Purnomo Yusgiantoro Center E-NEWSLETTER

Our Events The Opinions Infographics Our Publications

A Message from the **Chairperson**

Warm greetings from Purnomo Yusgiantoro Center (PYC)!

We wish you all good health amid Covid-19 pandemic.

It has been more than three months since the first case of Covid-19 found in Indonesia and we are transitioning towards a new routine and way of life at home and at work.

During this second quarter of the year, PYC team has continued to work productively at home and achieved many things that we would like to share in this letter.

The second quarter of the year will always be special for PYC as we celebrate our anniversary every June 16. This year already marks the 4th year since PYC was established. At the same time, this year has been also very special as we celebrated our anniversary virtually for the first time. PYC has held three webinars with interesting topics and prominent speakers (ex-minister and experts in their respective fields). In addition, we also relaunched the updated PYC website with a fresher look and a bilingual features.

We would like to thank all the participants who have submitted their papers for the PYC Paper Competition 2020. We received many interesting and insightful papers and it was not easy to determine the winners. So we congratulate the winners!

As a part of our work to share knowledge, we also recently launched "Energy 24/7" in our podcast "Energy Drink". The podcast presents updates of some energy-related news every week. We are also delighted to inform you that one of our researchers, Diwangkara Bagus, had written an op-ed about transition towards renewable energy for katadata.co.id as well.

Giving back to society is one of PYC's initiatives as a non-profit organization. During this Covid-19 pandemic, health workers are among those in needs and are most vulnerable to this infection. PYC acknowledges and truly appreciates their efforts and PYC has distributed personal protection equipment to several hospitals in Jakarta, Tangerang, Bandung, Semarang, Yogyakarta and Bangka in April-May 2020. In addition, we also distributed some basic needs items to some of the most impacted people in Jakarta.

Lastly, we would like to express our gratitude for your continuous support to PYC. We have gone through half of the year 2020 and let us embrace the next half year by giving our best. And more importantly, let us pray that this transition towards a new normal can be well implemented and the economy may recover soon from the pandemic.

Regards,

Filda Citra Yusgiantoro, Ph.D.

Chairperson

Events in Energy Sector

EVENTS IN ENERGY SECTOR

PYC Webinar – The Ensight: New (Energy) Normal: How Pandemic Reshapes Indonesia's Energy Sector



The Energy Insight or The Ensight: The New (Energy) Normal: How Pandemic Reshapes Indonesia's Energy Sector, was the first ever webinar conducted by the Purnomo Yusgiantoro Center (PYC), live-streamed through the official PYC YouTube channel on June 6th, 2020. The event aimed to facilitate a discussion forum between policymakers, researchers and energy practitioners. Invited as main speakers were Dr. Chatib Basri, Minister of Finance of the Republic of Indonesia (2013-2014), and Mr. Ignasius Jonan, Minister of Energy and Mineral Resources of the Republic of

Indonesia (2016-2019). The webinar was opened by Filda Yusgiantoro, Ph.D., Chairperson of PYC, followed by presentations from the two distinguished speakers and concluded with questions and answers session. Dr. Basri talked about how the new shock of the pandemic has impacted the global economy. Meanwhile, Mr. Jonan mainly talked about the energy transition. In summary, the current pandemic condition can be viewed as an opportunity for many countries and international institutions to embrace one another and encourage people to live in a sustainable environment.

PYC 4th ANNIVERSARY WEBINAR SERIES: "Geopolitik Energi di Laut Cina Selatan: Kekuatan Diplomasi"



The second webinar was live-streamed through the official PYC YouTube channel on June 20th, 2020 at 13.00-15.00 WIB (GMT+7), taking on the theme "Geopolitics of Energy in the South China Sea: The Power of Diplomacy". The invited speakers were Jenderal TNI (Purn.) Dr. Moeldoko (Chief Commander of the Indonesian Military (TNI) in 2013-2014 and Deputy Governor of National Resilience Institute (Lemhannas) in 2011-2013), Mr. Muhammad Lutfi (Minister of Trade in 2014 and Indonesia's Ambassador to Japan and the Federative State of Micronesia in 2010-2013) and Andi

Widjajanto, Ph.D. (Lecturer at Universitas Indonesia and Cabinet Secretary in 2014-2015). The discussion was moderated by Alexander Wibowo, J.S.D. (PYC Supervisory Board and Lecturer at Universitas Pelita Harapan). The webinar was commenced with the announcement of the winners of PYC Paper Competition 2020 and the relaunching of the updated website (https://www.purnomoyusgiantorocenter.org) by PYC Chairperson, Filda Yusgiantoro, Ph.D. The webinar was officially opened by Prof. Purnomo Yusgiantoro, Ph.D. (Founder of PYC and Pioneer of the Indonesia Defence University). In summary, Indonesia has a strategic position because both of the US and China needed Indonesia. Indonesia may reap benefits from the two countries by increasing investments through a diplomatic approach, particularly energy diplomacy to maintain the country's energy resilience and security in its front and outer regions close to the South China Sea.

EVENTS IN ENERGY SECTOR

Ecadin and PYC's Online Interactive Discussion: Is It Interesting to Build Gas Infrastructure when Commodity Prices Are Low?



The Purnomo Yusgiantoro Center's Chairperson, Filda Yusgiantoro, Ph.D., moderated the Energy Academy Indonesia (Ecadin) and the Purnomo Yusgiantoro Center's (PYC) webinar on May 18th, 2020. The theme of this online discussion was "Is It Interesting to Build Gas Infrastructure when Commodity Prices Are Low?". There were four speakers in this webinar, Mr. Jugi Prajogio (Committee member in BPH Migas), Mr. Kardaya Warnika (Lecturer in the Law and Energy Business, Padjadjaran University), Mrs. Soerjaningsih (Director of Oil and Gas Program Development, Ministry of Energy and Mineral Resources) and Mr. Susilo Siswoutomo (Vice Minister, Ministry of

Energy and Mineral Resources, 2013-2014). In conclusion, the gas infrastructure development is still vital for improving gas utilization in Indonesia. However, the COVID-19 pandemic has disrupted the development plan. There is a need to wisely decide which plan to be developed first and to continue the planning formulation for the future gas infrastructure in Indonesia.

Events in Social Sector

EVENTS IN SOCIAL SECTOR

Purnomo Yusgiantoro Center Social Activity during COVID-19 Pandemic



In April and May 2020, as part of its social activity, the Purnomo Yusgiantoro Center (PYC) distributed medical personal protective equipment (medical PPE) to several hospitals in Jakarta, Bandung, Yogyakarta, Tangerang, Semarang and Bangka. PYC also distributed 250 daily-needs items in Jakarta and its surrounding areas. This activity was aimed to help health professionals who could not afford the PPE due to its inflated price and scarcity and to help those who were economically affected by the COVID-19 i.e. online drivers, taxi drivers, scavengers, cleaning staff, small traders

and others in need. The COVID-19 pandemic has had a great amount of impact on people on different levels of social scale; not only in the health sector but also in the economy and other sectors. Therefore, to cut off the spread of the virus, we need to unite and help one another. Sharing is caring and we need to start sharing positive energy. Together, we can win the fight against the pandemic.

PYC 4th Anniversary Webinar: "Reformasi Pendidikan Pasca-Pandemi COVID-19"



This webinar was the third and final series that was conducted by Purnomo Yusgiantoro Center (PYC) to commemorate its 4th anniversary. The webinar was livestreamed through PYC's official YouTube channel on June 27, 2020. The theme was "Post COVID-19 Pandemic Education Reform" with four speakers: Vice Minister of Education and Culture 2011-2014, Prof. Ir. Wiendu Nuryanti, M.Arch., Ph.D., Education Scholar, Prof. Dr. H. Arief Rachman, M.Pd., Chairman of the Indonesian Child Protection Agency (LPAI), Dr. Seto Mulyadi, S.Psi., M.Sc.,

and renowned psychologist, Elizabeth Santosa, M.Psi. Psi., SFP, ACC. The event was opened by PYC Advisory Board, Luky Yusgiantoro, Ph.D. and moderated by Mrs. Amelia Yusgiantoro, Secretary of PYC.

In summary, the most important and valuable asset owned by any country is its human capital. Improving the quality of education is the primary source to achieve higher quality of human capital. Regardless of the pandemic, Indonesia's education system needs to be reformed and the government must intervene by making available information technology and effective policies to improve the system. Meanwhile, creativity, educational innovation and parental support in creating a peaceful and comfortable environment will give positive impacts to the children's learning process and happiness.

Academic Corner

THE OPINIONS is a channel to state various point of views related to any topics in the energy and natural resources sector.

A New Bright Side of Solar Photovoltaic

By: I Dewa Made Raditya Maraenta Researcher at Purnomo Yusgiantoro Center



Solar energy has a brighter future as perovskite is found (Steve Parsons/PA).

Several countries' electricity system recorded its "greenest" ever after running without coal-fired electricity during the Covid-19 pandemic. In the USA, renewable energy sources had overcame coal as the energy source (produced 17.5% more electricity) for the first time in over 130 years, with the Covid-19 pandemic prompting a decline in coal consumption that has a profound impact for the climate issue. According to the US Energy Information Administration (EIA), renewable energy sources, especially solar power, showed continuous, impressive growth and fast expansion. Solar generated electricity has expanded by 22.5% compared to 2019 (in the same period) and provided almost 2.6% to the nation (Extance, 2019).

Click here to read the full article

The Potential of Mining Sector Added Value Activities

By: Muhammad Razin Abdullah Researcher at Purnomo Yusaiantoro Center

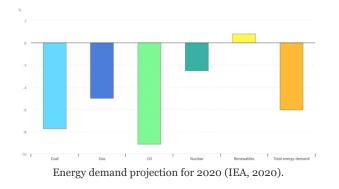


Added value activities for the mining sector will bring many benefits for Indonesia (Pixabay, Pexels).

The improvement of the downstream mining sector is essential so that we could get more benefit i.e. in state revenue, employment and many more. We must compose strategic planning to get many economic benefits as possible from our natural resources, in particular, coal and minerals. We need positive progress from just doing massive exploitation of natural resources to improve the downstream sector, which could multiply our resources value. In the mining sector, the government has executed one of their initial strategies, which is by limiting or stopping the export of several ore minerals, such as nickel and bauxite. Thus, the mining companies must construct the processing or refining facilities to improve the added value of its minerals. Thus following this strategy, the government must carefully start planning and aiming at the improvement of its downstream industries.

Global Energy Transition in the Midst of Pandemic

By: Diwangkara Bagus Nugraha Researcher at Purnomo Yusgiantoro Center



COVID-19 has been a black swan event in 2020 and has disrupted the energy sector too. Energy demand has dropped by 8% compared to the first quarter of 2019, as reported by IEA. The oil and gas sector is predicted to be the most impacted sector since mobility restrictions are being applied in several countries. In IEA prediction, the demand for oil is expected to reduce by 9.1% as shown in Figure 1. Meanwhile, coal demand was also down by 7,7%. Interestingly, IEA predicted renewable energy demand will increase by 0.8%. The reasons behind this are low operating cost and prioritized access for the grid in some countries, especially in developed countries.

Click here to read the full article

MEMR Regulation No. 8/2020: How to Achieve the Win-Win Solution

By: Massita Ayu Cindy Researcher at Purnomo Yusgiantoro Center



Some manufacturing industries are highly dependent to the natural gas price as 70% of the structured cost are allocated for natural gas (Piqsel).

In 2016, the government through Presidential Regulation (PR) No. 40/2016 issued the Determination of Natural-Gas Prices. This regulation aimed to set a specific natural gas price of USD 6/MMBTU for 7 types of industries, namely: fertilizer; petrochemical; oleochemical; steel; ceramic; glass; and rubber glove. However, until early 2020, only several industries have already experienced specific natural gas prices, most of them are large-scale industries such as Pupuk Sriwijaya (Pusri), Pupuk Kujang, Petrokimia Gresik and Krakatau Steel. The lack of technical details in PR No. 40/2016 made the small scale industries almost impossible to get the promised specific natural gas price. Then, after 4 years of waiting, in April 2020, the Ministry of Energy and

Mineral Resources finally issued two derivative regulations to boost the special natural gas price implementation. They are MEMR Regulation No. 8/2020 on The Procedure for Determination of the User and Specific Price of Natural Gas in Industrial Sector and MEMR Decree No. 89K/10/MEM/2020 on The User and Specific Price of Natural Gas in Industrial Sector. There is also an MEMR Decree No. 91K/12/MEM/2020 on The Price of Natural Gas at Plant Gate for the Electricity Sector. All of these new regulations have shown strong desire of the government to accelerate the utilization of natural gas for domestic purposes.

THE OPINIONS

is a channel to state various point of views related to any topics in the energy and natural resources sector.

Lessons for Renewable Energy Development in Indonesia

By: Haryanto Researcher at Purnomo Yusgiantoro Center



Ilustration of geothermal power plant in Iceland (Piqsels).

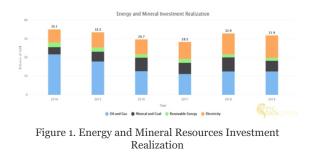
Renewable energy (RE) development and utilization might be an option few decades back. Most countries utilized fossil energy to fuel their economy, progressing from developing to a more developed country.

With many pressing issues such as climate change or sustainability issues for utilizing fossil energy, most countries agreed to make transition towards a low carbon economy which can be achieved through new and renewable energy (NRE) utilization. By signing the Paris Agreement (COP21), Indonesia has committed to reduce its greenhouse gas emissions by 21% to 49% by 2030 (nationally determined contribution/NDC).

Click here to read the full article

Indonesia's Energy Sector Investment After the Pandemic Outbreak

By: Akhmad Hanan Researcher at Purnomo Yusgiantoro Center



Ever since the first COVID-19 case in Indonesia, the productivity has been reduced in various sectors. COVID-19 has left all countries affected by the economic recession.

One of the most significantly affected sector on this pandemic outbreak is the investment sector. The implementation of a large-scale social restriction policy (PSBB) in Indonesia had certainly affected economic activity. The Indonesian Investment Coordinating Board (BKPM) reported that COVID-19 is a severe threat that will affect economic stability

and investment opportunity in Indonesia. Primarily, investment in the energy sector, which is one of the sources for state revenue. Also because the energy sector consumption growth is in line with population growth. Due to this pandemic, many energy projects have been delayed.

How Pandemic Urges Countries to Diversify their Energy Supply

By: Diwangkara Bagus Nugraha Published on: katadata.co.id

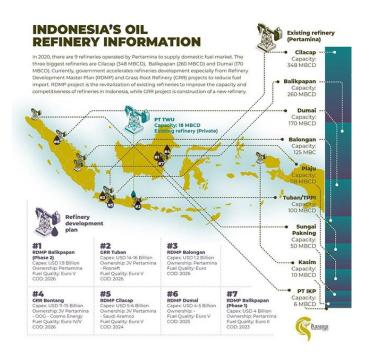
COVID-19 crisis hits, not only the people wellbeing, but also the energy sector. The demand of energy is expected to plunge. Energy companies' revenue and energy investment, both fossil and renewable, are predicted to fall. Oil & gas is the most impacted sector due to reduction of mobility and price drop. Coal price dropped as China's demand is reduced. Interestingly, International Energy Agency predicted that demand of renewables will grow this year. COVID-19 crisis pushes the urgency of the energy transition and energy security. It urges countries to fill in more renewables into their energy mix.

Please kindly check Diwangkara Bagus Nugraha's (PYC researcher) article on Katadata on how the pandemic urges countries to diversify their energy supply.

INFOGRAPHICS

This section is a collection of infographics arranged by our researcher team. The data is gathered from our Data Center and various sources.

Indonesia's Oil Refinery Information



Did you know that Indonesia currently have 9 oil refineries to meet its energy supply? Yes, in 2020, Indonesia has 9 refineries with a total capacity of around 1,187 MBCD. Statistically, the average of crude oil entering the Indonesian refineries from 2007-2018 was less than 1 million BPD. On primary fuel production from refineries, RON-88 still dominates. The government is also planning to develop more refineries through RDMP and GRR programs as the current capacity is not enough to fulfill the energy demand. More details can be checked on the PYC Data Center website (www.datacenter-pyc.org).

Click here to see the full infographic

Waste-to-Energy in Indonesia: Opportunities and Challenges



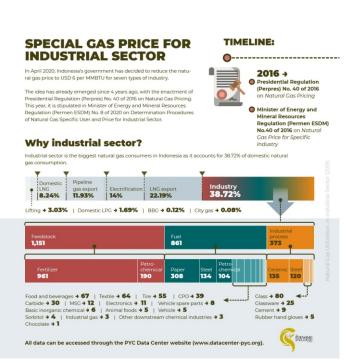
Indonesia has enacted the regulation to utilize its waste for energy purposes. The government encourages the construction of 12 waste-to-energy plants in Indonesia with a total capacity of 234 MW. However, the corruption eradication commission (KPK) found an inefficiency of almost IDR 3.6 trillion in its construction. Meanwhile, a study from an ITB Professor implies that the regional government of Jakarta will gain additional income of IDR 300 billion by practicing good waste management. So, what are the opportunities and challenges in developing waste-toenergy plants in Indonesia? Do you agree with the government's decision to build a waste-to-energy plants? Drop your opinion here.

Click here to see the full infographic

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Special Gas Price for Industrial Sector

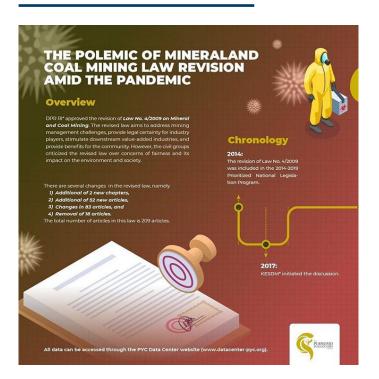


Did you know that Indonesia's government have decided to reduce the natural gas price to USD 6 per MMBTU for 7 types of industry? The government, through the Minister of Energy and Mineral Resources, has enacted the latest regulation regarding Selling Price of Natural Gas through Pipelines in Downstream Oil and Gas Business Activities. This regulation aims to reduce the industries' product prices so they can increase their competitiveness in the global market and support the government's goal as the 10th biggest GDP country in 2030.

Access the supporting data for the energy sector on our PYC Data Center website (<u>www.datacenter-pyc.org</u>)

Click here to see the full infographic

The Polemic of Mineral and Coal Mining Law Revision Amid the Pandemic



Did you know that our House of Representatives (DPR RI) have accepted the revision of Law No. 4/2009 on coal and mineral mining? This revision had been let known since 2014 until it was finally accepted on 12 May 2020. This revised law aims to address mining management challenges, provide legal certainty for industry players, stimulate downstream value-added industries and provide benefits for the community. However, it generated multiple pros and cons from various groups. What are the changes? What are the positive and negative views on this revised law?

Click here to see the full infographic

INFOGRAPHICS This section is a collection of infographics arranged by our researcher team. The data is gathered from our Data Center and various sources.

Indonesia's BBM Price Formulation



The latest significant decrease in global crude oil price due to the COVID-19 outbreak has led many people to question why BBM prices are not decreasing to adjust to the crude oil price. This infographic shows the history of Brent crude oil price compared to subsidized and non-subsidized BBM prices. We also summarize the regulations related to the BBM prices for your reference. Please visit https://datacenter-pyc.org/ for more data.

Click here to see the full infographic

Our **Publications**

The Ensight: New (Energy) Normal



The Ensight uncovered "The New (Energy) Normal" topic and invited two remarkable speakers, Dr. Chatib Basri (Minister of Finance 2013-2014) and Mr. Ignasius Jonan (Minister of Energy and Mineral Resources 2016-2019) to share their invaluable insights. The Ensight reviewed the future of Indonesia's economy and energy sector after the COVID-19 pandemic.

Click the logo below to access our Ensight!



"Geopolitik Energi di Laut Cina Selatan: Kekuatan Diplomasi"



The second webinar from the series took the theme "Geopolitics of Energy in the South China Sea: The Power of Diplomacy". The invited speakers were Jenderal TNI (Purn.) Dr. Moeldoko, Mr. Muhammad Lutfi and Andi Widjajanto, Ph.D. This webinar reviewed the role of diplomacy on the energy sector and how diplomacy could save energy investment sector in Indonesia after COVID-19.

Click the logo below to access our webinar!



"Reformasi Pendidikan Pasca-Pandemi COVID-19"



COVID-19 Pandemic affects every sector. Recently, various sectors began to open up with "New Normal" protocol, but what about the educational system? This webinar reviewed the current condition of education in Indonesia and the reformation needed for educational institutions, as well as for its methods.

Click the logo below to access our webinar!



Energy Drink Podcast 24/7

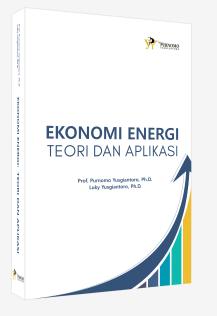


Hey! We created a new series, ENERGY 24/7, in our Energy Drink Podcast. We cover the latest news in the energy sector and present it to you every Saturday. Keep updated with the latest energy updates by listening to Energy 24/7!

Click the logo below to access our podcast!



"Ekonomi Energi: Teori dan Aplikasi"



After nine-years, Prof. Purnomo Yusgiantoro, Ph.D., an Indonesia's energy economics expert, finally published his new masterpiece. This time, he brought a young energy economy expert, who also happens to be his first son, Luky Yusgiantoro, Ph.D. to collaborate in writing a new book, titled "Ekonomi Energi: Teori Dan Aplikasi". This book consists of ten chapters, with each chapter brings different fundamental theories, the most updated data and fascinating issues in energy economics that could be used as reliable reference for academics, practitioners as well as stakeholders.

Click the icon below to access our store!

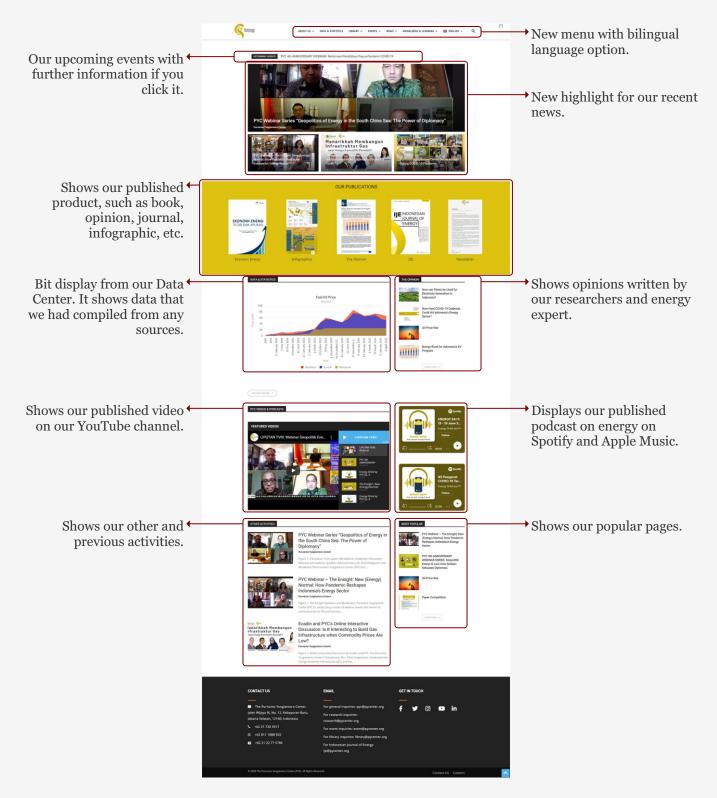


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More from Us

Brand New Purnomo Yusgiantoro Center Website

On 16 June 2020, in conjuction with PYC 4th Anniversary, we have launched a new layout for our website. On the homepage, we display the events that we have held and contributions to our publication, data center, opinion, video and podcast, as well as a new menu format. In addition, our website now has bilingual features; English and Bahasa Indonesia. Shown is our newest display with brief explanations.



For more access, please visit https://www.purnomoyusgiantorocenter.org/

PYC 4th ANNIVERSARY PAPER COMPETITION 2020

"TECHNOLOGY INNOVATION FOR ENERGY SECURITY"

HERE ARE OUR CHAMPIONS!



Prof. Rinaldy Dalimi Universitas Indonesia

R.S. Trijana Kartoatmodjo, Ph.D.

Universitas Trisakti



Dr. Rachmawan Budiarto Universitas Gadjah Mada



Institut Teknologi Bandur

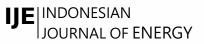


Due to COVID-19 Pandemic, we are cancelling our Energy Award program on this year.

We apologize for any inconvenience caused.

See you on the next PYC Energy Awards.

PYC ENERGY AWARDS 2020





Indonesian Journal of Energy Volume 3 No. 2 | August 2020



Visit ije-pyc.org for submission guideline





Stay Safe

Save Lives, Stop COVID-19



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