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The impact of COVID-19 measures on Indonesian value chains

Indonesia has been severely affected by the COVID-19 crisis. The lack of a centralized and adequate government response has led to uncoordinated responses, including a lockdown on Jakarta and business-as-usual in mines and agricultural sector. The informal sector and overseas workers are hit the hardest. Trade unions are now trying to balance health security and the economic implications to assist Indonesian workers. At the same time, the relationship between the government and civil society continues to worsen as trade unions are accusing the state of using the pandemic to push legislation that would otherwise lead to mass protests. The Netherlands could assist Indonesia by putting more emphasis on safe sanitary facilities – a necessity to combat the virus and one of the focal points in the Netherlands foreign policy towards Indonesia. Also, Dutch companies could step up to create awareness and monitor any exploitation within the value chain caused by COVID-19 measures.

Introduction

Indonesia has been severely affected by the COVID-19 pandemic, with more than 23,000 confirmed infections by late May.¹ Considering a vast underreporting of cases, the actual numbers and spread of the virus will likely be much higher than communicated through the official channels. Indonesian President Joko Widodo declared the coronavirus a national disaster on 13 April² after severe criticism and accusations of a relatively slow reaction to the COVID-19 pandemic – especially

considering the first case was confirmed in Indonesia on 2 March.³

The lagging response has been a result of the government's inability to balance the health restrictions, economic implications and potential social unrest and its effort to preserve its popularity among the Muslim majority – the predominant religion in the country.⁴ The absence of a central government response and the public outcry over the initial reluctance to impose full-scale lockdowns or social distancing measures led to decentralized

1 Worldometers, 2020. 'Indonesia' <https://www.worldometers.info/coronavirus/country/indonesia/> (accessed 25 May 2020).

2 John McBeth, 2020. 'Indonesia eases lockdown while virus cases rise' <https://asiatimes.com/2020/05/indonesia-eases-lockdown-while-virus-cases-rise/> Asia Times (accessed May 22nd, 2020).

3 John McBeth, 2020. 'A lockdown too late for virus-hit Indonesia' <https://asiatimes.com/2020/04/indonesias-virus-lockdown-may-have-come-too-late/> Asia Times (accessed May 22nd, 2020)

4 Ibid.

and uncoordinated initiatives in four provinces and 22 districts/cities.⁵ The most illustrative case has been the governor of Jakarta declaring the state of emergency on 23 March, now extended to 31 May.⁶ After three weeks, the national government followed Jakarta's lead as the health situation slowly deteriorated. The president declared the COVID-19 pandemic a non-natural national disaster and installed a task force led by the National Disaster Mitigation Agency to coordinate efforts of the central and regional governments.⁷ Their efforts have mainly been focused on preventing large-scale migration from urban to rural areas during the Ramadan period, also known as *Mudik* (24 April–22 May). To this end, all domestic and international rail, air and sea transportation was suspended. To also implement lockdown and social distancing measures in the densely populated slums, the government imposed mobility restrictions at the village level rather than the household level for specific areas.⁸

The government's inconsistent COVID-19 policies and the public's apparent disregard for physical distancing have been met with online protest using the hashtag #IndonesiaTerserah (#WhateverIndonesia).⁹

The allocation of US \$4.9 million to boost the tourist sector (postponed under public pressure) is an illustrative example of Indonesia's focus on economic continuity rather than health policies.¹⁰ Another illustrative example is the five-phase plan to ease the lockdown that the government announced on May 8, despite heading towards an infection peak.¹¹

Moving forward, this report will outline the current impact of COVID-19 on Indonesia and the effects on Indonesians' livelihoods and labour rights. Thereafter, perspectives for post COVID-19 recovery and avenues for cooperation for the Netherlands will be discussed.

Current impact of COVID-19

The decentralized and area-specific measures taken in Indonesia have resulted in various responses to the COVID-19 pandemic. Industries in Jakarta have been closed due to the full lockdown measures, but in many parts of the archipelago industries are operational. Below, the impact of COVID-19 on the mining industry and palm oil plantations will be discussed.¹²

5 Jakarta, West Sumatra, West Java, Banjarmasin, Tarakan, Bandung City, Bandung District, Bandung Barat, Cimahi, Sumedang, Depok, Bogor City, Bogor District, Bekasi City, Bekasi District, Tegal, Makassar, Tangerang, Tangerang Selatan, Pekanbaru, Surabaya, Gresik and Sidoarjo.

6 Flanders Trade, 2020. 'Coronavirus – de toestand in Indonesië' <https://www.flandersinvestmentandtrade.com/export/nieuws/coronavirus-de-toestand-indonesi%C3%AB> (accessed May 21st, 2020)

7 Ibid.

8 Financial Post, 2020. 'US deaths surpass 90,000: Early vaccine promise' <https://business.financialpost.com/pmn/business-pmn/u-s-cases-slow-trump-backs-sports-for-psyche-virus-update> (accessed May 21st, 2020)

9 Rizki Fachriansyah, 2020. 'COVID-19: #IndonesiaTerserah trends as frustration mounts over physical distancing violations, govt. policies' <https://thejakartapost.com/news/2020/05/17/covid-19-indonesiaterserah-trends-as-frustration-mounts-over-physical-distancing-violations-govt-policies.html>, The Jakarta Post (accessed May 21st, 2020)

10 The Conversation, 2020. 'Indonesia to allow 500 Chinese workers to enter the country' theconversation.com/indonesia-to-allow-500-chinese-workers-to-enter-the-country-amid-covid-19-pandemic-why-it-is-a-bad-move-137781 (accessed 20 May 2020)

11 John McBeth, 2020. 'Indonesia eases lockdown while virus cases rise' <https://asiatimes.com/2020/05/indonesia-eases-lockdown-while-virus-cases-rise/> Asia Times (accessed May 22nd, 2020)

12 Garment is a third sector of interest, but this has been included in a different research project and therefore excluded from this paper.

Table 1 Impact of COVID-19 (cases & measures)¹³

	Lockdown	Movement restrictions	Social distancing	Governance & Economy	Public Health
	Yes	Yes	Yes	Yes	Yes
Indonesia 18.496 cases 1.221 deaths	Partial lockdown	International flight suspension, Border closure, Additional health/documents requirements upon arrival (phase out), Surveillance and monitoring, Domestic travel restrictions (phase out)	Limit public gatherings	Economic measures (APEC economies agree to keep markets open and trade flowing)	Health screening in airports and border crossings, introduction of isolation and quarantine policies, general hygiene and social distancing recommendations, Testing policy, Strengthening of the public health system

Agriculture, palm oil

In the western world the use of palm oil has been scrutinized but in Indonesia and Malaysia, over 5 million people are financially dependent on the extraction and export of palm oil. As the COVID-19 pandemic brought the global economy to a halt, Indonesia experienced a drop in its palm oil exports. Globally, palm oil consumption has declined as the demand in the food and hospitality industry in key Asian markets dropped and the logistical interruptions and disruption of transport and port operations limited import demand in times of lockdown.¹³

The national lockdowns in China and India, Indonesia’s largest palm oil import markets, caused especially severe drops in demand. The lockdown in Europe also had an effect as the Netherlands, Spain, Germany and Italy are the top four palm oil importers in Europe.¹⁴ The decrease in palm oil exports to India will hit Indonesia even harder, as it reached an agreement to reduce rules for Indian sugar import in exchange for palm oil export access in March. Moreover, Indonesia expected a strong increase in palm oil exports to India following a diplomatic row between India and Malaysia. Indonesian palm oil producers could not reap the

benefits from this situation, however, as the Indian government decided to implement a national lockdown in the light of the COVID-19 pandemic. On 19 May, Malaysia was allowed to export palm oil again and offered it to India with a 15 percent discount below supplies from Indonesia.¹⁵ Interestingly, after a drop at the beginning of the corona crisis, palm oil demand is now rising as it is increasingly used in the production of sanitisers in Europe.¹⁶

The food sector in Indonesia is also hit hard, since 93 percent of Indonesia’s farmers are smallholders.¹⁷ Prices have skyrocketed due to self-imposed protectionist policies, which has resulted in relaxed import licensing requirements for 11 strategic food

13 Biofuels International, 2020. ‘Palm oil prices to fall amid coronavirus uncertainty global’ <https://biofuels-news.com/news/palm-oil-prices-to-fall-amid-coronavirus-uncertainty-globally/> (accessed May 21st, 2020)

14 CBS, 2018. ‘Invoer palmolie trekt weer aan’ <https://www.cbs.nl/nl-nl/nieuws/2018/12/invoer-palmolie-trekt-weer-aan> (accessed May 20th, 2020)

15 Rajendra Jadhav and Naveen Thukral, 2020. ‘Exclusive: India resumes purchases of Malaysian palm oil – traders’ <https://reuters.com/article/us-india-malaysia-palmoil-exclusive/exclusive-india-resumes-purchases-of-malaysian-palm-oil-traders-idUSKBN22V0QM> Reuters (accessed May 20th, 2020)

16 Indonesian Palm Oil Association, 2020. ‘Optimistic! Palm oil operations to stay normal amid COVID-19’ <https://gapki.id/en/news/18592/optimistic-palm-oil-operations-to-stay-normal-amid-covid-19> (accessed May 24th, 2020)

17 Fajar B. Hirawan and Akita A. Verselita, 2020. ‘Ensuring food security in Indonesia during Covid-19’ <https://www.thejakartapost.com/academia/2020/05/04/ensuring-food-security-in-indonesia-during-covid-19.html> The Jakarta Post (accessed May 24th, 2020)

commodities in Indonesia.¹⁸ In addition to this, Indonesia is a larger regional net importer of rice and with concerns over mounting rice import shortfalls the state's Logistics Agency have plans to acquire additional rice from local farmers to enhance this year's stock. This is possible because Indonesia reduced its domestic rice stocks with the goal of exporting premium rice in 2020.¹⁹ The shrimp-fishing communities are also having a hard time as fish exports, especially to key market China, have declined significantly.²⁰ Other destination countries that have caused the 70 percent drop of fish exports are France, Italy, the Netherlands, the US, Thailand and Taiwan.²¹

Mining industry

Indonesia is the world's largest coal producer and dry fuel contributes to 14 percent of the country's exports. It also is home to the world's largest copper and gold mine, employing thousands of workers in the Indonesian province of Papua. The coal industry have been hit hard due to the global decline in industry activity, especially in India, but Indonesian mines have not decreased or adjusted their operations. The drop in tin demand has been caused by the decline of activity in electronic goods, with state-owned tin producer PT Tima decreasing its output by 30 percent. This has largely been caused by a drop in demand from China,

a key market for Indonesian tin.²² Now, the mines are exploring options to diversify their markets by expanding to other Southeast and East Asian markets.²³ While Indonesia now diversifies its market out of necessity, in the long run, this could make the mining industry more resilient. The nickel ore industry is also hit hard as the government banned exports in January 2020 as part of efforts to boost expansion of the domestic smelting industry. The Indonesian nickel miners' association pointed out that domestic production and exports of processed nickel had slowed down and advocated for relaxing the export of nickel ore to increase profits.²⁴

Effect on livelihoods and labour rights

Around a million Indonesian workers have been furloughed due to the pandemic, with hundreds of thousands more laid off.²⁵ Unemployment has been highest in urban areas, with 55 percent of men and 57 percent of women reporting that they have lost their jobs.²⁶ Workers in the Indonesian informal

18 Felippa Ann Amanta, 2020. 'Preventing global food crisis caused by COVID-19' <https://www.thejakartapost.com/academia/2020/04/04/preventing-global-food-crisis-caused-by-covid-19.html> The Jakarta Post (accessed May 20th, 2020)

19 Bob Savic, 2020. 'Amid COVID-19 Asia's white rice is the new black gold' <https://thediplomat.com/2020/05/amid-covid-19-asias-white-rice-is-the-new-black-gold/> The Diplomat (accessed May 25th, 2020)

20 Falahi Mubarak, M Ambari, 2020. 'Sinking feeling for Indonesian fishers as COVID-19 hits seafood sales' <https://news.mongabay.com/2020/04/sinking-feeling-for-indonesian-fishers-as-covid-19-hits-seafood-sales/> (accessed May 20th, 2020)

21 Ibid.

22 Mongabay, 2020. 'Mining activity in Indonesia takes a hit from COVID-19 pandemic' <https://news.mongabay.com/2020/03/covid19-mining-indonesia-pandemic-coal-nickel-tin-china/> (accessed May 20th, 2020)

23 Norman Harsono, 2020. 'Indonesian coal miners suffer impact from India's lockdown' <https://thejakartapost.com/news/2020/05/19/indonesian-coal-miners-suffer-impact-from-indias-lockdown.html> The Jakarta Post (accessed May 20th, 2020)

24 Reuters, 2020. 'Indonesia nickel miners urge end to export ban to cushion coronavirus impact' <https://reuters.com/article/us-indonesia-nickel/indonesia-nickel-miners-urge-end-to-export-ban-to-cushion-coronavirus-impact-idUSKBN21K164> (accessed May 20th, 2020)

25 Febriana Firdaus, 2020. 'Get sick or go hungry? Workers face dilemma at Freeport's Grasberg mine' <https://news.mongabay.com/2020/05/get-sick-or-go-hungry-workers-face-dilemma-at-freeports-grasberg-mine/> Mongabay. (accessed May 20th, 2020)

26 UNICEF, 2020. 'COVID-19 and children in Indonesia' <https://reliefweb.int/sites/reliefweb.int/files/resources/COVID-19%20and%20children%20in%20Indonesia.pdf> (accessed May 20th, 2020)

sector have experienced especially severe financial effects of the lockdown measures.²⁷ Moreover, women are highly impacted, as they comprise two-thirds of the workers sent abroad, who are now experiencing the impact of travel restrictions and quarantines.²⁸

Rigid labour laws have prevented an even greater catastrophe, but this legislation is now under pressure.²⁹ The Indonesian government and national legislature (DPR) have made endeavours to pass unrelated laws during the COVID-19 pandemic, such as a controversial bill to relax permits for foreign workers in startups, and increase flexibility to hire and fire people. The DPR also approved revisions on the 2009 Coal and Mineral Mining Law, which was highly criticized as it may protect corrupt individuals and criminalise communities.³⁰

In addition to passing unrelated laws, the government are also pushing for easing lockdown measures to boost the economy, thereby preferencing economic continuity over the livelihoods and labour rights of workers.

Agriculture, palm oil

The impact of the COVID-19 pandemic on workers' livelihoods and labour rights has been apparent, as palm oil producers have no intention to reduce workers' hours or

other activities even after President Widodo declared the pandemic a nonnatural national disaster. The Indonesian Palm Oil Association reported that some protocols were imposed to prevent the spread of the disease among workers, such as checking body temperature or limiting the movement of people in and out of the plantation by demanding self-quarantine for workers leaving the plantation for 14 days. These measures different among companies due to the lack of government guidelines.³¹ Other than that, plantations are operating as usual. This is in sharp contrast with Malaysia, with Sabah closing its plantations until 14 April to curb the virus' spread.³² The palm oil giant Korindo located in the south of Papua even threatened to fire workers, an order that is in effect for an indefinite period. Hence, the economic situation of workers has not been affected, but their social and health situations have been affected by the continued activity on plantations.³³

Mining industry

The lives of the workers at the US-based Freeport-McMoRan copper and gold mine, known as the Grasberg, have been at risk as COVID-19 infections have been confirmed among the workers. Now, workers have been instructed to remain on the premises or they will be furloughed without pay, while every employee is being tested. Due to the extremely remote location and the presence of indigenous communities, aggressive measures have been adopted to stem the virus.³⁴ The Indonesian government acquired a 51 percent stake in the Freeport's

27 Financial Times, 2020. 'Emerging countries lift lockdowns despite COVID-19 cases surge' <https://www.ft.com/content/60b25169-5542-4ac0-ad12-ee572f60e2c6> (accessed May 25th, 2020)

28 Anindita Sitepu and Diah Saminarsih, 2020. 'COVID-19: Gender lens needed to fight pandemic' <https://www.thejakartapost.com/academia/2020/04/11/covid-19-gender-lens-needed-to-fight-pandemic.html> The Jakarta Post (accessed May 20th, 2020)

29 Prima Wirayani, 2020. 'As COVID-19 bites, current labor rules can protect jobs' www.thejakartapost.com/academia/2020/04/30/as-covid-19-bites-current-labor-rules-can-protect-jobs.html The Jakarta Post (accessed May 20th, 2020)

30 The University of Melbourne, 2020. 'COVID-19 crisis deepens illiberalism in Indonesia' <https://indonesiaatmelbourne.unimelb.edu.au/covid-19-crisis-deepens-illiberalism-in-indonesia/> (accessed May 22nd, 2020)

31 Reuters, 2020. 'Indonesian palm producers have no plans to reduce hours despite virus - association' <https://www.reuters.com/article/health-coronavirus-indonesia-palmoil/indonesian-palm-producers-have-no-plans-to-reduce-hours-despite-virus-association-idUSL4N2BR1HN> (accessed May 20th, 2020)

32 Ibid.

33 Febriana Firdaus, 2020. 'Get sick or go hungry? Workers face dilemma at Freeport's Grasberg mine.' <https://news.mongabay.com/2020/05/get-sick-or-go-hungry-workers-face-dilemma-at-freeports-grasberg-mine/> Mongabay (accessed May 20th, 2020)

34 Ibid.

Indonesian unit and the mine will continue work following redoubled health protocols to support local and national economic interests.³⁵ This is noteworthy, as Freeport decided to close a mine in New Mexico after workers tested positive in April. The health protocols include limiting workers' rights as leaving the premises requires signing forms that imply that workers might not be able to return to work and will not be compensated during this absence, hence a voluntary resignation.³⁶ In addition to the state- or privately owned official mines, many artisanal and small-scale gold mining workers are working at informal operations in remote areas. This has been an area of concern, as the informal nature of the majority of operations in this sector makes it hard to control the health regulations and map the financial impact of pandemic.³⁷

Garment industry

According to the Filament and Fiber Producers Association, more than 70 percent of the garment factories in Indonesia will be forced to permanently close as cash-flow difficulties arise.³⁸ Textile companies have also halted operations due to similar reasons. Around 2.1 million workers in the garment industry, most of them women, were impacted when orders were cancelled due to lockdowns of importing countries and the closure of retail outlets.³⁹

Moreover, workers are being exploited in factories that remain open, with 67.81 percent of workers being obligated to report to work, and many are working without any health protection measures.⁴⁰

Perspectives for post-COVID-19 recovery

The slow government response may not only cause a higher number of infections, it also could affect Indonesia's long-term political trajectory. Military resurgence in civilian affairs accelerates, the fragmented national response could lead to a reevaluation of the decentralisation laws and the citizens' trust in the government might drop.⁴¹ Therefore, even though the case and mortality rates are still rising, the Indonesian government are preparing a five-phase plan to reopen the country and boost the economy. To this end, the government allocated US \$7.5 billion by providing tax incentives and subsidies, followed by a second stimulus package which includes individual and corporate tax breaks.⁴² The government are eager to reopen and boost the economy, as it expects social unrest upheaval and a decrease in popularity as regional lockdowns continue. Regional elections have been postponed until December and will be postponed again if a second pandemic wave hits, as this is a huge logistic undertaking in the archipelago. Internationally, Indonesia

35 <https://www.ucanews.com/news/50-catch-covid-19-at-worlds-largest-gold-mine/87918>

36 Febriana Firdaus, 2020. 'Get sick or go hungry? Workers face dilemma at Freeport's Grasberg mine.' <https://news.mongabay.com/2020/05/get-sick-or-go-hungry-workers-face-dilemma-at-freeports-grasberg-mine/> Mongabay (accessed May 20th, 2020)

37 PlanetGOLD, 2020. 'Indonesia: phasing out mercury, protecting livelihoods' <https://www.planetgold.org/indonesia> (accessed May 25th, 2020)

38 Clean Clothes, 2020. 'Live-blog: How the Coronavirus affects garment workers in supply chains' <https://cleanclothes.org/news/2020/live-blog-on-how-the-coronavirus-influences-workers-in-supply-chains> (accessed May 25th, 2020)

39 FairWear, 2020. 'COVID-19 impact and responses: Indonesia' <https://www.fairwear.org/covid-19-dossier/covid-19-guidance-for-production-countries/covid-19-impact-and-responses-indonesia/> (accessed May 25th, 2020)

40 Clean Clothes, 2020. 'Live-blog: How the Coronavirus affects garment workers in supply chains' <https://cleanclothes.org/news/2020/live-blog-on-how-the-coronavirus-influences-workers-in-supply-chains> (accessed May 25th, 2020)

41 Sana Jaffrey, 2020. 'Coronavirus blunders in Indonesia turn crisis into catastrophe' <https://carnegieendowment.org/2020/04/29/coronavirus-blunders-in-indonesia-turn-crisis-into-catastrophe-pub-81684> Carnegie Endowment for International Peace (accessed May 25th, 2020)

42 Ghina Ghaliya, 2020. 'House, labor unions call on govt. business to protect workers from COVID-19' <https://www.thejakartapost.com/news/2020/03/23/house-labor-unions-call-on-govt-businesses-to-protect-workers-from-covid-19.html> The Jakarta Post (accessed May 21st, 2020)

strongly depends on exports; therefore, it joined the International Coordination Group on COVID-19, facilitated by Canada, to promote and protect free trade amidst the pandemic. It identified several areas for concrete collaborative actions, such as maintaining an open flow of trade, secure value chains, and restoring the postpandemic global economy.⁴³

The most visible and tangible effects of the pandemic have been on Sustainable Development Goal (SDG) 8, decent work and economic growth, caused by a suspension in economic activities, lower-income, less work time and unemployment for certain occupations.⁴⁴ In 2019, approximately 10 percent of the Indonesian population was living in extreme poverty, but by now this number has risen to 13 percent.⁴⁵ This rise can be partly ascribed to the huge informal sector, as 60 percent of the Indonesian workforce is somehow involved in this.⁴⁶ The loss of jobs also has an exacerbated effect on the malnutrition of children, already a serious problem before the COVID-19 pandemic.⁴⁷ Poor and vulnerable schoolchildren and students are also disproportionately affected by school closures, which will eventually put Indonesia's social and economic development at risk.⁴⁸ Women in rural areas

are also disproportionately affected by the pandemic, and UN Women have collaborated with the Wahid Foundation to provide immediate support in the form of 'living cash grants' for women in the peace villages.⁴⁹

Role for local unions

The COVID-19 pandemic has left marginal groups more vulnerable than ever and this has implications for the SDGs, especially SDG 5. The situation for Indonesian women has worsened as the lockdown measures have ordered people to stay at home. The Legal Aid Foundation of the Indonesian Women's Association for Justice sounded the alarm bell after a large increase in reports of violence against women during lockdown.⁵⁰ In February 2020, while the world was focused on the COVID-19 pandemic, the 'family resilience' bill was proposed which stipulates that husband and wife have to adjust their behaviour in accordance with religious norms, social ethics and prevailing laws.⁵¹ In other words, the husband will be the breadwinner and the wife will take care of the domestic space.⁵² The impact of COVID-19 was also observable during the International Women's Day march on 8 March, with people wearing facemasks out of public health concerns rather than to hide

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- 43 Dian Septiari, 2020. 'Indonesia, 12 cross-region countries agree to keep supply chains open' <https://thejakartapost.com/news/2020/04/19/indonesia-12-cross-region-countries-agree-to-keep-supply-chains-open.html> The Jakarta Post (accessed May 20th, 2020)
- 44 Soumya Bhowmick, 2020. 'COVID-19 "infecting" sustainable development goals' <https://asiatimes.com/2020/04/covid-19-infecting-sustainable-development-goals/> Asia Times (accessed May 21st, 2020)
- 45 UNICEF, 2020. 'COVID-19 and children in Indonesia' <https://reliefweb.int/sites/reliefweb.int/files/resources/COVID-19%20and%20children%20in%20Indonesia.pdf> (accessed May 20th, 2020)
- 46 Ibid.
- 47 Republic of Indonesia Ministry of Health, RISKESDAS, 2018
- 48 United Nations, 'The Impact of COVID-19 on children', Policy brief, April 15th, 2020

- 49 UN Women, 2020. 'The first 100 days of COVID-19 in Asia and the Pacific: a gender lens.' https://www2.unwomen.org/-/media/field%20office%20eseasia/docs/publications/2020/04/ap_first_100%20days_covid-19-executive-summary.pdf?la=en&vs=5024 (accessed May 25th, 2020)
- 50 Made Ayu Mariska, 2020. 'Indonesian women were already at risk. Then COVID-19 came.' <https://thediplomat.com/2020/05/indonesian-women-were-already-at-risk-then-covid-19-came/> The Diplomat (accessed May 23rd, 2020)
- 51 Gemma Holliani Cahya, 2020. 'Indonesia's family resilience bill says housekeeping wife's duty' <https://www.thejakartapost.com/news/2020/02/19/indonesias-family-resilience-bill-says-managing-household-affairs-wifes-duty.html> The Jakarta Post (accessed May 20th, 2020)
- 52 Made Ayu Mariska, 2020. 'Indonesian women were already at risk. Then COVID-19 came.' <https://thediplomat.com/2020/05/indonesian-women-were-already-at-risk-then-covid-19-came/> The Diplomat (accessed May 23rd, 2020)

their identities from antifeminists groups.⁵³ The impact on women has also hindered gender equality as domestic work and unpaid care have been primarily women's tasks in Indonesia and this unequal distribution has hindered women's empowerment in Indonesia. The COVID-19 crisis has emphasised and accelerated this process.⁵⁴ Moving forward, Indonesian women will have to be backed by the national government to prevent regional bylaws from limiting women's rights and benefiting from the pandemic.

Relations between the government and civil society groups, including local unions, continues to worsen, especially after the government initiated a labour deregulation bill amidst the pandemic.⁵⁵ Unions accused the state of using the pandemic to push legislation that would otherwise lead to mass protests, an activity now quashed by social distancing measures. Using their right to protest, labour unions called for a digital strike to demand an end to the deliberation of the omnibus bill using the hashtag #demodarirumah (rally from home).⁵⁶ The unions have also been active in emphasizing the gravity of the pandemic and its effects on Indonesian workers in the formal and informal sectors, with more than 1.9 million workers being furloughed or laid off. The unions are also speaking up for Indonesian workers who were forced to

continue working as normal and workers who have been fired due to companies' misuse of the pandemic to decimate the numbers of their workers.

By uniting and creating synergies, local unions could draw attention to the overall needs of workers in Indonesia. For example, the president of the Indonesian Trade Union Confederation and the Federation of Indonesian Metal Workers' Union are urging the Workers' Social Security Agency to set up a special fund to provide face masks and hand sanitizers to workers.⁵⁷ As the pandemic continues, local unions can further contribute by assisting crowdfunding campaigns to help informal sector workers, such as kitabisa.com, or identify deficiencies and shortcomings to efficiently link (digital) bottom-up initiatives to those in need.⁵⁸ Moreover, the Employers' Association of Indonesia (APINDO) are discussing concrete actions with the government on occupational safety and health, while also updating its members by sending emails with monthly reports on COVID-19-related laws and policies. Better Work Indonesia include social dialogue with partner factories and the government on topics such as avoidance of layoffs and wages.⁵⁹

Risks and responsibilities for the Netherlands

Indonesia has been known for its high social capital and civil and social participation; especially in crises, many initiatives arise to help citizens.⁶⁰ Countries are facing inherent

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- 53 Anindita Sitepu and Diah Saminarsih, 2020. 'COVID-19: Gender lens needed to fight pandemic' <https://www.thejakartapost.com/academia/2020/04/11/covid-19-gender-lens-needed-to-fight-pandemic.html> The Jakarta Post (accessed May 20th, 2020)
- 54 UN Women, 2020. 'The first 100 days of COVID-19 in Asia and the Pacific: a gender lens.' https://www2.unwomen.org/-/media/field%20office%20eseasia/docs/publications/2020/04/ap_first_100%20days_covid-19-executive-summary.pdf?la=en&vs=5024 (accessed May 25th, 2020)
- 55 Hans Nicolas Jong, 2020. 'Indonesian lawmakers push to pass deregulation bills as COVID-19 grips country' <https://news.mongabay.com/2020/04/indonesia-parliament-dpr-omnibus-bill-mining-covid19/> Mongabay (accessed 25 May 2020)
- 56 Industrial Union, 2020. 'Strengthening social protection in Indonesia' <http://www.industrial-union.org/strengthening-social-protection-in-indonesia> (accessed May 22nd, 2020)

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- 57 Ibid.
- 58 Shane Preuss, 2020. 'Indonesia and COVID-19: What the world is missing' <https://thediplomat.com/2020/04/indonesia-and-covid-19-what-the-world-is-missing/> The Diplomat (accessed May 25th, 2020)
- 59 International Labour Organization, 2020. 'Country policy responses Indonesia' www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo-jakarta/documents/publication/wcms_741507.pdf (accessed May 22nd, 2020)
- 60 Shane Preuss, 2020. 'Indonesia and COVID-19: What the world is missing' <https://thediplomat.com/2020/04/indonesia-and-covid-19-what-the-world-is-missing/> The Diplomat (accessed May 25th, 2020)

pressure caused by the pandemic, reflected in the deteriorating relationships between the government, businesses and citizens. The International Labour Organization have already called for increased social dialogue to combat the effects of COVID-19 and APINDO are taking concrete action with the Indonesian government as described above.⁶¹

As the virus has not yet reached its peak in Indonesia, the Netherlands may assist the Indonesian government by sharing best practices and lessons learned. The virus is now dwindling in Europe, but the European approach to establish this decrease has been far from perfect. The lack of European coordination and the slow response has led to high mortality rates in Spain and Italy, and the Netherlands was only able to ward off a human tragedy because it could see the pandemic coming from the South of Europe before it was too late.

In its foreign policy, the Netherlands has focused on security and rule of law, and water, food and nutrition security in Indonesia. In the context of the COVID-19 pandemic, both areas are especially important to focus on access to safe sanitary facilities, a necessity to combat the virus. Sanitation and hygiene programmes have been implemented in cooperation with central, municipal and district governments,

while building capacity through replication throughout the country. In order to support Indonesia in handling the COVID-19 pandemic, the Netherlands may intensify its collaboration with Indonesia through these projects.⁶²

Moreover, Dutch companies could step up to create awareness and monitor any exploitation within the value chain caused by COVID-19 measures. Several Dutch companies involved in either the mining or the palm oil industry took part in the recent Dutch economic mission to Indonesia (9 to 13 March). All companies underlined the importance of sustainability and maximising benefits to society; now it is time to move from paper to practice in this respect. For example, the European Palm Oil Alliance was present and cooperates with the Indonesian government, the private sector and nongovernmental organisations to develop a sustainable value chain. The Netherlands Oils and Fats Industry represents 95 percent of the companies in the Netherlands active in this field and open support for Indonesian workers would be a promising step forward. ICCO Cooperation – a Dutch nongovernmental organisation – could use the pandemic to increase focus on human rights in value chains and inclusive development, two areas greatly affected by the now-implemented measures in Indonesia.






61 International Labour Organization, 2020. 'Country policy responses Indonesia' www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo-jakarta/documents/publication/wcms_741507.pdf (accessed May 22nd, 2020)

62 Dutch Ministry of Foreign Affairs, 2020. 'Indonesia' <https://www.dutchdevelopmentresults.nl/countries/indonesia> (accessed May 25th, 2020)

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