



Wednesday, 1st April 2020

INFORMATION**Presidential Decree and Government Regulations Concerning the Urgency and Prevention of Covid-19 Transmission**

As yesterday (31 March 2020) President of Indonesia, Ir. H. Joko Widodo stipulate a Presidential Decree and Government Regulations concerning the urgency and prevention of Covid-19 transmission.

World Health Organization (WHO) as well as the president himself mentioned in the regulations and decree that the Corona Virus Disease 2019 is considered as a pandemic in most countries all over the world including in Indonesia. The increasing numbers of infected people resulted in several losses that implicates in social, economic, and public welfare aspects.

Government Regulation 1 year 2020

The regulation establishes the State Budget (APBN) to handle the Covid-19 pandemic and/or in the face of threats that endanger the national economy and/or financial system stability

Further in the regulation, there are several points for setting limits on budget deficits, with the following conditions:

1. Exceeded 3 percent of Gross Domestic Product (GDP) during the handling of Covid-19 and/or to face threats that endanger the national economy and/or financial system stability no later than until the end of Fiscal Year 2022;
2. Since the Fiscal Year 2023, the deficit will return to the highest level of 3 percent of Gross Domestic Product (GDP); and
3. Adjusting the amount of the deficit as referred in number (1) resulting number (2) which will be carried out in stages.

Presidential Decree 11 year 2020

The President within this decree declares that the transmission of Covid-19 is extraordinary given with the fact of the number of cases and / or the number of deaths has increased and spread across regions and across countries and has an impact on politics, economics, social, culture, defense and security, and well-being of society. Therefore, based on considerations as referred to situation earlier, it is necessary to stipulate a Presidential Decree on the Establishment of Health Emergency towards Corona Virus Disease 2019. This Presidential Decree is valid since 31 March 2020

Government Regulation 21 year 2020

In correlation with the Presidential Decree 11 year 2020 on the Health Emergency towards Covid-19, Government Regulation 21 year 2020 declares large scale social limitations (PSBB) in order to accelerate the prevention of Covid-19.

Based on article 4, the least of large-scale social restrictions are include:

- a. Holidays for school and working activities;
- b. Restrictions on religious activities; and / or
- c. Restrictions on activities in public places/facilities.

However, large-scale social restrictions must be met the criterias which are:

- a. Number of cases and/or the number of deaths from the disease increases and spreads significantly and vast to several regions; and
- b. There are epidemiological links to cases in other regions or countries

Please find attached the Presidential Decree 1/2020, 11/2020 and 21/2020 (Decrees are in Bahasa version).

Have a good day and stay healthy.

Italian Business Association in Indonesia (IBAI)

c/o Istituto Italiano di Cultura Jakarta

Jl. HOS Cokroaminoto No. 117 Menteng Jakarta 10310 INDONESIA

P: +6281 1979 4262 E: ibai@ibai.or.id



ibai.or.id



[Italian Business Association in Indonesia \(IBAI\)](https://www.linkedin.com/company/ibai-indonesia/)



[IBAI Secretariat](https://www.facebook.com/ibaiindonesia/)



[@italy.indonesia](https://www.instagram.com/italy.indonesia)