

## Bali tightens entry rules for tourists, ditches GeNose tests

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### The Jakarta Post/Jakarta

The Bali administration has issued a circular stating that domestic tourists may only enter the province after obtaining a negative polymerase chain reaction (PCR) or antigen swab test. The requirement applies even to those who are vaccinated. The letter was issued as part of Bali's public activity restrictions (PPKM) enforced amid rising case numbers on the island and across the country. Bali has recently logged some 200 new COVID-19 cases a day, up from only 40 new daily cases in late May, according to government data.

"We are tightening requirements for domestic tourists coming to Bali. We only accept PCR and antigen tests, [not] GeNose tests. This regulation will come into effect on Wednesday," Bali Governor I Wayan Koster said during an online press briefing on Monday.

GeNose, a locally developed COVID-19 breathalyzer, has been used at 21 airports, including Bali's I Gusti Ngurah Rai International Airport, since April.

Tests with the breathalyzer are cheaper, less invasive and produce quicker results than PCR tests. However, GeNose trial data has not been published in any peer-reviewed scientific journal,

which has prompted concerns from medical experts.

Wayan went on to say that domestic tourists traveling to Bali by air should present a negative PCR test taken no more than two days prior to their arrival, while those traveling by sea could also opt for an antigen swab test.

He added that the PCR test result should include a QR code to ensure its authenticity.

"If you have received a COVID-19 vaccine, you still need to present a negative PCR test if you want to come to Bali," Wayan said.

He added that, as of Monday, 71 percent of the people in Bali had received the first dose of a COVID-19 vaccine, while 24 percent had received the second jab.

Tourism and Creative Economy Minister Sandiaga Uno had announced that Bali would reopen for international tourists by the end of July but backtracked on that plan following the recent surge in COVID-19 infections in the country.

However, Wayan said he hoped Bali could still reopen as initially scheduled, arguing that locals, especially businesses, wished to welcome more tourists.

"We hope that, despite the increase in national COVID-19 cases, maybe if we have more direct flights [from different countries] to Bali, that will make [the reopening] possible," he said.

## Hard work



JP/P.J. Leo

A woman cuts reject tires into halves at a workshop in Gunung Putri district, Bogor regency, West Java, on Thursday. The workers are paid Rp 100,000 (US\$6.88) per ton of the halved tires.

# China's Didi worth \$68 billion after United States debut

## Firm under investigation over potential antitrust violations

Noor Zainab Hussain,  
Echo Wang and Yilei Sun

### Reuters

Didi Global Inc shares ended their first day of United States trading slightly over their initial public offering (IPO) price, valuing the ride-hailing giant at US\$68.49 billion in the biggest US listing by a Chinese company since 2014.

The stock market debut vindicated Didi's decision to moderate its valuation expectations, after investors raised concerns over the pace and profitability of its expansion in new services and foreign markets. Reuters reported in March that Didi was hoping the IPO could value it at as much as \$100 billion.

SoftBank-backed Didi's stock opened at \$16.65, significantly higher than its \$14 IPO price. The shares slid in the early afternoon after reaching an \$18 high.

Didi had priced an upsized offering of 316.8 million American depositary shares at the upper end of its \$13 to \$14 range, raising \$4.4 billion.

Didi is the latest in a string of Chinese companies seeking to capitalize on the frothy valuations of the US stock market. About 29 Chinese firms raised \$7.6 billion in US IPOs in the first six months of the year, according to Refinitiv data. This is despite the ongoing economic tensions between the US and China, as well as US concerns over the quality of the auditing of Chinese companies' financial statements.

Didi is also under investigation by Chinese authorities over potential antitrust violations, Reuters reported earlier this month.

"All of the major Chinese internet companies are under much more scrutiny now than they've been in the past. It's just a risk for the sector," said Kathleen Smith, a principal at Renaissance Capital in Greenwich, Connecticut.

Didi, which is also backed by technology investment giants Alibaba, Tencent and Uber, was founded in 2012 by Cheng Wei as Didi Dache, a taxi-hailing app. It merged with peer Kuaidi Dache to become Didi Kuaidi and was later renamed Didi Chuxing.

Chief executive Cheng, who was born in 1983 in a small town in the southeastern province of Jiangxi and once worked as an assistant to the head of a foot mas-

sage firm, was worth \$1.2 billion prior to Didi's market debut, according to *Forbes*.

Cheng got the idea for a ride-hailing platform on a freezing winter night in Beijing when he had trouble getting a taxi.

SoftBank is Didi's largest investor with a 20.2 percent stake. Tencent holds 6.4 percent, while Uber retains 12 percent of Didi. Cheng will own a 6.5 percent stake in the company he built, while having a 35.5 percent voting power due to a dual-class share structure that's become increasingly popular among tech companies.

Based on Wednesday's closing price, Cheng's stake in Didi is worth \$4.45 billion. Uber's stake

in Didi is valued at \$8 billion, significantly more than the \$6 billion valuation that Uber assigned to it in 2016, when it received the stake in exchange for selling its China food delivery business to Didi, according to a regulatory filing from Uber.

Like most ride-hailing companies, Didi had historically been unprofitable, until it reported a profit of \$30 million in the first quarter of this year.

The company reported a loss of \$1.6 billion last year and an 8 percent drop in revenue to \$21.63 billion, according to a regulatory filing, as business slid during the pandemic.

Didi decided in 2018 to invest \$1 billion in its auto services busi-

ness, part of a larger unit rebranding. It has also invested heavily to expand its core business outside its home market by either pouring money in local partners or launching their services.

Didi has a dominant position in the online ride-hailing business in China and operates in 4,000 locations across 16 countries. It has more than 490 million annual active users, according to a recent regulatory filing.

Its offerings include private car-hailing, sharing bikes, delivery, freight and logistics, and financial services.

Goldman Sachs (Asia) LLC, Morgan Stanley and JP Morgan were the lead underwriters.

## IDX net profits up by 9.5% led by local retail investors

Vincent Fabian Thomas

### The Jakarta Post/Jakarta

The Indonesia Stock Exchange (IDX) saw its net profits rise 9.5 percent annually to Rp 487.41 billion (US\$33.55 million) last year, buoyed by a day trading trend among young Indonesians.

The IDX reported on Tuesday that its revenue had increased 0.6 percent year-on-year (yoy) to Rp 1.92 trillion last year, driven by higher transaction-related income as the number of stock market investors rose by 56 percent to 3.88 million over the same period.

The bourse also cut its costs by 3.2 percent yoy to Rp 1.28 trillion last year.

"The year 2020 saw a rise in domestic retail investors," IDX president director Inarno Djajadi told reporters in an online press conference on Tuesday.

Many young Indonesians picked up day trading last year to make use of longer at-home times and to alleviate job security concerns as businesses implemented work-from-home policies and re-

duced staff costs.

The rise of retail investors provided a buffer for the local bourse as foreign investors dumped risky emerging market assets, which led the benchmark Jakarta Composite Index (JCI) to drop to a low of 3,937 on March 24, 2020. The JCI closed at 5,985 on Wednesday.

The IDX wrote in a statement that its average daily transaction value (RNTH) stood at Rp 9.2 trillion last year, up a marginal 1.1 percent from the previous year.

Meanwhile, daily transaction volumes reached their "highest ever" at 1.69 million transactions on Dec. 22, 2020, according to the IDX, as retail investors generally transact within shorter time frames compared with other types of investors.

Inarno said several relaxations of capital market rules would remain effective this year, in the hope they can help retain investors and listed companies amid the pandemic.

"We will review whether there is a need to extend or narrow the relaxations," he said.

## More affordable



Antara/Indrianto Eko Suwarsa

Residents line up for an antigen swab test at a health clinic in Warung Buncit, South Jakarta, on Wednesday. As COVID-19 cases continue to rise, a number of health facilities have started offering affordable antigen swab tests, with prices ranging from Rp 74,000 (US\$5.09) to Rp 89,000. Customarily, one test could cost as much as Rp 250,000.

# Danone-Veolia opens recycling plant to reduce plastic waste

The Jakarta Post

### Jakarta

The government has inaugurated a PET bottle-recycling factory in Pasuruan, East Java, that will help reduce plastic waste in Indonesia, especially from single-use plastic bottles.

The plant, which started operating in April, was built in a partnership between bottled-water company Danone-AQUA and water technology company Veolia Indonesia. With 225 employees, it has a production capacity of 25,000 tons per year of food-grade recycled PET plastic (RPET).

Industry Minister Agus Gumilang Kartasasmita said the plant would strengthen the recycling

ecosystem and the circular economy in Indonesia. He added that there were more than 1,300 plastic recycling plants in Indonesia with a total capacity of 2.3 million tons per year and investment of over Rp 7 trillion (US\$482.5 million).

"It can support the government's target of [reducing] plastic waste in the sea by up to 70 percent by 2025," Agus said during his remarks at an online inauguration event on Wednesday.

In an audit by an international movement called Break Free from Plastic, Danone was identified as one of the top-three companies producing the most plastic waste. The group has long called on large national and multinational corporations to take re-

sponsibility for plastic pollution caused by their operations.

The company pledged in 2018 that 50 percent of the plastic used for its water and other beverages would be recycled plastic by 2025. In 2019, just 25 percent of the plastic used was recycled material.

Connie Ang, president director of Danone-AQUA, said the new PET bottle-recycling factory would speed up this process, so that the company could fulfill its target in 2025.

"This factory bolsters the efforts by Danone-AQUA to triple the use of recycled plastic [in its water and other beverage battles] in 2022 versus what we use today," Connie said.

## Novo Nordisk named implementing partner of Indonesia-Denmark diabetes action plan

In the fight against diabetes and other chronic diseases, the health ministries of Indonesia and Denmark have appointed Danish pharmaceutical company Novo Nordisk as the implementing partner of the bilateral joint action plan on the prevention and management of diabetes and chronic disease in Indonesia.

The bilateral cooperation between the health ministries is set to run for five years from 2021 to 2026 with an aim to combine the two countries' expertise to offer better treatment for people living with diabetes.

Lars Bo Larsen, the Danish Ambassador to Indonesia, said in a statement that the cooperation indicated the countries' high level of mutual trust.

"The agreement shows Denmark and Indonesia's efforts to expand bilateral cooperation in the health sector as one of the most important sectors. This agreement will serve as another opportunity to increase cooperation between Denmark and Indonesia. We will support Indonesia's effort to strengthen public health governance," said the ambassador.

Larsen said Novo Nordisk was appointed as partner to the cooperation because of the company's vast network and years of experience in fighting diabetes, as well as for its commitment and long-term ambition to providing access to affordable diabetes care to vulnerable patients in many countries.

Sebnem Avsar Tuna, Senior Vice President Region APAC at Novo Nordisk, said the leading global healthcare company aimed to drive change in combating diabetes and other serious chronic diseases.

"We believe that it takes more than medicine to defeat serious chronic diseases. That is why we work with patients, policymakers, healthcare professionals and nongovernmental organizations to build awareness, advance prevention, and expand access to care. As part of our commitment toward changing diabetes in Indonesia, Novo Nordisk has



Courtesy of Indonesia Ministry of Health

launched several initiatives over the years," she explained.

"And today, we are greatly honoured to have this opportunity to work with both countries, Indonesia and Denmark, to overcome the challenges of diabetes in Indonesia. It is our hope that we can work hand in hand and provide a better quality of life for people with diabetes in Indonesia," Sebnem added.

Novo Nordisk Indonesia Vice President & General Manager Anand Shetty noted that, according to the International Diabetes Federation (IDF) Diabetes Atlas, Indonesia was grappling with a high prevalence of health problems and in 2019, it ranked among the world's top 10 countries that had a high number of individuals living with diabetes.

Data from IDF Diabetes Atlas showed that diabetes patients in Indonesia numbered 10.7 million in 2019, with the figure projected to rise to 16.6 million by 2045.

On the other hand, data from Indonesia's Social Security Management (BPJS) showed that only 2 million people with diabetes were diagnosed and treated in 2020 through the national health insurance (JKN). Of these 2 million people, only 1.2 percent had achieved the recommended blood glucose levels.

"It is really important to act now to help people with diabetes gain control of their blood glucose levels to reduce the complications of diabetes," Novo Nordisk Indonesia's Shetty emphasized.

"Through this joint action plan, together with the Ministry of Health, we will be increasing

and strengthening our efforts to build a sustainable diabetes care in Indonesia through the Early Diagnosis and Optimal Control programs in four main areas, in line with the National Health Strategic Plan 2021-2024," Shetty explained.

The Early Diagnosis program will cover public awareness on diabetes, and will include diabetes awareness campaigns on various channels to better educate the public on the disease. Novo Nordisk is also developing the Virtual Diabetes Counsellor chatbot, which provides factual and trusted information on diabetes, and an integrated diabetes monitoring app that helps the government track people with diabetes.

Meanwhile, Optimal Control is a capacity-building program to train Indonesian healthcare professionals on comprehensive diabetes management, with certification from the Health Ministry.

Novo Nordisk also plans to increase healthcare access through an affordability project for vulnerable patients, as well as the Changing Diabetes in Children (CDiC) program that focuses on improving care for children with type 1 diabetes.

In addition, the company will be conducting further research on diabetes alongside an evaluation study on healthcare financing. The latter will provide data that will help guide the government's future policies on improving healthcare financing and diabetes management toward strengthening the foundational enablers of the National Health Strategic Plan 2021-2024.