pulp and Paper Association (APKI) said completion of free trade agreements (FTA) would eliminate tariff barriers and boost exports.

APKI chairman Aryan Warga Dalam said bilateral and multilateral trade deals were useful for increasing exports as they could lower import duties to between 0 and 5 percent.

"High import duties in African countries, Iran and Pakistan still pose a challenge for improving exports," he told *The Jakarta Post* recently.

President Joko "Jokowi" Widodo has given the Trade Ministry a mandate to accelerate the conclusion of FTAs with various countries. Indonesia has a dearth of bilateral FTAs compared with neighboring countries such as Vietnam, Malaysia and Singapore.

Indonesia has bilateral trade agreements with only Pakistan, Japan and Chile, while Malaysia has seven bilateral FTAs.

The government plans to review its preferential trade agreement (PTA) with Pakistan to reach better terms this year, and also aims to negotiate a PTA with Iran and approach South Africa and Nigeria to engage in FTA discussions.

Non-tariff barriers, like certification from the Forest Steward-

FTA completion will eliminate trade barriers

High import duties overseas still pose challenge for exports

Trade Ministry told to speed up deals

ship Council (FSC), allegations of dumping, subsidies and potential safeguards imposed by importing countries also pose a challenge for boosting export growth.

India, for example, which despite having a trade deal with Indonesia under the multilateral ASEAN-India FTA that lowers tariffs to 0 to 5 percent, still imposes an education cess, a secondary and higher education cess and additional taxes of up to 15 percent.

"APKI suggests the government take diplomatic steps to evaluate these additional taxes so Indonesian paper products can be more competitive on the Indian market," Aryan said.

India has also twice accused Indonesia of dumping coated paper in 2002 and 2017 but halted its investigation recently because of a lack of evidence.

Aryan said the stalling of the investigation would potentially lead to increased coated paper exports after exports declined by 3 percent on average every quarter in the 2016-2017 period.

Last year, Indonesia, the world's sixth biggest paper producer, exported roughly 60 percent of its national production of paper products, equating to US\$3.6 billion, up 5.8 percent

year on year (yoy), mainly to Japan, the United States, Malaysia, Vietnam, China, Saudi Arabia, Australia and India, APKI preliminary data shows.

Indonesia is the ninth biggest global pulp producer and sixth biggest paper producer.

The figure marks a recovery from negative export growth from 2012 to 2016, when the value of exports declined 7.5 percent on average annually because of the low global paper price. Globally, the value of paper exports declined by an average of 7.9 percent annually during the same period.

In contrast to paper exports, pulp exports enjoyed an average annual growth of 14.4 percent from 2012 to 2017, reaching \$2.2 billion in 2017. Both pulp and paper exports are among the top 10 foreign currency reserve contributors in Indonesia.

Besides the signing of FTAs, other factors that have affected export sales include paper prices in destination countries, the availability of raw materials domestically, the price of imported raw materials like industrial salt, long fiber pulp and recycled paper, as well as energy costs.

Despite the coming of the digital era, in which less paper is needed in offices, the demand for paper has continued to grow by 3 percent annually worldwide, as noted by Araminta Setyawati, an analyst with state lender Bank Mandiri.

Domestic paper sales, meanwhile, had ample room for growth with only 32.6 kilograms per capita per year consumption, much lower than Malaysia at 100 kg and Japan at 242 kg, she noted.

FOOD

Noodles, animal feed make RI world's top wheat importer

The Jakarta Post

JAKARTA

What do instant noodles, bread and animal feed in Indonesia have in common?

They face insatiable demand and their production depends almost entirely on imported wheat.

Not surprisingly, this year, the world's fourth most populous country will officially become the number one importer of wheat, replacing Egypt, according to the United States Department of Agriculture (USDA).

Indonesia will be importing 12.5 million tons of wheat this year, up from 11.8 million in 2017 and 10.5 million in 2016, a USDA report said.

Egypt, which has been the number one importer for more than a decade, will buy 12 million tons from the global wheat market this year.

Food security is one of President Joko "Jokowi" Widodo's chief economic concerns, but his policy has primarily aimed at making Indonesia self-sufficient in rice, the country's staple diet.

Efforts for food diversification to noodles — and to a lesser extent bread — will likely weaken rather than strengthen national food security, as both commodities rely entirely on imported raw materials.

News of Indonesia becoming the world's biggest wheat importer hardly raised eyebrows in

the government and in the food industry, as it was an inevitable consequence of the rising demand for wheat-based products, while government efforts to grow wheat locally had hardly taken off.

Early campaigns to produce wheat in Indonesia failed because the country's climate and topography did not support it and farmers involved in the project quickly abandoned it when they learned they could not produce wheat commercially to compete with imports.

Even Trade Ministry officials took lightly the news of Indonesia's rise in the list of global wheat importers.

International trade director general Oke Nurwan said the government did not regulate wheat imports, even as the import bill soared by 21 percent in 2017 to US\$3.05 billion from \$ 2.51 billion a year earlier.

Industry sources attribute the recent jump in wheat imports to the increase in demand for animal feed, particularly poultry, rather than direct human consumption.

Franciscus Welirang, head of the Indonesia Flour Mills Association (Aptindo), said the country had only started using wheat in place of corn as the main ingredient for animal feed.

"The main reason for the import increase is the high demand for animal feed, not the demand

for wheat flour," Fransiscus told *The Jakarta Post* on Saturday.

The government's policy to restrict corn imports to protect local production has forced producers of animal feed to turn to wheat, Fransiscus added, stressing that imports for wheat flour had been growing at a steady rate of 5 to 6 percent in the past two years.

Nevertheless, wheat for noodle and bread production accounted for the largest volume of imports — 8.3 million tons of the total 10.5 million — in 2015.

Wheat for animal feed accounted for the other 2.2 million tons, compared to zero in 2015.

Indonesia's wheat imports during the 2016/2017 market year came from Australia (48 percent), Canada (17 percent), Ukraine (16 percent), and the US (11 percent).

Indonesia boasts the largest instant noodle production capacity in the world, even as it imports all its wheat needs.

The archipelago's wide range of instant noodle brands have become household names in several export markets in Africa and around the world.

Dutch lender Rabobank confirmed Indonesia's wheat import trend in a 2014 report, predicting a growth of 5 percent since the start of the millennium.

However, the report did not predict the sudden surge in wheat imports for animal feed. (dpk/roi)

BANKING

Govt considers new premium on banks

Marchio Irfan Gorbiano

THE JAKARTA POST/JAKARTA

The government is considering to implement a regulation to pool premiums from banks as a means to hedge against financial crises, prompting concerns from the banking industry on extra costs at a time when it seeks greater efficiency.

The regulation, which will justify the establishment of the banking crisis resolution fund, will be in the form of a government regulation and serve as a derivative regulation of the prevailing 2016 Financial System Crisis Prevention and Mitigation (PPKSK) Law.

Finance Minister Sri Mulyani Indrawati said that as mandated by law, the domestic banking industry should build up its capital to withstand the pressures of a financial crisis.

"The strengthening of banks at the individual as well as industrial level is a prerequisite to solve the problems they face, without using the state budget as mandated by the PPKSK Law," she said in a recent meeting with lawmakers of Commission XI overseeing finance.

Under the plan, the premium, aimed at bank restructuring, will take into account banks' total assets, total amount of funds the government expects to raise as well as the time frame to meet the target. It will also include a three-year grace period to allow banks to increase its capital buffer.

Under the assumption that the regulation will be issued this year, the Deposit Insurance Corporation (LPS), which will act as the custodian of the premium, will start gathering the premium in 2021.

The president is authorized to access the fund whenever a financial crisis occurs based on a recommendation from the Financial System Stability Committee (KSSK), which comprises the Finance Ministry, Bank Indonesia (BI), the Financial Services Authority (OJK) and LPS.

The premium would be reviewed every 10 years, Sri Mulyani said, adding that it could also be assessed if the targeted fund collection was already met or if there were changes in risks of the banking industry's failures, among other conditions.

Other than the bank restructuring premium, the government also proposed a revision in the deposit insurance premium scheme from flat, as applied at present, to risk-based.

LPS chairman Halim Alamsyah viewed that a risk-based scheme would give banks an incentive to manage its own risks.

"Derived from international best practices, a risk-based premium will encourage banks to improve its risk management with an incentive to do that," he said.

LPS would examine whether the risk-based premium was more beneficial to banks compared to the current premium.

The domestic banking industry

has voiced its objection over the government's proposal.

Parwati Surjajudaja, the president director of publicly listed lender OCBC NISP, said it would be shocking if the government imposed a new premium on the domestic banking industry when it was expecting to become more efficient.

"It [the bank restructuring premium] will put a greater burden on the banks," she told *The Jakarta Post* via text message recently, adding there would also be concerns that banks would pass the extra costs to its customers.

She suggested that if such a scheme was formalized into law, the premium ought to be based on the amount and quality of each bank's loans, attributing the cause of a financial crisis to credit risks.

Separately, president director of private lender Bank Central Asia, Jahja Setiaatmadja, also warned against the possibility that banks would burden consumers with additional costs stemming from the premium.

He also suggested that the premium should be based on the net interest margins (NIM) of the banks.

"If the NIM are not stipulated [in a regulation], probably [the bank] can handle it [additional costs incurred by the premium]. However, if the banks could not keep large NIM, it will potentially reduce the bank's capability to accumulate capital to maintain its solidity," Jahja said.

Feb. 10. 2018
J. BSH

Jokowi, Kalla have names for BI chief

JAKARTA: Chief economic advisor to Vice President Jusuf Kalla, Sofjan Wanandi, said on Friday that President Joko "Jokowi" Widodo and Kalla had considered several candidates to nominate as governor of Bank Indonesia, as incumbent Agus Martowardojo is set to complete his term in May.

The figures include National Development Planning Minister Bambang Brodjonegoro, former finance minister Chatib Basri, Agus, the incumbent, and BI deputy governor Perry Warjiyo.

"But, there is no [official] decision yet," Sofjan said, adding that Jokowi and Kalla had already discussed the names and the President had even learned the competency of each name.

Sofjan said the government needed to consider global economic uncertainty, marked by falling share prices at the New York Stock Exchange and the expected Federal Reserve key rate increase, in deciding who should become the central bank's boss.

"The uncertainty should be monitored to minimize the impact to the Indonesian economy," he said at the Presidential Palace as reported by *tempo.co*.

He added that the BI governor should also be able to cooperate with the finance minister and the Financial Services Authority to synergize fiscal and monetary policy.

Under the existing regulations, President Jokowi is required to nominate BI candidates, who are then reviewed by the House of Representatives. The candidate names should be in the House's hand by late February. — *Tempo*

RI ready for IMF-WB meetings in Bali

Rachmadea Aisyah
THE JAKARTA POST/JAKARTA

The World Bank has expressed its appreciation toward the readiness of the government to host the upcoming 2018 IMF-World Bank Annual Meetings, set to take place from Oct. 12-14 in Bali.

A total of 189 member countries of the World Bank and the International Monetary Fund are slated to attend the meetings, with attendees estimated to number between 15,000 and 20,000 comprising high-ranking government officials, businesspeople, academics and civil society organizations.

Press secretary for the World Bank, David Theis, said its representatives had met with the government to discuss the event's

Twenty-thousand
estimated to attend

World Bank appreciates
Indonesia's commitment
to host meeting

RI lauded for managing
risks of volcanic eruption

preparations in the past few days, saying that the talks have showcased the government's commitment to organizing the event.

"We all sensed the [government's] commitment to living up to the highest standards possible," Theis told reporters at a press conference in Jakarta on Friday.

Theis noted that unlike some countries that had hosted the

meetings in the past, Bali, a world renowned tourist destination, has an advantage because all the necessary facilities already exist, from meeting halls to airports.

"You have all the hotels on [Bali's] coast becoming part of the meetings [...] there have also been transformations at [Ngurah Rai] airport," he added.

The World Bank, he further explained, also appreciated that the government had shown good management regarding the risk of volcanic eruption, which had concerned many parties since the eruption of Mount Agung late last year, resulting in Bali losing a large chunk of its tourism revenue.

"The government has shown that it is really clear and serious when it comes to monitor-

ing volcanic activity," Theis said, adding that the government had also told World Bank representatives about a contingency plan, though he did not elaborate on the matter.

Despite having tens of thousands of guests coming from all over the globe to attend the event, the government and the World Bank have agreed that transportation related issues are not something to be concerned about because the venues have prepared various arrival and departure points.

Transportation Minister Budi Karya Sumadi said earlier this month that the ministry had prepared several airports close to Bali as alternative transportation points, such as Juanda Airport and Banyuwangi Airport in

East Java, Adi Soemarmo Airport and Ahmad Yani Airport in Central Java, Lombok Airport in West Nusa Tenggara, Hasanuddin Airport in South Sulawesi and Syamsudin Noor Airport in South Kalimantan.

Over the course of the meetings, activity at Ngurah Rai Airport is estimated to increase to 35 takeoffs or landings per hour from the current 28, with a daily capacity of up to 300 movements, the minister added.

Furthermore, the meetings could bring even more revenue from tourism, especially for Bali, Theis said.

"You will have these 20,000 people [attending the meetings] to help you advertise Bali," he said, adding that the government had told the World Bank that it

would offer leisure packages for participants during their free time.

Indonesia was chosen three years ago to host the 2018 IMF-World Bank Annual Meetings as it is held once every three years outside the IMF and World Bank's headquarters in Washington D.C.

The meetings outside the headquarters last took place in Lima in 2015. The upcoming event would make Indonesia the third Southeast Asian country to host the conference after Thailand in 1991 and Singapore in 2006.

Organized by a developing yet emerging economy, the 2018 meeting will discuss issues such as capital mobilization, poverty eradication and aid effectiveness.

Local smelter business goes awry

Viriya P. Singgih

THE JAKARTA POST/JAKARTA

The government's push to spur the domestic mineral processing industry has gone awry as investors struggle to obtain sufficient supplies of raw materials as well as find buyers for intermediary products.

The Processing and Smelting Companies Association (AP3I) said at least six of its 22 members frequently faced difficulties in securing raw materials for their smelters locally, forcing them to import mineral ores.

The six investors are nickel smelter operators PT Century Metalindo and PT Cahaya Modern Metal Industri, iron smelter operators PT Meratus Jaya Iron&Steel and PT Delta Prima Steel, manganese plant operator PT Indotama Ferro Alloy and zircon plant operator PT Monokem Surya.

"Delta Prima, for instance, hopes there will be a domestic market obligation to feed its smelter as it turns out there's not enough raw material supplies to support its facility at present," AP3I's head of organizations committee Saptohadi Prayetno said recently.

Consequently, he expected the government to pay more attention to independent smelter operators who do not have their own mines, so that they could secure feedstock for their operations.

Saptohadi also suggested that it implement a moratorium on the development of nickel smelters in the country, especially considering investors' ever-growing appetite to build such facilities lately, amid concerns over raw

Six companies, part of AP3I, struggle to secure raw materials

Kadin points out need to build midstream industry

Ministry says most semi-processed products sold overseas*

materials.

As of 2017, 13 nickel smelters are operating in the country with a total processing capacity of 34.9 million tons of ores, according to official data.

Previously, two smelters had halted their operations, primarily because of the bloated price of coking coal.

A number of investors have also committed to constructing another 14 nickel smelters worth US\$4.3 billion with a combined input capacity of 28.53 million tons of ores, raising further concerns over the adequacy of local nickel supplies for entire facilities.

Saptohadi further underlined the urgency of calculating how many nickel smelters are needed in the country, particularly without reliable mineral reserves data available. "Don't let investors see their businesses die after they disburse a huge amount of money in the country," he said.

Earlier, the Energy and Mineral Resources Ministry's mineral and coal director general Bambang Gatot Ariyono claimed that domestic nickel reserves would not be depleted until 2125 and therefore there was no reason to worry.

As of 2016, domestic measured

nickel resources stood at 1.43 billion tons, while proven nickel reserves stood at 238.64 million tons.

I Made Dana Tangkas, head of the permanent committee for metal, machinery and transportation equipment at the Chamber of Commerce and Industry (Kadin), said the success of the downstream industry's development would be measured by the absorption of semi-processed mineral products domestically by the metal-based industry, such as the base-metal industrial sector, which Indonesia still lacked.

"Without the growth of a metal-based manufacturing industry, the development of a mineral downstream industry will not bring higher added value," he said.

I Made Edy Suryana, the head of mineral business monitoring at the Energy and Mineral Resources Ministry, acknowledged such a problem, pointing out that nearly all of the semi-processed mineral products such as alumina and ferronickel, key materials used to produce aluminum and stainless steel respectively, had been exported because of low local absorption.

"There is a gap between the smelting industry and the downstream industry. That's what we should develop," Suryana said, referring to the midstream industry.

Indonesia currently has 53 processing and refining facilities, 29 of which are tin smelters and 15 of which are nickel smelters, according to data from the Energy and Mineral Resources Ministry. Meanwhile, there are also 27 new smelter projects in the pipeline, including 14 nickel and six bauxite smelters.

Fear grips Yogyakarta after attacks

**Gemma Holliani Cahya,
Bambang Muryanto and
Suherdjoko**

THE JAKARTA POST/JAKARTA/
YOGYAKARTA/SEMARANG

"Glory be to God on high, and on Earth peace to men of good will."

Dozens of Catholics sang the hymn during a peaceful Mass at St. Lidwina, a small church in Sleman regency, around 10 kilometers from Yogyakarta, on Sunday morning.

The song was never finished because a young man named Suliyono, who was later identified as a college student from Banyuwangi, East Java, suddenly broke through the church door and attacked the congregation with a one-meter-long sword.

He then ran toward the altar, approaching Catholic priest Karl Edmund Prier SJ, who was leading Mass. The assailant attacked the priest in the back of the head before slashing statues of Mary and Jesus near the altar.

After around 10 minutes, the man's rampage was finally stopped when Adj. First Insp. Munir, an officer from the Gamping Police, shot at his feet twice. Before shooting, Munir had tried to negotiate and asked Suliyono to surrender, but he attacked the police instead.

Sleman Police chief Adj. Sr. Comr. Muchamad Firman Lukmanul Hakim said the police were still investigating the incident, including the motives for the attack.

"We still don't know how many people were involved in the attack," he said. One police officer and four congregation members were wounded in the attack.

Living in a house only several meters away from St. Lidwina church, Muslim intellectual Ahmad Syafi'i Maarif, who is also a pluralism defender, condemned the terror act, saying that anyone involved in the attack was influenced by a "garbage culture", which did not believe in tolerance.

"This is so barbaric. The police must find out the main people involved," he said at the church, not long after the incident took place.

Head of Semarang Archdiocese's Justice and Peace Commission, Pastor Endra Wijayanto, said they condemned the St. Lidwina attack and urged the police to investigate the case thoroughly.

Sunday's attack occurred just two weeks after a group of people forced the St. Paulus Catholic church in Pringgolayan, Bantul regency, Yogyakarta, to cancel its social care program, accusing the church of using the activity to Christianize communities in the surrounding areas.

It also happened only four days after Bhikkhu Mulyanto Nurhalim, the leader of a Bud-

Sword-wielding man attacks Catholic church in Yogyakarta, injuring five people

Government must take concrete action to stop religious persecution

dhist community in Caringin village, Tangerang regency, Banten, was intimidated by residents who did not want him and his followers to perform Buddhist rituals at his home. They forced the priest to write a letter expressing his willingness to stop the religious activity, and read it to the public.

In striking contrast, 450 religious figures from across Indonesia gathered from Thursday to Saturday in Jakarta to attend a conference of religious leaders for religious harmony.

Muhammad Sirajuddin "Din" Syamsuddin, the President's special envoy for religious harmony, said the conference aimed to maintain the ethics of harmony. So, no matter how different the concept of God and worship was in each religion, followers of all religions in Indonesia should be

able to unite in humanity.

Speaking on the last day of the conference on Saturday, President Joko "Jokowi" Widodo said Indonesia was known as a good example of how a vastly diverse nation could also have great values of tolerance.

"Indonesia has shown that as the country with the largest Muslim population, it can put forward moderate Islam. This is one example of our success in protecting the spirit of *Bhinneka Tunggal Ika*," said Jokowi, referring to the national motto, which means "Unity in Diversity".

The President asked all religious leaders to work hand-in-hand with the government to build an Indonesia that was more tolerant and much stronger.

Din, who is also a former chairman of the Indonesian Ulema Council (MUI), said what Indonesia needed most after the conference was real work.

"For us who have just finished a conference on interfaith dialogue for national harmony, the incident at St. Lidwina church was a real setback for us. The incident happened just after we had been discussing harmony," said Din, during the World Interfaith Harmony

Week celebration on Sunday.

Din related the St. Lidwina incident to two separate attacks on two Islamic leaders in Bandung, West Java, two weeks ago. One attack killed Pratowo, the leader of the central executive board of the Persatuan Islam (Persis) Muslim group, and the other wounded Umar Basri, leader of Indonesia's largest Muslim organization Nahdlatul Ulama (NU).

"These are not ordinary incidents and are proof that there are people who want to disturb the harmony and stability within this nation," said the former chairman of Muhammadiyah, Indonesia's second-largest Islamic organization.

Human rights advocacy group Setara Institute recorded 201 violations of religious freedom in 2017. Although fewer than the 270 acts of violations in 2016, the number is still high.

"Dialogue between religious leaders is highly appreciated but it is not enough. Government, religious figures and organizations must take concrete action to stop persecution toward religious identity, especially minorities," said Setara Institute chairman Hendardi.

Feb. 12. 2018

J. Post

Traffic jams biggest challenge for Asian Games

Feb. 10, 2018
J. Post

Ramadani Saputra
THE JAKARTA POST/JAKARTA

The Indonesian Asian Games Organizing Committee (INASGOC) has called attention to the biggest problem observed during the ongoing Asian Games Invitational Tournament -- the city's terrible traffic congestion.

INASGOC chief Erick Thohir acknowledged that several issues needed to be addressed, in particular decreasing traffic jams so the athletes' time would not be wasted.

"One of the things we want to do is decrease traffic congestion by 20 to 30 percent. To achieve this, schools should be dismissed and office working hours adjusted. But we realize this is not within our authority," Erick told a press conference on Friday.

He added that INASGOC felt it was important to use the Asian Games lanes, referring to the existing Transjakarta lanes, and toll roads in order to avoid traffic. All vehicles with Asian Games stickers are granted access to these two lanes.

According to INASGOC, it took 41 minutes to travel from the athletes' village in Kemayoran to the venues at Gelora Bung Karno sports complex in Central Jakarta using the Asian Games lanes. While the same journey took around 27 minutes for vehicles using the toll road.

"Because of bad weather, on Thursday it took more than an hour, even using the toll road," he added.

To decrease the traffic, Erick emphasized the importance of implementing the solutions proposed by INASGOC [dismissing schools and adjusting office hours], as these strategies had been used for multisport events in other countries.

The Jakarta administration has earlier been urged to manage traffic from the athletes' village in Kemayoran to the Asian Games venue at the Gelora Bung Karno sports complex in Central Jakarta, to comply with standards set by the Organizing Committee of Asia (OCA) regarding the athletes' traveling time.

The OCA has stated travel time

Asian Games committee urges government to close school during multi-sport event

Measure could reduce traffic by up to 30 percent

between the two points should not exceed 34 minutes.

Besides transportation issues, the committee also reviewed other matters such as the ticketing system and the condition of the venues. Erick said all the venues were ready to be used without any irregularities.

The athlete's village is also considered ready to accommodate athletes and officials.

Erick also said notes had been made regarding the communication and information system during the first day, as it was observed that the capabilities of some individuals assigned to the department were not sufficient.

"We will continue training the staff [to improve their capabilities]. Several facilities, such as the wifi connections, were also down for a little while," he said.

Supporting his chairman's comments, INASGOC deputy chief Lt. Gen. (ret) Sjafrie Sjamsoeddin said his committee would continue observing any issues that emerged during the invitational tournament.

As of the second day of the tournament, 502 athletes have passed the accreditation with the number continuing to increase. The medical and anti-doping teams of the Olympic Council of Asia have also arrived to attend the event.

To ensure security during the invitational tournament, Sjafrie said the Jakarta Police, the Indonesian Military and the Public Order Agency (Satpol PP) have joined forces to deploy 1,700 personnel.

After the invitational tournament finished, Sjafrie said, INASGOC would conduct exercises to evaluate any deficiencies that emerged during the event.

"We will conduct exercises to alert all related parties, including volunteers, to any issues that emerged," he said.