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Indonesia News & Views

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South Sumatra

One of the greatest kingdoms in Indonesian history, the Buddhist Empire of Sriwijaya, prospered along the banks of Musi River in South Sumatra over a thousand years ago.

Located on the southern-most rim of the South China Sea, close to the one of the world's busiest shipping lanes linking the Far East with Europe, the Region's historical background is rich and colourful. The Sriwijaya kingdom practised a bustling and incitative trade with ancient China during its era of powerful dynasties.

South Sumatra is famous for Songket wearing which are made of silk thread combined with gold thread. Palembang also famous for its wood carving motifs which are influenced by the chinese and Buddhist. The carving are dominated by decorations in the form of jasmine flower and lotus that can be seen in the furnitures and lacquers. Palembang's famous fruits are pineapple and duku (*Lansium domesticum*).

[source: www.my-indonesia.info]

Minister: RI's Forest Area Covers 138 Million Hectares

Forestry Minister MS Kaban signed, it is stated that the total size of Indonesian forests is 138 million hectares, not 120 million hectares as so far mentioned," the forestry minister said when officially opening a coordinating meeting on the Central Forestry Development Budget Planning for 2009 here on Thursday. (continue to page 20)

"In the documents that I have

Top quotes inside this issue:

- ◆ "The upcoming presidential election must be able to produce a national leadership that can improve the people's welfare based on the principles of justice and civil rights." (page 1)
- ◆ "Border issues cannot be settled through negotiations in a short time. It's not something we start one day and the next day we are finished. It's not only we and Malaysia, but many other countries experienced this." (page 3)
- ◆ "Indonesia is experiencing a positive trend as indicated by the improvement in the composite share price index, foreign exchange rates and bond markets at a time when many countries are suffering from capital outflows." (page 5)
- ◆ "Indonesia's debt ratio against its gross domestic product has in the past five years continued to decline, even lower than those of advanced states, because its GDP is also increasing." (page 7)

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Government
www.indonesia.go.id

Department of Foreign Affairs
www.deplu.go.id

Ministry of Cultural and Tourism
www.budpar.go.id ,
www.my-indonesia.info

National Agency for Export
Development
www.nafed.go.id

Investment Coordinating Board
www.bkpm.go.id

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27	28	29	30	31		

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Contents

DOMESTIC ISSUES

Political Issues

Presidential Election Must Produce Pro-People Leadership	1
KPU to Pay Close Attention to DPT Issue	1
KPU Ready to Hold Presidential Election in Two Rounds	2
BIN Neutral in Presidential Race: Official	2
BEM-SI Welcomes Candidates' Readiness to Sign Political Contract	2
Minister: Border Negotiations Not Easy	3
RI's Defence System Needs Total Transformation: Observer	4
NGO calls for restoration of RI's Identity as Maritime State	4
U.S: Indonesia's Human Trafficking Eradication Improving	5

Economic Issues

RI's Economic Indicators Showing Positive Trend: Minister	5
Perception toward Indonesia's Economy Better: Analysts	6
Indonesia's Debt Ratio Declining	7
Investors to Look at Potentials, not at President: Kadin	8
Indonesia Footwear Industry Facing Brighter Prospects	8
Indonesia's Franchise Industry Burgeoning	10
RI More Promising for Auto Industry Growth	10
Minister: Creative Industry Growth More Positive	11
Nokia, Samsung Mulling Cell-Phone Plants in RI	12
Over 700 Thousand Indonesian Workers Sent Abroad in 2008.....	12
Poor countries want greater role in world economy	13

Socio-Cultural Issues

Vocational training must match available jobs: President	14
RI Students Win Global Enterprise Challenge 2009 Top Prize	14
Indonesian-Made Robot Wins Gold Medal in San Francisco	15
Bali to Host 4th Sanur village festival in August	16
NTB to launch 'Visit Lombok Sumbawa Year' in 2012	16
Govt Declares High Alert over H1N1 Flu	16
RI Stepping Up Swine Flu Precautions at Int'l Airports	17
Bali Tightens Control on Inflow of Tourists over Swine Flu Case	17
Comodo Park Now Ranks 8th in Campaign	18
Indonesia by province: South Sumatra	18

ENVIRONMENT ISSUES

Minister: RI's Forest Area Covers 138 Million Hectares.....	20
Indonesia Host to 34 Billion Tons of Peat Carbon Sinks	20
Heal Oceans to Save Planet Earth	21
US to Help RI Develop Climate-Friendly Energy Projects	22
RI to Host Eco-Products International Fair 2010	23
Australia provides grant US\$ 500 Million	23
China Ready to Invest Cotton	24
Oceans to Feature in UN Climate Talks	24
Indonesia has New Biosphere Reserves in Riau	25
Two Thousand Orchids on the Brink of Extinction	26

REGIONAL/INTERNATIONAL ISSUES

Marzuki Darusman Selected UN Investigation Commission Member	26
RI Envoy Elected UN Human Rights Council VP	26
RI Ready to Train Palestinians	27
EU to Lift Ban against Four Local Airlines by July: Minister	28
ASEAN Ministers Sign MoU on Goods Transportation	28

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DOMESTIC ISSUES

Political Issues

Presidential Election Must Produce Pro-People Leadership

Jakarta - The upcoming presidential election must be able to produce a national leadership that can improve the people's welfare based on the principles of justice and civil rights, a political scientist said.

Economic growth was indeed needed but democratic consolidation must continue in order to achieve economic independence and improvement of the people's welfare, Bara Hasibuan said here on Thursday in a dialog themed "Preventing a Setback to Democracy in the Post-Presidential Election Era".

In the New Order era, Soeharto had managed to raise the country's economic growth to seven percent but it had to be paid dearly in the form of human rights violations, rampant corruption, budget leakages of up to 30 percent, and uneven economic growth, Hasibuan said.

Such conditions were similar to what happened in Russia under the Vladimir Putin regime which pursued economic growth at the cost of the people's democratic rights, he said.

"Therefore, we don't want the democratic agenda to be neglected after the presidential election because the nation's transition to democracy must continue," he said.

Meanwhile, Arie Sujito, a political scientist from Gadjah Mada University (UGM) said, during the one decade of reform, the country's democratization process and democratic achievements had become historic facts while the government and parliament had initiated many significant breakthroughs.

"Relations between the military and civilians which experienced ups and downs during the Gus Dur and Megawati administrations have been returned to their proper proportions. It means that the government has managed to reduce the involvement of the military in politics. This should be continued," he said.

He said the poverty rate had been lowered and the peace processes in several areas such as Aceh and Papua had worked.

"All of these things are proof of the success achieved by the SBY administration," he said.

Indonesia will hold its second direct presidential election on July 8, 2009. (ANTARA)

KPU to Pay Close Attention to DPT Issue

Kendari, S.E. Sulawesi - The General Elections Commission (KPU) at provincial and district levels will pay close attention to the problem of permanent voters' lists (DPTs).

KPU chairman Hafiz Anshari said here on Monday that the DPT issue came under the public spotlight in the past legislative elections and therefore the Commission would pay close attention to it in the upcoming presidential election.

"The cases related to DPTs were widely debated during the recent legislative elections and therefore we hope it will not happen again in the upcoming presidential election," Anshari said at a meeting with Southeast Sulawesi chapter of KPU in Kendari.

Anshari and Election Monitoring Board (Bawaslu) chairman Nur Hidayat Sarbini accompanied Home Affairs Minister Madiyanto in a working visit to inspect the election preparation in Mataram, West Nusa Tenggara, and Kendari, Southeast Sulawesi.

Anshari said the provincial KPU should pay serious attention to additional 60 thousands names in the DPT in Southeast Sulawesi.

"The data in the DPT should be clearly explained so that the people know the number of beginner voters, TNI and Police personnel who are no longer active, and the additional number," he said.

The KPU chairman also asked that the data of voters from Indonesian migrant workers abroad who had returned home should be taken.

According to him, the data of DPT should continue to be checked to prevent double names in the list.

"Make check and recheck and clean up the names that appear several time in the list," he said.

About the names of the people who have died but were still found in the DPT, Anshari said they should not be erased but just cross them out and the underage voters in the list should be clarified.

"The KPU will also distribute the 'soft copy' of DPT to the campaign teams but it should be protected from being changed. It does not mean that we do not believe in people but just as anticipation to things that we do not want to happen," he said. (ANTARA)

KPU Ready to Hold Presidential Election in Two Rounds

Jakarta - A General Elections Commission (KPU) official said here Tuesday the KPU was quite prepared for the eventuality of the presidential election in July running in two rounds.

"We are ready for the possibility it will have to be done in two rounds," KPU member Andi Nurpati said.

She said the KPU would not speculate about the possibility but if it did happen the KPU was ready to carry out its tasks accordingly.

The KPU was not in a position to predict whether the race would run in one or two rounds she said, adding that it would all be known only after the results of the first round were known.

She brushed aside rumors that the election would run only in one round, saying rumors not always prove to be true. However, she said, the KPU had already prepared the budget for a second round if it really proved necessary.

Andi said in line with the election law, the race would finish in one round if one of the candidates won more than 50 percent of the vote with minimally 20 percent of the votes in every province in more than half of the total number of provinces in the country.

"If none of the candidates meets this requirement, a run-off will be held," Nurpati said.

KPU secretary general Suropto Bambang Setyadi meanwhile said earlier the KPU would need around Rp4 trillion to implement a run-off. (ANTARA)

BIN Neutral in Presidential Race: Official

Jakarta, - The National Intelligence Agency (BIN) keeps a neutral stance in the upcoming presidential elections, according to As'ad Said Ali, BIN deputy chief.

"Since long time ago we are always neutral. Indeed someone has said that BI is not

neutral, but it's just a perception," he said after launching his new book entitled "The Pancasila State, Useful Way for the Nation" at Wisma ANTARA here on Thursday. No BIN official was involved in a campaigning activity of any presidential or vice presidential candidate, he said.

"BIN is loyal to the state, not to a certain party's interest," the BIN official, who had been assigned in a number of Arab countries, said.

He admitted that BIN's intelligence personnel were indeed present in institutions organizing the upcoming presidential elections, for security reasons.

"It's for security because we have been asked by the General Elections Commission to help," he said.

BIN very much respected the democratic process and therefore it did not want to be involved in electoral campaigns, he said.

No presidential candidate asked for BIN's support, he said.

"There is no instruction from the president (Susilo Bambang Yudhoyono - SBY) to give him a support in the presidential race. Even Pak SBY once told me 'As'ad, when you visit Islamic boarding schools ('pesantren'), doesn't campaign for me," he said quoting SBY.

Prabowo, a vice presidential candidate who pairs with presidential hopeful Megawati Soekarnoputri, recently, urged BIN to be neutral in the upcoming presidential polls.

Indonesia will hold its second direct presidential elections on July 8, 2009.

Incumbent Susilo Bambang Yudhoyono, who pairs with Boediono (economist), is competing with other candidates, namely Jusuf Kalla, who pairs with retired general Wiranto, as well as with former president Megawati Soekarnoputri and retired general Prabowo, in the upcoming presidential race. (ANTARA)

BEM-SI Welcomes Candidates' Readiness to Sign Political Contract

Jakarta, - The Indonesian Students Executive Board (BEM-SI) welcomes the presidential and vice presidential aspirants' readiness to sign political contracts with students, a spokesman said.

"We welcome the presidential and vice presidential candidates' readiness to sign the

political contracts we have offered them," BEM-SI coordinator Wahyu Suranto said here on Saturday.

Suranto said BEM-SI offered a political contract to each of presidential and vice presidential candidate pair to sign during the declaration of a Peaceful Presidential Election at the General Elections Commission (KPU) office on Wednesday (June 10, 2009).

Meanwhile, the national campaign team of the Jusuf Kalla-Wiranto presidential and vice presidential candidate pair said it was ready to sign a political contract with the students.

"We are ready to sign the political contract with BEM-SI if it really represents the aspirations of all students across the country," JK-Win national campaign team spokesman Indra Piliang said here on Saturday.

Piliang said the team was ready to sign the political contract with the students any time because they were also part of the Indonesian people.

"Our presidential candidate will of course pay attention to the students' aspirations. And thus we will receive whoever, including students, comes to the JK-Win command post," Piliang said.

For students to express their aspirations, Piliang said, they should do so by way of dialogs instead of staging protest rallies.

Meanwhile, the campaign team of the Megawati-Prabowo (Mega-Pro) ticket was also reported to sign a political contract with Indonesian students on June 16, 2009.

"We are going to sign the political contract with Indonesian students on June 16, 2009," Mega-Pro campaign team spokesman Hasto Kristianto said.

According to Kristianto, political contracts would be signed with all Indonesian students represented by BEM-SI and other student organizations.

The political contract offered by the students to the presidential and vice presidential candidates called for nationalization of strategic state assets, implementation of affordable health services and education for all people of Indonesia, investigation into the central bank liquidity assistance (BLBI) scandal and former President Soeharto's involvement in corruption. Improvement of conditions in the energy, economic and food sectors, guaranteed availability and affordability of basic

necessaries for all Indonesian people, completion of bureaucratic reform and eradication of mafia-like practices in the judiciary. (ANTARA)

Minister: Border Negotiations Not Easy

Jakarta, - Foreign Affairs Minister Hassan Wirajuda said here on Tuesday that international negotiations on border issues are not easy and take much time.

"Border issues cannot be settled through negotiations in a short time. It's not something we start one day and the next day we are finished. It's not only we and Malaysia, but many other countries experienced this," Wirajuda said on the sidelines of an event to remember Indonesian diplomat Mohamed Roem at the Islamic University of Syarif Hidayatullah (UIN) here on Tuesday.

He cited as an example that the negotiations with Singapore some time ago took five years to produce an accord.

"It was for a short statement, and regarding an island which had no resources," the minister said.

Minister Wirajuda also recalled that the process to settle the continental shelf problem with Vietnam took 32 years.

"And it should be completed, because the only solution to address border conflicts is through negotiations and mutual agreement," he said.

He said the planned 14th meeting between the Indonesian government and Malaysia on the disputed Ambalat Block was to be held in July in Malaysia.

He said Indonesia and Malaysia were both claiming the Ambalat Block as being part of their territory, and both protested against the presences of the two countries' warships in the area.

"Both Malaysia and Indonesia have filed protests on the same problem," he said.

Indonesia had included the Ambalat Block as part of its territory in its map since 1964 based on the international law of the seas while Malaysia has included the island in a map made in 1974.

Meanwhile, Foreign Ministry spokesman Teuku Fizasyah said recently the Sulawesi Sea was part of Indonesian territory and the Ambalat Block was located in this sea so it was an area subject to Indonesian

sovereignty based on the international law of the seas.

He said even though Malaysia had laid a claim to the Ambalat Block, the area belonged to Indonesia based on articles in the UN Conventions on the Law of The Seas (UNCLOS).

He said based on the law the boundary lines and sovereignty of a state are about 200 miles from its beach lines. "We should know that the Ambalat Block is only about 80 miles from an Indonesian beach," he said. (ANTARA)

RI's Defence System Needs Total Transformation: Observer

Jakarta - Indonesia's defense system needs a total transformation if the country's military strength is to be made equal to those of other countries, an observer said.

"Our country's defense system is not merely a matter of making enough funds available because what it needs is an overall transformation," Connie Rahakundini, a military observer at the Institute of Defense and Security Studies (IODAS), said here on Wednesday.

According to Rahakundini, political support from the government and all parties in the country for the procurement of military software was needed for an overall transformation of the military system to balance other countries' military power.

"Indonesia has yet to be able to make a military revolution because it needs strong financial support, but it also needs military transformation that can be supported by the parliament and the government," Rahakundini said.

Asked if the related officials in the National Defense Forces (TNI) and Defense Ministry should resign following the repeated accidents involving military hardware, Rahakundini said it was not necessary.

"It would be reckless to suspend the related TNI and Defense Ministry officials following the repeated accidents because it is not the best possible solution for the transformation of the military system. How could we professionalize our military if the related authorities are urged to resign as part of their responsibility in the accidents?" Rahakundini asked.

A number of military hardware accidents had happened in the past six months and this had really reduced the TNI's operational alertness level.

The crash of an Indonesian Army helicopter that killed three of its five crew and passengers in West Java on Monday was the sixth military aircraft accident this year.

A Fokker F-27 Troopship from the Indonesian Air Force crashed at a hanger in Bandung Husein Sastranegara Air Force base compound on April 6, 2009 killing six crew and 24 soldiers.

The deadliest and the latest tragedy was the crash of an Air Force C-130 Hercules in Magetan district, East Java, that killed 101 people including 52 TNI officers and soldiers on May 20, this year.

The first accident this year was in March when a Hughes helicopter crashed in Semarang, with no casualties. Two other minor accidents occurred in April and May. (ANTARA)

NGO calls for restoration of RI's Identity as Maritime State

Jakarta - An NGO called the "Manado Alliance" has urged the Indonesian government to restore and strengthen the country's identity as a maritime state.

"One of the things characterizing a maritime state is policies to make sure that the seas function as a living space and a source of livelihood, and not as a looting area or a garbage dump," M Riza Damanik, secretary general of the People's Coalition for Fishery Justice, said here on Thursday.

In a dialog themed "Restoring Our Identity as a Maritime State" organized by the Manado Alliance, the NGO also urged the government to improve the welfare and safety of traditional fishermen.

"People living in coastal areas and small islands must get serious attention for the improvement of their welfare," Damanik said.

The government was also urged to issue economic and political policies which could guarantee traditional fishermen's safety from natural disasters, including the impact of climate change.

According to the Manado Alliance, around 147 million Indonesian people live in coastal areas, and about 20 million of them are fishermen.

Damanik also asked the government not to allow foreign researchers to study the country's waters because it is against the existing laws.

"Indonesia's seas must be studied by Indonesia's researchers. Indonesia has many capable experts for marine research," he said.

Manado, North Sulawesi Province, hosted a four-day World Ocean Conference (WOC) on May 11-15, 2009 which adopted the Manado Ocean Declaration (MOD) on the final day of the conference.

In their 21-point declaration, the WOC participants representing 73 countries, stressed the need for national strategies for sustainable management of coastal and marine ecosystems as protective and productive buffer zones that deliver valuable ecosystem goods and services that have significant potential to address the adverse effects of climate change. (ANTARA)

U.S: Indonesia's Human Trafficking Eradication Improving

Jakarta - The United States said the Indonesian government's law enforcement in combating human trafficking had significantly improved since the implementation of the Law on anti-human trafficking in 2007.

"The Indonesian government's attempts to solve the overseas human trafficking problem had significantly improved which is indicated in the reduction of the number of cases handled by the Indonesian police, and the many sellers of migrant workers which had been convicted and jailed," Director of Supervision and Prevention of Human Trafficking at the United States State Department Luis deBaca said in Jakarta Monday.

He said since the enforcement of the anti-human trafficking law in Indonesia in 2007, the cases of human trafficking businesses handled by the police had increased from 109 in 2007 to 129 cases in 2008.

The punishment on the human right violators was also seen by the United States as increasing from 46 cases in 2007 to 55 cases in 2008.

But, he added, the exploitation of workers by Indonesian worker recruitment agencies is still a serious problem although the police and the ministry of manpower had launched raids several times and shut down the recruitment companies, which had also

reduced the number of Indonesian migrant workers.

Luis added that law enforcement against government agencies involved in supporting human trafficking also needs further and closer attention.

He said many of the people involved directly in the human trafficking businesses or those who merely give protection of these businesses have yet to be firmly dealt with.

"Many of their activities like issuing of fake identity cards for under-aged workers or accepting bribe from the illegal worker recruiting companies have yet to be firmly dealt with," he said.

In the meantime, Director General of Manpower Supervision at the Ministry of Manpower I Gusti Made Arka said the Indonesian government had always been trying to improve services at the same time protection of its citizens abroad. One of the government's commitments to protect its citizens and nationals abroad is indicated in stopping the dispatch of Indonesian migrant workers to Malaysia.

"We are determined if the Malaysian government still fails in protecting and guaranteeing the safety of Indonesian migrant workers, the dispatch of Indonesian migrant workers will be suspended," he pointed out.

He also pointed out that cases of rough treatment and withholding of passports of Indonesian workers by their employers in Malaysia must not be repeated. (ANTARA)

Economic Issues

RI's Economic Indicators Showing Positive Trend: Minister

Jakarta - Finance Minister Sri Mulyani Indrawati said the positive trend in Indonesia's economic indicators, including its composite share price index, was due to investors' confidence in the country's ability to weather the global economic crisis.

"Indonesia is experiencing a positive trend as indicated by the improvement in the composite share price index, foreign exchange rates and bond markets at a time when many countries are suffering from capital outflows," the minister said at a meeting on state budget matters with the Regional Representatives Council (DPD) here on Tuesday.

She said developments in the composite share price index, exchange rates and bond market were showing a positive trend so that Indonesia was placed in a leading position because its economy was considered stable and prospective.

"That's why investors consider Indonesia able to face the global economic crisis in the first and second quarters of 2009," the minister explained.

She said since March rebounds had been taking place as shown by various economic indicators such as the composite share price index, exchange rates and foreign exchange reserves.

The foreign exchange reserves had increased to US\$57.2 billion close to the highest level of about US\$60 billion, the minister said.

Mulyani said the rupiah's exchange rate against the US dollar had gained 9.85 percent since early in 2009 while the composite share price index had strengthened by 51.7 percent.

The Composite Stock Price Index (IHSG) at the Indonesian Stock Exchange (BEI) here on Tuesday opened 2.22 percent lower, as investors released blue chip shares following losses in regional and world bourses.

The BEI index plunged 2.22 percent or 46.144 points to 2,023.237 points, and the LQ-45 index fell 2.53 percent or 10.213 points to 393.171.

In March, the amount of capital inflow into the capital market reached Rp1.82 trillion, in April Rp2.60 trillion, in May Rp1.97 trillion and in June Rp1.86 trillion. This increased if compared with that in February which stood at Rp562 billion only.

Since April, the capital flow through bond purchase had also been showing an upward trend, which had reached Rp3.88 trillion. (ANTARA)

Perception toward Indonesia's Economy Better: Analysts

Indonesia could expect a significant jump in investment, in particular coming from overseas, as foreign investors have shown more confidence in the country's economy after it managed to cushion the impacts of the global financial crunch.

"They see Indonesia as an important market," Paulus Sutisna, the head of Citi's

global subsidiaries group in Indonesia, said in an interview last week.

"They think the Indonesian economy has an even more promising future."

Paulus said most of Citi's corporate clients only had good things to say about Indonesia's economy and many were even exploring the possibilities of expanding here.

"Our clients are happy with the economic situation "in Indonesia"," said Paulus, although he did not mention the names of companies wishing to expand their businesses to Indonesia.

Even during the height of the global economic turmoil earlier this year, the country performed fairly well in terms of foreign investment.

According to the Investment Coordinating Board (BKPM), foreign direct investment (FDI) amounted to US\$1.97 billion between January and February, a 105.9 percent increase from the \$957.2 million posted in the same period last year.

Indonesia recorded a 4.4 percent economic growth in the first quarter of 2009 from a year earlier, according to the Central Statistics Agency (BPS). Last year, the economy grew by 6.1 percent.

"They are also lauding the stable political situation amid the elections," added Paulus.

The legislative elections conducted in April ran smoothly, with President Susilo Bambang Yudhoyono's Democratic Party garnering 20.85 percent votes, increasing SBY's chances of being re-elected in the July 8 presidential election.

The Jakarta Composite index jumped 44 percent this year and the rupiah strengthened 6 percent against the dollar, the best performance among Asia's 10 most-used currencies.

Morgan Stanley said Indonesia's economy might grow by 7 percent by 2011, which would strengthen Indonesia's case for joining the so-called BRIC comprising the world's fastest-growing emerging economies: Brazil, Russia, India and China.

Indonesia's economy is expected to grow between 4 and 4.5 percent this year and between 5 and 6 percent in 2010.

"Indonesia's positive growth makes investors look at us more seriously," said Paulus.

Bank Danamon economist Helmi Arman said he expected an even more robust investment performance in the coming months.

"In terms of growth in the region, we are doing relatively better. There should be an improvement "in investment", he said.

BKPM head M. Lutfi said he expected investment to grow by about 9 percent this year, a revision from earlier estimates of between 10.7 and 11.2 percent.

Helmi also said investors would still be doing business as usual amid the election hype.

"The policies affecting foreign investors "engaging in Indonesia's economy" will not change much regardless of who is elected."

Paulus said foreign investors mostly complained about the lack of infrastructure and legal uncertainties, which undermined business expansion. (The Jakarta Post)

Indonesia's Debt Ratio Declining (by. Andi Abdussalam)

Jakarta - Although Indonesia's external debts have increased from Rp1,275 trillion in 2004 to Rp1,667 trillion in 2009, their ratio against the country's gross domestic product (GDP) had declined from 57 percent to 32 percent.

"Indonesia's debt ratio against its gross domestic product has in the past five years continued to decline, even lower than those of advanced states, because its GDP is also increasing," Finance Minister Sri Mulyani said.

In 2008 the debt ratio of Indonesia against its GDP was 32 percent while that of Japan was 200 percent. In the meantime, according to the minister, the United States' debt ratio against its GDP was 81.2 percent and Britain 61 percent. This means that the ratio of debts of the advanced countries is big and their debt ratios against their GDP were also big.

"But the local non-governmental organizations do not kick a fuss over the Japanese debts, while their counterparts in Indonesia, though its debt ratio is small, always raised anger and criticism," the minister questioned.

In addition, the ratio of Indonesia's debt interest against its revenues and expenditures is also small, namely between 9.8 and 10 percent.

Until March 31, 2009) Indonesia's debts which have fallen due amounted to Rp64 trillion in foreign loans and Rp30 trillion in promissory notes.

The minister explained matters about the government debts in response to the many criticism and discourses among non-governmental organizations (NGO) and observers on Indonesia's debts. This linked with the on-going presidential campaigns. The country's debts issue is always taken up as a theme of a campaign to evaluate the government's performance.

"Although the government has managed its debts well, I think people will continue to criticize it," the minister said in a press conference on Sunday.

She said that as long as the criticism was based on complete information she would be ready to give response but if it was only rhetoric and had no much advantage, she would ignore it.

Economic observer of Yogyakarta-based Gajah Mada University (UGM) Revisond Baswir recently called on the government not to seek new foreign loans. The total interest the government has to pay has risen from Rp62.5 trillion in 2004 to Rp101.7 trillion in 2009.

The debts have caused Indonesia's foreign exchange reserves to continue to deplete. With debts, the government has to pay the principals of its debts and their interest, while the borrowed funds never actually entered the country because the government's expenditures were made overseas.

According to economist Fadhil Hasan of the Institute for Development of Economics and Finance (INDEF), Indonesia's foreign debt has soared to the staggering figure of Rp1,667 trillion because the government has been accepting loan offers without actually needing the credits.

Economic observer of the University of Indonesia Faisal Basri said Indonesia must be able to manage and reduce its external debts in order to reduce its burden. "The government can reduce its debts by expanding its tax-resource bases and be efficient on its expenditure," Faisal Basri said on Monday.

He said that the government had been able to reduce the ratio of its debts against its gross domestic products (GDP) to 32 percent. Indonesia debts swell during the monetary crisis in 1998.

According to minister Mulyani, the debt issue in Indonesia was always seriously discussed by the media, NGOs and the public as a reflection of their disappointment during the New Order Government. In the era of the new order government, debts were not transparently managed. "It was even mentioned that financial leakage during the new order reached 30 percent," she said.

But now, the regime let all the process be transparent. All the budgeting is discussed with the House of Representatives and the government, and is approved in the state budget. Also included in the state budget is the deficit financing, or debts.

She said that in nominal term, the increase in the country's debts whether in the form of rupiah, dollar and yen, had happened as a result of accumulation from the past.

"Our debts highly increased during the 1997-1998 economic crises. The debt increase in nominal values was further worsened by the sharp depreciation of the rupiah," the minister said.

Indonesia has debts with several main creditors such as Japan, the Asian Development Bank and the World Bank. Even the nominal value of the country's debts continue to increase, its ratio against the country's gross domestic product (GDP) continue to drop.

Indonesia's stand-by loans up to now have reached US\$5.5 billion dollars. About US\$2 billion of the stand-by loans came from the World Bank, US\$1.5 billion from Japan, US\$1 billion dollars from Australia and US\$1 billion from the Asian Development Bank (ADB). (ANTARA)

Investors to Look at Potentials, not at President: Kadin

Jakarta - Long-term investors will not based their business consideration on who is the president in the coming five years but on future business potentials, a chamber official said.

Deputy Chairman of the Indonesian Chamber of Commerce and Industry (Kadin), Rahmat Gobel said here on Monday (15/6) that investors on the manufacture-based business sector considered long-term potentials in making their investment.

He said that developing the manufacturing industry was different from

developing a factory which needed to take into account the business length of period.

"So, we have to see what kind of businessmen who are going to make an investment. There are long-term investors and short-term ones," Rahmat said in response to the opinion that investors were still adopting the 'wait-and-see' attitude in the runup to the upcoming presidential elections.

He said that Kadin was now carrying out promotions in order to attract long-term domestic and foreign investment. "We continue to encourage big, medium and small scale business, including environment friendly industries like handicraft, herbal medication and furniture.

Asked on what businesses and the government have to do in the coming second half of the year, Rahmat said just do your business as usual and help maintain stability.

He said that in the current economic crisis, almost all countries experienced negative growth. "Only Indonesia, China and India have positive growth," he added.

In the meantime, Kadin, in its effort to promote small business, is seeking to cooperate with Japan's External Trade Organization (Jetro) to improve the country's micro, small and medium businesses (UMKM).

"Kadin is exploring cooperation with Jetro and the Japanese trade organization is already starting to design programs for several provinces in the country," Kadin's deputy general chairman for UMKM and cooperatives, Sandiango Uno, said on Saturday.

He said the cooperation program had been discussed at Kadin's technical meetings last week and introduced to several provinces such as North Sumatra, Central Java, West Nusa Tenggara and North Maluku. (ANTARA)

Indonesia Footwear Industry Facing Brighter Prospects (by. Andi Abdussalam)

Jakarta - Indonesian-made shoes are expected to get a bigger market share at home and abroad thanks to a decline in the influx of illegal shoe imports from China and an increase in demand for the commodity in Europe.

Local shoe makers' turnover is beginning to increase. "After we were stunned

by Chinese shoes in the 2006-2008 period, this year we have begun receiving overseas orders," Azri Smak, chairman of a local shoe makers' association in Medan, North Sumatra, said.

He said the increase in the turnover of local producers was thanks to the government's tight supervision on illegal shoe imports. The government has issued a decree reducing the gates of five imported commodities, including footwear, to only five seaports and airports in order to supervise the entry of illegal imports.

Besides winning a larger market share at home, Indonesian-made shoes are also expected to find more markets overseas. Indonesia's shoe exports in the second quarter of 2009, for example, are expected to experience a five-percent growth.

"The potential to increase shoe exports now exists so that we can export more shoes to Europe," Eddy Widjanarko, chairman of the Indonesian Shoe Producers Association (Aprisindo) said.

He said that the shoe market in the European Union which absorbed 37 percent of Indonesia's shoe exports, were now increasing their demand for shoes from Indonesia.

Thus, the country's shoe exports in the second quarter were expected to increase.

"The market in Europe has been improving," he said.

Eddy predicted that the performance of the country's shoe exports would improve next September, 2009. Besides the improvement in the world market, local shoes had also begun to take control over the domestic market, he said.

Aprisindo noted that since the issuance of the trade minister's decree No.56/2008 on the import on certain commodities, illegal imports of shoes decreased by 30 percent in the first quarter of 2009.

In order to supervise illegal imports, the government through a trade minister's decree No. 56 / 2008 has set five seaports and airports as the only entry gates for five commodities, which include footwear. The other commodities are garments, electronics, toys and food and drinks.

According to Eddy, local shoe sales would have experienced a significant increase in the first quarter of this year if there was no global financial crisis. "The market shares of

local shoes have increased seven percent but it would likely be more than that if a global financial crisis had not taken place," he added.

So far, he said, imported shoes controlled 60 percent of the market or about Rp38.4 trillion of the total shoe sales at home worth Rp64 trillion.

In the meantime, according to data made available at the ministry of Industry, Indonesia's shoe production reaches 1.2 billion pairs annually with an annual growth of 10 percent. Most of the local shoe productions are sport shoes.

"Shoe production is dominated by sports shoes which account for about 800 million pairs," Corporate Secretary of PT Primarindo, Muhammad Al Hadi said in an expose.

Hadi said that national shoe consumption reached 235 million pairs. About 94 million pairs or about 40 percent of which were locally made and 141 million others or 60 percent were imported.

This means that only 94 million pairs of the 1.2 billion locally produced shoes are sold at home while the remaining ones are exported.

Indonesia's shoe exports in 2006 reached 1.65 billion dollars. It increased slightly to 1.68 billion dollars in 2007 and 1.88 billion dollars in 2008.

According to Aprisindo chairman Eddy Widjanarko, in the first quarter of 2009, Indonesia's shoe exports dropped four percent from 467.5 million dollars in the same period in 2008 to 448.8 million dollars.

Although there seems to be a good prospect for local shoes, shoe makers should continue to improve the quality of their products as Chinese shoes remain a threat to them.

China's export destination countries are now being affected by global economic crisis so that China would turn to Indonesia to sell its unsold stocks with a lower price, or about 17-33 percent lower than the normal price.

Therefore, Director General for Textile, Metal, Machinery and Multifarious Industries Anshari Bukhari urged shoe makers at home to improve the quality of their products in order to compete with imported shoes.

The director general said that consumption at home was only about two pairs per person per year. But of the 230 million people in the country only about 50 percent are wearing shoes.

He admitted however that so far there had been an increase in the use of footwear made at home, particularly by civil servants. Even many consumers felt they had become more confident in using domestically made footwear.

"With a campaign on the use of local products, we set a target to increase locally produced shoe sales by 10 percent," he said.

Therefore, he was of the view that improving domestically made shoes was of vital importance so that the target to win 60 percent of the local market by national shoe industries could be achieved.

At present, footwear industries at home only controlled about 40 percent of the market. "We predict that in the coming three to five years the target of 60 percent would be achieved," he said. (ANTARA)

Indonesia's Franchise Industry Burgeoning

While many industries are struggling to survive, franchises in Indonesia are surviving the test of times and have become a lucrative industry, generating close to Rp 50 trillion (US\$4.96 billion) in sales annually.

The industry has grown by double digits over the past few years, both in sales and in the number of outlets, said Anang Sukandar, chairman of the Indonesian Franchise Association (IFA). Anang was speaking to reporters during the International Franchise, License and Business Concepts Expo and Conference, in which 175 companies took part, including some 25 franchise companies from Singapore, Malaysia, and Australia.

The event concluded on Sunday. Anang said that, judging from the amount of growth in recent years, the country may see as many as 840 franchises by the end of 2010. "It is probable that the number of local franchises will increase by 12 percent from the current number by the end of next year," Anang said.

According to data from the Trade Ministry, there are currently 1010 franchises and business opportunities (BO).

BOs are companies which operate in a similar way to franchises but hold regular business licenses. Some businesses prefer to operate as BOs as no fees are required for potential partners to join their network, unlike franchises, which require partners to pay a "franchise fee." The 1000 plus franchises includes 260 foreign franchises and 750 local

franchises and BO. "About 700 of the local 750 are actually BOs," Anang said. About 45 percent of the local franchises are food-related.

Trade Minister Mari Elka Pangestu said during the opening of the event last Friday that, at present, there are 42,900 franchises and BO outlets, which employ nearly 820,000 people and have combined monthly sales of Rp 4.1 trillion. She added that the franchise industry provides opportunities for the country's small-and-medium-sized enterprises (SME). "The franchises industry provides a brand name, business networking, managerial training and an existing business system. This can help new entrepreneurs who do not have experience."

Since 2007 the ministry has helped develop more than 60 companies become franchises. Mari said she hoped local franchises and other businesses could learn from the example of top local brands such as restaurant Es Teler 77, auto accessories retailer Auto Bridal, and the International Language Program chain, which have been able to expand their business not only in Indonesia, but also overseas.

Mari and Anang agree that the future looks bright for the industry, defying the current trend and the impacts of the global economic downturn. The rising number of participants and visitors to the IFA's annual event is a telltale sign of the success of the industry. The number of companies participating in the conference increased from 153 last year to 175 companies in 2009. In 2007 9,000 visitors attended the conference, this more than doubled to 20,000 in 2008 and again rose to 50,000 visitors this year, Anang said. (The Jakarta Post)

RI More Promising for Auto Industry Growth

Jakarta - With its large market Indonesia is more promising for auto-industry growth than Thailand, president director of Indomobil Group, Gunadi Sindhuwinta, said.

"Brazil, Russia, India and China (BRIC) are starting to grow. The Asean is now competing with BRIC in various sectors including automotive," he said here on Monday.

He said Indonesia had now been accounted for among the Asean member countries due to political conditions in

Thailand and Malaysia's strong protection on its automotive sector.

"VW has seen our conditions particularly the political conditions which are quite good despite preparations for presidential elections. They have even thought of moving to assembly after in the completely knock down area," he said.

He said indeed Thailand dared boasting to be a Detroit in Asean. With all its policies in the sector that country indeed had led in the post 1997-1998 crisis.

"Now however their conditions are not quite good. I have already advised our component supplier friends when they planned to move to Thailand about conditions in that country. What I said is true. They cannot operate until now," he said.

He was of the view that automotive industry and its supporting industries in the country had to start preparing themselves so that when time came for Thailand to comeback the country would have been ready to compete with that country.

He said improvement of infrastructure and supporting facilities must be given a priority. "I think the incentive from the government would be useless if inefficiency remains caused by roads that are damaged. Imagine goods had to be delivered in four hours while it should have been in just an hour if the road was good. The incentive gone because the cost is up due to bad infrastructure," he said.

He said Indonesia as a home base for auto production as well as marketing was promising like China.

"China becomes a strong home base because its domestic market is always ready to support if exports are disrupted," he said.

He said with its good economic and gross domestic product growth Indonesia was promising for development of auto industry and its supporting industries. (ANTARA)

Minister: Creative Industry Growth More Positive

Jakarta, - Trade Minister Mari Elka Pangestu said creative industry growth was increasingly becoming more positive, especially in the music and film sub-sectors whose domestic market was big.

"What is clear is its growth is positive. We will disclose the detailed figures later in

the Indonesia Creative Product Fair (PPKI). We are optimistic its potential is big because the market is also big," she said at a press conference on PPKI here on Wednesday.

She said the contribution of creative industry to the Gross Domestic Product and employment was up and therefore the government would focus on encouraging its development.

"In 2009 the trade ministry has allocated Rp50 billion to Rp60 billion to develop the industry with all its activities," she said.

According to the Central Bureau of Statistics, in 2002 to 2006 the industry's contribution to the GDP reached 6.28 percent worth Rp104.6 trillion and the industry could also absorb 5.4 million workers in the period.

In view of the country's diverse cultures the sector could become a driver of national economic growth.

Based upon its 2009-2025 creative industry blueprint, the government expects contribution from the sector to rise to nine to 11 percent.

In 2015 the government expects the number of businesses operating in the sector could reach 6.8 million or triple that of 2006.

The trade ministry plans to hold a convention on PPKI on June 25-27 to discuss strategies for action programs for the development of the industry.

During the event, an exhibition of creative products will also be held as well as art and cultural performance, seminars, dialogues, symposiums and clinical consultations.

The creative industry economy is based on 14 sub-sectors namely advertising, publishing and printing, television and radio, films, video and photography, music, performance arts, architecture, designs, fashions, craftsmanship, art product market, interactive gaming, computer and software services, research and development.

During the PPKI event, convention will focus on discussing conditions and targets of development for six information and communication technology-based sub-sectors such as interactive gaming and software service.

"Other sub-sectors such as craftsmanship, fashion and others already have a lot of forums and therefore we wish to focus on the six sub-sectors," she said. (ANTARA)

Nokia, Samsung Mulling Cell-Phone Plants in RI

Jakarta - Electronic companies Nokia of Japan and Samsung of South Korea are now exploring the possibility of building handphone manufacturing and assembling plants in Indonesia, a spokesman said.

"Nokia is conducting a feasibility study to build a full-manufacturing or semi-assembling handphone factory in Indonesia. Samsung is also doing the same thing," director for telematics affairs of the Ministry of Industry Ramon Bangun said here on Tuesday.

Ramon said if the two companies, holders of two well-known cellular phone trademarks, realized their investment in Indonesia, it would be very positive for the nation and the government would fully welcome them.

The government would welcome it because it would enable consumers in Indonesia to obtain cheaper products. It would also provide jobs and save state foreign exchange.

He said Nokia was serious with its plan to build a factory in Indonesia owing to the fact that so far the company controlled over 50 percent of the cellular phone market in Indonesia.

Samsung in the meantime saw good prospects in developing a factory in Indonesia because the company had previously built an electronic factory in the country.

"Samsung will only apply for a factory business expansion license from the Capital Investment Coordinating Board (BKPM) because they already have an electronic factory in Indonesia," Ramon said.

He said the government, in this case the ministry of industry, would assist foreign companies in obtaining a license for their investments.

In the meantime, the cellular phone market in the country continues to increase every year with an average growth of 15 percent per annum.

At present, it is estimated that about 80 million cellular phone units are now in circulation. Ramon estimated that new cellular phones circulating every year reached 20 million units.

He said cellular phone industries would continue to grow in the future with phone numbers estimated to reach 130-140 million,

or about 60-70 percent of the population which reached 230 million. (ANTARA)

Over 700 Thousand Indonesian Workers Sent Abroad in 2008

Jakarta, - The number of workers Indonesia had sent overseas in 2008 totaled 748,825, spokesman of the National Agency for Placement and Protection of Indonesian Migrant Workers (BNP2TKI), Rosyandi Monzier said.

He said that in 2008, the government set a target to send 750,000 workers. "The number of those sent to Malaysia reached 258,840, consisting of 78,402 for the informal sector and 181,438 for the formal sector," he said here on Tuesday.

Data at the BN2TKI indicated that in 2008 the number of workers sent abroad totaled 748,825 of which 64 percent or 480,531 were for the informal sector while 36 percent or 268,294 for the formal sector.

In the meantime, the number of those placed in Saudi Arabia reached 4,643 in 2008 of which 211,6 for the informal sector and ,020 for the formal sector.

Malaysia and Saudi Arabia were the two biggest countries receiving Indonesian workers.

Jumhur Hidayat, chief of the National Agency for Placement and Protection of Indonesian Migrant Workers (BNP2TKI), has proposed to the government to stop the dispatch of Indonesian domestic helpers to Malaysia for one month pending the revision of the Indonesia-Malaysia Memorandum of Understanding (MoU) on Indonesian migrant workers signed earlier in 2009.

Hidayat made the proposal following a report on an Indonesian domestic helper, Siti Hajar (33), which was tortured by her employer in Malaysia.

Foreign Ministry spokesman Teuku Faizasyah said that the Indonesian government would study the possible impact of a halt in the dispatch of workers to Malaysia.

"We will evaluate its possible impact on the informal sector," Faizasyah said adding that it would be better if the plan to stop the dispatch of workers was discussed with workers who had returned from Malaysia because they could possibly provide additional and valuable inputs.

However, sociologist Badaruddin of North Sumatra University (USU) advised the government not to be in a hurry in deciding to stop the dispatch of workers abroad because it could affect the people's interest.

"The government needs to consider the advantages and disadvantages before deciding to stop sending workers abroad," he said here on Monday. (ANTARA)

Poor countries want greater role in world economy

Developing countries have joined U.N. officials in calling for more money and a greater role in regulating the world economy in the wake of the worst global financial crisis since the Great Depression, which has taken a disproportionate toll on poor nations.

At Wednesday's opening of a three-day U.N. financial summit, country after country laid blame for the crisis on financial liberalization and deregulation in the United States and other rich nations and said it was time to reform the world financial system under the auspices of the United Nations.

"The reforms based on the belief in the efficiency of the market and the diminution of government did not work," said Bangladesh's Foreign Minister Dipu Moni, speaking on behalf of the world's poorest nations. "Reforms are needed to enhance productivity and capacity to cope with risks."

Nobel Economics Laureate Joseph Stiglitz, who headed a Commission of Experts on Financial and Monetary Reform that developed recommendations for the conference, said that "as globalization has proceeded we haven't created global financial institutions."

He called for the creation of a Global Economic Coordination Council to deal with the fallout wrought by the crisis that began in 2008, although the council is not mentioned in the 15-page draft final document agreed upon by rich and poor nations prior to the conference.

Instead, the draft calls for the International Monetary Fund, the World Bank and other lending institutions to be flexible in imposing conditions on developing countries so they can take action to deal with the economic crisis, including adopting stimulus packages. The draft also calls for measures to

avoid a new debt crisis and new approaches to restructuring debt.

"It needs to be an inclusive process of decision. Not the G-8, not the G-20, but the G-192," Stiglitz said referring to the Group of Eight major industrialized nations, the Group of 20 key economic powers, and the U.N.'s 192 member nations.

He also argued that funds used to aid developing nations must come in the form of grants, rather than loans, "because we don't want to end up with another debt crisis further along."

The draft document calls for donors and financial institutions to consider "grants and concessional loans as the preferred modalities of their financial support instruments to ensure debt sustainability."

The Group of 20 key countries that account for over 80 percent of the global economy agreed at a summit in April on a substantial package of financial support totaling \$1.1 trillion, with US\$50 billion targeted for low income countries.

Neither the U.S. or the European Union directly addressed the idea of a global economic council or increased regulation on Wednesday. But the draft document says the "current crisis has revealed many deficiencies in national and international financial regulation and supervision."

U.S. Ambassador Susan Rice told the summit "the U.N. is a unique forum where all voices - small and large countries alike - can be heard."

We also believe that we should use every instrument at our disposal to tackle different dimensions of the crisis," she said

"We are working through the G-20, for example, to coordinate policy and build consensus as part of an overall strategy for addressing the worst economic and financial crisis the world has seen in decades. We have done so with participants from developed and emerging economies, from all regions, and already have seen considerable success," she said.

Rice also said the U.S. was "committed to substantially increasing our own official development assistance" despite the "challenging times."

Chinese officials seemed especially concerned about the financial situation in the U.S., where it holds over 1 trillion dollars in debt and called for wide ranging reforms

"Countries across the world have suffered heavy losses from the ongoing global financial crisis and economic recession. One important consensus we have reached upon reflection is that it is important to keep the exchange rates of major reserve currencies relatively stable and promote a diversified and rational international monetary system," China's Foreign Minister Yang Jiechi said.

"This will enable developing countries to have more choices, better avert risks, and make more effective use of external funds for their development," he said.

The crisis has also taken a terrible toll in the developing world in human terms.

World Bank Managing Director Ngozi Okonjo-Iweala said growth forecasts for developing countries in 2009 stood at only 1.2 percent compared to 7.7 percent in 2007. And she said current projections indicate that 84 of 109 developing countries would face financing gaps that in most cases couldn't be covered by tapping reserves.

She said if the crisis continues this could mean an additional 200,000 infants dying each year between now and 2015 from malnutrition and other diseases.

"This was not a crisis caused by developing countries," she said.

Okonjo-Iweala said the World Bank has increased lending and backed those calling for urgent efforts to "quench the burning fires of the financial crisis." (The Jakarta Post)

Socio-Cultural Issues

Vocational training must match available jobs: President

Sragen, - President Susilo Bambang Yudhoyono said vocational training must be provided for would-be workers based on the needs of existing economic activities so that none of them would remain unemployed.

"It is important in the future that district heads, mayors and businessmen are required to train ready-for-work people. But it should not happen that education centers produce thousands of would-be workers with skills that have nothing to do with the real needs of local economic activities," the president said when inaugurating the integrated Ganesha Sukowati Techno Park vocational training center here on Tuesday.

He said the number of workers who could not be absorbed in 2005 and 2006 due to the impact of the 1997 economic crisis was high, or higher than need.

But thanks to the implementation of a number of policies to increase economic growth and create job opportunities, now about 2.2 million workers were absorbed.

"We should make sure how many workers are needed and a synergy must be made. What is important is that the number of workers and field of work must match," he said.

Besides calling for the creation of skilled workers, the president also reminded the importance of entrepreneurship by opening entrepreneurship training and the availability of capital.

"There are entrepreneurs who create job opportunities. In this case, the government supports it. Educational institutions have also been supported with the availability of the people's business credit which in 2008 reached Rp12 trillion and in 2009 is estimated at Rp20 trillion.

The president on the occasion also reminded those who had obtained employment to continue working well. "I hope that those who have got jobs will continue to work well. The government and employers have the obligation to assure that workers are paid well," he said.

He also asked employers to do a good business and raise workers' wages if they obtained more profit. (ANTARA)

RI Students Win Global Enterprise Challenge 2009 Top Prize

Jakarta, - A team of 6 Indonesian high school students has claimed the top prize in Global Enterprise Challenge (GEF) 2009, defeating last year's winner from New Zealand, according to an official report.

The conception was also participated in by teams from such countries as the US, Germany, Australia, Japan, South Africa and Singapore.

The news on Indonesia's victory was announced by NASA astronaut Sandra Magnus on a live web stream last Tuesday (June 23), according to a press statement of the Surya Institute and "United in Diversity" here on Friday.

When it joined the GEC 2008 for the first time, Indonesia defeated Singapore in being ranked sixth. By getting the first prize in 2009, Indonesia is the first Asian country to win the GEC since its it was first held in Scotland in 2002.

Meanwhile, Korea again won The Creativity Award in the GEC 2009, after winning a similar award the previous year.

The Indonesian team consisted of Wismaya Adi Purnama (Taruna Nusantara High School in Magelang), Lita Gunawan (Yahya High School in Bandung), Rizki Satrio Nugroho (Madania High School in Bogor), Evelyn Antoinette (Bina Bangsa School in Jakarta), Asyraf Firas Abdurrasyid (State SMAN 1 High School in Bandung), and Christa Yona Twedrian (Regina Pacis High school in Bogor).

Previously called the Enterprise Olympics, the inaugural event was launched from the International Space Station in 2002, and the following year the then British Chancellor of the Exchequer and now Prime Minister Gordon Brown announced the challenge in a live web stream. As many as 5,000 young people from 200 schools and colleges around the world now take part each year.

GEC was hosted by Careers Scotland for the first five years, by the Welsh Assembly Government in 2007 and by Australian Business Week in 2008.

In 2009 it was hosted once again in its country of origin, at the University of Strathclyde in Glasgow, which is appropriate in the year of Homecoming Scotland 2009 celebrating not only the 250th anniversary of Robert Burns' birth, but also some of Scotland's great contributions to the world: golf, whisky, great minds and innovations and Scotland's rich culture and heritage.

GEC enjoys the support of NASA and the World Intellectual Property Organization (WIPO), with the latter awarding a gold medal to the winning team and individual certificates to each team member.

Fifteen countries from five continents took part in this year's Challenge, namely Australia, New Zealand, South Africa, Japan, Korea, Singapore, Indonesia, Philippines, Germany, Norway, Poland, England, Scotland, Wales, and the USA. (ANTARA)

Indonesian-Made Robot Wins Gold Medal in San Francisco

New York - A robot made by the Bandung-based Indonesian Computer University (UNIKOM) won a gold medal at the International RoboGames at the Fort Mason Festival Pavilion, San Francisco, California.

The gold medal was presented to Rudy Hartono, a student of UNIKOM, who made the robot dubbed "Robot DU-114."

The Robot DU-114 came out as the winner in the international robot competition for the category of open fire-fighting autonomous robots, Andi Rahadian, head of education, social and cultural affairs at the Indonesian consulate general in San Francisco, told ANTARA on Sunday.

"For this category, 11 teams from different countries took part in the competition. Robot DU-11 was the fastest in putting out a fire," Andi Rahadian said.

In addition to DU-114, Indonesia also presented another robot, Next 116, to participate in the contest, he said.

The RoboGames, the world's largest robot competition, was held in San Francisco, June 12-14, 2009, and participated in by teams from 20 countries competing in various categories.

The participating countries included Australia, Austria, Brazil, Canada, Colombia, Egypt, Hong Kong, India, Indonesia, Iran, Japan, Mexico, Peru, Russia, South Korea, UK, and the United States.

The Indonesian robot team from UNIKOM was led by Dr. Aelina Surya, assistant to the university's rector, and the team members would return to Jakarta on Tuesday (June 16).

During their stay in San Francisco, the UNIKOM Robot team visited among other things a robotic laboratory at the University of California (UC) in Berkeley. They discussed the possibility of establishing cooperation between UNIKOM and the University of California in Berkeley.

When visiting the UC in Berkeley, the Indonesian team was received by among others George Anwar, an Indonesian national who held the position of head of UC-Berkeley's robotic division. (ANTARA)

Bali to Host 4th Sanur village festival in August

DENPASAR: Bali will host the fourth Sanur Village Festival from the 12-16 August, with this year's theme revolving around all things 'marine'.

As in past years, the festival will include exhibitions, performances, an array of foods and a cultural parade.

IB Gede Sidharta Putra, chief of the festival organizing committee, said the theme was chosen to reflect Sanur's history as one of the gateways to Bali.

He said the festival would be held on the beach, a central place for the people of Sanur and local and international visitors.

Sidharta said that the residents of Sanur, whether restaurant or hotels owners or locals, would be making the most of this event. (Jakarta Post)

NTB to launch 'Visit Lombok Sumbawa Year' in 2012

Mataram, West Nusa Tenggara (NTB) - West Nusa Tenggara (NTB) will organize a promotion of the launching of a "Visit Lombok Sumbawa Year" in 2012 in the Senggigi tourist resort area on July 5, 2009, a provincial tourism official said.

The promotion night would be attended by Tourism and Culture Minister Jero Wacik and highlighted with various arts and sport attractions, Lalu Gita Ariadi, head of the NTB tourism and cultural office, said here on Tuesday.

"The tourism and culture minister and NTB Governor Zainul Majdi will start the event by giving a press conference and it will be followed by a 'Public Corner' television program on Metro TV on July 2, 2009 at 2 pm Western Indonesian Standard Time (WIB)," he said.

On July 5, Sunday, NTB will also organize a seminar on ecotourism with speakers among others from the tourism and culture ministry.

The tourism promotion event will also be highlighted with a fashion show featuring traditional woven clothes designed famous Indonesian designer Samuel Watimena. A contest of "Pearl Beauty Pageant" will also be organized to select a tourism ambassador of NTB.

NTB hopes to attract at least one million tourists through the The Visit Lombok Sumbawa Year 2012.

According to data of the Central Bureau of Statistic (BPS), NTB was visited by 16,880 people, consisting of 13,821 domestic tourists (81.88 percent), and 3,059 foreign tourists (18.12 percent) in March 2009.

The March 2009 figure was an increase of 44.87 percent from 11,652 tourists in February 2009.

The hotel room occupancy rate in NTB in March 2009 was 35.36 percent, up from 31.65 percent in the previous month.

More than 1.893 million tourists visited Indonesia in the first four months of 2009, up 1.53 percent from the same period last year. (ANTARA)

Govt Declares High Alert over H1N1 Flu (by. Ni Komang Erviani and Wasti Atmodjo)

The Bali Health Agency has confirmed two cases of H1N1 flu and has called for residents to be on high alert in its effort to contain the virus.

Nyoman Stutedja, head of the agency, told reporters that all stakeholders on the island's health institutions have been alerted. "We have to be well prepared to anticipate any development concerning the number of people infected by H1N1 flu," he said.

Bali's Sanglah hospital is treating a patient infected with H1N1 flu and two others suspected of carrying the virus. A woman who tested positive for the virus was released Friday after her condition improved.

The infected persons are tourists who arrived from Australia. Bali receives 6,000 foreign visitors, including some 1,500 people from Australia everyday. Stutedja further said the agency had held special meetings with all health institutions including public and private hospitals and clinics to ensure cooperation with the agency.

"We have called on the entire medical staff to be ready to anticipate any news on the H1N1 flu patients entering Bali," he said.

He said that the agency has distributed 35,000 doses of the flu drug Tamiflu across the island.

Bali Governor Made Mangku Pastika has urged Balinese people to increase their awareness on the danger of H1N1 flu and to

obtain accurate information on the disease to prevent their families from becoming infected.

"We have to improve our hygienic conditions and increase our immune systems by leading healthy lives," the governor said. Pastika also urged the management of Ngurah Rai International Airport to properly monitor the arrival of international travelers.

Meanwhile, the Bali Animal Husbandry Office is working to disinfect pig farms. "We will provide 2,500 liters of disinfectant to each regency," head of the office Ida Bagus Alit said. In Argentina, a number of pigs have been found carrying swine flu.

Bali is home to around 1 million pigs and is well known for its pork dishes. Tjok Oka Artha Ardhana Sukawati, chairman of the Bali chapter of Indonesian Hotels and Restaurants Association, has called on the association's members to be on the alert.

"We should not panic but we have to increase our preparedness in anticipating any possible H1N1 flu cases affecting our guests," Sukawati said.

The entire hotel managements in Bali must closely monitor health condition of both employees and guests.

"If anyone found to suffer from Influenza like diseases, he or she must be checked by the hotels' doctors or medical staff immediately and be sent to hospital if necessary," he said.

"Hotel managers should not cover up any cases of Influenza A. If you find someone suspected of suffering from the illness, you must immediately report it to the respected official for compressive medical treatment," Sukawati said.

Bali's tourist industry has been hit by series of financial, security and health issues in recent years, including SARS and Avian flu. "We have actually been ready to anticipate any health crises properly." (ANTARA)

RI Stepping Up Swine Flu Precautions at Int'l Airports

Jakarta - Indonesia will step up checks on pilots and crew arriving from abroad to anticipate the swine flu threat, a Jakarta international airport official said.

"Tightened control will especially be done at international airports such as the Soekarno-Hatta airport in Jakarta," the

administrator of the Soekarno-Hatta airport, Edward A Silooy, said here on Monday.

He said checks would be done using a body scanner on pilots and crew before they leave the airport. "The checks will be a must for pilots and crew," he said.

A pilot was found infected with a swine flu after visiting several foreign countries recently.

Silooy said pilots and air crew were vulnerable to spread of a swine flu virus particularly those serving overseas routes.

"The move is taken to anticipate spread of the virus through pilots and air crew. They are vulnerable to swine flu infection. The tightening of health checks will be done continuously to prevent spread of the virus," he said.

Transport minister Jusman Syafii Djamal said after a coordination meeting on people's welfare that he would notify pilots and crew serving countries affected by the virus to increase caution.

"We will send a notice to airman and an announcement to shipping crew to be more alert towards the disease and to ask passengers to fill in health alert cards," he said.

Air and shipping crew from infected countries also have to ask their passengers to follow flu control procedures set by the government including scanning at airport and wearing a mask minimally three days after arrival, he said. (ANTARA)

Bali Tightens Control on Inflow of Tourists over Swine Flu Case

Denpasar - Authorities in Bali are tightening control over the inflow of tourists, particularly foreign ones, at each of the gates into the Indonesian tourist resort province of Bali, a local health official said.

Equipped with thermal scanners installed in ports, officials were seen busy checking tourist arriving at Ngurah Rai airport.

Head of Bali's health service Nyoman Sutedja said the supervision at Bali's entry gates was tightened following a case where British national Bobie Masoner (22) had been confirmed to contract the H1N1 strain of virus.

"The laboratory test indicated that Masoner, who had been treated at Sanglah hospital in Denpasar since early this week, was positively carrier of the swine flu virus," he said.

In this connection, Sutedja said he had instructed his rank and file to tighten control over the inflow of human visitors to the island of gods.

Indonesian Health Minister Siti Fadilah Supari announced on Wednesday that two patients had positively infected with the swine flu virus or H1N1 based on laboratory tests.

The two swine flu infected people are a pilot identified as WA (37) from Jakarta and BM (22), a British national who was visiting Bali.

WA visited Australia on June 14 and Hong Kong on June 18. On June 19, he suffered from fever and went to see a doctor at Sulianti Saroso hospital in Jakarta and until now he is still being treated there.

BM arrived in Bali on June 19 and with a health alert card was admitted to the Sanglah Hospital in Bali on June 20.

"The health conditions of the two patients are relatively good but they are still isolated in the hospital," the minister said.

Supari said that the two patients would be allowed to move out of the isolation rooms only after they were declared free from the H1N1 virus, or recovered from the disease. (ANTARA)

Comodo Park Now Ranks 8th in Campaign (by. Yuli Tri Suwarni)

The Komodo National Park now ranks eighth in Group E (for forests, national parks and nature reserves), after more than 3,000 Indonesians voted online Sunday for the park to become one of the New Seven Wonders of Nature (N7WN).

During a road show in Bandung, West Java, to campaign for the park, at least 3,076 people in the city voted online for it to be recognized as one of the new seven natural wonders of the world.

These votes increased the ranking of the park, located in East Nusa Tenggara (NTT), to eighth on the list of 56 nominees across the globe, the culture and tourism ministry's director general of marketing, Sapta Nirwandar said in Bandung.

The support from Bandung, he hoped, would increase after the road show on Monday, when the status of the Komodo Park's ranking will be made known to the public.

Sapta said by July 7 this year, the park must be second on the list in Group E in order to contest the final round of the competition, sponsored by the New Open World Foundation. "If it wins as one of the New Seven Wonders of Nature, it will be a good boost for Indonesia's image as an international tourist destination," he told a press conference during the road show.

The Sunday event featured a music concert in the Cihampeulas area to lure young voters. The campaign started on June 15, 2009, with the ministry opening the online voting booth and offering souvenirs and door prizes for visitors. Sapta said the government is targeting an additional 20,000 votes for the Komodo park to add to the 10,000 votes collected since January this year. From Bandung, the ministry will take the road show to Yogyakarta, Surabaya, Makassar and Medan. (The Jakarta Post)

Indonesia by Province: South Sumatra

One of the greatest kingdoms in Indonesian history, the Buddhist Empire of Sriwijaya, prospered along the banks of Musi River in South Sumatra over a thousand years ago.

Located on the southern-most rim of the South China Sea, close to the one of the world's busiest shipping lanes linking the Far East with Europe, the Region's historical background is rich and colourful. The Sriwijaya kingdom practised a bustling and intricate trade with ancient China during its era of powerful dynasties.

In 672 the Chinese scholar, I Tsing, recorded that a thousand monks and scholars could be seen translating and studying Sanskrit in Palembang. Few relics of this memorable are remain. Stretching from the foothills of the mighty Bukit Barisan mountain range, this province is relatively flat but very fertile, with numerous rivers cutting across the landscape and meandering their way to the sea. Coffee and tea plantations are scattered across the province, but area's enormous wealth comes from oil, natural gas, coal, tin and quartz reserves.

South Sumatra is famous for Songket wearing which are made of silk thread combined with gold thread. Palembang also famous for its

wood carving motifs which are influenced by the Chinese and Buddhist. The carvings are dominated by decorations in the form of jasmine flower and lotus that can be seen in the furniture and lacquers. Palembang's famous fruits are pineapple and duku (*Lansium domesticum*).



South Sumatra Tourism Board:

Jl. Demang Lebar Daun Kav. IX Palembang
Phone +62711-311345
Fax +62711-311544
Email info@dipardass.go.id
www.dipardass.go.id

Getting there:

Many domestic Airlines serve to Palembang. Garuda Indonesia Airlines serve flight from Osaka, Tokyo, Jeddah, Riyadh, Guangzhou, Shanghai, Singapore and Perth as well as major cities in Indonesia to Palembang. Air Conditioned buses from Java and Sumatra also available.

Tourism Events:

Musi Festival performs a Bidar (canoe) Race, held on Musi River which meanders through the city. The canoes are shaped to resemble animals heads and can hold 40 rowers in colorful outfits. Start in the morning every August 17.

Places of Interest:

Limas Traditional Houses

Limas Traditional Houses are built along the river banks, facing away from the water so daily household activities can be done in privacy. These very ornate wooden houses are raised on stilts, and are usually 15-20 meters in width and from 30-60 meters, from Columns;

door and window frames to ventilation panels are intricately carved.

The State Museum

The State Museum is 5 Km from the airport. It has over 2,000 relics and antiquities from around the province make a visit worthwhile.

Curup Tenang Waterfall

Curup Tenang Waterfall is 2 hours drive from Palembang. It is a land of rivers and waterfalls, where the water cascades from a height of 90 meters into deep pool.

Putri Cave

Putri Cave is situated at the edge of Padang Windu Village, 35 Km from Baturaja. It is 156 m long and 8-20 m wide. The maximum height is 20 m. In the cave there are many stalagmites and stalagmites and a stream which empties into River Ogan.

Ranau Lake

Ranau Lake is 125 Km from Baturaja. It is 8x16 sq km and surrounded hills and valleys in Mount Seminung.

Musi Festival

Musi Festival. August 17 is Indonesia's Independence Day and is celebrated throughout country by its people who actively participate in different kinds of activities. In Palembang the capital of South Sumatra Province, the people have unique celebration with a Bidar (canoe) race, held on Musi River which Meanders through the city.

The canoes are shaped to resemble animals' heads each of which can hold 40 rowers in colorful outfits. It is a one day celebration and starts after the flag hoisting ceremony in the morning, followed by exhibition of handicrafts and cultural performance.

The Megalithic Stone

The Megalithic Stone can be found in many areas in the village of Tanjung Aro, 67 Kms from Lahat and Tinggi Hari Village, 11 Kms from Lahat. A mortar stone in Tebing Tinggi.

Mount Dempo

Mount Dempo. On the skirt of Mt. Dempo there are a complete facilities to see the natural tea plantation in Pagar Alam it is the highest peak in South Sumatra and might be reached directly from Palembang city by car about 6 hours drive (295 kilometers). Enjoy the mountain bike, camping, tea walk and hiking.

Sembilang National Park

Sembilang National Park has a 45.000 sq hectares wildlife reserve. It is a paradise for various kinds of birds (pelican, hornbill, milky stork, etc) there are two kinds of Sumatran Crocodile and numback dolphins.

Ampera Bridge

Ampera Bridge links two parts of Palembang city. Any true 'Palembang' experience must include a river trip. Bustling floating markets and glimpses of traditional ways of life along the river will stay with you long after you return home.

[Source: www.my-indonesia.info]

ENVIRONMENT ISSUES

Minister: RI's Forest Area Covers 138 Million Hectares

Jakarta - Forestry Minister MS Kaban has said that Indonesia's forest area covers a total of around 138 million hectares.

"In the documents that I have signed, it is stated that the total size of Indonesian forests is 138 million hectares, not 120 million hectares as so far mentioned," the forestry minister said when officially opening a coordinating meeting on the Central Forestry Development Budget Planning for 2009 here on Thursday.

In addition to the size of the forests, the minister said he also needed to clarify and inform the public about the sizes of forest and land areas in critical condition.

"Since 2003, it has been stated that 59 million hectares of the existing 120 million hectares of Indonesia's total forest areas need to be rehabilitated. As we have implemented the forest rehabilitation program since 2003

through the National Rehabilitation Movement (Gerhan), the size of the critical land should be decreased,' the minister said.

Some three million hectares of critical area have been rehabilitated under the Gerhan program since 2003, meaning that the total critical areas are currently around 56 million hectares.

"I think, such data need to be synchronized so there is no complication of information," the minister said.

The forestry ministry had requested a total budget of Rp10 trillion to manage around 138-million-hectare forests for the year 2010, but only Rp3.1 trillion was approved.

However, the budget for the fiscal year 2010 is up from Rp2.6 trillion in 2009.

Last Monday (June 15), Greenpeace said that since 1982, Riau Province (Sumatra Island) had lost around 65 percent of its forests due to rampant deforestation.

"Deforestation has caused Riau to lose forest areas faster than ever before," Bustas Maitar, an environmental campaigner for Greenpeace Southeast Asia. (ANTARA)

Indonesia Host to 34 Billion Tons of Peat Carbon Sinks

Nusa Dua, Bali - Indonesia is host to 34 billion tons of peat carbon sinks, most of which are to be found in Riau province and Kalimantan, a senior researcher said.

In Kalimantan, which is the world's third largest island, there are 5,769,246 hectares of peat forests with 10.183 billion tons of carbon sinks, Daniel Murdiyarso of the Center for International Forest Research (CIFOR), said here on Friday.

He was here to deliver a speech at an Asian Forestry Partnership (AFP) meeting which discussed a mechanism to reduce greenhouse gases from forest destruction and functional change.

He said greenhouse gases from forest destruction and functional change contributed 20 percent to global warming which at present had reached three degrees Celsius over the last 20 years.

"One can imagine the greater role the Indonesian peat forests can play. Suppose that the Indonesian forest degradation release 2.4 billion tons of carbon per annum, how much it would contribute to green house gas emission," he said.

One of the important issues discussed at the AFP meeting is a payment and supervision scheme for world carbon gas reduction. CIFOR proposes several alternative concepts that could be easily applied in all countries. (ANTARA)

Heal Oceans to Save Planet Earth (by. Fardah)

Jakarta - The world's oceans which cover two thirds or more than 70 percent of Earth's surface are an important source of life.

Millions of people depend on oceans and coastal areas in earning a living. Indonesia, marine tourism revenue reached US\$2 billion per year and the country earned around US\$2.2 billion from fish exports in 2008, according to Alfred Nakatsuma, director of the Environment office of the US Agency for International Development (USAID), recently.

Oceans are the source of most rainfall, regulate the earth's temperatures and wind patterns, clean the water the people drink, offers a pharmacopoeia of potential medicines, and generates most of the oxygen the people breathe.

Healthy and functioning oceans provide essential services to human communities that support economic well-being and human health to include providing food, shoreline protection, a source of non living resources for energy and trade, recreation and culture.

The world's ocean and climate are inextricably linked: the ocean plays a crucial role in maintaining the Earth's climate, and ocean life is vulnerable to climate change, which could among other things trigger sea-level rise.

"Likewise, in our interconnected world, the ocean affects us and we affect the ocean," according to the Ocean Project in its press release observing the first World Ocean Day themed "one ocean, one climate, one future", on June 8, 2009.

The world's oceans and seas are now understood to be the biggest sink of greenhouse gases from the burning of fossil fuels.

Indeed experts now estimate that up to 40 per cent of the CO₂ entering the atmosphere is being cycled through the marine environment playing a crucial role in moderating climate change.

The oceans play a vast role in countering climate change - they are our 'blue' forests, according to Achim Steiner, executive director of UNEP, in his message prior to the implementation of the First World Ocean Conference held in Manado, North Sulawesi, Indonesia, in May 11-15, 2009.

However, the situation regarding oceans and coastal areas as well as marine biodiversity is worse than people thought.

Oceans which were very important were very distressed among other things because of overfishing, over exploitation, pollution, and global warming as well as climate change.

"We have to improve the health of our oceans," Steiner said.

"They have to be as fit and resilient as possible, so that they can cope with the climate change burden-- so they can continue to provide us with food and the myriad of other economically-important services," he stated.

This means governments have to urgently address the multiple challenges weakening oceans and seas, from land based pollution and discharges from ships up to over exploitation of the globe's vital fisheries, fueled in large part by perverse and wasteful subsidies totaling up to \$35 billion a year, he said.

Currently somewhere around 12 per cent of the land is held in protected areas, but less one per cent of the marine environment enjoys such status so this needs to change as soon as possible, the UNEP chief urged.

He also called for investments in adaptation, rehabilitation, rejuvenation and resilience of coastal ecosystems, from mangroves to coral reefs and wetlands, to generate significant returns in respect to climate-proofing economies.

These include protecting vulnerable communities against storms surges and sea level rise while also helping to soak up greenhouse gas emissions; filter pollution and improve the health of fisheries.

"And perhaps, just over the horizon, there is an even bigger prize as a way to make the oceans part of the carbon market options. Rewarding countries that sustainably manage them to boost their climate combating role and productivity would seem well worth exploring," he said.

Indonesia, as one of the world's largest maritime countries with about 5.8 million

square kilometers of marine territory, last May 11-15, 2009, organized the first World Ocean Conference (WOC), in Manado, North Sulawesi, bringing together experts and officials from over 70 countries.

The developing countries are hit worst by the impact of climate change because they depend more on natural resources, according to Nakatsuma, when speaking to journalists participating in the OANA Workshop on "The Role of the Media in Preserving the Global Environment", which was organized on the sidelines of the WOC.

The developed countries, however, depended more on industries and information services than on natural resources, he said.

Coastal communities, mainly in small island states, are deemed the most vulnerable to the impact of climate change, mainly due to rising sea levels. Indonesia has around 17,000 islands, and only five of them are big islands, while some of its small islands have already vanished or may disappear due to the human-induced sea level rise.

The WOC issued a Manado Declaration (MOD) which required countries to promote sustainable ocean management and ocean conservation. It also pushed ocean issues as an agenda at the United Nations climate talks in Copenhagen in December 2009.

The MOD also will strive to reduce pollution of ocean, coastal and land areas and to promote sustainable management of fisheries, as well as stress the need to promote affordable, environmentally sound, and renewable ocean technologies and know-how, particularly in developing countries.

As part of the WOC, a summit of Coral Triangle Initiative (CTI) member countries - Indonesia, Malaysia, The Philippines, Papua New Guinea (PNG), Solomon Island, and Timor Leste - was held and attended also by observer countries such as the US and Australia.

The countries agreed to launch a program on the Coral Triangle Initiative on Coral Reefs, Fisheries and Food Securities and Adaptation to Climate Change (CTI-CFFC).

Among the CTI countries expressing their commitment for the program, were Indonesia with financial contribution amounting to US\$5 million, PNG US\$2 million, the Philippines US\$5 million, and Malaysia US\$1 million, the ministry said.

In addition to the above-mentioned commitments, there were also the USA with committed funds amounting to US\$41.6 million (US\$1.6 million, Global Environment Facilities (GEF) amounting US\$63 million, and Australia amounting Aus\$2 million.

Indonesian delegates attended the Bonn climate conference in Germany hosted by the United Nations Framework Convention on Climate Change (UNFCCC) this week with a clear agenda of ensuring ocean issues are incorporated into climate talks to help save millions of coastal people from the brunt of global warming, in the upcoming Copenhagen climate conference."

The world's attentions and commitments to heal the oceans reflect the importance of the world's oceans to Planet Earth's health.

As a further step of Indonesia's care for the oceans, an Indonesian delegation promoted the incorporation of ocean issues in an international meeting on climate change held in Bonn, Germany, June 1-12, 2009, which was undertaken by the United Nations Framework of Climate Change (UNFCCC) in preparing COP-15 UNFCCC in Copenhagen, December 2009. (ANTARA)

US to Help RI Develop Climate-Friendly Energy Projects

Denpasar, - The US government has made a commitment to financially assist the development of climate-friendly energy projects in Indonesia.

The projects have also attracted the interest of more than 100 industrial experts and investors, participating in Indonesia Clean Energy Investor Forum in Jakarta.

According to an electronic letter from US Embassy in Jakarta to Antara here on Friday morning, the Forum introduced the projects which were involved in a competition sponsored by the United States Agency for International Development (USAID) and Private Finance Advisory Network (PFAN).

PFAN is an initiative of the Climate Technology Initiative (CTI) in cooperation with the United Nations Forum for Climate Change Convention (UNFCCC) Expert Group on Technology Transfer (EGTT) to broaden the access to financing for climate friendly and technology transfer projects.

Its ultimate goal is to get more renewable energy and climate friendly projects

financed and thereby to accelerate technology transfer under the UNFCCC.

"By uniting climate friendly energy businessmen and the investors, PFAN Indonesia Clean Energy Investor Forum will help overcome various obstacles, faced by climate friendly energy businessmen in the financial matter," USAID director for Indonesia, Walter North said.

He said the total investment for the projects was more than US\$370 million from loan and equity.

According to USAID, the projects have potential to reduce the effect of green house gas emission of more than 1 million metric tons on carbon dioxide per year, in addition to offering promising investment opportunity.

From the presentations in the Forum on Friday, the panel of judges will select two winners of Clean Energy Financing Award from Indonesia.

Walter North said there were a lot of creative climate friendly energy solutions that can be used in Indonesia.

He said the objective of the Forum was to facilitate the investors in choosing and financing the best possible climate friendly energy projects.

"USAID believes that it is the first ever important step in the improvement for the market of climate friendly energy projects in Indonesia," he said. (ANTARA)

RI to Host Eco-Products International Fair 2010

Jakarta - Indonesia will host Eco-Products International Fair (EPIF) 2010 in Jakarta in March next year, an Indonesian Chamber of Commerce and Industry (Kadin) official said.

"EPIF 2010 will include two main activities, namely international exhibition and conference on environmentally-friendly products," Rahmat Gobel, a Kadin deputy chairman, said here on Monday (15/6).

Rahmat Gobel told the press about the upcoming international fair after reporting on the preparations for the event to Coordinating Minister for Economic Affairs Sri Mulyani Indrawati.

The Eco-Products International Fair would be organized with the cooperation of KADIN, the Asian Productivity Organization

(APO), and the National Productivity Organization (NPO) Indonesia, he said.

"More than 300,000 people, from Indonesia as well as overseas, are expected to visit the international fair. Foreign visitors will come from around 20 countries in Asia and the Pacific," he said.

Indonesia had a great interest in holding the world fair in order to support its efforts to boost the domestic economic growth supported by productivity improvement, he said.

"Meanwhile, through the exhibition, we will promote and market our environmentally-friendly products," he said.

The EPIF 2010 in Jakarta will be the sixth. Held for the first time in Kuala Lumpur in 2004, the fair and conference is one of the biggest of its kind in the world. The second EPIF was held in Bangkok (2005), the third in Singapore (2006), the fourth in Hanoi (2008), and the fifth in Manila (2009).

The EPIF is a yearly activity of the Asian Productivity Organization (APO), a Tokyo-led group composed of 20 countries across the continent dedicated to the promotion of quality management and green productivity.

The EPIF 2009 in Manila last year was designed to accomplish the advocacy of green productivity among the citizens of its 20 member-states and the dissemination of environment friendly technologies, processes, and products developed by participating companies. (ANTARA)

Australia provides grant US\$ 500 Million

Jakarta – Indonesia and Australia will conduct business to business (B to B) cooperation on the field of garden plantation in relation to interstate regional Free Trade Area (FTA) cooperation. In that cooperation, Australian government will grant US\$ 500 Million to Indonesia in the form of technical assistance.

That was said by Director General for Horticulture of Department for Agriculture Achmad Dimiyati when interviewed by Sinar Harapan, Saturday (13/6). "The cooperation consists of two schemes, namely, intergovernmental (G to G) and also inter-association of garden plantation of the two countries. Therefore, we will hold National Flora and Fauna Week on 24-29 June in Tangerang. Besides garden plantation, the

grant is also given to animal husbandry sector,” he said.

Dimiyati emphasized that the cooperation could expand not only the business market, but also the export market of Indonesian garden plantation to Japan, Korea, Middle East, and Singapore. Meanwhile, Director for Garden Plantation of Department of Agriculture Agus Wediyanto said that pakis garden plantation species has filled 5% of Japan’s garden plantation market. Department of Agriculture is trying to develop Indonesian grape plasmas with farmers from Central Java (Wonosobo, Magelang, Semarang, and boyolali), West Java (Sukabumi and Cianjur), and East Java (Malang and Pasuruan). (Sinar Harapan)

China Ready to Invest Cotton

Hubei Provincial Seed Group, a seed company from China, is ready to develop hybrid cotton seeds in Indonesia. Chairman of the group, Guobao Yuan, last week, stated that Indonesia is very potential for cotton seeds investment because the immense population in Indonesia. Therefore, the market for cotton in Indonesia is huge.

He said that since the beginning, his company is interested to cooperate with the government of Indonesia in marketing hybrid cotton seeds through investment. However, he would like to observe the demand of Indonesian farmers to such seeds. If the demand is large enough, then the investment plan will be carried out. “Nevertheless, if the demand is less, then such a plan will be refigured,” he said in Jakarta.

He also said that if Indonesia could produce seeds in Indonesia, it would significantly cut production costs, due to delivery costs of seeds from China is expensive. Guabao further explains that in order to execute the investment plan, it will require at least 10.000 hectares (ha) of land in Indonesia. However, the interest of Indonesian farmers to plant cotton seeds is still low because the selling price of cotton is not considered beneficial enough. Unlike in China, cotton commodity price is very high, around Rp.9000 per kg, far above Indonesian price which only at Rp.4000 per kg.

Director General for Plantation, Achmad Mangga Barani, stated that since two years ago, Indonesia has engaged in cooperation

with China in developing hybrid cotton seeds from Hubei Provincial Seed Group of China which will be planted on 10 ha of land, each on South Sulawesi, Central Java, East Java, Yogyakarta, Bali, NTT, and NTB.

“On the third year, commercial cotton planting and transfer of technology of cotton seeds have been developed and expected to be produced domestically.” Currently, Indonesia is still importing 90% cotton for fulfilling domestic demand of 500.000 tons of cotton as textile raw materials. If the cotton seeding is succeeded, the domestic cotton production is expected to increase 5 to 6 percents from the current situation which only at 3 percents or 20.000 tons of cotton per year.

According to Achmad, the current government provides subsidy for seeds and fertilizer, and put purchase selling price from the business industries at Rp.4.000 per kg in order to provide incentives to farmers who are interested in planting cotton. The low interest of farmers to plant cotton is caused by the high price of cotton while the selling price of cotton is still low in the market.

Achmad said that the cotton needs for domestic market is imported from US, Australia and Egypt. The availability of potential cotton planting land is 400.000 ha, however, only 20.000 ha of land in use. The biggest land for cotton planting is in South Sulawesi amounting to 7.500 ha. (Journal Nasional)

Oceans to Feature in UN Climate Talks

The Indonesian government said Monday that international delegates attending recent climate talks in Bonn have agreed to place ocean issues on the official agenda for the upcoming UN climate conferences in Copenhagen.

A member of the Indonesian delegation that attended the Bonn discussions, Indroyono Soesilo, said now the link between ocean environments and climate change, as outlined in the Indonesian-sponsored Manado Ocean Declaration (MOD), had become part of the global agenda.

“The role of oceans in relation to climate change has been included in an official UN document. For Indonesia, which initiated the World Ocean Conference (WOC), it is a big achievement toward tackling climate issues,” Indroyono, an expert with the office of

the Coordinating Minister of the People's Welfare, told The Jakarta Post on Monday.

He said the five points of the MOD were listed in a document authored by the Ad Hoc Working Group on Long-Term Cooperative Actions (AWG-LCA), a body under the UN Convention on Climate Change (UNFCCC). The document will be addressed at the Copenhagen meeting in December.

The five issues include the need for adaptation funds, technology, scientific monitoring on the climate effects on oceans and the development of an integrated ocean observation system.

He said the Small Island Development States (SIDS), ASEAN countries, the Coral Triangle Initiative (CTI), the United States and Australia pushed for the inclusion of the MOD terms at the upcoming meeting.

"We need to promote it [oceans] until the Copenhagen meeting. We will lobby African nations and European countries to submit their papers on oceans," he said.

There will be another three meetings of the AWG-LCA before the Copenhagen meet in December.

The Bonn climate meeting was held between June 1 and June 12 to discuss a new regime of emission reduction schemes to substitute the Kyoto Protocol, which will end in 2012.

The MOD, which was the official outcome of the WOC in Manado in May, requires countries to promote sustainable ocean management and ocean conservation.

The 74 countries that attended the WOC requested that the National Climate Change Council (DNPI) incorporate oceans into climate change talks at the UNFCCC.

Rachmat Witoelar, executive chairman of the DNPI and State Minister for the Environment, has said that once ocean issues are adopted as part of the UNFCCC agenda, the opportunity for nations with large ocean territories to profit from adaptation programs and technology will be significantly increased.

Indonesia has about 5.8 million square kilometers of marine territory. (The Jakarta Post)

Indonesia has New Biosphere Reserves in Riau

Indonesia has a new biosphere reserves for the world in Giam Siak Kecil-Bukit Batu

(GSK-BB), Riau, and has added new biosphere reserve in Gunung lauser and Siberut Island, which already existed since 18 years ago.

Deputy for Biological Science of LIPI, Prof. Dr. Endang Sukara, as the chairmen of the National Committee Program of Man and the Biosphere, UNESCO Indonesia, on Tuesday said, the new GSK-BB biosphere reserve will be part of the world conservation network (UNESCOs World Network of Biosphere Reserves – WNBR) which has been developed to 553 location in 107 countries.

Biosphere reserve is one of the way to preserve world's ecosystem, including the bio and cultural diversity contained therein, and as a way to anticipate the negative effects of global warming. The new GSK-BB biosphere reserve will be listed on the 21st Session of the International Co-ordinating Council of the Man and the Biosphere Programme (MAB/ICC), UNESCO, in South Korea, in 26 May 2009.

"As a country that has an extensive biodiversity, Indonesia has a significant role in international society," she said. GSK-BB biosphere reserve is located in Bengkalis and Siak Regency of Riau Province. The development has been carried out since 2004 and is one of the 22 recommended locations made by 17 countries of the world which was accepted by the MAB/ICC conference, while 9 of them are postponed and one is rejected.

This new biosphere reserve is the first reserve initiated by industrial sector. "The recommendation to develop this new biosphere reserve came from Sinar Mas Forestry (SMF) to the Government of Indonesia through National Commission of MAB UNESCO to be submitted to UNESCO Paris through Department of Forestry on September 2008 and October 2008.

Harris Surono, officer of SMF, added that the initiative to build GSK-BB biosphere reserve started on 2004 and supported by Asia Pulp and Paper (APP) by allocation some of the 72.255 ha production forests for permanent conservation purposes. "This area is now being a new ecological corridor that combined two animal park, Giam Siak Kecil (84.967 ha) and Bukit Batu (21.500 ha)," he said.

Study made by LIPI in this are identified that there are at least 159 aves species, 10 mamal species, and 13 fish species, as well as 8 reptiles species. LIPI also noted that there are

52 rare and protected plantation species in the area.

Two Thousand Orchids on the Brink of Extinction

About 2000 out of 5000 of orchid species are on the brink of extinction caused by land clearance and smuggling conducted by irresponsible people, said LIPI observer Dwi Murti Puspaningtyas, in Jakarta, Thursday. "30 to 40 percents of Indonesian orchid species needs to be preserved through planting and conservation, because some of the orchid species is getting rare," she said.

If conservation and other safeguard measures of thousands of orchid species are not carried out, Indonesia will lose many precious natural resources. Some of the rare orchid species are "phalaeonopsis javanica" from West Java, "cymbidium hartinahianum" from North Sumatra, and "paraphalaeonopsis denevii" from Borneo.

All "paphiopedum" orchid species listed on CITES appendix are prohibited for trading domestically and internationally. She observed that some of those rare orchid species have distinct characteristics and now is still hunted down.

The function is to make "paphiopedum" orchid as mutation seeds to produce new orchid hybrids, that is why it is hunted down and now getting rare. Murti said that massive orchid exploitation conducted in several regions, such as Borneo must be stopped. (Republika)

REGIONAL/INTERNATIONAL ISSUES

Marzuki Darusman Selected UN Investigation Commission Member

New York - Marzuki Darusman, former Attorney General of Indonesia, was selected a member of the United Nations Independent Commission for Investigations on Friday.

The members of the UN independent commission will start working on July 1, 2009 looking the facts and circumstances surrounding the 2007 assassination of former Pakistani Prime Minister Benazir Bhutto.

Besides Marzudi Darusman, the other member of the Commission, set up in response

to a request of the Pakistani Government, is Peter Fitzgerald, a veteran of the Irish National Police who has served the UN in a number of capacities.

"The selection of the former Attorney General Marzuki Darusman is a reflection of the recognition of his expertise," Indonesian permanent representative to the UN Marty Natalegawa said on Friday.

According to the UN media center, Secretary General Ban Ki-moon sent a letter to Asif Ali Zardari, Pakistan's President and Ms. Bhutto's widower, informing him of the start of the Commission of Inquiry.

The Commission, chaired by Ambassador Heraldo Muñoz of Chile, will have a mandate of six months and will be fact-finding in nature, as noted by the Secretary-General in February, when he announced his intention to set up the probe.

"The duty of determining criminal responsibility of the perpetrators of the assassination remains with the Pakistani authorities," the media center said. The Commission will submit its report to the Secretary-General within six months after starting its work, and Ban will share the report with the Government and submit it to the Security Council for information.

Noting that Ms. Bhutto's birthday anniversary is this Sunday, the media center added that the UN is committed to assisting Pakistan by establishing the facts and circumstances of her death.

Meanwhile, Natalegawa said the Indonesian government had informally disclosed that one of its experts would be selected as member of the Commission.

"The Commission of Inquiry has been established at the request of the Pakistani Government to the UN Secretary General. Since the announcement of the commission in February, the Indonesian government had been informally kept abreast of the possibility of Indonesians elected as members of the Commission," Natalegawa said. (ANTARA)

RI Envoy Elected UN Human Rights Council VP

London - Indonesian permanent representative to the United Nations, World Trade Organization, and other international organizations Dian Triansyah Djani has been elected UN Human Rights Council (UNHRC)

vice president for the June 2009-June 2010 period.

The election of Triansyah Djani by acclamation to represent the Asian group at the UN Human Rights Council was a sign of its member countries' trust in Indonesia's commitment to protecting human rights and its development.

The Indonesian Permanent Representative (PTRI) spokesman in Geneva Kamapradipta Isnomo told Antara here by phone on Saturday that the move would improve Indonesia's image in its efforts to develop and protect both national and international human rights.

He said Triansyah Djani was elected along with Belgian envoy to the UN Alex Van Meeuwen as UN Human Rights Council president to represent the Western European and Other Groups (WEOG) at a meeting in Geneva recently.

Also elected as UN Human Rights Council vice presidents were Slovenian envoy Andrej Logar to represent the East European Group, Egyptian envoy Hisham Badr to represent the African Group, and Chilean envoy Carlos Portales to represent the Caribbean and Latin American Groups.

As vice president of the UN Human Rights Council to represent the Asian Group, Triansyah Djani would be responsible to assist the Council's president in performing his tasks for one year.

The UN General Assembly established the UNHRC by adopting Resolution A/RES/60/251 on March 15, 2006.

The United Nations Human Rights Council, an inter-governmental body within the United Nations system, is the successor to the United Nations Commission on Human Rights (UNCHR, herein CHR), and is a subsidiary of the United Nations General Assembly.

Based in Geneva, the UNHRC's main purpose is to make recommendations to the General Assembly human rights violations.

The UNHRC has no authority except to make recommendations to the General Assembly.

On June 18, 2007, one year after its first meeting, the UNHRC adopted its Institution-building package, which provides elements to guide it in its future work, including a Universal Periodic Review.

The Review will have assessed the human rights situations in all 192 UN member countries. (ANTARA)

RI Ready to Train Palestinians

Jakarta - Indonesia has expressed readiness to train Palestinian nationals to be self-reliant when Palestine becomes an independent country.

Middle East observer at Indonesian Institute of Sciences (LIPI) Hamdan Basyar said here on Monday that the cooperation to train the Palestinian national was intended to make them self-reliant when the country becomes an independent Islamic Palestinian country.

He said the cooperation in various fields with Palestine had been conducted by the Indonesian government through the foreign affairs ministry, the two countries' embassies, and other related parties.

Hamdan Basyar said the besides the Indonesian government, Asian and African community, as well as other Islamic countries had also made the same thing to the Palestinian people and prepare them to be self-reliant in an independent country.

According to him, Indonesia had tried to help overcome Palestinian problem by giving its people skill-related trainings small and medium businesses in Jakarta.

Meanwhile, Foreign Affairs Ministry's Multilateral Department spokesman Rezlan Izhar Djenie said here recently that Indonesia would continue to support Palestine's struggle to become an independent state.

Rezlan made the statement on the sidelines of a United Nations and Pacific Meeting on the Question of Palestine being held at Borobudur Hotel here June 8-9, 2009.

He said Indonesia's commitment would be implemented through its political support and an education program for Palestinian students in Indonesia.

According to Rezlan, if Palestine gained independence one day, the country would need strength in various fields, including education, government, human resources development, and infrastructure sectors.

Commenting on the existence of Israeli settlements in Palestine at present, Rezlan said it was a challenge the Palestinian people had to face while struggling for their independence.

He said one of the forms of support Indonesia would give to Palestine was to host the United Nations and Pacific Meeting on the Question of Palestine with a number of Asia and Pacific countries.

Meanwhile, Indonesian Permanent Representative to the United Nations Marty Natalegawa had ever said Indonesia adhered to a clear and straightforward stance on the Palestinian issue and the two-state concept to achieve permanent peace in the Middle East. (ANTARA)

EU to Lift Ban against Four Local Airlines by July: Minister

Foreign Affairs Minister Hassan Wirajuda has said the European Union would lift its ban against four airlines from Indonesia by next month thanks to the airlines' improvements.

Hassan told tempointeraktif.com on Monday that the EU would no longer ban Garuda Indonesia, Mandala Airlines, Prime Air and Air Fast.

"The EU regards that our local airlines have fulfilled 62 out of 69 requirements to fly to the continent," he said during a hearing with the House of Representatives of Commission I on foreign and defence affairs.

He added that the expensive Global Positioning System (GPS) device was one of requirements hampering the airlines to get lifted from the EU ban list.

The EU has forbidden Indonesian airlines from flying to the association's 27 country members since 2007 following a series of fatal accidents. (The Jakarta Post)

ASEAN Ministers Sign MoU on Goods Transportation

Manado, N Sulawesi - Four ASEAN transport ministers here on Thursday signed a memorandum of understanding (MoU) on goods transportation within their region.

The MoU was signed during the 4th BIMP EAGA (Brunei-Indonesia- Malaysia- Philippines - East ASEAN Growth Area) Conference in Kalasey, Minahasa, North Sulawesi.

Ministers signing the MoU were Jusman Syafii Djamal of Indonesia, Pehin Abubakar Apong of Brunei Darussalam, Annely Loncoc

of the Philippines and Datuk Abdullah Rahim bin Bakri of Malaysia.

With the Philippines, Indonesia specifically agreed the sending of goods with Roro (roll-on-roll off) ships through Bitung in North Sulawesi to General Santos, the Philippines.

Indonesian Transport Minister Jusman Syafii Djamal said that the MoU would serve as a legal umbrella for goods transportation among signatory countries from Brunei to Indonesia through Malaysia or vice versa from Malaysia to Indonesia or to Brunei.

"This would serve as a legal umbrella. Later it would be decided which lanes that would be passed on by goods both from land and the sea," the minister said.

Besides signing the MoU, the ASEAN ministers visited Bitung to have a close look at the container port and fishery industries in the port city.

At Bitung, the ministers group was welcomed by Bitung Mayor Hanny Sondakh and the general manager of PT Pelayaran Indonesia (Pelindo).

Bitung Regional Government spokesman Erwin Kontu said that the visit of the ASEAN ministers to Bitung was to explore Bitung's potentials that could be developed. He said that Brunei even was interested in the Bitung fishery sector. "They also took a close look at what Bitung needs from their respective countries or potentials that could be exported to Bitung," he said.

The conference in Minahasa (North Sulawesi) was expected to provide an opportunity for the BIMP-EAGA countries to exchange views and information concerning the status of transport infrastructure facilities and progress in logistics services with the aim of streamlining cooperation. (ANTARA)