

Prabowo team explains funding for free meals, insists no impact on budget

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The team of presidential candidate Prabowo Subianto has shared some ideas on how his administration might fund free lunches and milk for schoolchildren nationwide to deliver on a key election promise.

The envisioned program is estimated to cost Rp 460 trillion (US\$30 billion) annually once it reaches its full scale in 2029 to feed 82.9 million schoolchildren, teachers and pregnant women.

In the initial year, the program would consume between Rp 100 trillion and Rp 120 trillion in state funds to provide a limited number of people

with well-balanced and healthy meals, said Budiman Sudjatmiko, a senior member of Prabowo's expert team.

The pilot program could be much cheaper for the central government, Budiman said, by forging local partnerships.

Collaboration with local governments and suppliers, he estimated, would reduce the state budget contribution to Rp 60 trillion in the first year of the program, which he deemed potentially achievable through "increased state revenue".

"Village-owned enterprises, micro, small and medium enterprises [MSMEs], as well as cooperatives will be consolidated to establish a specialized supply chain

to meet the food requirements of this program," Budiman said.

He continued: "Major national food industries can play a role in promoting improvements in quality, productivity and the application of agricultural technology."

Drajad Wibowo, another member of the Prabowo campaign team, said the free lunch and milk program's financing would come from "uncollected" state rights as new sources of state revenue, as reported by *Bisnis.com* on Monday.

He vowed that this financing would neither involve cuts to existing budgets nor reductions in energy subsidies.

One funding source would be court settlements and state trea-

sury recoveries related to tax and non-tax crimes, with a collection target of Rp 90 trillion, he said, acknowledging that those were nonrecurring revenue streams.

"For the following years, there are other [budget] sources that I have not received permission to disclose," Drajad added.

Another source, he added, would stem from an unspecified regulatory amendment that could generate Rp 116.4 trillion based on 2023 calculations. However, details about the regulation and its potential impact were also undisclosed.

Preliminary results point to Prabowo's victory in the recent presidential election, which would see him assume office in

October 2024.

Drajad suggested that the rollout of the free lunch and milk program would begin in 2025.

The program is estimated to be equivalent to 12 percent of this year's state budget and approximately 2 percent of the country's GDP.

Analysts have warned that a sudden increase in government spending to swiftly fulfill all of Prabowo's promises could breach the budget deficit cap, which is set at 3 percent of GDP by law, and urged the former general to reveal the financing plans for his programs, as well as the potential impact on the fiscal position, to reassure markets.