INTEGRATING POLICIES AND INVESTMENT PLAN IN NATIONAL BUDGET TO RECOVER FROM COVID-19 PANDEMIC

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INTRODUCTION

ADJUSTMENT OF DEVELOPMENT TARGETS AND THEMES

POLICY RESPONSE DUE TO COVID 19 PANDEMIC

WAY FORWARD: KEEPING THE SDGs ON TRACK
The Differences between The 1998, 2008 And 2020 Crises

2020 crisis

Health Crisis
- Infected
- Starving
- Dead
- Anxiety, fear, sadness

Disruption of Social - Economic Activities
- Loss of source of income
- Decrease in purchasing power and consumption ability

Pressure in the Real Sector
- Disturbed by business activities (production, investment and trade)
- Potential for bankruptcy

Pressure in the Financial Sector
- Bank credit is disrupted
- The stock market is experiencing a decline

Crisis of confidence and Anxiety

GLOBAL CRISIS
In all countries

1998 Crisis

Exchange Rate Crisis in Thailand

Capital Outflow
Increase on Uncertainty
Banking Crisis
Decline in economic activity

2008 Crisis

Subprime Mortgage (US)

Crisis of Confidence in the Money Market
Banking Crisis
Decline in economic activity

Semi global → crisis only in Asia

Unprecedented Situation

GLOBAL CRISIS
In all countries

Semi global → crisis only in Asia

Crisis centers in US and Europe have limited spread in Asia

Uncertainty
Reduced commitment to climate action, but less environmental footprint due to less production and transportation.

Exacerbating reactions to globalization, but also highlighting the importance of international cooperation on public health.

Conflict prevents effective action to combat covid-19, those in conflict areas are most at risk of suffering enormous losses from covid-19.

Slum populations face higher exposure to covid-19 due to high population density and poor sanitary conditions.

Loss of income, causing vulnerable society and families fall below the poverty line.

Decline in economic activity, lower income, less time worked, unemployment for specific job.

The shortage of abdominal personnel and resulting disruption of access to electricity further weakens the response and capacity of the health system.

Transmission effect Distraction of other goals, Especially goals 8, 11, 4 and 5.

The economic income of women is at risk and the level of violence against women increases. Women who make up the majority of health and social care workers are more vulnerable to covid-19.

Disruption of supply and inadequate access to clean water hinders access to clean hand-washing facilities (one of the most important COVID-19 prevention measures).

Many schools are closed, distance learning is less effective and inaccessible to some people.

Source: UN, March 2020
THE GREAT RESET & BUILD FORWARD BETTER

The Covid-19 pandemic has a comprehensive impact, so that national development policies must implement sustainable development (SDGs) with a holistic approach and do not run alone.

The “New Normal” approach after the Covid-19 pandemic may be more in line with the term “Great Reset” in the sense of “moving up / moving” ie moving from the old to the new. Great Reset was also delivered by Prof. Hart in the Economic Forum.

COVID-19 provides a lesson to all of us that post-COVID-19 handling and recovery must be carried out mutually and inclusively, which includes all parties, CSOs, Philanthropy, academics, the business sector and the government. This is very much in line with the SDGs principles

...Now is the time for a 'great reset'...

Source: World Economic Forum
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**Economic Recovery**
- Manufacturing industry growth 4.7-5.5%
- Manufacturing value added as a proportion of GDP 19.6-19.8%
- Manufacturing exports growth 7.0-9.8%
- Tourism revenue US $ 4.8-8.5 billion
- Tourism contribution toward GDP 4.2%

**Reforms**
- Educational assistance for doctors and specialist (2,155 people)
- Public health centers with types of personnel according to standards (4,773 centers)
- Addition of TCM machines (500 units) and cartridge TCM TB (4,5 Mio set)
- Provision of the COVID-19 vaccine and introduction of the PCV vaccine (Pneumonia)
- Development of an integrated surveillance system and laboratory capacity
- Development of isolation rooms and medical devices
- Poverty rate 9.2-9.7%
- Extreme poverty 3-4%
- Increasing on data accuracy by 50-70%

In 2024 the consolidation of aid and social security are expected to alleviate unemployment and eliminate extreme poverty through MSMEs.

**Reinforcement**
- Availability of rice 42.7 Mio ton
- Farmer Exchange Rates 102-104
- Fishermen Exchange Rates 102-104

**Food Security**
- Smart Indonesia Program (20.1 million students)
- Smart Indonesia Program for higher education and Bidik Misi (1.1 million College student)*

**Improvement of Quality Education**
- Revitalization of Vocational Schools and Universities (407 Vocational Schools and 120 Vocational Universities) Revitalization of College Building (11 PTN, 11 PTKIN & 8 Poltek)
- Special allocation fund for Physical Education (±23.016 Education units)
- Training for teacher (105,729 People)
# Development Target in 2020 And 2021: Response To Covid-19 Pandemic

## Indicator Before COVID-19 | COVID-19
| Economic Growth (%) | 5.3 | (1.1) – 0.2* |
| Open unemployment (%) | 4.8–5.0 | 8.1–9.2 |
| Poverty Rate (%) | 8.5–9.0 | 9.7–10.2 |
| Gini Ration | 0.375–0.380 | 0.379–0.381 |
| Human Development Index | 72.51 | 72.11–72.21 |

Source: Government Work Plan 2020 and Government Work Plan 2021 final draft

Notes: *) August 2020 projection

Key factors for economic recovery in 2020:
- Handling the COVID-19 outbreak -> increases public confidence to resume consumption
- Accelerated government spending and fiscal stimulus programs -> boost government consumption
- Accelerating financial assistance, restructuring and lending to MSMEs and corporations -> to hold back the rate of investment contraction
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WAY FORWARD : KEEPING THE SDGs ON TRACK
During a pandemic, the world will focus on developing various economic stimulation to rebuild the economy.

Global Fiscal Response to COVID 19 economic recovery instruments

- Emergency Fund: 57%
- Deferred tax, tax deductions and credits: 49%
- Salary subsidies, pensions, child care payments, work insurance: 46%
- Assistance for MSMEs: 28%
- Subsidies for affected sectors: 26%

Government of Indonesia's Fiscal Response to the COVID 19 economic recovery instrument

- Consumption Support (social assistance / subsidies): 30.33%
- Compensation Payment: 19.17%
- Equity and investment: 19.11%
- Tax support: 14.77%
- Credit interest subsidy: 7.97%
- Additional sectoral M/I spending for tourism and housing: 6.12%
- Support for Local Governments: 2.52%

Source: NDC Partnership, Climate Action at the Heart of Covid – 19 Rate

Source: Ministry of Finance
**Post-Covid-19 Economic Recovery Strategy**

**INVESTMENT ACCELERATION**
Attract maximum investment to move the economy through: Omnibus Law Job Creation. Expansion of positive lists accelerating OSS integration. Temporary relaxation of minimum wage rules to absorb labor, and carry out aftercare for existing investments so do not move to other countries.

**INDUSTRY AND TRADE RECOVERY**
Optimizing the competitive advantage of leading industrial sectors; Optimizing the procurement of government goods and services and domestic industrial products for Indonesian state owned enterprises; Acceleration of imported substitution products, especially food, beverages and pharmaceuticals; Increase in export facilitation; Facilitating the import of raw materials; Product standard improvement; Optimizing PTA / FTA / CEPA for export expansion; Logistics efficiency improvement

**FINANCIAL SECTOR DEVELOPMENT**
Deepen the domestic financial sector by strengthening the structure, endurance, and Financial sector stability

**TOURISM DEVELOPMENT**
Increased flight frequencies and routes; increased tourism marketing to recovered origins; Increase in sporting events, cultural arts and MICE; Provision of incentives for special tour packages in priority destinations; Improvement of infrastructure, and service standards; Arrangements for joint leave and vacation for domestic tourists

**STRENGTHENING THE HEALTH SECTOR**
Increasing promotional and preventive efforts through Healthy Life Community Movement, the capacity of health security, especially surveillance and information systems, networking and laboratory capacity, as well as the fulfillment of medical facilities and equipment

**EXPANSION OF SOCIAL PROTECTION PROGRAMS**
Expansion of social assistance programs, including expansion of the database to cover informal sector workers

**INFRASTRUCTURE DEVELOPMENT**
Labor-intensive infrastructure investment that supports industrial and tourism estates

**HUMAN RESOURCES DEVELOPMENT**
Human Resource Improvement Programs: Pre-employment Cards, Education, Vocational Education and Training, Early Childhood Education
Tax Allowance is Finally Issued by BKPM's OSS. Tax Allowance is a form of incentive offered to investors who make a new investment or business expansion in certain fields or certain regions. The licensing process and the provision of investment facilities, which are carried out through one-door service at BKPM, are expected to enhance certainty and accelerate investment execution in the field.

South Korea's investment realization data for the second quarter (April-June) of 2020, with total investment reaching USD552,6 million or an increase of 340% from South Korea's total investment for the first quarter (January-March) of 2020 which was USD130,4 million.

The number of submissions for Business Identification Number (NIB) recorded by the Online Single Submission (OSS) system for the month of August increased by 165.9 percent compared to July 2020, with 126,878 submissions. This is excellent news because, during the COVID-19 pandemic, the lowest NIB submissions recorded was in May 2020 with 28,562 applicants.

Source: Indonesian Investment Coordinating Board, 2020
Quarter II: In Comparison with 2019
Investment Realization in Quarter II 2020

### Table: Investment Realization in Quarter II 2020

<table>
<thead>
<tr>
<th></th>
<th>TOTAL</th>
<th>Q1 2019</th>
<th>Q II 2019</th>
<th>Jan-Jun 2019</th>
<th>Q1 2020</th>
<th>Q II 2020</th>
<th>Jan-Jun 2020</th>
<th>Target 2020 (*)</th>
<th>Achievement **)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DDI</strong></td>
<td>87.2</td>
<td>82.8</td>
<td>112.7</td>
<td>94.3</td>
<td>207.0</td>
<td>402.6</td>
<td>429.1</td>
<td>817.2</td>
<td>44.1%</td>
</tr>
<tr>
<td><strong>FDI</strong></td>
<td>167.9</td>
<td>104.9</td>
<td>212.8</td>
<td>98.0</td>
<td>97.6</td>
<td>195.6</td>
<td>348.1</td>
<td>56.2%</td>
<td></td>
</tr>
</tbody>
</table>

### Notes:
- **DDI**: Domestic Direct Investment
- **FDI**: Foreign Direct Investment


**) against The Targets of 2020

- The value of investment in Quarter II 2020, the investment realization during three months period of report (April – June 2020), is based on investment realization report from DDI and FDI companies.
- Oil and Gas, Banking, Non-Bank Financial Institution, Insurance, Leasing, and Home Industry are excluded.
- The investment value is in Rupiah Trillion (T), and US$ 1 = Rp 14,400 based on National Budget 2020
- Investment realization in Quarter II 2020: Rp 191.9 T, decrease around 8.9% from Quarter I 2020 (Rp 210.7 T) or decrease around 4.3% from Quarter II 2019 (Rp 200.5 T)
- Investment realization in January – June 2020: Rp 402.6 T, increases around 1.8% from that in January – June 2019 (Rp 395.6 T)

Source: Indonesian Investment Coordinating Board, 2020
Investment Realization in January -June 2020: Based on Sector

**DDI**
- Transportation, Warehouse, and Telecommunication: Rp 55.4 T (26.7%)
- Construction: Rp 25.9 T (12.6%)
- Food Industry: Rp 18.1 T (8.7%)
- Housing, Industrial Estate, and Office Building: Rp 16.7 T (8.1%)
- Others: Rp 71.9 T (34.7%)

**FDI**
- Metal, Except Machinery, and Equipment Industry: USD 2.5 B (21.0%)
- Chemical and Pharmaceutical Industry: USD 0.8 B (6.7%)
- Housing, Industrial Estate, and Office Building: USD 1.1 B (8.3%)
- Others: USD 4.9 B (36.1%)

**DDI + FDI**
- Transportation, Warehouse, and Telecommunication: Rp 76.3 T (19.0%)
- Electricity, Gas, and Water Supply: Rp 48.5 T (12.0%)
- Metal, Except Machinery, and Equipment Industry: Rp 45.2 T (11.2%)
- Food Industry: Rp 29.6 T (7.4%)
- Housing, Industrial Estate, and Office Building: Rp 33.0 T (8.2%)

Source: Indonesian Investment Coordinating Board, 2020

Source: Indonesian Investment Coordinating Board, 2020
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Innovative and powerful partnerships can result from collaborations between traditional stakeholders and emerging actors.

The success of the 2030 Agenda depends on the cooperation of governments, institutions, agencies, the private sector and civil society across different sectors, locations, borders and levels.

Source: GSDR, 2019
Financing SDGs in the New Normal

Besides fiscal stimulus package and monetary policy easing, policy response must be about rebuilding better towards sustainable development in several aspects.

**What should we do?**

| a) | Strengthening public and private investment in sustainable development such as building resilient infrastructure; |
| b) | Strengthening social protection systems; |
| c) | Additional investment in crisis prevention, risk reduction and planning; and |
| d) | Eliminating trade barriers and restrictions that affect supply chains. |

The government of Indonesia is refocusing the development theme of 2021: **Accelerating Economic Recovery and Social Reform**

**Focusing on:**

1. Recovery of Industry, Investment, and Tourism
2. Social System Reform
3. Health System Reform
4. Disaster Resilience System Reform
5. Food Security Reform
Way Forward

01
Utilize SDGs agenda as area of collaboration in accelerating economic recovery and social reform with stakeholders

02
Conduct the synergy of national and sub-national level for strategic development goals through the implementation of vital major projects

03
Synergy among stakeholders for adaptive response to COVID-19 pandemic as part of economic and social transformation of “new normal” while preserving the environment

04
Strengthen international collaboration among SDGs stakeholders and Development Partners
THANK YOU

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Financing sustainable development policy should address the potentials of transformative digital technologies

**Why digital technology is important?**
- Ensure human and economic activities with social distancing protocols
- Enable inclusion and efficiency

But..... digital technologies also create inequities, uncertainty and new risks:
- Job losses
- Wage inequality

**The important role of the government:**
should not only aim to accelerate technological progress, but also address exclusion and risks of discrimination, and ensure that the benefits reach the society at large (*inclusive*).
Economic Recovery Is Needed Gradually Improve

Readiness to restart economy:
- Stage 1
- Stage 2
- Stage 3
- Stage 4

Journey to the next normal

A to B
- Mandatory lockdown measures in Stage 4 slow the virus spread, placing the city in a position to start reopening its economy through Stage 3 measures

B to C
- As the economy reopens, the capacity of the healthcare system is significantly expanded, thus allowing a move to Stage 2 measures
- City may return to Stage 3 or 4 if virus spread soars after reopening

C to D
- The city would reach its next normal, wherein its healthcare capacity has expanded sufficiently, the virus spread is moderate, and the city deploys Stage 1 measures

taking into account the level of spread of the virus and the readiness of health facilities (availability of hospital beds to accommodate COVID-19 patients)

Economic Stimulus to Reduce the Impact of Covid-19

Fiscal & procedural incentives to recover the impact of the Covid-19 to economic sector

1. **Alcohol Exception Release on Covid-19 Response**
   - Free expansion Ethyl Alcohol Excise for the production of hand sanitizers for hospitals, universities, etc.
   - SE-04/BC2020

2. **PPh Import Relaxation for the Kite Company**
   - PPh Import Relaxation
     - 22
   - Subtraction PPh Import ps 25 by 30% applies for 6 months.
   - PMK-23/2020

3. **Excise Repayments and Cigarette Production**
   - Delay in paying off excise duty for 60-90 days
   - Production permits outside the factory.
   - PMK-30/2020

4. **Acceleration of Online Service for Covid-19 Response**
   - PMK-171/2019
   - PMK-70/2012
   - SKB DJBC-BNPB
   - ONLINE SERVICES (via INSW & DJBC):
     - BNPB permit and recommendation
     - BM & PDRI Exemption

5. **Relaxation of Import Facilities**
   - SE-07/BC2020
   - Relaxation of Import Facilities (Dok FTA Online)

6. **Relaxation for local sales from KB/KITE company**
   - PMK-31/2020
   - KEP-122/2020 (TIM NLE)

Source: MoF
Government and Non-State Actor Cooperation in COVID-19 Pandemic (1)

Collected more than IDR 119.1 million funds from 715 thousand donators since March 2020

Distributed hundreds thousands of personal protective equipments (PPE) for medical workers in 30 provinces

Distributed more than 4,000 groceries for Greater Jakarta area

Dedicated Hospital of UI in treating COVID-19 patients

Microbiology Lab in the Medical Faculty UI used for COVID-19 testing

Involved in 24 research and innovation on acceleration in combatting COVID-19
Government and Non-State Actor Cooperation in COVID-19 Pandemic (2)

**Formed Muhammadiyah COVID-19 Command Center**

In total there are 77 Muhammadiyah and Aisyah Hospitals treating COVID-19 patients

**Raising funds through LAZISMU**

**Formed the NU COVID-19 Task Force**

Raising funds through LAZISNU

**Dissemination of Public Health programs through Vehicle of COVID-19 Care (CoC)**

Raising funds through LAZISNU
Government and Non-State Actor Cooperation in COVID-19 Pandemic (3)

<table>
<thead>
<tr>
<th>No.</th>
<th>Pillar</th>
<th>Members</th>
<th>Program</th>
<th>Support Requests</th>
<th>Impact Area</th>
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<tbody>
<tr>
<td>1</td>
<td>Employability and Livelihood</td>
<td>YCAB, Indika Foundation</td>
<td>LightUp Indonesia</td>
<td>Subsidize the electricity for low-income society and support them to maximize their cost management</td>
<td>Nationwide</td>
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<tr>
<td>2</td>
<td>Health and Safety</td>
<td>Indika Foundation</td>
<td>Medical support Programme (APD, Handsanitizer, Soap, Vitamin, etc)</td>
<td>– Open Donation – Partnered with BNPB</td>
<td>Nationwide</td>
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<td>3</td>
<td>Health and Safety</td>
<td>– Djarum Foundation – GAR – Triputra Group</td>
<td>Medical support Programme</td>
<td>– 1 Million Rapid Test Kits – 20,000 APDs – 4 Ventilators – 1 Million Masks</td>
<td>Nationwide</td>
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<tr>
<td>4</td>
<td>Health and Safety</td>
<td>KitaBisa</td>
<td>PPE distribution and economic / food aid for impacted communities</td>
<td>Crowdfunding</td>
<td>Nationwide</td>
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</tbody>
</table>

[https://avpn.asia/covid-19-indonesia-gotong-royong-movement/]
<table>
<thead>
<tr>
<th>No.</th>
<th>Health and Safety</th>
<th>Basis Investment</th>
<th>#TekoSayangPetugasMedis</th>
<th>Free lodging for Medical Personnel (doctors, nurses and paramedics) at Santika Hotel BSD (for workers in the area)</th>
<th>Santika Hotel Medical Workers in BSD Area</th>
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<tbody>
<tr>
<td>5</td>
<td>Health and Safety</td>
<td>YCAB</td>
<td>Vitamin-C and Masks for people and sourcing APD 2500 frontliners</td>
<td>2500 Vit-C, Masks and APD - YCAB Staffs - YCAB Tutors</td>
<td>-</td>
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<tr>
<td>6</td>
<td>Health and Safety</td>
<td>Tanoto Foundation</td>
<td>Medical Equipment Donation</td>
<td>Donation of 1 million masks, 1 million medical gloves and 100,000 protective suits for medical workers battling COVID-19</td>
<td>Jakarta, Medan and Pekanbaru Hospitals and Healthcare workers</td>
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<tr>
<td>No.</td>
<td>Theme</td>
<td>Organization</td>
<td>Activity</td>
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<td>8</td>
<td>Health and Safety</td>
<td>Tahija Foundation</td>
<td>Sample test of COVID-19 in WMP Yogyakarta</td>
<td>Yogyakarta Region</td>
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<td><strong>Read more</strong></td>
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<td>9</td>
<td>Employability and Livelihood</td>
<td>Basis Investment</td>
<td>#Tekosayangkamu</td>
<td>BSD Area</td>
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<td>Create a discount on delivery cost from a purchase via GOJEK to stimulate more purchase</td>
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<tr>
<td>10</td>
<td>Employability and Livelihood</td>
<td>Kopernik</td>
<td>Innovation &amp; Livelihood</td>
<td>Bali</td>
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<td><strong>Hand sanitiser &amp; masker production by local enterprise</strong></td>
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<td><strong>Awareness of COVID-19</strong></td>
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IMPACT OF COVID-19 TO GLOBAL ECONOMY

**UNINTERRUPTED WORLD ECONOMIC ACTIVITIES**

- **World FDI**: ↓30 – 40%
- **World Trade**: ↓13 – 32%
- **World Tourist Travel**: ↓40,1%
- **Financial Market Volatility**: ↑215%

**WORLD ECONOMY EXPERIENCE RECESSION**

- **World Economic Growth 2020**
  - IMF: -4,9%
  - World Bank: -5,2%

**UNEMPLOYMENT RATE AND POVERTY LEVELS ARE INCREASING**

- 195 million people Losing a job
- 420 – 580 million people Become poor

MAGNITUDE IMPACT REQUIRES EXTRAODINARY EFFORT

**Flattening the Curve**
To prevent the wider spread of the COVID-19 outbreak, a large-scale physical distancing and social restriction policy is required.

The policy of physical distancing and large-scale social restrictions has resulted in a significant reduction in community and business activities.

**Flattening the Recession Curve**
The stimulus policy was given to reduce the economic impact, especially on vulnerable groups and the business world so as not to lead to bankruptcy.

**Preventing Social Unrest**
The stimulus policy was also carried out so that the loss of welfare felt by the community did not exceed the tolerance limit.
Impact of COVID-19 on SDGs progress: Global Perspective

Source: UNDESA, 2020
IMPACT OF COVID-19 ON INDONESIA’S SOCIAL DEVELOPMENT

1. Impact of Covid-19 is estimated to increase poverty incidence into 10.86%, while poor and vulnerable population will be 30.77%.
2. This year world rice production is projected to decrease by around 0.6% or 3.0 million tons.
3. World rice exports this year projected to decrease by around 1.7%.
4. Monthly world rice prices have risen since February 2020 in the range of 4.2% - 14.5% (MoM).
5. Fluctuating monthly harvest patterns (surplus months: Mar-Sep; deficit months: Jan-Feb and Oct-Dec) and crop / harvest patterns are very dependent on nature (rainfall).
6. Great Pressure on the Health System
7. Increased Out of School/Drop Out rate
8. Decreased PISA score (reading and calculating skills) because changing system from offline face to face to online or virtual
9. Barriers to technology / internet access, especially for poor and vulnerable families
10. Increased levels of violence against women.
11. Women who make up the majority of health and social care workers are more vulnerable to Covid-19.
Impacts of COVID-19 on Indonesia’s Economic Development

- Inequality increased due to the impact of the informal sector affected by the pandemic.
- Workers’ health is key to economic recovery; the sooner the pandemic ends, the sooner the economy recovers.
- Tourism sector is encountered the first fluctuation and has a multiplier effect on its value chain.
- Unemployment occurs in termination of employment and new workforce entering the labor market, so the pre-employment card and social assistance need to be strengthened.
- Tax revenue has dropped dramatically, so a limited fiscal deficit needs to be widened.
During the COVID-19 pandemic, it is estimated that GHG emissions is expected to decline due to limitation of economic activity and fossil fuels usage. CO2 emissions reduce in China when lockdown is applied by 25%. Improved air quality in a number of countries, with the Jakarta Air Quality Index declined by 64%. Increased medical and non-medical plastic waste from disposable plastic and medical equipment usage.

Decline in public transportation usage which is projected until "new normal" condition, with 88% decline in Urban Transportation (MRT, LRT, KRL, TJ) and 9,2% average volume traffic in Jakarta. Average traffic volume in Bandung Raya is reduced by 93%. Reducing climate change mitigation activities and actions in the effort to reduce GHG emissions.
Recovery Strategy on Industry, Tourism, and Investment

TRADE AND INDUSTRY

✓ Productivity Recovery: restoring supply chains, improving human resource skills, restructuring machinery, increasing product standards, strengthening partnerships with SMIs

✓ Acceleration of Import Substitution Industry particularly food, beverage, chemical and pharmaceuticals.

✓ Increase in Exports: relaxation of import export destinations, expanding access to funding, expanding export markets supported by inquiry handling, optimizing PTA / FTA / CEPA.

✓ Affirmation of Increasing Use of Domestic Products (P3DN): optimizing the procurement of government and SOE goods and services for infrastructure, health and office project

✓ Cost Reduction: logistical efficiency, affordable energy prices, fiscal incentives (relaxation of VAT for a certain period, etc.)

✓ Skills improvement: through 3 in 1 training and other training.

TOURISM AND CREATIVE ECONOMY

✓ Increase in domestic tourists: arrangement of leave and public holidays for domestic tourists, discounted tickets, meetings at the subnational level

✓ Increased tourism marketing: incentives and special tour packages for destination that recovered, optimization of integrated exhibitions in international markets.

✓ Increased event and marketing creative products: sports, arts and culture and MICE (Moto GP, U-20 World Cup, international conferences, concerts, festivals, etc.)

✓ Acceleration to prepare the destination: Acceleration of infrastructure, service standards (transportation, food and beverage, tourist flow, hygiene, security), provision of souvenir, development of MSME for hotel and restaurant suppliers.

✓ Skills improvement: through 3 in 1 training and other training, as well as incubation and creative space development.

INVESTMENT

Attract maximum investment to boost the economy through:

✓ Simplifying licensing and increasing business certainty: Omnibus Law Cipta Lapangan Kerja

✓ Expansion of positive investment lists: supported by collaboration across Ministries and local governments to harmonize regulations and procedures, as well as facilitate the development of business partnerships.

✓ Accelerate integrated licensing system

✓ Targeted investment promotion

✓ Assistance in the realization of large scale investment in industry, tourism, and infrastructure: debottlenecking and aftercare investment to avoid the investment move overseas.
Strategy Adjustments to Mitigate the Impact of COVID 19 on the SDGs Target (1/5)

**Goal 1: No Poverty**

Pandemics can reduce income of vulnerable and poor people. However, the resilience of the middle group also needs to be considered so that it does not fall into poverty.

**Social Protection Policy in Handling Covid 19**

- **Basic Food Program**
  - 20 million KPM
  - IDR 200,000/KPM/Month

- **Hope Family Program**
  - 10 million KPM
  - Component index increase 25%/month

- **Electrical Assistance**
  - 31.1 million customer
  - 450 VA AND 900 VA
  - Electrical power

- **Social Assistance for DKI Jakarta**
  - 1.3 million KK
  - IDR 600,000/KK/Month in Basic food

- **Social Assistance for BoDetabek**
  - 600 thousand KK
  - IDR 600,000/KK/Month in Basic food

- **Cash Social Assistance for Outside JaBoDetabek**
  - 9 million KK
  - IDR 600,000/KK/Month in cash

- **Pre Worker Card Program**
  - 5.6 million people
  - IDR 600,000/person/Month
  - IDR 50,000/person/survey

- **Dana Desa**
  - ±12 million KK
  - IDR 600,000/month/KK

**Social Protection System Reform**

- Accelerating the improvement of integrated data, including to collect data on middle and low income groups affected by the Covid-19 pandemic;
- Integration of various social assistance as a reliable and comprehensive social safety net system;
- Increase the capacity of local governments to support the updating of DTKS in all districts / cities;
- Performing regular verification and validation of data for poor and vulnerable people;
- Assistance to beneficiaries,
- Improvement of the effective, non-cash-based distribution mechanism based on 5T (Right Target, Right Amount, Right Time, Right Quality, and Right Administration).

**Social Protection Policy Force Covid 19**

Goal 1: No Poverty
Strategy Adjustments to Mitigate the Impact of COVID 19 on the SDGs Target (2/5)

Goal 2: Zero Hunger

The second objective could be affected by a pandemic because:

1. Disrupted food logistics due to PSBB
2. Access to food has decreased due to layoffs

### POST PANDEMIC OBJECTIVES AND POLICIES

**Increasing the availability, access and quality of food consumption**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Baseline (2019)</th>
<th>TARGET</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2020</td>
<td>2021</td>
</tr>
<tr>
<td>Prevalence of Undernourishment (POU)(%)</td>
<td>6,70</td>
<td>6,20</td>
</tr>
<tr>
<td>Food Insecurity Experience Scale (FIES) (%)</td>
<td>5,80</td>
<td>5,20</td>
</tr>
</tbody>
</table>

#### Policy Direction

- **(a)** online supply chains and strengthen food logistics, including strengthen fisheries cold chains;
- **(b)** fulfilment of domestic needs and export demand for high value food / fishery products;
- **(c)** increase labor-intensive activities in agriculture, fisheries and maritime sector while still complying with health protocols;
- **(d)** protection for fishermen and fish cultivators;
- **(e)** the utilization of food data electronic integration to support planning and control of access and quality of food consumption; and
- **(f)** Assistance for intermodal food distribution in production base areas and access to consumer markets;
Strategy Adjustments to Mitigate the Impact of COVID 19 on the SDGs Target (3/5)

Goal 3: Good Health and Well Being

National health reform to anticipate future pandemics.

Strengthening the health system for

- Pandemic readiness and PHEIC (Public Health Emergency of International Concern)
- Post-Covid-19 recovery and control of health problems (TB, Malaria, Maternal and Infant Mortality, HIV, and Leprosy, etc.)
- Promotional strengthening
- and preventive action
- Increased government health budget

Post Covid-19 Pandemic Policy

- **Strengthening Healthy Life Community Movement**
  Clean water, sanitation, washing hands with soap, sports, environmental health, healthy areas and medical waste management

- **Strengthening health security, ability to prevent, detect, response:**
  - Entrance post
  - early warning systems, real time disease surveillance, laboratory capacity and network, human resource capacity, protocols and rapid response management, research and development
  - expansion of case detection, screening, health quarantine
  - Strengthening resources: facilities, pharmacy, medical devices, and health human resources

- **fulfillment of medical facilities and equipment according to hospital class and referral system**
  - fulfillment of doctors and 9 types of health workers in puskesmas
  - fulfillment of vaccines and drugs (pneumonia, TB, HIV / AIDS)
  - incentive support for the domestic pharmaceutical and medical device industry
### Strategy Adjustments to Mitigate the Impact of COVID 19 on the SDGs Target (4/5)

**Goal 4: Quality Education**

Pandemics affect changes in teaching and learning patterns. The challenges to achieving this goal relate primarily to:

1. Teachers' readiness to teach online
2. ICT Infrastructure
3. Expansion of the internet for poor and vulnerable families

#### EDUCATION POLICY FOR THE PANDEMIC TIME COVID-19

<table>
<thead>
<tr>
<th>COVID-19 Dissemination Emergency Time</th>
<th>Post Covid-19 Pandemic</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GENERAL</strong></td>
<td><strong>PRIORITY</strong></td>
</tr>
<tr>
<td>• Home Learning Process through Online / Distance Learning.</td>
<td>• VOCATIONAL EDUCATION and TRAINING for INDUSTRIES 4.0</td>
</tr>
<tr>
<td>• School Exams are conducted Online / Remote</td>
<td>• Development of a credible labor market information system;</td>
</tr>
<tr>
<td>• The 2020 National Examination was canceled</td>
<td>• Revitalization of vocational schools that support industry 4.0;</td>
</tr>
<tr>
<td>• New Student Admissions apply health protocols to prevent the spread of Covid-19.</td>
<td>• Polytechnic development revitalization;</td>
</tr>
<tr>
<td></td>
<td>• Implementation of vocational training and apprenticeship in Industry 4.0;</td>
</tr>
<tr>
<td></td>
<td>• Implementation of Pre-Employment Cards</td>
</tr>
<tr>
<td></td>
<td>• DEVELOPMENT OF SCIENCE TECHNOPARK</td>
</tr>
<tr>
<td></td>
<td>• Construction of Incubator facilities for tenants</td>
</tr>
<tr>
<td></td>
<td>• Triple-helix cooperative development</td>
</tr>
<tr>
<td></td>
<td>• The implementation of the National Research Master Plan and the National Research Agenda involved 4 PTNs</td>
</tr>
</tbody>
</table>

- New Student Admissions apply health protocols to prevent the spread of Covid-19.
Strategy Adjustments to Mitigate the Impact of COVID 19 on the SDGs Target (5/5)

Goal 5: Gender Equality

The pandemic affects the disruption of production health services and increases the workload of women in the household.

POST PANDEMIC OBJECTIVES AND POLICIES

Increased protection of women from various acts of violence and women's empowerment

<table>
<thead>
<tr>
<th>SDGs</th>
<th>Indicator RKP 2021</th>
<th>Baseline (2019)</th>
<th>TARGET 2020</th>
<th>2021</th>
<th>2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.3.1</td>
<td>Percentage of women aged 20-24 who were married before 18 (%)</td>
<td>11,21</td>
<td>10,19</td>
<td>9,80</td>
<td>8,74</td>
</tr>
<tr>
<td>5.2.1 *</td>
<td>Prevalence of violence against women aged 15-64 years in the last 12 months (%)</td>
<td>9,40</td>
<td>Decreased</td>
<td>Decreased</td>
<td>Decreased</td>
</tr>
<tr>
<td></td>
<td>Female Labor Force Participation Rate (%)</td>
<td>51,89</td>
<td>52,51</td>
<td>53,13</td>
<td>55</td>
</tr>
</tbody>
</table>

Policy Direction

Improving the quality and protection of women:
1. protection of women from the various negative impacts of Covid-19, such as discrimination, mistreatment, stigma, violence and exploitation
2. protection of women from various acts of violence, discrimination, exploitation and trafficking in persons;
3. increasing women's participation in the economy, especially for groups affected by Covid-19;
GOVERNMENT WORK PLAN 2021:
ACCELERATING ECONOMIC RECOVERY AND SOCIAL REFORM

DEVELOPMENT 2021 WILL BE FOCUSED ON:

- Industrial, tourism, and investment sector recovery, including strengthening food security systems
- National Health System Reform (strengthening public health programs, social security and health financing)
- Reformation of Social Protection System
- Reformation of Disaster Resilience System
Development Challenges

IMPACT OF COVID-19 PANDEMIC
- Human Victim
- Social and economic impact
- Community and government behavior changes

RISK OF COVID-19 PANDEMIC
- Economic crisis or recession
- Changes in State Financial Policies and Regional Finance
- Optimizing the development of science and technology

SCENARIO OF POST PANDEMI RECOVERY 2019
World economic recovery has the potential to lead to a U or L shape, no longer a V.

- Kurva V: deceleration and rapid recovery (rebound)
- Kurva U: slowdown and gradual recovery
- Kurva L: deceleration and stagnation (recession)