INDONESIA
BERDAULAT
ADIL DAN
MAKMUR

STATE OF THE NATION ADDRESS

OF THE PRESIDENT OF THE REPUBLIC OF INDONESIA

★

THE ANNUAL SESSION OF

the People's Consultative Assembly of
the Republic of Indonesia

&

THE JOINT SESSION OF

the House of Representatives of the Republic of Indonesia
and the House of Regional Representatives of
the Republic of Indonesia

THE 81ST ANNIVERSARY OF

THE PROCLAMATION OF INDEPENDENCE OF
THE REPUBLIC OF INDONESIA



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JAKARTA, AUGUST 14, 2026
MINISTRY OF THE STATE SECRETARIAT OF THE REPUBLIC OF INDONESIA

PRESIDENT
REPUBLIC OF INDONESIA

Bismillahirrahmanirrahim,

Assalamu'alaikum Warahmatullahi Wabarakatuh,

May peace be upon us all,

Shalom, Om Swastiastu,

Namo Buddhaya, Greetings of Virtue,

Rahayu, Rahayu,

Distinguished Vice President of the Republic of Indonesia, *Saudara* Gibran Rakabuming Raka, and *Ibu* Selvi Ananda Putri;

Distinguished the 7th President of the Republic of Indonesia, *Bapak* Ir. Joko Widodo;

Distinguished the 10th and 12th Vice President of the Republic of Indonesia, *Bapak* Muhammad Jusuf Kalla;

Distinguished the 11th Vice President of the Republic of Indonesia, *Bapak* Boediono;

Distinguished the 13th Vice President of the Republic of Indonesia, Prof. K.H. Ma'ruf Amin;

Distinguished *Ibu* Shinta Nuriyah Abdurrahman Wahid, Spouse of the 4th President of the Republic of Indonesia;

Distinguished *Ibu* Soraya Hamzah Haz, Spouse of the 9th Vice President of the Republic of Indonesia;

Distinguished Chairpersons and Vice Chairpersons of State Institutions;

Distinguished Speaker of the People's Consultative Assembly (MPR), *Saudara* Ahmad Muzani, along with Former Speakers, Vice Speakers, and Members of the People's Consultative Assembly (MPR) of the Republic of Indonesia;

Distinguished Speaker of the House of Representatives (DPR), *Saudari* Puan Maharani, along with Former Speakers, Vice Speakers, and Members of the House of Representatives (DPR) of the Republic of Indonesia;

Distinguished Speaker of the House of Regional Representatives (DPD), *Bapak* Sultan Bachtiar Najamudin, along with Former Speakers, Vice Speakers, and Members of the House of Regional Representatives (DPD) of the Republic of Indonesia;

Distinguished Chief Justice of the Supreme Court, Prof. Sunarto;

Distinguished Chief Justice of the Constitutional Court, *Saudara* Suhartoyo;

Distinguished Chairperson of the Judicial Commission, *Saudara* Abdul Chair Ramadhan;

Distinguished Chairperson of the Audit Board of Indonesia (BPK), *Saudari* Isma Yatun;

Honorable Coordinating Ministers, Ministers, Heads of Agencies, Heads of Institutions, Presidential Special Advisors, Attorney General, Chief of the Indonesian National Police (Polri), Commander of the Indonesian National Defense Forces (TNI), and Head of the State Intelligence Agency (BIN), and all Members of the Red and White Cabinet,

Distinguished Chairpersons of Political Parties;

Chairperson of Indonesian Democratic Party of Struggle (PDI-P) represented by *Saudari* Puan Maharani;

Chairperson of Golkar Party, *Saudara* Bahlil Lahadalia;

Chairperson of Gerindra Party, myself, and the Executive Chair Prof. Sufmi Dasco Ahmad,

Chairperson of National Mandate Party, *Saudara* Zulkifli Hasan;

Chairperson of Democratic Party, *Saudara* Agus Harimurti Yudhoyono;

Chairperson of National Awakening Party, *Saudara* Abdul Muhaimin Iskandar;

President of Prosperous Justice Party, *Saudara* Al Muzzammil Yusuf;

Chairperson of National Democratic Party, *Saudara* Surya Dharma Paloh;

Excellencies Ambassadors of Friendly Countries;

Distinguished Regional Heads, Governors, Regents/Mayors wherever you are, as well as Members of the Press and Media,

My fellow citizens, my beloved Indonesian people wherever you are.

First and foremost, as people of faith, let us extend our gratitude to God Almighty, the One God, the Allah *Subhanahu wa ta'ala* for Muslims, for all the blessings and grace He has bestowed upon us; for the gift of health and every breath we are still privileged to enjoy; and for the peace granted to our country and our people, amidst a world beset by wars, disputes, conflicts, and uncertainty. By His divine grace, we can attend the Annual Session of the People's Consultative Assembly of the Republic of Indonesia, and the Joint Session of the House of Representatives of the Republic of Indonesia and the House of Regional Representatives of the Republic of Indonesia, in good health, in peace and full of the spirit of nationalism.

This morning, I am standing in this honorable hall, the same venue where I took my oath of office as President of the Republic of Indonesia and *Saudara* Gibran Rakabuming Raka as Vice President of the Republic of Indonesia.

That day, on October 20, 2024, before the Honorable Assembly, before the whole Indonesian people, and most importantly, before God Almighty, I pledged that I would perform my leadership for the state and the nation with sincerity and honesty, prioritizing the interests of the Indonesian people, including those who did not vote for me.



To fulfill the promises I have made and to uphold my oath as President of the Republic of Indonesia, I have led the Government of the Unitary State of the Republic of Indonesia for 21 months, guided by four principal directives.

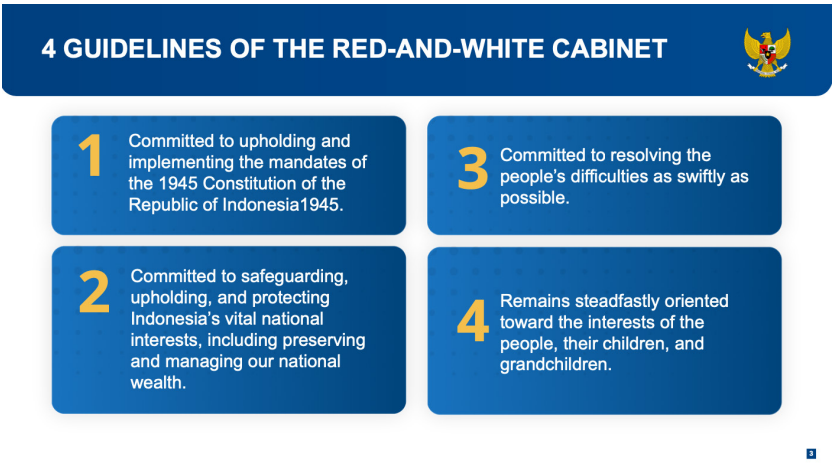
First, we are committed to upholding and implementing the mandates of the 1945 Constitution of the Republic of Indonesia.

Second, we are committed to safeguarding, upholding, and protecting Indonesia's vital national interests. The core and vital national interests. This

includes preserving and managing our national wealth as well as possible so that it may be fully harnessed for the prosperity of all Indonesian people.

Third, we are committed to resolving the people's difficulties as swiftly as possible.

Fourth, in carrying out our duties, we remain steadfastly oriented toward the interests of the people, the interests of their children and grandchildren.

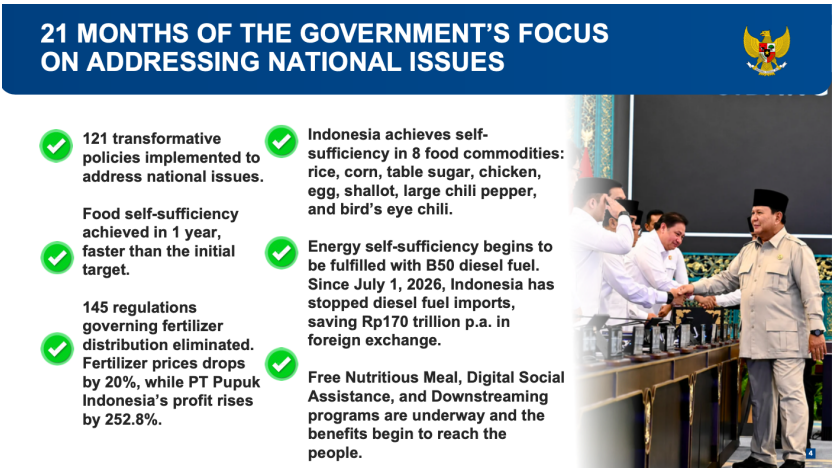


Today, twenty-one months after taking that oath, I stand before this Assembly once again to report on what we have accomplished, the results that are now emerging, and the work that still lies ahead. I do not claim that all the problems facing our nation have been resolved. Nor do I claim that all our pledges have been fulfilled. Not yet.

Yet, in less than two years, we have proven that, through the courage to make decisions, hard

work guided by sincerity and clear resolve, a strong orientation toward the people, and the collective efforts of all elements of the nation, problems long regarded as extraordinary, even excessively complex, can now begin to be resolved. I am not saying that the problems have been resolved. I am saying that we have begun to resolve them.

In 21 months of my administration, 663 days until today, the Government that I lead has adopted and implemented 121 transformative policies to address national challenges, some of which have remained unresolved for decades. This means that we have issued one transformative policy every five days.



My Ministers and other officials have worked with such determination that some of them have had to be hospitalized, some have even fainted, some have had to undergo surgery, and many have collapsed from exhaustion. I promised them that, for the remainder of

my term in office, I would allow them more time to rest, and they responded that it is just empty promises. This demonstrates the seriousness and commitment of the Government I lead. According to my officials, there are no days off.

What I wish to convey is that we accept this mandate with the utmost honor. The trust placed in us by the people is a noble honor and a profound responsibility. Therefore, we will work with the utmost dedication and determination. We will give everything we have and work tirelessly for the people and for our nation.

Through our policies and the hard work of all those involved, we have achieved food self-sufficiency, a goal originally projected to take four years, in just one year.

Amid growing concerns around the world over the threat of widespread hunger, driven by food insecurity and increasingly unpredictable weather patterns, I am pleased to report to this esteemed Assembly that, *alhamdulillah,* Indonesia's food security remains secure, and we are in a strong position to meet the challenges ahead, including the El Niño phenomenon, which is expected to be particularly severe this year, potentially one of the most intense El Niño events on record.

We have reached this position by confronting these challenges with courage. We have eliminated 145 regulations governing fertilizer distribution and reduced fertilizer prices by 20 percent. This was the first in the Republic's history. For the first time, we are able to lower fertilizer prices for our people. We are able to increase

fertilizer availability for our people despite lower prices, allowing them to easily obtain it. Therefore, increased production accelerated food self-sufficiency.



At the same time, profits made by PT Pupuk Indonesia (a state-owned fertilizer producer) rose by 252.8 percent. Fertilizer prices dropped, the volume increased, and profits made by PT Pupuk Indonesia rose by 252.8 percent, thanks to hard work from the team supporting me, including Minister of Agriculture and all of his staff, extension workers, other ministries, local governments, the TNI (the Indonesian National Defense Forces), and the Indonesian National Police. With a spirit of mutual cooperation, we have achieved an internationally recognized milestone.

As a result, Indonesia has achieved self-sufficiency in eight food commodities this year. We have achieved self-sufficiency in rice, corn, table sugar, chicken, egg, shallot, large chili pepper, and bird's eye chili. Ladies

and gentlemen, we have yet to achieve self-sufficiency in beef. We expect to achieve it in the next five to six years, *insha Allah*.

We have begun fulfilling our pledge of energy self-sufficiency, starting with diesel fuel by successfully producing B50 biodiesel derived from palm oil. Accordingly, from July 1, 2026, we will no longer import diesel fuel, saving Rp170 trillion, or approximately US$9.5 billion, in foreign exchange that would otherwise have flowed overseas.



Ladies and gentlemen,

Commitments to nutritious meals, social assistance, and downstreaming are no longer merely plans. They are now being implemented, and the public is beginning to benefit. Once again, this is not a reason for complacency. It is a call for us to work even harder for independence is not merely what we proclaim. Independence is what the people experience.

Eighty-one years ago, the nation's founders bequeathed to us both a country and an ideal: a sovereign, just, and prosperous Indonesia. One whose wealth must be utilized to the greatest possible extent for the prosperity of her people, not only for a few persons.

I did not receive a mandate from the people to explain why problems cannot be solved. I received a mandate from the people to solve the problems and difficulties they face. We choose to make difficult decisions today rather than leave even greater, more complex challenges to future generations.

Distinguished ladies and gentlemen, nation-building is not the responsibility of the President alone, nor only the Government's. This Republic is built through the collective efforts of all state institutions, the central and regional governments, and the entire elements of society, and the Indonesian people.

Ladies and gentlemen,

The MPR RI (the People's Consultative Assembly) continues to perform its role as the *Rumah Kebangsaan* (National House), strengthening constitutional literacy and safeguarding Pancasila, the 1945 Constitution, the Unitary State of the Republic of Indonesia, and Bhinneka Tunggal Ika (Unity in Diversity). Democracy must not stop at the election procedure. Democracy must uphold the fundamental rights of the people, as enshrined in all articles of the 1945 Constitution.

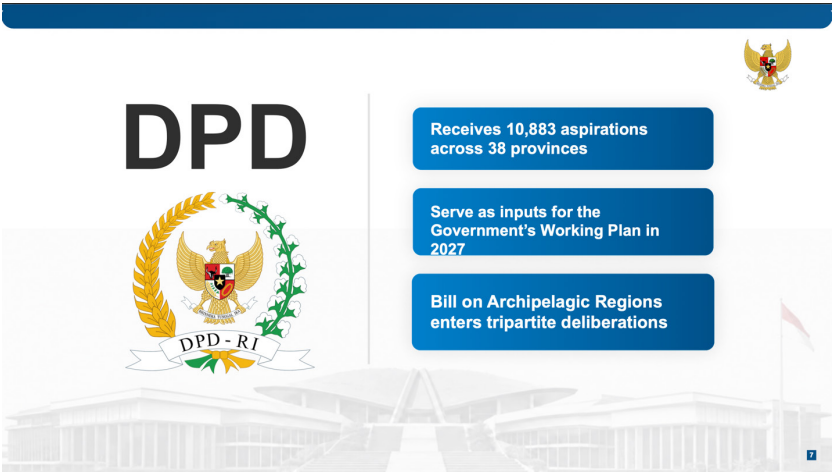


The DPR RI (the House of Representatives), together with the Government, finalized and passed 13 bills as of July 2026. One of them is Law Number 2 of 2026 on the Protection of Domestic Workers, which affirms that every job has dignity and that every worker has the right to protection.

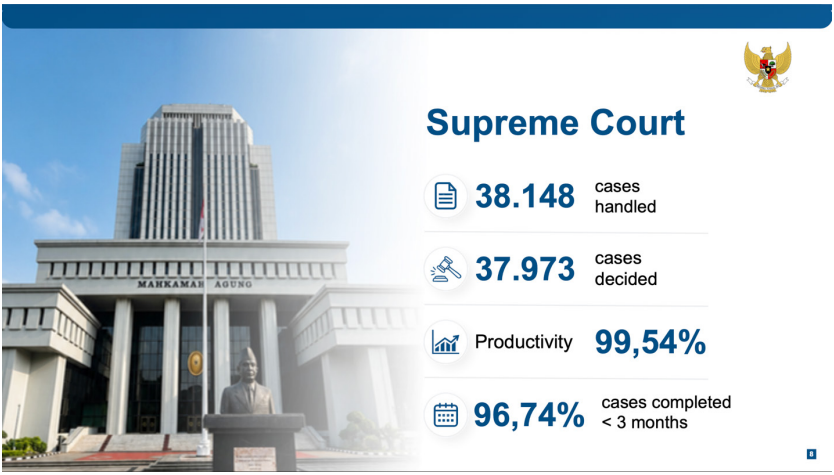


The DPD RI (the House of Regional Representatives) has received 10,883 aspirations from

38 provinces and brought them to dialogue with the Government, particularly Bappenas (the National Development Planning Agency) and other ministries, as inputs for the Government's Working Plan in 2027. The DPD also continues to advocate for the Bill on Archipelagic Regions, which has now entered tripartite deliberations involving the DPR and the Government. *Insha Allah*, we will finalize it soon.



In 2025, the Supreme Court handled 38,148 cases and decided 37,973, achieving a productivity rate of 99.54 percent. Of the decisions transmitted to the referring courts, 96.74 percent were completed within three months, marking the highest level of timeliness in case finalization in the history of the Supreme Court. Let us extend our great appreciation to the Chief Justice of the Supreme Court and all his staff. Indeed, justice delayed is justice denied.



In 2025, the Constitutional Court handled 701 cases and requests, including 334 disputes over the results of regional head elections. As many as 598 cases and requests had been adjudicated. As of July 23, 2026, 84.51 percent of requests to the Constitutional Court were filed online, sparing people from Aceh to Papua the need to travel to Jakarta.



The BPK (the Audit Board of the Republic of Indonesia) works to ensure that every rupiah of public funds is managed properly and accountably. Throughout 2025, follow-up on BPK audit findings and recommendations helped safeguard approximately Rp112 trillion in state finances. Global trust in Indonesia's auditors has also improved. The BPK has been appointed as Chair of the International Organization of Supreme Audit Institutions (INTOSAI) for the period of 2028-2031 and becomes a member of the United Nations Board of Auditors for the period of 2026-2032.

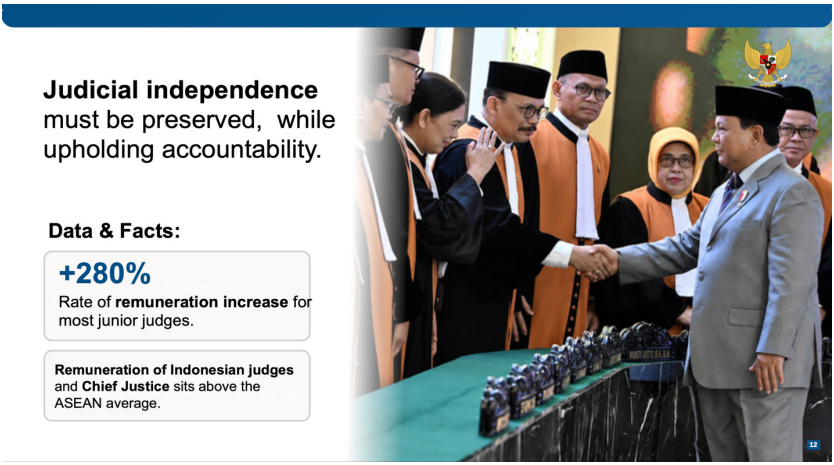


From January to June 2026, the Judicial Commission received 1,402 reports from the public and 622 requests for trial monitoring. The Judicial Commission also proposed sanctions for 121 judges found to have violated the Code of Ethics, including 14 moderate sanctions and 17 severe sanctions. We must uphold the rule of law and judicial independence. The

Government continues to improve the livelihood of the judges. Yet independence is meaningless without the accountability of judges.



Fellow citizens, with regard to our judges, my Government has succeeded in improving their remuneration. The remuneration of our most junior judges has increased by 280 percent, the highest in decades. Today, the remuneration of Indonesian judges, especially junior judges, exceeds the ASEAN average. In fact, the Chief Justice has personally reported to me that the income of our Chief Justice exceeds that of the Chief Justice of Singapore. He reported that to me.



My fellow citizens,

We must strengthen our judiciary. We must strengthen our judicial institutions because the judges of our courts are the guardians of justice, the final bastion where our people turn to seek and place their hope in obtaining justice. The supremacy of law and justice must extend not only to the powerful but also to our most vulnerable citizens. They must also be able to obtain justice in our courts and judicial institutions.

My fellow citizens, we recognize that the world is facing geopolitical conflicts, trade wars, and open warfare in Europe, the Middle East, and other regions. Across the globe, supply chains are being disrupted, and economies are under pressure. In these circumstances, Indonesia must become ever more capable of standing on her own feet. We must be self-reliant; we should not depend on external supplies because if circumstances suddenly deteriorate, we must still be able to survive.

Alhamdulillah, through our hard work and the public's trust in the Government, investment has continued to grow amid global uncertainty. Throughout 2025, realized investment reached Rp1,931 trillion and created more than 2.7 million jobs. In the first semester of 2026, realized investment stood at Rp1,010 trillion, creating more than 1.4 million jobs.



Our economy grew by 5.61 percent in the first quarter of 2026 and by 5.45 percent in the first half of the year. These were the highest growth rates recorded in the first quarter and first half of any year over the past 13 years. With appropriate and rational policies, I believe our economic growth can reach 6 percent by the end of the year.



However, let me reiterate before this Assembly. For me, growth and investment are not the ultimate goal. Our ultimate goal is to bring prosperity to the people. High growth is of little value if its benefits do not reach our people and hardly deliver tangible outcomes. Every rupiah of investment must create employment. Every policy must improve the lives of the people, particularly the low-income families. That is the guiding orientation of the Government I lead. We must not leave behind those who are vulnerable. We must not allow hunger to persist anywhere in Indonesia. The Republic of Indonesia, as a member of the G20, cannot accept a situation in which any of our people still go hungry.

Distinguished ladies and gentlemen,

A strong nation must be able to feed her own people. When we assumed office, farmers still faced difficulty obtaining fertilizer, low grain prices at every harvest,

and convoluted regulations. We must have the courage to face hardships and challenges. Therefore, we do not blame anyone and move forward by finding solutions.

Bureaucracy must not stand in the way of sound decision-making. We must admit that the problem of our nation is convoluted and inefficient bureaucracy. Bureaucrats who misuse their positions and authority to enrich themselves, their families, or their respective groups must be rooted out. We must not hide these problems. In this digital and information age, there is no point in concealing them. Instead, we must confront these problems and find solutions. This requires unity among all leaders and political forces. An inefficient and corrupt bureaucracy can undermine and ultimately destroy a nation.

The state must make life easier for the people, not more difficult. When I speak of this, I am not referring only to the central government. I am also addressing regional governments, including provincial and regency governments. Ask the people. Listen to their voices. They will be the first to tell us when government programs are not reaching those they are meant to serve.

Ladies and gentlemen,

Joining us today is *Bapak* Joko Purnomo, Head of a farmer group in Purwosari village, Ngawi regency, East Java province. *Pak* Joko has been a farmer for 20 years. With irrigation, technology, and fertilizer provided by the Government, he now harvests three times a year and

produces up to nine tonnes of rice per hectare. The 20 percent reduction in fertilizer prices has also lowered his production costs.



Let us give a round of applause to *Pak* Joko, a representative of Indonesian farmers, the nation's hero, food producer for the people of Indonesia. We may have the mightiest soldiers, the most advanced aircraft, but without food, we can no longer survive as a nation.

Let me extend my appreciation for the hard work of farmers, extension workers, local governments, the TNI (Indonesian National Defense Forces), the Indonesian National Police, cooperatives, and food-sector SOEs (state-owned enterprises). Thank you for your cooperation. We have delivered significant results. Sometimes, we must recognize that our nation is capable of making great achievements. Thus, we must not belittle ourselves, and we must not surrender before we fight.

Ladies and gentlemen,

Indonesia achieved self-sufficiency in eight food commodities over the past year. This makes us realize that our achievements are quite remarkable. We have not yet achieved self-sufficiency in garlic. However, we are committed to attaining garlic self-sufficiency within the next three years. As I mentioned earlier, we have not yet achieved self-sufficiency in beef or buffalo meat. However, we have achieved self-sufficiency in chicken meat. We have already achieved self-sufficiency in protein sources, including fish, egg, and chicken meat.



Ladies and gentlemen, today, I already express my special appreciation to those who have worked hard, allowing us to achieve food self-sufficiency.

Ladies and gentlemen, we have also made significant achievements in other sectors. In the fisheries sector, we are developing Merah Putih (Red-and-White) Fishers' Villages, equipped with jetties, fish auction facilities,

cold storage, workshops, seafood processing facilities, housing, and social amenities. As of today, 100 Fishers' Villages have been established. Our target is to have 1,386 Fishers' Villages operational by December 2026.



Indonesia's seas must become a source of prosperity for Indonesian fishers. The annual value of our fisheries stands at approximately US$34 billion, yet we currently capture only 5 percent of that potential. The rest goes to foreign vessels without our authorization. Imagine the loss we suffer every single day.

We must also build a modern fishing fleet numbering in the tens of thousands of vessels. This is a formidable challenge, but we are setting the process in motion. By 2027, we aim to have more than 1,582 modern fishing vessels.





Ladies and gentlemen,

As I mentioned, as part of our efforts to strengthen the people's economy at the grassroots level, we are also establishing Merah Putih Village Cooperatives. Today, we have successfully established and commenced the operations of 10,000 Merah Putih Cooperatives, 3,300

of which are already operating optimally. Our target is to have 30,000 Merah Putih Cooperatives established and operating optimally by the end of 2026.

Ladies and gentlemen, through Merah Putih Cooperatives, for the first time in the history of the Republic of Indonesia since we gained our sovereignty, the state will take control of its own supply chains. This will ensure that we cannot be manipulated by traders seeking to manipulate the market.

We are not anti-market. We cannot be anti-market. Our economy is fundamentally based on the functioning of markets. However, markets can be manipulated. Markets can be distorted. Markets can be controlled by those who command vast amounts of capital. Therefore, we must support, organize, and empower our people through cooperatives—cooperatives that are supported, strengthened, and empowered.

Ladies and gentlemen, all subsidized goods will be distributed through Merah Putih Cooperatives. Therefore, subsidized goods must not and cannot be traded for profit. Subsidies are funded by the people's money. Subsidized goods are provided with the people's money for the people, and they are not commodities for commercial trade.

Ladies and gentlemen, SOEs belong to all Indonesians, not to their boards of directors or commissioners, nor may they serve as a source of funds for those in power. When we established Danantara, our sovereign wealth fund, we identified 1,074 SOEs,

including subsidiaries and sub-subsidiaries. This is unbelievable. I had assumed that there were only 300 or 400 SOEs. In fact, there are 1,074.

At times, some of these SOEs have operated as they pleased, without sufficient accountability to the nation or the state. The government was seemingly disregarded. I find it difficult to understand how such a situation could have arisen. Perhaps we need to establish a special ad hoc court to investigate these matters and, if necessary, examine the conduct of the directors and management of these enterprises over the past 30 years. But I will also bring this matter before this Assembly and before the House of Representatives. If necessary, I will propose that we grant a form of special amnesty to those who genuinely repent, acknowledge their wrongdoing, and accept responsibility for their mistakes. I leave this matter to the representatives of the people to consider and decide.

Ladies and gentlemen, there are far too many unproductive SOEs. They continue to incur losses, yet their financial reports show profits. Those profits are simply fabricated. We have encountered a problem because many foreign companies also partner with our SOEs. Therefore, we must put an end to such practices.

But today, with great pride, I report to this Honorable Assembly that we have closed 290 SOEs. By December 31, 2026, our target is to have no more than 300 SOEs. We will close more than 750 SOEs. Only those that are productive and create added value for the people will be

retained. This may be the largest corporate restructuring in the world.



By streamlining the number of SOEs, we have already saved approximately Rp50 trillion in overhead costs. From directors' and commissioners' salaries, office rentals, vehicle rentals, official travel, and others, we have already saved more than Rp50 trillion. By December 31, we aim to achieve savings exceeding Rp70 trillion. Just imagine what we could accomplish with Rp50 trillion: how many community health centers we could renovate, how many schools we could refurbish, and how many homes we could provide for our people.

Ladies and gentlemen, for this reason, I would like to extend special appreciation to the leadership of Danantara, together with its entire team and network. Please stand. Let us give them a round of applause. I would also like to ask the agricultural and economic teams to stand. I ask this Honorable Assembly to

recognize their contributions as well, including Minister of Finance and Coordinating Minister for Economic Affairs. When Minister of Finance smiles, I feel reassured, but whenever I announce an increase in subsidies, I notice his expression tighten.

Ladies and gentlemen,

At the end of last year, we shut down 1,000 illegal tin mines in Bangka Belitung province. I have instructed Commander of the Indonesian National Defense Forces (TNI) and Chief of the Indonesian National Police (Polri) to investigate. How could 1,000 mining operations exist without TNI and Polri officials being aware of them? Chief of the National Police and Commander of the TNI, investigate this! Why does the state grant ranks and positions to its officials if they are unable to bring such activities under control? I speak on behalf of the people of Indonesia. All of their representatives are here today.

A good leader, a good commander, is one who has the courage to hold his own subordinates accountable. At times, it is painful when those under our command, people we care about and to whom we have just awarded honors or promotions, must nevertheless be held accountable. But for the sake of the people, for the sake of the state, and for the sake of our nation, we must do what is necessary.

I am mindful that I took an oath here. I cannot allow my personal feelings to determine my policies. I must

formulate policy based on the interests of the Indonesian people. Therefore, I once again urge Commander of the TNI and Chief of the National Police to investigate! It is impossible for 1,000 illegal mining operations to be operating without the knowledge of police and law enforcement officials.

To Minister of Finance, I ask that Customs and Excise be investigated as well. Bakamla (Indonesia Coast Guard) is mandated to combat smuggling. Why does smuggling continue to occur on such a large scale? We urge our institutions to do their very best. They are our own people, but we must have the courage to stand for the truth. People today will no longer tolerate injustice. They no longer want to see misconduct and abuse of authority. They are well aware of what is happening.

Just imagine in the first six months of 2026, PT Timah recorded a profit of Rp2.7 trillion, nine times higher than the same period last year. This means that PT Timah's valuation has increased by 900 percent! Its profit increased by 900 percent in just six months. Since PT Timah is a publicly listed company, its valuation has now increased by 280 percent as of August 2026 compared with August 2025. Ladies and Gentlemen, for those who own shares in PT Timah, this means their wealth has increased by around 300 percent.

We have undertaken a major restructuring of SOEs. In the first half of 2026, the net profit of PT Semen Indonesia (a state-owned building materials company)

increased by 408.9 percent, the net profit of PT Pupuk Indonesia (a state-owned fertilizer producer) increased by 252.8 percent, the net profit of PT Pertamina (a state-owned oil and gas company) increased by 86 percent, and the net profit of Pegadaian (a state-owned auction company) increased by 84.4 percent. the net profit of Pelindo (a state-owned port operator) increased by 60.4 percent, and the net profit of PTPN (a state-owned plantation company) increased by 54.4 percent.

Garuda Indonesia (a state-owned airline company) almost went bankrupt. Their aircraft—tens of them—were grounded and unable to be repaired. We have now successfully reactivated those aircraft. As of June 2026, the number of aircraft we have reactivated has increased by 20, bringing the total to 140. It had been recording losses for many years, but there is hope it can return to sustainable profitability. If the war in the Middle East had not occurred, we would already be seeing Garuda Indonesia become profitable by this July. We now hope that at the beginning of 2027, it will become profitable.

Ladies and gentlemen,

I have also made it clear that I will not tolerate any manipulation of figures or reports. We must have figures that are accurate and reliable, although they are not always great. We have corrected profit reports from many SOEs. The profits of the SOEs in 2024 have been corrected to Rp186 trillion. The dividend of the SOEs in 2024 was Rp85.5 trillion. As a result of the improvements

we have undertaken, in 2025, the profits of SOEs reached Rp326 trillion, an increase of 75.3 percent from 2024. This figure of Rp326 trillion represents genuine profit, without any manipulation. Dividends paid by SOEs in 2025 reached Rp142.3 trillion, an increase of 67 percent from 2024. However, it is more appropriate to assess SOE dividends on a net basis, taking into account the state capital injections (PMN) provided from the state budget to SOEs in the same year.

In 2024, SOE dividends minus state capital injections amounted to Rp53 trillion. In 2025, SOE dividends minus state capital injections amounted to Rp138 trillion, an increase of 160 percent. SOE dividends in 2026 are projected to increase further to as much as Rp200 trillion, with no state capital injections planned. This means that from 2024 to 2026, the figure will increase from Rp53 trillion to Rp200 trillion, or four times higher, up by 400 percent, without state capital injections.



Ladies and gentlemen, this demonstrates that with sound management and a genuine commitment to integrity, success can be achieved very quickly. Once again, I commend the management and leadership of Danantara. I believe that Danantara's leadership deserves an appropriate medal of honor on the occasion of our Independence Day.

SOE profits are now being used to accelerate our downstreaming efforts. Through Danantara, we have carried out groundbreaking for 13 downstreaming projects on February 6, 2026, followed by another 13 downstreaming projects on April 29, 2026.

Projects such as coal-to-DME processing as an LPG replacement, copper and gold downstreaming, industrial salt processing, and alumina-to-aluminum smelters are creating tens of thousands of new jobs. In addition, we have also started a number of waste-to-energy projects.

We are now using the profits of our SOEs to accelerate both downstream and upstream development. We are also acquiring leading global companies to gain access to technology, IP, management expertise, markets, and experience, thereby strengthening our economy.

Ladies and gentlemen, for example, to increase meat production, we need a large number of cattle. Therefore, we can use cloning technology to increase our livestock population.

We have also established Indonesia's Gold Bank. We want Indonesia's gold not merely to be mined at home, but also stored, traded, and processed domestically, so that it creates added value for our nation. Today, Gold Banks that have been operating for only one year, the Gold Banks at Pegadaian and Bank Syariah Indonesia (a state-owned sharia bank) have managed 153 tonnes of gold, valued at approximately Rp360 trillion, or around US$20 billion. Indonesia's wealth must strengthen the nation's savings, financing capacity, and the economy.

We are also reforming the export of strategic commodities. Previously, Indonesia's crude palm oil was sold at Indonesian ports, at around Rp15,000 per kilogram. Yet the price on the CPO exchange in Rotterdam, the Netherlands, was approximately Rp27,000 per kilogram, even though there is not a single hectare of oil palm plantation in the Netherlands. In effect, we were losing nearly 50 percent of the value of our own commodity.

Therefore, on May 20, 2026, on the National Awakening Day, in this esteemed hall, in front of the Honorable Assembly, I announced the establishment of PT Danantara Sumberdaya Indonesia or PT DSI (a state-owned natural resources management company) as the sole gate for Indonesia's commodity export process. Let me repeat: processing. It is not a company that will control and export commodities. We can now monitor how much is loaded onto a vessel, how many tonnes are actually shipped, how much is declared in the documentation, and how much ultimately arrives

at the export destination. We do not want the figures reported in Indonesia to differ from those reported by the destination country.

Since commencing operations on June 1, 2026, from just three commodities: coal, oil palm, and ferro, in just two months and 13 days, DSI has managed US$14 billion in export proceeds. More than 6,000 export transactions involving three commodities have been monitored by DSI.



DSI has identified the potential for an additional US$5 billion arising from discrepancies and adjustments in prices and export proceeds payments. Imagine the increase in revenues that the state will receive in a short period when all our export commodities are monitored and managed by DSI.

Ladies and gentlemen, DSI will expand its oversight to cover 50 ports across 25 provinces. As I mentioned earlier, DSI will manage all of our strategic export commodities, not just three.



We no longer want the Indonesian people to be taken advantage of. Indonesia's wealth must not enrich only a handful of people while leaving our people struggling to make ends meet. This is not only unjust; it is also not the conduct of a wise and capable state.

Ladies and gentlemen, we have our goods, our resources, our property, yet others determine their prices. This violates the basic principles of economics and market principles. Even the rating agencies and many financial institutions have assessed DSI as a positive step for the Indonesian people. They are the ones saying this, not us. They are the ones saying it. We welcome all input. But if we are convinced that we are on the right path, we will continue our work. We do not want other nations to grade us, but we remain open to constructive input.

Distinguished Members of the Assembly, my fellow citizens,

Indonesia's economic power lies within villages: within our farmers, our fishers, our merchants, our

craftspeople, our female breadwinners, our householders, and our youth who build businesses in their hometowns. In the 1998 crisis, the monetary crisis, major banks closed, and major corporations went bankrupt. Many businesses were sold, but the village economy, the people's economy, remained strong. It endured. What ultimately helped save us were our MSMEs and the people's economy.

Therefore, connectivity between villages must be strengthened. This year, the TNI has completed the construction of 2,500 village bridges, while the Indonesian National Police has completed 874. Our target is to complete more than 5,000 village bridges by the end of this year. There must no longer be children forced to risk their lives crossing rivers to reach school because no bridge is available.



Or compelled to walk for hours to attend classes in soaking-wet clothes. My fellow citizens, this must

not happen. We hope that governors, regents, district heads, and village heads will all inspect their respective villages to identify where additional village bridges are needed. Report them. If a governor, regent, or village head cannot resolve the problem, the central government will step in and resolve it. We will not allow our people to be left without assistance. Likewise, our mothers and farmers should not have to spend hours traveling to the market.



We are also identifying that many of our people still lack access to clean water. They have to walk for kilometers with great difficulty just to collect one or two jerry cans of clean water. They need it for drinking, bathing, and ablution, not to mention water for their livestock and their crops. In just the first eight months of 2026, the TNI has built 3,000 village clean-water facilities. I extend my appreciation to the TNI.

As I mentioned earlier, we are establishing the Merah Putih Village and Urban Village Cooperatives as centers of the people's economy. As I mentioned earlier, 10,000 cooperatives have begun operations as of today. Out of 10,000, 3,300 have operated optimally, while the remaining are in the adjustment stage.

Optimal operations mean that all necessary facilities, including electricity and water, are in place and fully functional. Inventory can be monitored through a centralized digital system. The cooperative can serve as an offtaker, purchasing local agricultural and fishery products. It also has its own transport fleet. I believe this is also a first in the history of the Republic of Indonesia: cooperatives are being organized, supported, and equipped with their own transportation.

There will no longer be harvests left to spoil because nobody is willing to buy them or because there are no trucks available to transport them. Mangoes spoiling, rambutans spoiling, tomatoes spoiling, carrots spoiling. *Insha Allah*, we can provide our people with optimal support. Our target is to have 30,000 cooperatives operating optimally by the end of 2026. This is our target. We are setting the target high. Let us remember the words of Bung Karno: "Set your aspirations as high as the sky. If you do not succeed, at the very least you will fall among the stars", ladies and gentlemen. Our targets must be ambitious. We must work hard, and God willing, we will achieve them. If I set the target at 12,000,

perhaps we will reach 11,000. But if the target is 30,000 and we reach 29,000, that is still an achievement.



My fellow citizens, as I have said, the strength of our economy lies in MSMEs. We have also established a fairer revenue sharing arrangement for online motorcycle taxi drivers and digital platforms. Previously, online motorcycle taxi drivers received only 80 percent of the value generated by their work, because the platforms took 20 percent. But following the Government's recommendation, drivers are now receiving 92 percent of the proceeds from their labor. Many drivers have reported significant increases in their income. Some have seen their income double, while others have even reported that it has tripled.



My fellow citizens, we are advancing the green economy. For the first time, we have implemented a carbon unit registry system in Indonesia.



We have also established and operationalized the Carbon Economic Value Exchange, adopting international carbon standards. By protecting our forests, our protected forests, and all our forests, we reduce our

carbon emissions. In return, nations that produce large amounts of emissions are willing to pay us. This is precisely what the green economy should do, my fellow citizens: it must bring benefits to our people. We will build, but what we build must create added value for our people.

Distinguished ladies and gentlemen,

The development that will most determine our future is human development. We begin with the most fundamental need: nutrition. No child should have to study while hungry. No child can study effectively while hungry.



Some among us may never see or experience children going without food in the morning. But that is the reality we face. That is why we are implementing the MBG (Free Nutritious Meal) Program to address this problem and tackle stunting, which still affects

children in some areas. As many as 25 percent of our children, or one in four Indonesian children, are affected by stunting. Their brain cells do not develop properly. Their muscle cells do not develop properly. Their bone cells do not develop properly, my fellow citizens. They may not even have the physical capacity to work as port laborers, and they may not even be able to work as farm laborers.

We cannot accept a situation in which one in four Indonesian children suffers from stunting. We cannot accept that. Therefore, I am determined to continue the MBG program, but with improvements and greater efficiency. In my view, those who are willing to steal from meals intended for our children are people who do not deserve our respect. In my view, such acts are completely devoid of humanity.

Joining us today is Kristina Beno, a sixth-grade student from Merauke regency, South Papua province. This is the first time you have appeared before the MPR. Perhaps one day, you will be sitting up here. We now have a Minister of Energy and Mineral Resources from Papua. We do not know; perhaps one day a Papuan child will lead this country. We simply do not know.

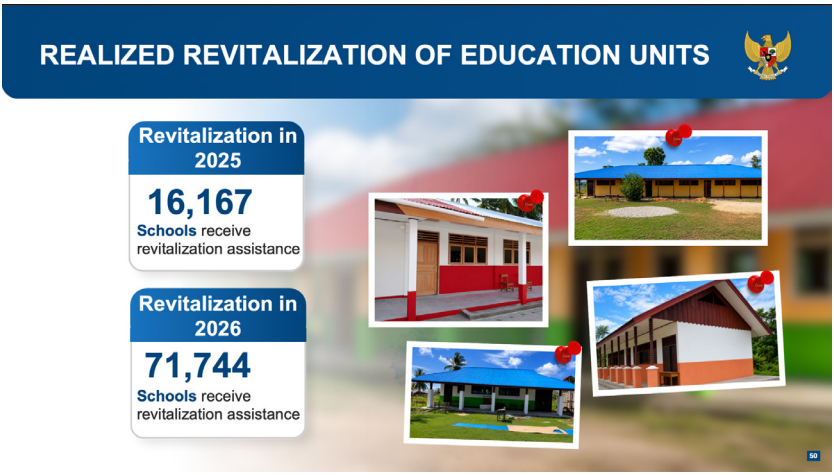


Nutritious meals help her stay healthy and more focused, while encouraging regular school attendance. For some, a plate of food may appear simple. For Kristina and the millions of people who now receive MBG meals each day, it is the energy to study and the protein to support healthy physical growth and healthy brain, bone, and muscle development. This enables them to study and grow into healthy, intelligent Indonesian children. They now have a better future.

Let us give a round of applause for Kristina and for all the Indonesian children, all pregnant mothers, and all the elderly. The state will not abandon you. The state is with you, and the state will be there for you. That is the commitment we make together in this Assembly.

However, we are aware that providing nutritious food alone is not enough. Our children must also receive a quality education. That is why we are undertaking the largest school renovation program in our history. As of this year, we have renovated more than 71,744 schools.

Last year, we renovated 17,000 schools; this year, more than 71,000. Next year, our target is 100,000. In 2028, another 100,000. By 2029, every school in Indonesia—elementary, junior high, senior high, vocational, and Islamic boarding schools—must have completed renovations.

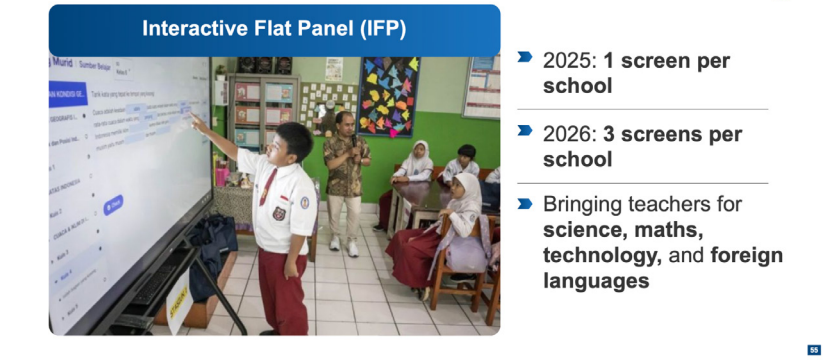


Even on the outermost and most remote islands, including Miangas Island, we have renovated schools.



We will also renovate the community health center there. We now have a special task force dedicated to the outermost and remote islands in Sabang, on Indonesia's westernmost island, in Merauke, and throughout Indonesia.

We have also distributed interactive flat panels, or IFPs, to schools throughout Indonesia. Last year, we distributed one panel to each school. By December 31, we will distribute an additional three panels per school. In time, every school will have four classrooms equipped with interactive flat panels.



This means that our teachers, wherever they are, will have access to the curriculum and to educational content covering virtually every subject included in Indonesia's school curriculum, as well as educational content from outside Indonesia. They can review lessons repeatedly. If they have not yet mastered the material, they can go over it two or three times. They can also

access these programs from home. We will establish centralized studios staffed by the best teachers, who will conduct remote lessons accessible to thousands of schools. Whatever the subject, we will bring together the best teachers. This includes foreign languages.

Mastering foreign languages is essential. We will begin teaching our children foreign languages in elementary school, ladies and gentlemen. First-grade students in elementary school must begin learning foreign languages. The most important languages are English, Mandarin, and Arabic, as well as Japanese, Korean, Spanish, and French. Children learn more quickly when they are young, before age 11 or 12.

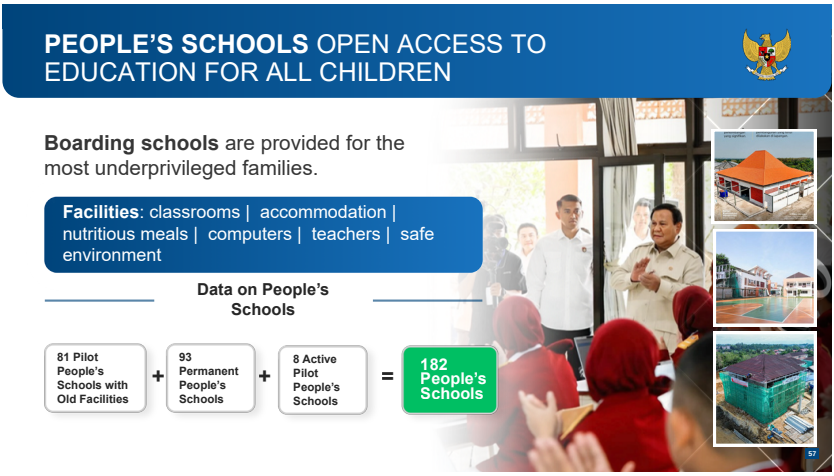
Our children must have access to the best education so that, when they enter the workforce, they have greater capabilities, are accepted anywhere, and can work with people from any country. We understand that China now has one of the most dynamic economies, but Japan, Korea, and France are also advanced. Many countries speak Spanish, many speak French, and many speak Arabic. We must also learn Russian. Russia is strong in science and technology.

Ladies and gentlemen, many countries around the world are now experiencing labor shortages. Whenever I meet foreign leaders, they ask, “Can we have workers from Indonesia?” They need workers in tourism. Those working in tourism must be able to speak foreign languages. They need workers in hospitals, including nurses and caregivers. These workers must be able to

communicate in foreign languages. Indonesians are known for being friendly, hardworking, and courteous. Therefore, our workers must become globally competitive and help strengthen Indonesia's economy.

Ladies and gentlemen,

We are also establishing the People's School, boarding schools for children from the most disadvantaged families. These schools provide classrooms, accommodation, nutritious food, computers, teachers, and a safe environment. The strategy is to break the cycle of poverty. If their parents have faced difficult circumstances and live in poverty, their children must not be condemned to remain poor. In accordance with Article 34 of our Constitution, the state must intervene.



Today, 93 permanent People's Schools have been opened. Eventually, every district will have one. One of the students is 12-year-old Muhammad Risky Pratama.

Risky used to cycle dozens of kilometers while carrying around 30 kilograms of fish to sell. That is extraordinary, Risky. You are a good boy.



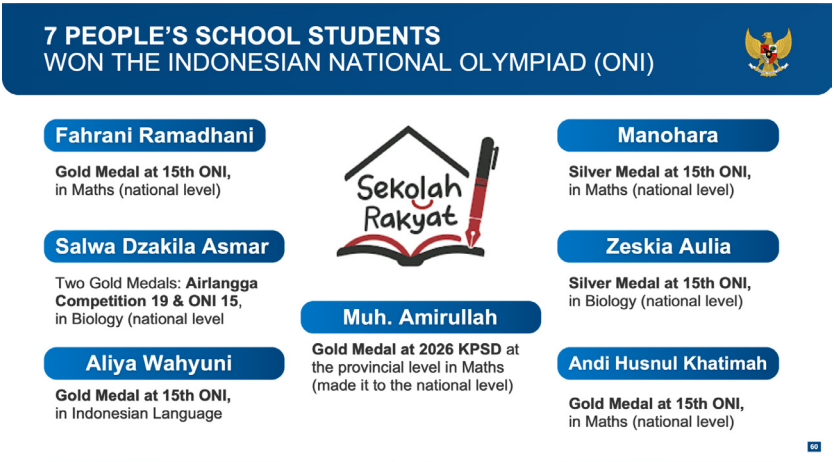
He had to drop out of school for a time. When he entered People's School, he was not yet fluent in reading and could not calculate properly. Today, Risky has returned to school. He has regained his right to learn and to pursue his aspirations. There is no investment more valuable than restoring a child's future, ladies and gentlemen. I am confident, Risky, that you will grow into a strong individual.

Joining us today is Citra Nur Ramadhani from Pangkajene regency in South Sulawesi province. In fourth grade, Citra nearly dropped out of school to help her mother sell peanuts. Her father passed away, and her mother has a disability. People's School enables Citra to continue her education without leaving her family to face these challenges alone. Citra has also won in the regency-level karate competition.



Citra, in ten years, you will be a karate black belt, so no one will dare to take you lightly.

I have also received news that People's School in Makassar won the 15th Indonesian National Olympiad in Mathematics, Biology, Indonesian Language, History, and Sociology.



• **7 Students from Makassar People's School Win Awards at an Olympiad**



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There is also Ismi Ulfaidah from the Polewali Mandar People's School in West Sulawesi province, who was selected as a national Paskibraka member.



These achievements demonstrate that students from the most disadvantaged and impoverished families, when given opportunities, facilities, and proper guidance, can achieve the highest levels of accomplishment.

Risky, Citra, and all People's School students, wherever you are, we are here for all of you. We are here to ensure that you have a future and a fair opportunity. We will not leave a single Indonesian child behind, ladies and gentlemen. Let us give a round of applause to the students of People's School.

Ladies and gentlemen,

Fairness does not mean that the state treats everyone equally. Fairness means that the state provides support according to need. To that end, for our children with exceptional talents and intelligence, we have completed construction of four new Garuda Excellence High Schools in East Belitung, South Konawe, Bulungan, and Timor Tengah. There are also more than 20 Garuda Transformation Excellence High Schools. Existing schools can participate by enrolling in the Garuda Excellence High School curriculum.



What makes these schools different? They use an international curriculum, the International Baccalaureate, or IB, which meets the highest standards, comparable to those of the best schools in the world. We are preparing these students to enter the world's leading universities. Regarding the Garuda Excellence High Schools program, it now covers 42 schools across 15 provinces, including 12 schools established in 2025 and 30 additional schools in 2026.

Through Ministry of Defense, we also now have five Taruna Nusantara High Schools, newly established in Cimahi, Malang, and Pagaralam cities, Nusantara (IKN), as well as Minahasa regency, all of which are already operating and conducting their academic years. The first, of course, was in Magelang city. The Indonesian National Police and Kemala Taruna Bhayangkara Educational Institution (LPKTB) have also completed the construction of one Taruna Bhayangkara High School campus. The TNI and the National Police are competing in doing good. That is the kind of competition we want: competition in doing good. When I praise the TNI, the Chief of Police becomes somewhat uneasy. When I praise the Chief of Police, the TNI becomes somewhat uneasy. This is exactly what we want: healthy competition. They are competing to achieve even greater accomplishments.

TARUNA SCHOOL EXPANSION FOR INDONESIAN TOP TALENTS



The Government expands Taruna High School network through the development of 5 new schools in:

Cimahi | Malang | Pagar Alam | IKN | Minahasa

Including the Magelang school, there are a total of **6 Taruna Nusantara High Schools.**

Polri and LPKTB have also completed the construction of 1 **Taruna Kemala Bhayangkara School.**

TNI and Polri are encouraged to compete to find youth with exceptional talents and skills, providing quality education for young generation.

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Ladies and gentlemen,

With the international curriculum we implement, the number of Bachelor's degree students we send to the world's leading universities through the Garuda Scholarship reached 416 in 2025 and 515 in 2026.

GARUDA SCHOLARSHIP SENDS INDONESIAN TALENTS TO WORLD LEADING UNIVERSITIES

Sending Indonesian Talents World Leading Universities through **Garuda Scholarships**

2025	2026
416 Students	515 Students



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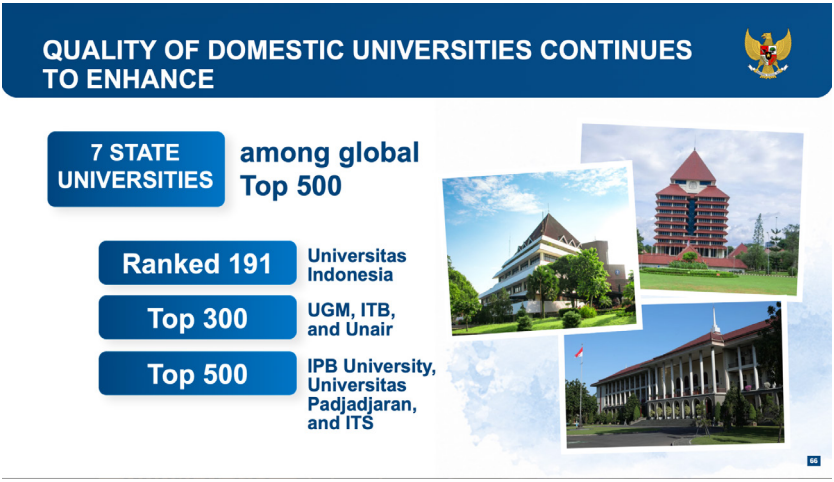
At home, we continue to enhance the quality of our universities. This year, seven of our state universities are among the top 500 universities in the world. And this must be improved further. Universitas Indonesia is ranked at 191. Universitas Gadjah Mada (UGM), Bandung Institute of Technology (ITB), and Universitas Airlangga are in the top 300, while IPB University, Universitas Padjajaran, and Sepuluh Nopember Institute of Technology (ITS) are in the top 500. Naturally, we must achieve even better results in the years ahead.



The state must safeguard the people's health before they become seriously ill.

Since its launch in February 2025, the Free Health Check-up Program has reached 108 million people. In 2025, 70.2 million participants were recorded, while 59.5 million were recorded by the end of June 2026. Some joined check-ups in both periods. We want this

program to become even better. However, some of our people are reluctant to undergo health checks for fear of discovering what illnesses they may have. Perhaps some members of the House of Representatives have not had their health checks either. Their blood sugar is probably high on average, especially those from Central Java province.



This Free Health Check-up Service is now available at 10,255 community health centers across all 38 provinces. Efforts to ensure equitable healthcare access are ongoing. The Government is building and upgrading 66 regional public hospitals in underdeveloped, frontier, and outermost regions. As of today, 20 newly completed regional public hospitals are operational.

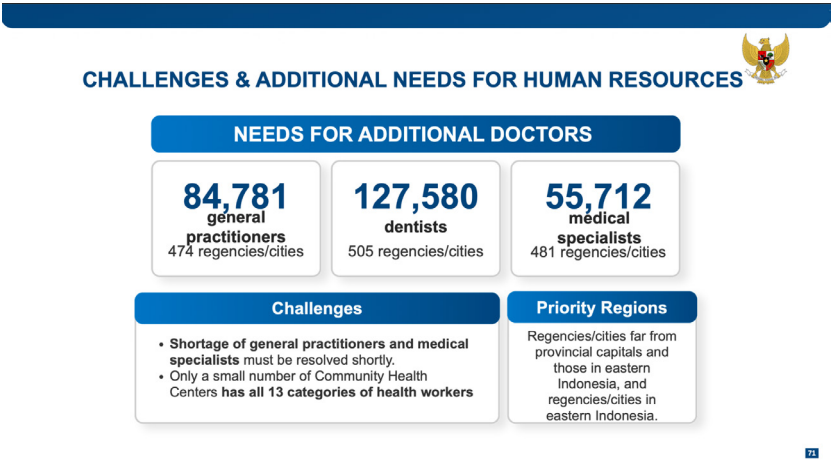


The state has fully covered JKN (National Health Insurance) premiums for 96.8 million poor and vulnerable citizens. Our JKN program may well be one of the largest health insurance systems in the world.



To strengthen our health services, we must address and overcome the shortage of general practitioners and medical specialists. Only a small number of Community

Health Centers have all 13 categories of health workers required to provide comprehensive services. According to data from Ministry of Health, 474 regencies/cities need an additional 84,781 general practitioners, 505 regencies/cities need an additional 127,580 dentists, and 481 regencies/cities need an additional 55,712 medical specialists, especially in regencies and cities far from provincial capitals and those in eastern Indonesia.



Therefore, over the past 21 months, the Government has established nine new medical faculties and 170 specialist and subspecialist study programs, both university-based and hospital-based. For the first time, specialist study programs are now being provided in 11 provinces to help meet the need for general practitioners, dentists, and medical specialists.

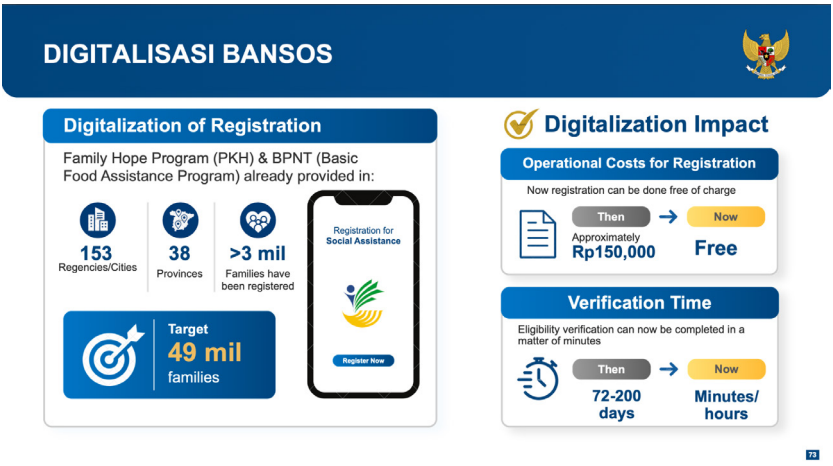


Distinguished ladies and gentlemen, we must therefore find solutions. We must increase the number of specialist doctors, dentists, and general practitioners because dental problems can damage other organs in the body as well.

We recognize that our social protection system must become increasingly well-targeted, accessible, and dignified. As of today, the digital registration system for social assistance under the Family Hope Program, or PKH, is operational. The system is now operating in 153 regencies/cities across all 38 provinces. More than three million families have been registered, moving toward the target of 49 million registered families or more than 50 percent of Indonesian families during the national implementation.

Previously, low-income households could spend Rp150.000 for transportation fees, documentation, photocopies, and lost time of work. Registration can now be done free of charge. Eligibility verification,

which previously could take anywhere from 75 to 200 days, can now be completed in a matter of minutes or hours. Low-income people should not have to pay to prove that they are disadvantaged, nor should they be required to repeatedly submit data that the state already has.



The digitalization of this social protection program will continue to be expanded across all social assistance programs, government assistance, and subsidies, as part of the Integrated Public Welfare Program agenda. This will improve the accuracy of distribution, enhance transparency, and make access easier for the Indonesian people.

Joining us today is *Ibu* Susanah from Bogor regency. She works as a daily laborer peeling onions, earning approximately Rp700 per kilogram. The Family Hope Program and the Basic Food Assistance Program help support her children's education.



Also joining us is *Ibu* Margaritha Rohi from Kupang city, East Nusa Tenggara province. Having faced hardship since childhood and never received formal education, she now works as a trader at 38 while caring for her 80-year-old aunt. ATENSI social assistance, including rice and cooking oil, has supported her family. The state is present not to replace the hard work of her people, but to ensure that their efforts do not go to waste.



Ladies and gentlemen, as the Speaker of the DPD mentioned earlier, and as I have said repeatedly, development is a long march, a long struggle. What we can do today is to improve, strengthen, and expand what already exists, but these efforts were initiated by the presidents and leaders who came before me. Many social protection programs were initiated by President SBY and President Jokowi. I am continuing what they started. Everything we have today is the result of the leadership of President Sukarno, President Soeharto, President Habibie, President Abdurrahman Wahid, and President Megawati. Now, we continue that work.

A house is more than just a building. In fact, a house is a place for protection, a place for children to learn and families to grow. As of June 30, 2026, the Government had distributed Self-Help Housing Stimulant Assistance (BSPS), or home renovation assistance, to 83,907 households.

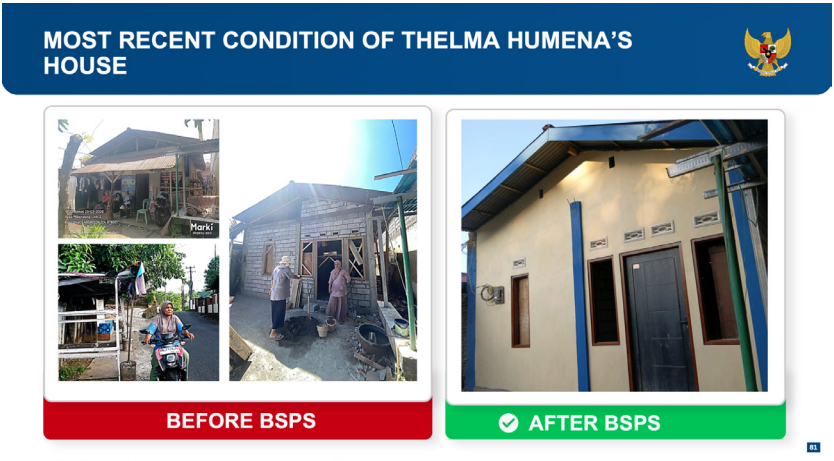


This is still far below our target, so we must work harder to expand the program. We have also assisted people in purchasing affordable homes through the FLPP program, which has now reached nearly 100,000 homes. Housing credit programs have reached 90,878 borrowers.



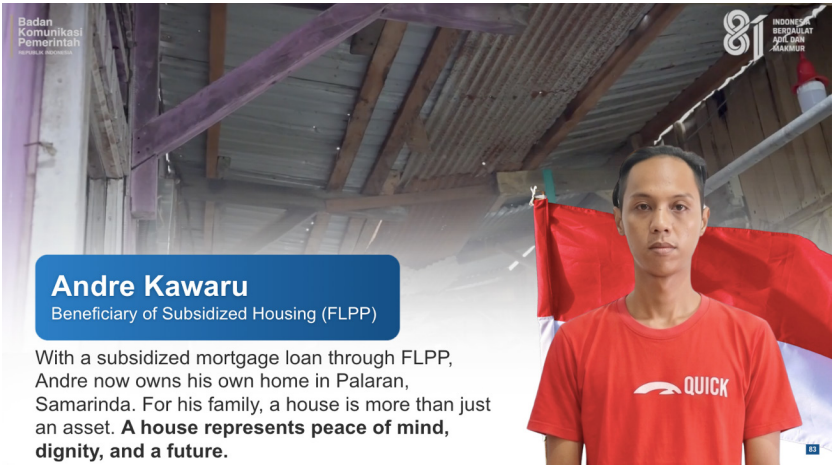
Joining us today is *Ibu* Thelma Humena of Manado city. Her home previously had an unstable foundation, damaged walls, floors, and roof. Through the BSPS program, her family was able to repair the house. We will now seek ways to further expand housing renovation assistance.





Joining us today is *Bapak* Andre Kawaru from Samarinda city. He sells rabbits from one night market to another, and for years he has been living in a rented house. With a subsidized mortgage loan through the FLPP program, he can now own his own home. For

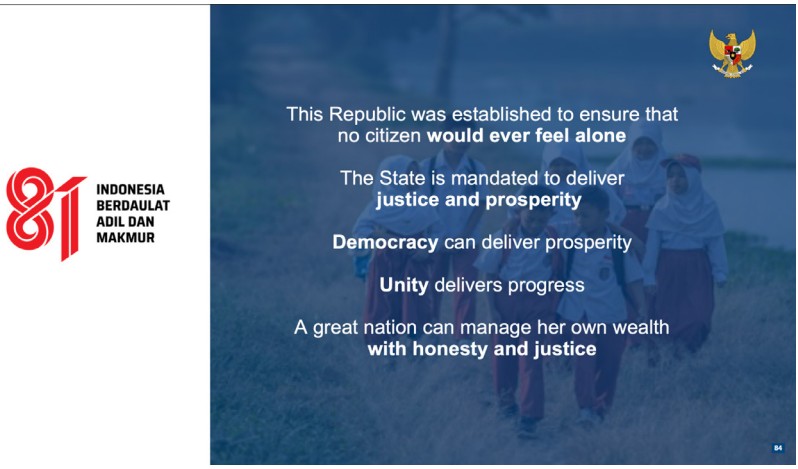
Bapak Andre's family and millions of Indonesians, a home is more than an asset. It represents peace of mind, dignity, and a future.



Ladies and gentlemen,

Eighty-one years ago, the nation's founders bequeathed to us a Republic. It was not established merely for the state to exist, but to ensure that no citizen would ever feel alone. So that the people feel that the Government always stands by their side. Our task is not merely to ensure that this Republic continues to stand. Our task is to ensure that the Republic is truly present, our task is to ensure that this Republic succeeds and prospers as a nation. This Republic has successfully developed the capacity to serve the people and to advance the prosperity of all Indonesians. Let us prove to the world that our democracy can deliver prosperity;

that unity can deliver progress; and that a great nation can manage her own wealth with honesty and justice.



Thank you, Speaker of the People's Consultative Assembly. Thank you, Speaker of the House of Regional Representatives. We have always spoken of unity, unity, and unity. President Sukarno always dreamed of Indonesian unity. We are different. We can see that even from our ties, we are different. But we share one love: the Red and White.

Happy 81st Anniversary of the Republic of Indonesia!

May Almighty God protect the Indonesian nation as it faces difficult times with optimism, joy, and courage.

Merdeka! Merdeka! Merdeka!

Wassalamu'alaikum Warahmatullahi Wabarakatuh,
May peace be upon us all,
Shalom, *Om Shanti Shanti Shanti Om,*
Namo Buddhaya,
Greetings of virtue.

Jakarta, August 14, 2026
PRESIDENT OF THE REPUBLIC OF INDONESIA

PRABOWO SUBIANTO

SOVEREIGN, JUST, AND PROSPEROUS INDONESIA

Eighty-one years of Indonesian independence represent a long journey toward becoming a nation that stands tall on its own strength.

Independence is not merely freedom from colonialism. It is the ability to determine our own future, manage our nation's wealth for the greatest prosperity of our people, ensure that justice is served to all, and build a strong, sovereign country amid a changing world.

The State of the Nation Address of the President of the Republic of Indonesia on August 14, 2026 reflects that journey while reaffirming the determination to continue Indonesia's transformation.

Sovereign in determining our direction.
Just in providing opportunities.
Prosperous in advancing the welfare of our people.

This is the Indonesia that we strive for together.