



Flood Canal Land Acquisition Sped Up

<http://www.thejakartapost.com/news/2009/02/04/flood-canal-land-acquisition-sped.html>

With floods occurring several times over the past weeks, the city administration has pledged to intensify land procurement in February to make way for the East Flood Canal project.

The canal is aimed at reducing floods in a 270-square-kilometer flood-prone area of East and North Jakarta.

There are 533 land plots, or 234,338 square meter left to be procured in 2009 according to Arifin Ibrahim, head of the East Jakarta's land procurement team for the East Flood Canal.

In 2009, a total of Rp 750 billion (US\$68.2 million) is allocated toward land acquisition in both East and North Jakarta for the project.

According to data at the city public works agency, a total of 178.4 hectares of land in East Jakarta is needed to accommodate the canal and another 82.5 hectares for corridors beside the canal. In North Jakarta, 78.6 hectares is needed to accommodate the canal and another 69.4 hectares for its corridors.

In December 2008, the agency recorded that only 158.26 hectares in East Jakarta and 81.36 hectares in North Jakarta had been procured. Only 62 percent had been procured.

Jakarta Governor Fauzi Bowo said conflict over compensation was highest at PT Kawasan Berikat Nusantara (KBN), as the Jakarta administration holds 11.26 percent of the company's shares.

The 19.1-hectare KBN industrial zone is regarded by the administration as part of the city's public and social facilities. Consequently, compensation is not required

Heru Budi Hartono from the North Jakarta land procurement team. State that no win-win solution have been suggested despite years of discussion, therefore, compensation for the KBN property will be settled under the consignment system as previously stated by the North Jakarta mayor.

Heru said the same would be applied to the 6.3-hectare National Logistics Agency (Bulog) property.

KBN marketing and development director Edy Ihut Siabaan said that the matter was still being discussed among the shareholders of KBN.

On several occasions Fauzi has expressed hope that all land procure-

ments for the East Flood Canal are expected to be completed in 2009, and that the canal will be able to start functioning in 2010.

(Dimas Akbar)

Passing Without Permission: Malaysian Plane Detained at Surabaya

<http://www.allvoices.com/contributed-news/7617038-passing-without-permission-malaysian-plane-detained-at-surabaya-malaysia/content/68615055-taman-prestasi-surabaya-surabaya-east-java>

A chartered plane from Malaysia secured at Juanda International Airport, Surabaya, East Java Provinces, Indonesia, on Tuesday (14/12/2010) around 17:00. The aircraft was secured for allegedly passing in Indonesian airspace without permission.

Until around 19:00 earlier, passenger planes still in the airport for questioning. Officers are still searching for data and identity of aircraft and its passengers. Navy air base commander, Marine Col. Juan (P) Supranyoto acknowledged that the planes are passing without permission and still detained until 19.00 and the officers are searching for data and identity for the aircraft and its passenger pass without permission. Now is checked," said Commander of the Navy Air Base e plane

Marine Col. Juan (P) Supranyoto.

The plane was flying from Dili, and heads to Kuala Lumpur, Malaysia. However, the aircraft crossed without permission and is now checked at Juanda Airport, Surabaya. There is still no information about the number of passenger aircraft as well as the identity of each. Meanwhile, the handling of the case took place at the TNI Air Force Base in Surabaya.

Based on information, the detained BAE 146-200 is a chartered aircraft that transports the family kingdom of Melaka, Malaysia. Director General for Protocol and Consular Affairs Ministry of Foreign Affairs Lutfi Rauf state that the aircraft is being detained because it landed without permission in Surabaya

The plane carrying the group from Malacca to Dili. The plane was actually already have permission to enter and exit the territory of Indonesia. However, the plane did not have permission to land in the territory of Indonesia.

When the plane returned from Dili to the Malacca, they landed in Surabaya to refuel without permission to land. That action prompt the TNI to detain them..

Director General for Protocol and Consular Affairs Ministry of Foreign Affairs Mr. Lutfi Rauf also adds that

the chartered plane has not obtain their landing permit, and the Embassy of Malaysia has recognized this matter. He said he later received a report from the Embassy of Malaysia detention of the aircraft at around 16:50 pm.

He also state that the ministry will provide ease of permits to six people among the group to return to Malaysia with the first commercial aircraft. Among the six people there are chief minister and son of Malaysian Prime Minister Najib Razak.

(Dimas Akbar)

Indonesia Detains 77 Aussie-bound Migrants

<http://news.smh.com.au/breaking-news-world/indonesia-detains-77-aussiebound-migrants-20101208-18pzs.html>

Indonesia has detained 77 illegal migrants after their attempt to travel to Australia ended abruptly due to their boat's engine failure.

Sumenep police operational head Edy Purwanto said the migrants, from from Iran, Iraq, Somalia and Afghanistan, departed from a harbour in Surabaya but got into mechanical difficulties while still in Indonesian waters.

They were rescued by police after drifting for eight hours and taken to an island off eastern Java.

The migrants, which consist of 52 men, 13 women and 12 children are being investigated by the police in Kangean island.

He said the boat's Indonesian captain are Indonesian, from East Nusa Tenggara province and also being interviewed.

Thousands of asylum seekers head through Southeast Asian countries on their way to Australia every year and many link up with people smugglers in Indonesia for the dangerous voyage.

Canberra hopes to set up a regional processing centre for refugees in East Timor in an attempt to reduce

the flow of asylum seekers heading to Australia.

(Dimas Akbar)

Forest Fire, Haze Links Are 'hazy': Govt

<http://www.thejakartapost.com/news/2010/10/22/forest-fire-haze-links-are-%E2%80%98hazy%E2%80%99-govt.html>

The Indonesian government said Thursday it was unclear if the haze that has blanketed Singapore and Malaysia over the last two days originated in Indonesia despite statements from the countries blaming the haze on fires in Riau province.

The Environment Ministry said it found no significant increase in fire hot spots in Riau or in any other Indonesian province this week.

Environment Ministry deputy minister for environmental communication and people's empowerment Ilyas Asaad said it is not determined if the source is from fires in Riau, and there is a need to check.

In response to the statements that the haze had come from Indonesia, Ilyas said the complaint from Singapore and Malaysia is still one-sided.

Reuters reported from Kuala Lumpur that haze prompted Malaysian authorities to alert vessels in the Mal-

acca Strait of poor visibility and to order school closures.

Singapore has been covered in thick smoke this week while its three-hour Pollutant Standards Index recorded a rise to an "unhealthy" range of 108 as of 6 p.m. (1000 GMT), much higher than 80 on Wednesday, which was the worst since 2006.

However Singapore's port and Singapore Changi Airport were still functioning as normal, according to reports.

According to a ministry report on fire hot spots in Riau issued on Thursday, in the first week of October there were 97 hot spots in Riau.

The number jumped to 251 in the second week of October and declined to 219 in the third week before further declining on Oct. 17, when 65 hot spots were recorded in the Rokan Hilir regency.

Ilyas added that the ministry had

not received any official complaints from either the Malaysian or Singaporean governments.

The Malaysian government said it had ordered the closure of more than 200 schools in southern Malaysia on Thursday after a drop in air quality due to the haze from fires in Indonesia, the Associated Press reported.

Singapore environment and water resources Minister Yaacob Ibrahim also expressed disappointment on the haze and told Jakarta to deal with the recurring fires.

The Forestry Ministry rejected claims that haze originated in Indonesia, saying fire hot spots were also detected in other countries, including in

Malaysia, on Oct. 19.

Ministry spokesperson Masyhud said there were only 37 hot spots detected on Oct. 19 in Riau, and less than 10 hot spots were recorded in forests.

Ministry spokesperson state that the haze in Singapore and Malaysia cannot simply be blamed in Indonesia since fire hot spots also recorded in other countries, namely 13 hot spots in Serawak in Malaysia, 10 in the Philippines and 19 in Myanmar, the source of haze in the two countries would depend on wind patterns.

Forest and land fires have long been annual events in Indonesia during the dry season

(Dimas Akbar)

Indonesia Throws a Wrench in ASEAN's Open-skies Policy

<http://www.chinapost.com.tw/commentary/the-china-post/special-to-the-china-post/2010/05/09/255723/pi/indonesia-throws.htm>
<http://www.aseansec.org/25585.htm>

The Association of Southeast Asian Nations (ASEAN) plans to have an open-skies policy, to demolish flying restrictions on member countries' airlines and to simplify regional travel, trade and tourism. The mem-

ber countries have agreed to implement this policy by 2015. However, Indonesia as the biggest market in the region provides that it is not prepared to fully open its skies on the aforementioned deadline. Mr. Tri S. Sunoko,

Director of Air Transportation, Ministry of Transportation Republic of Indonesia, said that Indonesia would only be able to open five of 30 key airports by 2015, those are five airports in Jakarta, Medan, Bali, Surabaya and Makassar. Nevertheless, cabotage would not be allowed and subjects to government-to-government air deals as it is now.

The purpose of ASEAN open-skies policy is to enable airlines to fly freely over the region, transporting passengers and cargo from one airport to another. Alan Tan, an aviation law specialist from the Faculty of Law National University of Singapore, said that this liberalization of airspace brings advantages such as greater competition between airlines, better choices and prices for consumers, and benefits for tourism and other sectors of the economy. Hence, some experts said that Indonesia's decision to delay the development of a single ASEAN aviation market will complicate travelers, member countries and ASEAN as a whole.

An example to the planned ASEAN open-skies policy is the Singapore-Kuala Lumpur air sector, which was liberalized in December 2008 to allow low-cost carriers in. The US\$400 fares for a 45-minute return flight are now as low as less than US\$100. Passenger traffic on the route

also jumped by 34 percent last year compared with 2008, benefiting all related business.

Ms. Alicia Seah, senior vice-president of marketing and public relations at CTC Holidays, said that apart from adding capacity to popular destinations like Jakarta and Bali, other points in Indonesia such as Yogyakarta, which houses the ancient Hindu temple of Borobudur, are also becoming popular with leisure travelers. Therefore, experts said that there is more at stake if ASEAN's plans for a single aviation market do not take off. The lack of open skies in ASEAN would impact ongoing air talks, for example between ASEAN and China. These are proceeding a pace, with the expectation of increased air travel between South-East Asia and China, as China's economy is rapidly growing.

However, Indonesia, and to some extent, the Philippines, does not see the benefits of liberalization accruing equally to all members of ASEAN. Tan holds that these countries worried that stronger carriers like Singapore Airlines would benefit more than the weaker ones, after all restrictions are lifted. Another concern is that countries and the markets they offer are hugely uneven. Tan also noted that Singapore is seen as offering only one point compared to tens to hundreds cities that foreign airlines can fly into in

Indonesia. Indonesia does not therefore see the importance of exchanging all points in Indonesia for all points in Singapore. A spokesman for Singapore's Transportation Ministry responded that it is not important how many airports a country has, because with direct connectivity to 149 international cities and a traffic volume of more than 37 million passengers, Changi Airport in Singapore becomes the seventh-largest airport in the world going by international passenger traffic, and second in the Asia-Pacific region. Despite the slow progress, travelers have benefited with countries like Singapore, Malaysia, Thailand and

Brunei which already opening up selected routes in recent years.

As for the ASEAN grand plan, the talk continued in the 16th ASEAN Transportation Ministers' Meeting in Bandar Seri Begawan. It is said in the Joint Ministerial Statement that the Ministers have signed the ASEAN Multilateral Agreement on the Full Liberalization of Passenger Air Services (MAFLPAS) and its two Protocols, but there was no further discussion relating implementation of ASEAN Open Skies policy in 2015.

(Alifia Qonita)

Indonesia wades into the South China Sea

http://www.economist.com/blogs/banyan/2010/08/indonesia_and_south_china_sea

The government of Indonesia wrote to UN Commission on the Limits of the Continental Shelf contesting China's position on the South China Sea, and this letter was brought to public by an article by Michael Richardson in Singapore's Straits Times. The letter argues that China's claim to sovereignty over almost all the sea clearly lacks international legal basis and encroaches on the legitimate interest of the global community, and it was sent before the row over the sea flared up again at the ASEAN Regional Forum

in Hanoi, July 2010.

The first that Indonesia suggested in that letter is that this is an issue where it feels it has a role to play. That is because its "Exclusive Economic Zone" (EEZ) does overlap with China's claim, but it has no claim of its own on any of the islands in the Spratly or Paracel chains, so it can present itself as an honest broker. Also, as an archipelagic country, Indonesia has long been interested in the law of the sea and it shows just how worried the region is by China's approach. Hasjim

Djalal, a veteran Indonesian diplomat and legal expert, chaired the International Seabed Authority, and tried long and hard to set up a mechanism for tackling the South China Sea. One of Mr Hasjim's goals was to make China confirm that its interest in the South China Sea was of a different and lower order from, for example, its dispute with Taiwan. In fact, the exact reverse has happened. China is internationally recognized EEZ at sea is just 880,000 sq km (340,000 square miles). In the

South China Sea, it claims an area four times as big.

The third implication of the letter may be that Indonesia is beginning to show a bit of assertiveness in its own diplomacy. Under the long Suharto dictatorship, the regional giant exercised its de facto leadership of ASEAN by stealth. But this time, Indonesia is moving in its own name, for its national interest.

(Alifia Qonita)

Indonesia, Malaysia Agree To Minimize Sea Border Violations

<http://news.brunei.fm/2010/02/25/indonesia-malaysia-agree-to-minimize-sea-border-violations/>

<http://beta.antaranews.com/print/1291834896>

The Indonesian and Malaysian navies have agreed to minimize mutual violations of their sea boundaries, especially in Sulawesi waters. Indonesian Navy Chief of Staff, Admiral Agus Suharto, said that they have agreed and understand the rules that have been made by the two parties with regard to procedures for conducting patrols in the two countries' sea borders. Agus and Malaysian Navy Chief, Admiral Abdul Aziz Jafar, had agreed to conduct patrol in their respective sea borders. Agus also said that in case a sea border dispute occurs including in the

Sulawesi waters, they will refer it to the government to settle. The two countries' navies would safeguard and patrol in their own regions in line with the standing procedures already agreed.

The Indonesian embassy has facilitated 13 rounds of talks on the Indonesia-Malaysia maritime border since 2005 until today, with regard to delimiting four segments of the maritime border namely in Sulawesi waters, the Malacca Strait, the South China sea and the Singapore Strait. In

the Malacca Strait, Indonesia, Malaysia and Singapore have conducted patrol cooperation under the Malsindo (Malaysia, Singapore and Indonesia) program and a joint Eye in the Sky air patrol. Indonesia and Malaysia, however, have not reached an agreement regarding the Exclusive Economic Zone (EEZ) border line in the northern part of the Malacca Strait and in the South China Sea. The two coun-

tries also have not yet agreed with regard to continental shelf, territorial and EEZ borders in the Sulawesi waters. Delimitation of sea territorial segments has been prioritized because it is the main requirement for discussing the continental shelf and EEZ segments which might overlap between two or more countries.

(Alifia Qonita)

European Remuneration Rules and Guidelines

<http://www.ft.com/cms/s/0/9bf88e14-ff0b-11df-956b-00144feab49a.html#axzz189sZKE5c>
<http://www.bankingtimes.co.uk/2010/12/12/eu-finalises-bankers-remuneration-guidelines/>

Fund representatives warned that the remuneration rules set out by the alternative investment fund managers (AIFM) directive threaten Europe's position as a global fund destination. Jarkko Syyrila, deputy general director of Efama, the European fund association, said that the legislation adopted last month, may deter the best hedge fund managers from settling in the European Union (EU) if the fallout from the rules is not alleviated at a national level. The AIFM directive would introduce procedures and limits on payment, setting out requirements rarely

seen at such a high level within European regulation.

Fund experts fear the rules may also affect the retail market after the European Commission indicated it wanted to align the AIFM and Ucits directives. This would be a part of the next review of the Ucits directive, expected to start in the next few days, and which would also include AIFM rules on depositories. Mr Syyrila also said that if remuneration rules are much stricter than elsewhere, it clearly makes people not interested. He also ques-

tioned if they would be able to keep the best managers with such rules on remuneration. Rules on remuneration were added to the European Commission's original draft after it was first published in April 2009. They were derived from the new CRD III rules for credit institutions and investment firms. In the UK, the regulator said it is ready to extend CRD III to managers, although to a lesser extent. A recent consultation paper on payment disclosure indicated that the Financial Services Authority would be ready to use proportionality when it publishes its full proposal in early 2011.

The new European Securities and Markets Authority would next year produce guidelines on remuneration,

which would take into account the size of the fund management firms and its funds, and scope and complexity of their activities. However, the Committee of European Banking Supervisors (CEBS) has published final guidelines on remuneration policies which aimed at ensuring banks' policies. The Committee, which includes high-level representatives from regulatory authorities and central banks across the EU, has broadly adopted its draft guidelines, published in October 2010. The new rules, effective 1st January 2011, would therefore restrict the element of bonuses that can be paid upfront in cash to between 20% and 30%, with the balance deferred for three to five years and part-paid in shares.

(Alifia Qonita)