

Tapping,
Does it
Really Exist?

Ernst & Young Affiliation's False Audit

Telecommunication Law Judicial Review Broadcasting License for Analog Terrestrial Suspended

FROM EDITOR

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Dear happy ICT Magazine readers,

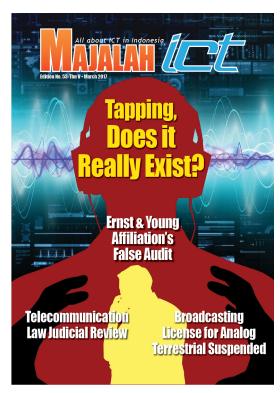
ICT electronic magazine is coming back to keep you updated on the latest technology information, broadcasting and telecommunication development. In this month edition, our Editor main topic is about tapping issue on ex high official in this Republic. Although unclear, and not the first time, we try to see this matter from different perspectives, particularly how ITE and Telecommunication laws perceive the matter, to prevent any random tapping on telecommunication and internet users.

Other than that, we see an interesting development related to false audit involving Public Accountant Office (KAP) Purwantono, Suherman and Surja, an Ernst & Young affiliation company in Indonesia. The deviation happens to one of Indonesia's telecommunication operator. Who it is and how it occured, you can find out in our Special Report section.

You can also read on PT Telecommunication Indonesia launches its new satellite, Telkom 3S to replace Telkom 3 satellite, which failed to launch several years ago, in this ICT Magazine No. 53-2017. Other topics that we pick are: a practice to buy foreign content may hamper broadcast creative industry in Indonesia, moratorium on new application for broadcast license for Terrestrial Analog Television, judicial review on Telecommunication Law No. 36 year 1999 to Constitutional Court and other important news.

Happy reading and go forward Indonesia ICT.





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uring Ahok's blasphemy court, Ahok's lawyers cited ex President Susilo Bambang Yudhoyono (SBY) telephone conversation with Ma'ruf Amin, Indonesian Ulema Council (MUI) chairman at 10:16 where SBY requested Ma'ruf to receive his son, Agus Harimurti Yudhoyono and Sylviana Murni as Jakarta gubernatorial candidates and SBY requested relevant fatwa about Ahok's blasphemy case.

It was then assumed that the number 6th Indonesian President had been tapped. Tapping is ban by the law, unless performed by law enforcement officials having such authority in their tasks and functions.

Having learned such information, automatically ex President SBY requested the Police to investigate tapping allegation on him. "I want a follow up on this matter, tapping is illegal and violates the law," he said.

He affirmed that this tapping allegation is not complaint offense.

Police need not to wait for his official report to follow through the case. "This is not a complaint offense. Police can directly investigate," he said. According to SBY, tapping is a serious problem that violates the law, both Telecommunication law and ITE law. He regrets if ex president can be tapped, how about public. "If such conversation existed between me and Ma'ruf Amin, or other people conversation tapped, without being ordered by the court and not allowed by the law, is illegal," he continued.

To respond SBY tapping issue, Minister of Communication and Information, Rudiantara said there's no government entity who tapped the ex President. "Seems like we have no job to tap him," he said. He directly checked the involving parties, when asked by the press at the Presidential Palace, although he did not reveal on whom such clarification was carried out.

"After I check, no government entity tapped SBY," he was certain.

MAIN REPORT

Tapping has rules. "Tapping, which is not related to legal process, is certainly not allowed by the law. Unless it's a legal case," he added.

Before Rudiantara, the Government also denied the tapping allegation on SBY, as conveyed by Cabinet Secretary Minister, Pramono Anung. According to this senior PDIP politician, there was never a request or tapping instruction on Chairman of Democratic Party.

"Obviously, there was never a request or instruction to tap him, as this is part of our respect to ex President," he conveyed.

He also added, the Palace would not comment on that particular matter related to Ahok's blasphemy case. He stressed out that the government did not have the capacity to comment on the matter. "We will not comment as it is part of court material," Pramono said.

The State Intelligence Agency (BIN) and National Police also Denied

SBY tapping issue has drawn attention to the authorized parties to perform a legal tap including the State Intelligence Agency (BIN).

Accused of tapping SBY and Ma'ruf

Amin conversation,
BIN denied.
"Through
this official
statement,
in regard to
information
on possible
communication
between MUI
chairman and
SBY, as conveyed
by Basuki
Tjahaya

Purnama's lawyer during court on January 31, 2017, BIN assures that such information does not come from us," said Deputy VI BIN Communication and Information Division, Sundawan.

He made sure that from BIN point of view, the information as revealed by Ahok's lawyer team via online media Liputan6.com edition 7 October 2016, was not from BIN. He said, according to Law No. 17 year 2011 on State Intelligence, BIN is a main element in national security system to defend Republic of Indonesia sovereignty.

And in doing such task, role and function, BIN is given authority to tap based on the laws while upholding democratic value and human rights.

"We perform tapping solely for intelligence function in the frame of maintaining national security and sovereignty, whose result will never be published, let alone given to a certain party," he said.

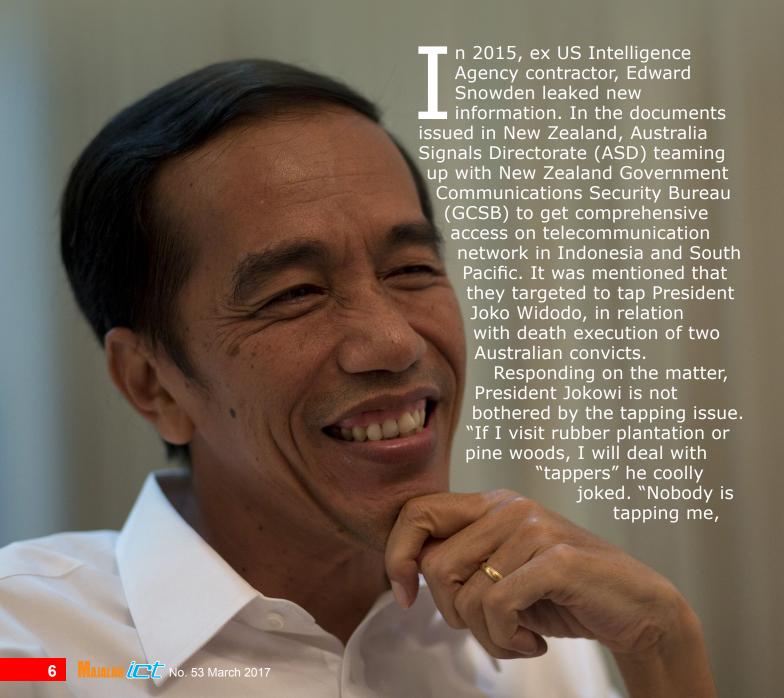
BIN has denied, same as the National Police. Indonesian National Police stated that they never tapped SBY telephone conversation with MUI Chairman, Ma'ruf Amin, as revealed by General Police Commissary Syafruddin. "We never tap it," said Syafruddin.

He added that tapping is not a random act. "Tapping cannot be done randomly. We tap terrorists and narcotics criminals, but it's regulated by the law. If no law, of course it's not allowed," he said.

Whether the Police will follow through this general complaint case, Syafruddin said that he would check to Jakarta Police (Polda Metro Jaya) and Head of Criminal & Research Investigation.



Jokowi was (supposedly) also Tapped



MAIN REPORT

what for?"

When Jokowi reacts coolly on the tapping issue, political observer from University Indonesia, Prof Budiyatna pointed out with Australia tapping Telkomsel, it would threaten President Joko Widodo. "There must be something, it could expose Jokowi's weakness to public," explained Budiyatna.

He sees that tapping Jokowi is a scenario to defeat him/his position as a government leader. "If Australia exposing the last presidential election until now, it could end President Jokowi success in Indonesia. "It

is very obvious that Australia is targeting Jokowi," he revealed.

As written by The Sydney Morning Herald edition March 9, 2015, GCSB was cooperating with ASD in 2009 to tap Indonesian public telephone conversation, email and metadata through Indonesia's biggest cellular network, Telkomsel.

According to Snowden document, besides Indonesia, ASD and GCSB were also spying small countries in the Pacific, such as Fiji, Papua New Guinea, Kiribati, New Caledonia, Tonga, Solomon island, Nauru, Samoa, Vanuatu and Polynesia.

Tapping Rule of Law

- Refer to Telecommunication Law No. 36/1999, article 40 stipulates that "Every person is prohibited to tap information, channeled through telecommunication network, in any form".
 - Article 56

Telecommunication Law says "Whoever violates the provision as mentioned in Article 40 is imprisoned maximum 15 years".

• Based on Constitutional Court Decision No. 5/PUU-VIII/2010, Constitutional Court finds activities and tapping authority are sensitive matters as they are restricting and violating human rights as defined in Article 28 J paragraph (2) of 1945 Constitutional Law.

"If tapping does occur, it will result in legal action where in Telecommunication Law article 40, everyone with no rights to tap, can be imprisoned up to 15 years," says National Police Public Relation Division Head, Big Commissary Martinus Sitompul.

Martinus says, that law applies to anyone who does illegal tapping. Martinus explains tapping is done restrictedly by Police entities, KPK, BIN, BNN and Prosecutor. "It is regulated by their respective mechanism," he says.

Although threatened with heavy penalty, Martinus explains, until now, police has not yet received any report related to illegal tapping.

He adds, in the Police, there is a regulation from Head of Police No. 5 year 2010 on tapping procedures in monitoring centre.

"In this regulation, tapping procedures are very clear and firmly explained," he ends.

PECIAL REPORT

Ernst and Young Affiliated Company

Conducted False Audit on Telecommunication Operator

ublic Accountant Office (KAP) Purwantono, Suherman & Surja, an Ernst and Young affiliated company in Indonesia was fined US\$ 1million after the US audit regulator, PCAOB (Protecting Investors through Audit Oversight) put 'audit deviation' label on one of their client audit result. The announcement was made in the US.

KAP Purwantono, Suherman & Surja released one of Indonesia's telecommunication company audit result in 2011, which showed opinion lacking of proofs. One of EY partner companies who reviewed that audit result found irregularities that the telecom company did not have enough supporting evidence, related to 4,000 room rental in cellular phone tower.

As revealed by PCAOB, KAP of that EY affiliated company gave a normal opinion without exception. They also revealed that shortly before reviewing audit result of 2012, KAP Purwantono, Suherman & Surja produced dozens of "unjustifiable" new audits which held up investigation.

Based on those findings, PCAOB applied US\$ 1 million fines to KAP Purwantono, Suherman & Surja and also penalized two of their partners. The 2011 audit result of that telecom company involving Roy Iman Wirahardja and James Randall Leali, ex EY professional director practice for Asia Pacific.

"Their haste in issuing the audit result to their client, firm and those two partners neglected their basic task of presenting sufficient evidence," said Caludius B. Modesti. The PCAOB Director of Law Enforcement Division and Investigation also informed that Wirahardja and Leali did not admit nor deny the matter.

EY, in their statement admitted that this behavior violated global code of conduct, "Ever since this incident, we have strengthened our audit process and policies."

Transfixed Indosat

These audit irregularities directly transfixed Indosat, who, at the time, had an audit result improvement. Responding the matter, Indosat Ooredoo Corporate Communications Group Head, Deva Rachman,

FPECIAL REPORT

conveyed that as of end December 31, 2012, her office re-evaluated the relevant accounting policies and as a result, as stated in their reporting to the US Securities and Exchange Commission in 2012 and 2013 on Form 20-F, the 2011 audit result was re-issued. "Further, our management re-evaluated and improved internal controls over relevant financial statement," she said. She explained, for best practice, Indosat periodically re-evaluate their accounting and internal controls to make sure obedience are in accordance with prevailing standards.

Meanwhile, according to Majalah ICT data, due to wrong recording, the sales of 2,500 towers to PT Tower Bersama Infrastructure Tbk, followed by lease back, PT Indosat Tbk revised their 2010, 2011 and 9 first months of 2012 financial statement.

According to Indosat management, re-issuance of those financial statements were related to the correct accounting records for tower sales, on February 7, 2012, Indosat agreed to sell 2,500 telecommunication towers and other assets to TBIG and its subsidiary, PT Solusi Menara Indonesia.

That financial statement reissuance went through preclearance process to US Securities and Exchange Commission (US SEC). Total potential value of the transaction was US\$ 541.5 million.

At time of closing, payment value was US\$ 429 million, comprised of US\$ 326 million cash and 5% ownership in TBIG with normal value of US\$ 103 million

or same as RP. 977,292 billion.

Indosat' reason in proposing their revised financial statement as of September 2012 for such transaction is complexity and high consideration in determining the right accounting record. "Based on revised accounting treatment, all leaseback slots should have been recorded as a finance lease that resulted in the suspension of a number of initial income associated with lease back slots," explained Indosat management in their written report.

In their quarterly financial statement as of 30 September 2012, Indosat admitted most rentals for lease back slots as operational rental and initial profit from sales was Rp. 2,187,300 million while pending profit was Rp. 68,635 million.

Impact from that revised financial statement was decrease in direct profit from Rp. 2,187 trillion to Rp. 1,125 trillion. Additionally, increase of pending profit from Rp. 68,635 billion to Rp. 1,410 trillion. This pending profit will be amortized in 10 years based on rental period in consolidated profit loss report.

With such condition, impact to Indosat performance at the time was decrease in profit of Rp. 1,079 trillion, asset increase of Rp. 2,160 trillion and passive increase to Rp. 3,315 trillion. Revision also impacted to 2010 and 2011 financial statement.

In 2010, net profit was lower Rp. 12,363 billion, asset value Rp. 506,941 billion and liabilities Rp. 519,304 billion. In 2011, profit was lower Rp. 50,449 billion, asset increase Rp. 68,930 billion and liabilities Rp. 131,742 billion.

SPECIAL REPORT



Begins Orbital Journey

ecretary General Policy Study and Telecommunication Regulation ITB, M. Ridwan Effendi, said Telkom 3S Satellite owned by PT Telekomunikasi Indonesia Tbk is main solution to overcome digital disparity in Indonesia. According to Ridwan, Telkom 3S connects Republic of Indonesia, dominated by islands since terrestrial optical fiber and microwave cannot reach all regions in the country.

"Public has long waited for Telkom 3S launch because it will evenly distribute telecommunication service up to remote and underdeveloped areas across the nation," he said in Jakarta.

Telkom 3S satellite was launched from Kourou, French

SPECIAL REPORT

Guiana, on February 14, 2017 local time or February 15, WIB. "Satellite can encompass the entirety of Indonesia including most of neighboring areas," said this ex member of Indonesian Telecommunications Regulation Body (BRTI).

By using satellite, Telkom firmly refused Google Loon to fly above Indonesian sky, as conveyed by Network and IT Solution Director, Abdus Somad Arief, during Pre-launch Event Telkom 3S Satellite in Telkom Satellite Main Control Station, Gunung Putri, Bogor, West Java. "We will keep adding satellite to expand internet service to reach remote areas. We don't want Google Loon above Indonesia sky," said Asa, his nick name.

Of course, what he meant was Google Loon, prepared by Google through Project Loon to fly above Indonesia sky. Ministry of Telecommunication and Information and a number of telecommunication operators supported Google to place their balloons above Indonesia sky to serve as internet access facilities. Telkomsel, Indosat and XL cooperation with Google were agreed at end of 2015. If Google does place their balloons, Telkom satellite access will be a waste since both Telkom and Google are aiming the same market.

Abdus Somad explained,

Telkom 3S satellite, launched by Telkom on February 15 was according to schedule. It was launched at 04:39 WIB, from Guiana Space Centre, Kourou, French Guyana. "Up to now, all preparation is on schedule. We wish for pray from Indonesian public so the launch will go smoothly," he hoped.

He also added, Telkom 3S satellite would occupy orbital slot 118 degrees east above Kalimantan island, which was previously occupied by Telkom 2. Having 15 years active period since launching, Telkom 3S satellite has 49 transponders, comprised of 24 transponders C-Band (24 TPE), 8 transponders extended C-Band (12 TPE) and 10 transponders Ku-Band (13 TPE). "Including Telkom 3S, Telkom has 3 active satellites, Satellite Telkom 1, Satellite Telkom 2 and Telkom 3S," he ended.

Orbital Journey

Telkom 3S was launched along with Sky Brazil satellite, owned by AT&T. Having a launch mass of 3,550

PECIAL REPORT



kg at liftoff, Telkom 3S is placed below, while Sky Brazil of 6.0 tons is placed above. Launched by Ariane 5-ECA flight VA 235, Telkom 3S final destination is orbital slot 118 degrees east at 35,000 km from earth. Launch scenario has 4 stages.

Stage 1 using solid booster, two smaller rockets, left and right. It will take satellite up to 70km height in approximately 2 minutes. Stage 2, using main stage rocket and a large center tube, will take to 200km height up to minute 8. From here, a trajectory rocket is no longer vertical and forming an elliptical shape.

Stage 3 using upper stage rocket as the last launching rocket up to minute 27, followed by satellite separation. Satellite Sky Brazil on upper deck will be launched first, then 10 minutes after, Telkom 3S on lower deck will be launched. Then after, using internal rocket, Telkom 3S will continue its orbital journey. Satellite Telkom 3S will float above

Makassar sky with 49 transponders, serving Indonesia.

Abdus Somad told, in control room, mission director will sit on hot seat as person in charge for the whole mission. Accompanying him, will be assistants who inform him on the weather, project directors from other satellite owner and others, including CEO and CTO Ariannespace sitting at back row as final decision makers in case anything happens.

Telkom hot seat will be represented by Thales Alenia Space, acting as Arianespace customer, since joint venture Telkom and Thales Alenia Space is IOD (In Orbit Delivery) or turn key, meaning that satellite transfer will be after it occupies its orbital slot.

"2 persons from Telkom, myself included, will work in control room and sit in passive seat in fishbowl section, to monitor the launch and deliver opinion in case something beyond plans happens," said Asa.

T elecommunication



Telecommunication Law Gets Tested by Constitutional Court

aterial test court for Law No. 36 year 1999 on Telecommunication was held by Constitutional Court on February 7th with agenda No. 8/ PUU-XV/2017 in regard to application revision. Beforehand, Rusdi and Arifin Nur Cahyono, tested Article 38 and its elucidation & Article 35 of Telecommunication law. All applicants agreed the wording "everyone" or "whoever" in Article 38 of the law cannot separate subjective elements from criminal act, categorized as deliberate offense (dolus) and negligence offense (culva).

As we know, article 38 of telecommunication law states that every person is prohibited from doing acts that can cause physical and electromagnetic interference to the operation of telecommunications.

While article 55 states, anyone

who violates the provision referred to in article 38 shall be punished with imprisonment maximum 6 (six) years and or fines maximum Rp600,000,000 (six hundred million rupiah).

Elucidation of article 38 states that acts that may cause interference on the implementation of telecommunications can be: a. physical action that cause damage to telecommunication network that it cannot function as it should be; b. physical action that resulting in telecommunication network not running properly; c. the use of telecommunication devices which is not in accordance with the required technical regulations; d. the use of telecommunications devices using improper radio wave that it disrupts other telecommunication operations; or e. the improper use of non telecommunication tools that causes unwanted technical disturbances to the telecommunication operations.

In court for revised application, applicant's lawyer, Budi Satria Dewantoro, conveyed they revised redaction part and deleted case sample "Then in page 16, refer to Your Honor's suggestion and opinion, we deleted, while revoking proof P-15a and P-15b," he said in front of Judges, led by Constitutional Judge Suhartoyo.

Moreover, Budi added proposition related to article 38 and article 55 of telecommunication law that governs criminal provisions. According to the applicant, this provision violates the principle of legality which may cause legal uncertainty. This norm is considered potentially applied arbitrarily by the judge to public since it gives huge freedom to impose sanction to the defendant.

ELECOMMUNICATION



o socialize customer benefit thanks to XL network quality improvement, XL launches integrated marketing campaign comprises of tv ad, digital ad, and a number of events for their customers. Additionally to strengthen XL service image as operator with prime quality network, XL introduces actress Tara Basro, as their brand ambassador. Tara Basro is expected to represent XL dynamic, modern and brave personality.

Moreover, the woman who is widely known as model and movie actress Citra winner, is considered a representative of XL target market who are active workers, busy to achieve their success in personal and professional life.

As brand ambassador, Tara will actively educate public and XL customers on many XL benefits given by wide, fast and strong network. Tara Basro face has appeared in various XL marketing communication materials since January 2017.

With regards to network quality improvement, Director/Chief Service Management Officer XL, Yessie

D. Yosetya said, "Network quality improvement is one important part of XL efforts to improve the whole network quality. When network quality is better, it will support all aspects of quality service." This effort comprises of two things, i.e.: capacity improvement and network expansion. Capacity improvement is done by enhancing network allocation up to three times.

Meanwhile, expansion plan targets Java island and outside Java. In Java, they focus to cover the uncovered 3G areas.

At the moment, shift from traditional voice service usage and SMS to digital apps to replace both, have boosted data traffic service. Data consumption improvement is increasing from XL customers in areas that previously using voice and SMS to communicate.

It implies that XL customers and Indonesian public, who benefit from digital data service, including video, are expanding. Total network traffic from all service has increased by 162% to 500 Petabytes at end of 2016.

Implementation of Interconnection Cost is Delayed, Again

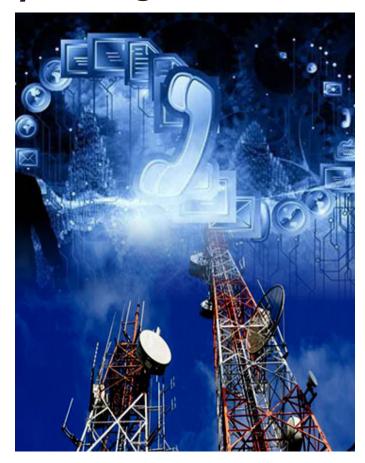
Implementation plan of interconnection cost, which supposed to start in 2016, is again delayed. Ministry of Communication and

Information (Kemkominfo) has just started to find vendor to verify interconnection cost calculation. Noor Iza, Acting Head of Public Relations Bureau explained that the Minister of Communication and Information released letter No. S-135/M.Kominfo/PI.02.04/01/2017 dated January 24, 2017 addressed to telecommunication operators concerning interconnection cost implementation.

The letter says implementation of interconnection cost, agreed in each cooperation agreement implemented since 2014 based on Minister Letter No. 118/Kominfo/DJPPI/PI.02.04/01/2014 dated January 30, 2014 will be extended. The same tariff applies until new amount from independent verifier is known.

"The letter was issued taking into account verification for new interconnection cost is under process and may take a few months," said Noor Iza. He added, Kemkominfo announced procurement job to verify the interconnection cost via official site http://lpse.kominfo.go.id/eproc4. They are expecting eligible vendors to participate.

With such delay already announced, it means interconnection cost for mobile network operator or local voice service termination to fix, average at Rp250 per minute, is planned to



reduce to Rp204 per minute. While interconnection cost SMS originate and termination is Rp. 24 per SMS, is planned to reduce to Rp11 per SMS.

Previously, Minister Rudiantara decided to delay reduction of interconnection cost during three months, from November 2, 2016 to February 2, 2017.

Consequently, the current interconnection tariff from 2014 still applies. Rudiantara has delayed the interconnection cost reduction of 26%, which was planned to apply on Thursday, September 1st, 2016, due to disapproval from PT Telkom Tbk and PT Telkomsel.



Children Deserve **Educative and Child** Friendly Broadcast



etting information from broadcast is every citizen's right, guaranteed by the State and the Law. It applies to everyone, including children. How can they get their rights according to their needs, which is getting safe, educative and entertaining broadcast.

Unfortunately, such broadcast is rare in our television. Most television broadcast is dominated by programs for adults. Many children also watch these

programs. Rarity of children broadcast is highlighted by Indonesian Broadcasting Commission (KPI) and Ministry of Women Empowerment and Child Protection (Kemen PPPA).

Minister of Women **Empowerment and Child** Protection, Yohana Yembise has even requested television entities to productively create program for children. She pointed out current broadcast is not child friendly as it implies

BROADCASTING

violence and contain porn. "I request television to productively create educative programs," she said upon delivering speech before signing MoU cooperation between KPI and Kemen PPPA in KPI head office, Jakarta.

Yohana rates child friendly programs are rare in Indonesia. Children nowadays are watching broadcast programs for adults, which of course can influence their growth.

One of un-educative programs, the so called sinetron, gains many children fans that they prefer watching the program and abandoning their study time. "In eastern Indonesia, which is two hour different from western Indonesia, the children stay up late to watch the sinetron, meaning that it has big influence over children who are supposed to study and use their time productively," said Yohana.

Therefore, she indicated, children are victims of broadcasting industry that aims for higher rating. "In the old days, we had many children programs, many child actresses too, I feel our children are losing broadcast programs that are suitable for them," continued Yohana.

On top of it, many television programs are not responsive to women. Women are often become visual objects. "I think in the future, broadcasting industry should pay attention to women, since they make women

as objects and it is harming women," said Yohana.

During that opportunity, Yohana requested KPI roles in fixing Indonesian broadcasting world, that is, according to her, worrying for children and women. She emphasized to see real steps from both sides after signing the MoU to improve broadcast industry is towards child friendly programs and gender responsive.

"This is a good commitment, we request for more educative broadcasts that can fulfill and respond to children needs in Indonesia," said Yohana in front of press and invitees present in that MoU signing.

Meanwhile, KPI chairman, Yuliandre Darwis, conveyed, along with this MoU, his office will give extra supervision on broadcast television and radio materials that contain violence, exploitation, discrimination and degrading women and children. "With this MoU spirit, we don't limit to ceremonial, but initial spectrum care progressive to Indonesian children and women," said Yuliandre.

He says with government support through Kemen PPPA and also public support, can surely stimulate change in Indonesian broadcast industry. "In the future, this MoU will be followed through by cooperation inter institution in delivering broadcast according to our hope," he ended.



Always Buying Foreign Content Hampers Local Content Industry Creativity and Development

elevision
industry tends
to buy foreign
programs than
local production. The
reason, of course,

is due to cheaper cost. Although it hampers creativity and makes local content industry stand still or stagnant.

In relation

to that matter,

KPI Chairman,

Yuliandre Darwis says it is very much influenced by financial aspect broadcasting business, which is to get Although normal but should

profit. Although normal but should not be allowed as it is affecting creativity and local content industry. "Our human resource creativity is not utilized," he said, in front of public discussion participants "National Industry Management Urgency" organized by Center for Local Government Reform (Celgor) at Restaurant Handayani.

Andre revealed that production

BROADCASTING

of one episode local program costs up to Rp. 400 million, while buying foreign program costs only Rp. 100 million per episode. It's far by comparison and obviously from business point of view, it is more profitable to buy foreign program.

"This condition is worsened by our local content low quality. Many programs are produced but they don't have educative and moral contents. Something must be wrong with that," he continued.

Besides, television is influencing local content development. Based only on one survey rating agency, most television programs are similar. This is not in line with KPI spirit, which is to create and produce various programs with qualified contents.

"In South Korea, production of one broadcast program has limitation although that program is salable and in demand. That limitation is fair to give room for ideas and creativity to produce a new broadcast program. Different from us, in



Indonesia, when one program is getting high rating, it will keep being produced, if necessary, until thousands of episodes," he explained.

According to Andre, solution steps must be taken to re-manage broadcast commerce industry to be better and healthier. A healthier commerce will implicate to broadcast content and human resources. "This industry must own a good blueprint. We must think of public' right to get information and good, educative, healthy entertainment," Andre said.







Ministry of Communication & Information Postponed New Application

for Broadcasting License Analogue Terrestrial Television

emkominfo (Ministry of Telecommunication & Information) is rearranging 478 Mhz – 806 Mhz radio band frequency for public protection disaster relief (PPDR), and other needs.

The purpose to re-arrange the band is to respond to rapid technology development in broadcasting, band rearrangement is useful for national spectrum frequency usage efficiency and a comprehensive evaluation for the existing analog television organizer in order to stimulate healthy competition.

And so, Kominfo feels the need to postpone broadcast license application for new analog television via terrestrial.

In relation to that matter, Noor Iza, Acting Head of Public Relations Bureau, informed that the Ministry issued Circulation Letter from the Minister of Telecommunication & Information No. 1 year 2017 on Moratorium new broadcast license application for analog terrestrial television.

"To all analog television organizers, should you need further information, kindly contact our officer at Broadcasting Directorate, Directorate General Post and Informatics, Renny Silfianingrum, email: renny.s@kominfo.go.id, mobile: 0813 2733 8008," ended Noor Iza.

-BUSINESS

Commits to Invest Rp9.3 trillion in 4 Years Span



rab Indonesia commits to invest US\$
700million in Indonesia in 4 years span
to support the country to be South East
Asia's biggest digital economy country
in 2020. Minister Rudiantara appreciates Grab's
commitment.

According to Rudiantara, technology improvement is expected to become a tool for economy growth. "Kominfo positions ICT as enabler for Indonesia's digital economy growth. Government supports business model, as developed by Grab, as it empowers society economy," explained Rudiantara during Master Plan 2020 event "Grab for Indonesia" at Jakarta's Grand Hyatt.

Related to Grab investment commitment, Menkoinfo appreciates their intention. "This is something extraordinary, US\$ 700 million investment, will be used to fund Research & Development center. After Apple builds R&D center, now Grab also participate. It will become main tool to stoke and empower society in digital economy," conveyed Rudiantara.

E-BUSINESS

Same as Rudiantara, Head of Indonesia's Investment Coordinating Board (BKPM), Thomas Lembong pointed out that Grab's US\$ 700 million investment is a big investment in 4 years. It is in line with President's guidance to look for investment. "Mr. President has assigned me to look for investment (capital flow). Grab's investment is foreign investment in technology sector. In the future, we will use digital payment, i.e.: e-banking. Innovation in online transportation such as Grab and others in digital app industry will stimulate digital payment and logistic," said Thomas.

Grab investment in Indonesia, as indicated by chairman of the Indonesian Chamber of Commerce and Industry (Kadin) Rosan Roeslani, equals to creating employment. "In addition to create employment, the fund invested for R&D will improve and upgrade our mindset. Resistance will appear, and it is okay; benefit from this investment is huge," explained Rosan.

Ridzki Kramadibrata, Managing Director Grab Indonesia hopes master plan from this investment can create employment in technology information section and upgrade human resources quality in Indonesia; enable technopreneurship investment for social interest; and escalation of digital payment access.

Grab Indonesia Appointed ex National Police Chief, Badrodin Haiti as President Commissioner

rab, South East Asia's leading app platform for vehicle reservation, announced Badrodin

Haiti joining them as President Commissioner in Grab Indonesia office in Jakarta. Through his new role, Badrodin will supervise

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and maintain the company's management and sustainability through supervision role on Directors' performance.

"Mr. Badrodin had a reputable career in Indonesia's Police Force, for 35 years, and during his last position as National Police Chief, he contributed significantly in anti terrorism, national security, intelligence and traffic management during his office term. Mr. Badrodin has an extensive working experience with government stakeholders and harmonized various interests.

Along with technology sector evolution and vehicle reservation platform in Indonesia, Mr. Badrodin will guide and ensure Grab Indonesia constructive contribution on the implementation of new transportation and safety policies," said Ridzki Kramadibrata, Grab Indonesia Managing Director.

"I'm very pleased to join Grab Indonesia, an organization that holds its mission firmly with their proven track record in improving standard of living in Indonesia and giving solutions to local issues. Their values are similar to mine and I will make sure that Grab becomes a role business model that has accountability and citizenship. I will personally use my experience working in numerous regions in Indonesia give feedback for

Grab's expansion

in Indonesia," said Badrodin Haiti, Grab Indonesia President Commissioner.

Before joining Grab, Badrodin was Indonesia's National Police Chief from April 2015 until July 2016. He was National Police Deputy Chief from March 2014-April 2015. Badrodin finished his education at Police Academy in 1982 and Police College in 1989. Before occupying the top 2 position in National Police, Badrodin served as Regional Police Chief in Banten, Central Sulawesi, North Sulawesi and East Java.



Shopee

Encourages Local Entrepreneurs via Campus Roadshow in 13 Cities

hopee, first leading mobile marketplace in South East Asia and Taiwan, held a campus road show in 13 cities across Indonesia, as part of the company's commitment to support and educate local entrepreneurs. Road show kick off started in Bogor followed by a talk show campus Shopee, held in mid February 2017 at XXI Lounge Plaza Senayan, Jakarta dubbed "Turn Good Ideas into Great Business", inviting celebrity and entrepreneur Fitri Tropica as speaker and Rhein Mahatma, entrepreneur and founder of Buattokoonline.id.

Started in 2016, Campus Shopee was an educative class session and a sharing medium for sellers, organized weekly to inspire sellers to develop their business. They would discuss topic such as product photography technique, financial planning system, and visual merchandising

technique.

Chris Feng, CEO Shopee said "Campus Shopee is part of our Rp 100 billion investment to support Indonesian local entrepreneurs. Given the success of our small class session last year, we are now expanding this program to reach out and inspire more potential local entrepreneurs in Indonesia. In addition to getting new business knowledge, this program serves as sharing medium for local sellers to meet, exchange ideas and inspire one another."

The 2017 Campus Shopee Road Show will be held along the year, and is expected to attract about 80-100 participants for each session. The road show will visit 13 cities, i.e. Jakarta, Surabaya, Makassar, Bogor, Bandung, Bekasi, Medan, Semarang, Malang, Batam, Palembang, Bali and Yogyakarta.

E-BUSINESS



Shopee will in particular organize talk show in 3 big cities, Jakarta, Surabaya and Makassar, inviting famous speakers. Shopee will raise interesting topics for local entrepreneurs such as "Turn Good Ideas into Great Business", in which the speakers give practical guidance to participants on how to look and take advantage of basic idea and existing business opportunities into profitable business using digital media.

Even more, to facilitate local entrepreneurs to further expand their business, Shopee understands the importance of creating a strong e-commerce business ecosystem, by building strategic and profitable collaboration with business partner such as JNE. Combination of Shopee easy

app and JNE reliable logistic system, will establish a comfortable shopping experience via mobile that will benefit both local sellers and consumers.

M. Feriadi, JNE
President Director
said, "JNE has been
a strategic business
partner to Shopee since
the beginning. With
our 6,000 network
and thousands of
JNE personnel across
Indonesia, free delivery
fee from Shopee, will
support local sellers to
minimize their business

cost, while at same time still able to take orders from the farthest area in Indonesia.

It is an initial step for them to expand their market. We are optimistic Campus Shopee program will inspire more Indonesian public to become entrepreneur and benefit service offered by Shopee and JNE, to help them develop further their business."

Shopee Campus program is open for local entrepreneurs across the nation who wish to develop their business capability. To participate in their session, you may visit Shopee social media account and register at the available link. Registration for talk show in Jakarta can be accessed through www.shopee.co.id/daftarbeginnerclass.

In 2017, LINE Indonesia will Introduce Three New Services

n 2017, LINE Indonesia will introduce three new services. Those are Line Video Group Call, Jobs and Academy. It is LINE's attempt to be number one smart portal in 2019. As conveyed by Managing Director Line Indonesia, Ongki Kurniawan.

According to Ongki, their mission is to minimize the gap among users. LINE Video Group is a service that enables Line users in the same group to video call.

LINE Jobs is a special service for job seekers in Indonesia. This service will be developed so users can fill registration form directly using LINE.

LINE Academy is a special service for students who are looking for educative contents. Collaborating with ruangguru.com, LINE users will be able to access various academic

contents such as exam questions, and even consult with professional teachers.

"We began as a messenger app, LINE is now more than that and introduces various special services,"

This ex XL Axiata officer adds, his office always focuses on contents and local needs, LINE has now even introduced local contents in its application.

"We always try to invite creators to produce local content. It is very helpful to boost LINE users and has been proven by various achievements that we received in the previous years," he said.

One of local content outcome is LINE sticker. Last year, 8.6 billion local stickers were released. LINE Indonesia is also actively inviting local creators to publish comic at Line Webtoon.

In the future, Indonesia will expand to other features development such as bot chat. Bot chat is an automatic feature chatting that enables LINE partners to automatically answer their clients' message.





President Jokowi: Our Society is Getting Smarter in Dealing with Hoax

n 2017 National Press
Day celebration,
President Jokowi
reaffirmed social media
challenge that enables
anyone to produce and
disseminate news. We can
get many educative contents
from social media, but we
also find hoaxes. Hoax
circulation which is lately
becoming a phenomenon

does not occur only in Indonesia, but in the world. This is an open era that we have to deal with.

President Jokowi, however, is sure that in the future, our society is getting smarter and wiser in dealing with it.

"I am sure that it will make us more mature and we can endure. No need to

NTERNET

complain because this is a global phenomenon," Jokowi conveyed during National Press Day celebration in Ambon, Maluku.

Social media is finding its momentum. Not only public, government officers are also social media users. Consequently, nowadays the tendency around the global, mainstream media who cannot adapt will be out of the competition. President Jokowi wishes Indonesia will not have to suffer it.

"I am sure, mainstream media has its own market. It will exist side by side with social media. The latter excels due to its speed and actuality. Mainstream media excels for its accuracy and depth material," said the President.

During the event, President, with First Lady, Iriana Joko Widodo, invited all parties to resolve the situation. He also requested all parties to stop circulating social media hoaxes, slanders that may destroy the nation.

"Mainstream media must clarify the looped issues, clear up the murkiness happening in social media and not easily swayed and take unverified issues as news source," he said.

In doing his tasks, the President also emphasized that mainstream media must keep its journalistic ethics. They must always consider facts, objectivity and discipline in verifying their sources.

Therefore, the President shows his appreciation to the Press Council in their attempt to deliver professional journalistic product and become Democracy Pillar upholder. In this case, their effort to verify press companies as mandated by Law No. 40 year 1999 on Press.

"Aside from ensuring professionalism and journalist protection, by doing verification, public will know which media they can refer to as reliable news source," he explained.

Ending his speech, the President hoped that National Press Day can be used as initial step in confirming mutual commitment to build Indonesia in harmony.

"In the end, I hope National Press Day celebration in Ambon will confirm our mutual commitment to build a harmonious Indonesia and realize an equal economy for everyone. Happy National Press Day," he ended.

Interviewed after the event, we asked the Head of the Nation on his opinion about hoax spread. He said this issue should not be exaggerated. He is confident that public knows which news is real and which is not.

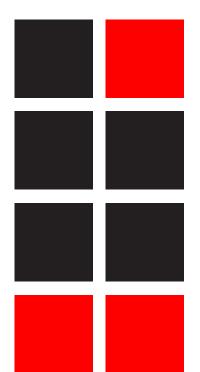
"We should not exaggerate it, all nations are going through the same thing, and we just need to face the challenge. Our society is smart, they can sort the news, which news is real and which is not.





YCAB and Microsoft Created a Digital Platform 'GenerasiBisa!' for

Young Generation



ayasan Cinta Anak Bangsa (YCAB Foundation) in cooperation with Microsoft Indonesia released 'GenerasiBisa!', a digital platform which aims to equip Indonesian young generation with knowledge, confidence and career readiness.

The platform, which is supported by Indonesian Ministry of Manpower, has various features such as mentoring and courses programs, work search, career related

articles, information on work bourse and other networking events.
Numerous organizers and aspirators such as PT Kawan Lama Sejahtera, PT Indomarco Prismatama (Indomaret), and National Development Planning also support GenerasiBisa! by becoming work provider partners and online guidance mentor.

"70% of Indonesian population is productive workforce (age 15-64). They made a positive contribution to

NTERNET

Indonesian development; unfortunately many of them have not been able to get a job. Central Statistics Agency (BPS) data shows 60% from total unemployment in Indonesia are in productive work force range.

For this reason, YCAB Foundation commits to help improving Indonesian youth capacity, as conveyed by Veronica Colondam, Found and CEO of YCAB Foundation.

GenerasiBisa! is open to youth age 15-24 across Indonesia. They only need to make account at GenerasiBisa! platform and can directly access the menu and available educative materials.

Hanif Dhakiri, Minister of Manpower said "The high number of productive work force shows our nation competitiveness. We hope GenerasiBisa! platform will help boost our youth competence to become independent and dignified generation, who owns spiritual, social and technical or substance competence."

GenerasiBisa! is born as part of M-Powered, Microsoft initiative in Asia who commits to create employment and improve technology information capability. This initiative was successfully implemented in Thailand. Malaysia, Vietnam and

Philippines will soon follow.

Andreas Diantoro, President Director Microsoft Indonesia conveyed, "GenerasiBisa! Platform is in line with Microsoft mission to empower youth to get more opportunities in the future. We support GenerasiBisa! development by providing cloud computation service Microsoft Azure. This technology support is part of Public Cloud for Public Good, a Microsoft Philanthropies program whose goal is to provide cloud computation access to non profitable organizations, education institutions, youth and community."

Young generation as foundation for nation development must prepare themselves with sufficient digital capability to be competitive, innovative and ready to contribute to our nation. Bambang Satrio Lelono, Director General of Coaching, Training and Productivity Ministry of Manpower said, "To improve Indonesian manpower competence and competitiveness, we need synergy between industry sector and human resources provider sector, in this case, coaching/ training institute." We hope GenerasiBisa! platform is able to prepare capability and meet those needs.

GALLERY



Telkomsel Supports Bandung City Government to Realize Smart City Using E-Musrenbang App

elkomsel again proves their commitment to serve the public by partnering with Bandung city government in order to realize an inclusive Smart City.

Telkomsel General Manager Sales Regional West Java, Agustiyono handed over the communication services aid directly to Bandung Mayor, Ridwan Kamil, in the form of 2,000 cards for community to ease utilization of E-Musrenbang, Bandung city government online app, created by ITB West Java Alumnae Association.

"Our support for Bandung city government is our effort to maximize participative planning in the city

- development. The purpose
- is to improve quality process
- and development result while
- stimulating transparent and
- accountable governance
- through online process," he said.
- The proposed development planning can be submitted via
- that application so that the
- suggested plan can be received
- quickly and responded by
- Bandung city government.
- "We hope this service, provided by Telkomsel, may help and ease volunteers
- and RW in coordination and
- communication to provide the
- proposed development which is
- right on target for all Bandung
- residents so the solution
- can be more effective," he
- explained.



Telkom Invites Students in 3T Region to Space Adventure

head of the launch of the Telkom 3S Satellite on February 15th, PT Telkom Indonesia (Persero) Tbk (Telkom) invited 250 students from four 3T regions (the frontier, outermost and remote regions), school students and orphans to the Cibinong Satellite Control Station in Bogor, West Java. During the study tour, dubbed "Jelajah Angkasa Anak Bangsa" (Young Indonesian Space Explorers), they learned more about the satellite.

"We're using the concept of a study tour to educate these young people about Indonesian satellite technology," said Abdus Somad Arief, Director of Network, IT & Solution.

The launch will mark Telkom Indonesia's 40 years of work in managing and operating satellites. "For this program, we aim specifically at students living in the regions where our small ground or Earth terminals (SBK) are located, such as in Sabang, Merauke, Nunukan and Flores. They can learn about the impact the satellites have on the communication activities of the locals," Abdus Somad Arief explained.

The participants comprised of 32 students from four 3T regions, namely from SMAN I Sabang, SMP Keterampilan Negeri 9 Merauke, SMA 2 Nunukan, SMA 1 Soe Flores and 218 school students and orphans. Besides visiting the control center located at the Cibinong Satellite Control Station, they also got to experience a virtual trip from Earth to space using 360-degree virtual reality video and visited Dome Planetarium.



Bukalapak Achieves Number One Customer Loyalty from E-Commerce Shopping Enthusiasts

ukalapak, one of Indonesia's biggest e-commerce reaches the highest score for e-commerce category from Net Promoter Score (NPS) based on Hachiko survey. Bukalapak gets 6.21% in this category.

Net Promoter Score, is a scoring method, widely used by companies in Indonesian and abroad to describe customer satisfaction and loyalty.

Net Promoter Score
is an exclusive method,
developed by Fred
Reichheld, Bain & Company,
one of the famous
management consultants,
and Sametrix System In.
Hachiko is an Indonesian
company, specialized in
NPS. As NPS partner,
Hachiko is NPS license
holder in Indonesia.





"Bukalapak is grateful for being selected by the public in online shopping. With our various innovations and new breakthroughs, enables Bukalapak to provide the best service amidst market shift to digital world," conveyed Achmad Zaky, Founder and CEO of Bukalapak.

Net Promoter Score is measured based on customer satisfaction according to services that they received from a company or product. In this method, customers are divided in three categories, i.e.: Promoter, where customers tend to be enthusiastic on products/ services before they decide to buy/use them.

Passive shows customers are satisfied with products or services but are not enthusiastic and can change to other more attractive products/services at anytime.

Last type of customer is Detractor, where customers don't have any good experience on the products/ services.

1,000 respondents between age 17-45 in 7 Indonesian big cities with Social Economy Status A, B and C were interviewed for e-commerce category. This survey was conducted in August-September of 2016. Respondents chosen for e-commerce category were

those who had purchased from one of e-commerce web minimum once in the last 6 months and cited one of their most used e-commerce site. Survey result shows the following are the reasons why promoter customers promote Bukalapak than other e-commerce sites: website navigation and app, product range, customer service and promotional/ marketing activities.

What is interesting, this survey also measured customers' emotional side, namely Net Emotional Value (NEV). During their shopping experience at Bukalapak, customers' promoters give 4 main emotions: happy, safe, interested and explorative.

It means that customers who shop at Bukalapak like to explore with various menu and products while Bukalapak page encourages them to shop. Other than that, they feel safe and happy after shopping at Bukalapak.

Public trust on Bukalapak also shown by the increase in users, of more than 130% in 12 months with current Bukalapak users are now more than 11.2 million. Daily transaction reaches Rp. 50 billion.

Winner Y Smart 4G LTE Multi Operator Phone from EVERCOSS



n the beginning of this February, Evercoss officially released Winner Y Smart. This smart phone comes in minimalist and

elegant design. Its slim body with metal accent at left and right side gives luxurious and expensive image.

At front part, Winner Y
Smart has 5 inch IPS HD and 3 capacitive touch screen buttons that function as recent apps, home and back buttons. In its front part, it has LED Flash for anti dark selfie. At the back body, back camera is made a bit bulgy and combined with LED Flash feature.

In its sales package, customers will benefit free bundling package from Smartfren.

After activating the card, customers only need to top it up Rp. 50,000/month, in the first 3 months (or maximum 3x top up), then

SADGET REVIEW

customers can activate Smartplan Universal package comprises of 16GB data (2GB main quota, 2 GB bonus data, 12 GB night quota), 1,000 minutes of phone calls/video calls to Smartfren users, 10 minutes phone call to other users and 100 sms to all operators.

Additionally, customers will also get activation bonus of 300 MB internet data and 100 minutes phone/video call to Smartfren users, valid for 7 days after activation.

Winner Y Smart is equipped with 4G internet network, modem function, USB tethering and portable Wi-Fi allowing this smart phone as a mobile modem with anti slow

"It's one of Winner Y Smart selling point,

internet connection.

4G LTE smart phone that is workable in many network

operators in Indonesia," revealed Suryadi Willim, Marketing Communication

Evercoss.

Dual Flash Camera Winner Y Smart comes with 8MP main camera and 5MP front camera. This smart phone supports anti blur and anti dark selfie. Both cameras have flash. This function is very helpful when users take photos/ selfie in rather dark places.

Other sophisticated feature is gesture smart access, just touching the screen and make C letter, Winner Y Smart from off screen mode will automatically open camera app. Smart access can also open other apps such as browser, music, etc.

Besides many benefits above, this smart phone from Evercoss is supported by OS Android Marshmallow, RAM 1GB, 8GB internal memory and 2450 mAh battery. For normal use, such as chatting, browsing and video player, battery is adequate and pretty long lasting.

> "While waiting for national distribution completed in one week, Winner Y Smart is exclusively sold

> > at LAZADA with attractive offer," said Suryadi Willim.



Spec Detail Evercoss

Winner Y Smart

Network : 2G/ 3G/ 4G Multi-operator

SIM : Dual SIM

OS : Android 6.0 Marshmallow

Screen: 5 inchi IPS HD 720 x 1280

Chipset: 1.3 Ghz Quadcore

RAM: 1 GB

ROM: 8 GB micro SD up to 32 GB

Battery : 2450 mAH

Main Camera: 8 MP AF + Flash

Front Camera: 5 MP + Flash

Feature : Gesture Smart Access



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