

Government Asked to Encourage Gas for Industry

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The world's decreasing fuel price down to 70 percent of the former price has decreased the price of primary commodities, too. A number of countries find this non-profitable, but for Indonesia, the government has been asked to make use of the momentum to shift the use of energy sources as development capital.

This emerged in the seminar entitled *Optimalisation of Allocation of Domestic Gas Requirement for National Industry Development* in University Club, Universitas Gadjah Mada (UGM) on Thursday (11/2). The seminar is to celebrate the 70th anniversary of Faculty of Engineering UGM, presenting economist Hendri Sapparini, PhD., Governor of OPEC for Indonesia, Widhyawan Prawiraatmadja, member of National Energy Agency (DEN), Dr. Tumiran, and Member of Parliament, Bambang Wuryanto.

Hendri Sapparini said the government should make use of the momentum of price decrease in world fuel. Sapparini said the government had always made energy sources as commercial commodity, such as gas with 40 percent being exported to generate foreign exchange. But this has not been done fully. "It's always seen in terms of finance, not economy. The truth is downstream industry development will give economic and strategic benefits," she said.

Tumiran shared the views, saying that energy sources cannot be made commercial commodities. It's not a smart decision to generate foreign exchange from coal, oil and gas as commercial commodities. "Those should be processed first, there should be added value process, knowledge and

skill,” he said.

To support the national energy policy in strengthening the economy, said Tumiran, government regulation no 79 year 2014 mandates the government to control the export of coal and gas. “Don’t sell natural resources for foreign exchange, process them for more added value and economy,” he said.

Tumiran further highlighted the importance of infrastructure strengthening for national energy development that can boost advancement in technology, job creation, and competitiveness.

Director General for Chemical and Textile Industry in the Industry Ministry, Ir. Harjanto, M.Eng., said the need of gas industry was increasing, but currently the balance of use for domestic requirement is still negative. “Derived products from gas source need to be developed further,” he said.

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