POVERTY ALLEVIATION PROGRAM DELIVERY: UNIFIED DATABASE & PROGRAM REFORMS IN INDONESIA

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INDONESIA IN BRIEF

Independence
17 August 1945

Area 1.9 million km² comprising 13,600 islands.
Population 236.7 million

Currency Rupiah
USD 1 = IDR 9500 (2012)

GDP USD 0.7 Trillion
GDP/cap USD 3,500 (2011)

WB (2009): Lower Middle Income Country
Life expectancy 71 yrs. Literacy rate 92%
Unemployment 6.8% (2011)

Free political parties. Direct presidential election. President Yudhoyono is the first directly elected President – now in 2nd term with about 60% votes
INDONESIAN ECONOMY: PROGRESS WITH NEW CHALLENGES

- Improvements in last decade in terms of economic growth, unemployment reduction, and poverty alleviation
- Great potential to move further
- Increasing inequality
- Poverty alleviation and social protection programs

<table>
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<th>Year</th>
<th>Per Capita Income (US$)</th>
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POVERTY ALLEVIATION:
DYNAMICS AND POLICY PERSPECTIVES
CHALLENGES
FOR POVERTY ALLEVIATION PROGRAM IN INDONESIA

Poor  living below poverty line

Vulnerability  easily fall back below the poverty line

Inequality  interregional differences in the number of poor and poverty rates
Below Poverty Line: 12% of population (approx 29 million people) but about 40% population lives around Poverty Line

2012 Monthly Household Per Capita Consumption

Poverty Line
Approx. USD (PPP) 38/capita/mo. (national average)
For capital city Jakarta approx.
USD (PPP) 57/capita/mo.

High vulnerability around the Poverty Line

Poverty programs needs to cover the poor and the near poor

Source: 2012 Susenas
INEQUALITY
ACROSS DIFFERENT REGIONS IN INDONESIA

High poverty intensity in Eastern Islands (Maluku, Papua, and Nusa Tenggara)

High concentration of poor people in Java Island
THREE CLUSTERS
OF POVERTY ALLEVIATION PROGRAMS

**Cluster 1**: Family-based integrated social assistance programs

- Unconditional cash transfer
- Conditional cash transfer
- Rice for poor
- Scholarship for poor families
- Health insurance for the poor

**Cluster 2**: Community empowerment program

- Program Nasional Pemberdayaan Masyarakat (PNPM Mandiri), or Self Empowerment National Program

**Cluster 3**: Development of micro and small enterprises

- Kredit Usaha Rakyat (KUR), or People’s Credit Program
THE UNIFIED DATABASE FOR TARGETING FOR CLUSTER 1 PROGRAMS

SINGLE REGISTRY CONTAINING NAMES & ADDRESSES OF 40% OF HOUSEHOLDS AT THE LOWEST DISTRIBUTION
TARGETING EFFECTIVENESS
SELECTED POVERTY ALLEVIATION PROGRAMS

This is a result of fragmented targeting mechanism

TNP2K given mandates to establish the UNIFIED DATABASE to improve targeting
As the Unified Database comes in the middle of Program implementation, the question: Will the Program use the new database?
UNIFIED DATA MANAGEMENT:
NATIONAL TARGETING UNIT UNDER TNP2K
With Three Tasks

1. Program Services
   - Ensure all relevant programs to use names and addresses from the Unified Data as their data
   - Technical support to Program & Local Government

2. Research
   - Ensure validity of different studies to improve program targeting
   - Monitoring the use of Unified Database

3. Information System
   - IT-base Unified Database Management
   - Providing different information from Unified Database publicly
WEBSITE UNIFIED DATABASE www.bdt.tnp2k.go.id

TIM NASIONAL PERCEPATAN PENANGGULANGAN KEMISKinan
Basis Data Terpadu untuk Program Perlindungan Sosial

Peta Sebaran Kabupaten/Kota

Pilih Provinsi: DI Yogyakarta

Jenis tempat buang air besar
- Jamban bersama/Umum: 5875
- Tidak ada tempat buang air besar: 1128

Persenbaese tempat buang air besar: 98.31%
Sumber: Basis Data Terpadu - TNP2K
Set by each program. E.g. for PKH. The criteria set by Minister of Social Affairs: extreme poor households with elementary school age children or pregnant mothers

Data by name & address, containing the lowest 40% of population

Names and addresses of eligible beneficiaries of the Social Protection Program

Program eligibility can be formulated using different criteria: ● Geographical (e.g. based on indicators of poverty, education, health, etc.) ● Benefitting unit (e.g. individuals, households, family) ● Economic status (extreme poor, poor, near poor, vulnerable) ● Demographic status (sex, age, education status, types of works, etc.)
THE USE OF UNIFIED DATABASE

TNP2K CONTINUOUSLY COORDINATING WITH PROGRAMS ENSURING THE USE OF THE DATA

- Jamkesmas
  - Fiscal year 2012 and 2013

- Raskin
  - Starting July 2012 with new mechanism

- PKH
  - 2012 expansion

- BSM
  - Starting September 2012

- Local Govt
  - Data requests for local programs

ONCE DATA DISTRIBUTED TO PROGRAM, DIFFERENT REACTIONS ABOUT ITS ACCURACY – THE PROTEST IS REALLY ABOUT COMPLACENCY
EXAMPLE:
TARGETING FOR RASKIN

*Raskin* distributes monthly 15 kg of rice to 17.5 million households, at subsidized price.

- **BULOG** (Raskin distributor) brings rice to village, and village apparatus distributes (sells) to households.
- **Practices of equal distribution, rather than targeted, to avoid local conflict**
  - complacency resulting in poor targeting (wrong price, amount, and time)
  - Average rice received 4-5kgs (nationally), regional best practices also there
RASKIN PROGRAM REFORMS SINCE JULY 2012

1. New provincial/district quota distribution for 17.5 million HHs
2. New names & beneficiaries names from Unified Database
3. Better socialization & information to community & households
   → socialization materials to village, incl. posters of beneficiary list
   → New Raskin Cards to selected 1.3 million households
   → New beneficiary replacement mechanism

NEW MONITORING OF RASKIN OPERATION

• Media monitoring of Raskin reforms.
• Cards monitoring in 3300 households to check effectiveness of Raskin Cards in improving targeting, by TNP2K.
• RCT Impact evaluation in 600 villages, by JPAL & TNP2K.
• New questions in Susenas 2013 as new national evaluation.
RASKIN CARDS: NEW TARGETING MECHANISM

Unified Database
Through Coord. Ministry of Social Welfare

Local District Govt
Quota, names & addresses of Raskin beneficiaries sent to Local Govt

BULOG
Local Govt, getting the quota, issue instructions to Village, based on given quota

Distribution Point
Bulog distributes rice to selling/distribution points

Village apparatus distributes rice at distribution points

Households buy rice at distribution point, by showing cards

PT Pos
POST sends cards to households

Pre-printed cards with names & information

Households buying rice at selling points
RASKIN CARDS

Logo & name of Local Government - Improving buy in

Name, addresses, and Other household info, Including name of the spouse

Rights of households

Basic terms and conditions
NEW COMPLAINT MECHANISM

Previously: changes as villagers see fit, not accountability.
Village can change beneficiaries by way of Village Meeting. Official forms available to remove and add new households, within the village quotas.
Reasons of change: (i) move out, (ii) dead, (iii) name duplication, (iv) rich. This is about respecting local wisdoms.
Not every village conducted the Meeting, and much less so filled in the forms.
CHANGES ARE DIFFICULT QUICK RESULTS SO FAR

INSTITUTION: “It’s done? Not really!”

• Evidence is a lot, not necessarily picked up by policy
• Post Office sending out cards, end up with village heads
• Posters sent to village? Are they displayed? Not really

LOCAL WISDOM IN REPLACING BENEFICIARIES

• It is very important to respect local wisdoms
• Village meeting is there, but results are not necessarily socialized
• When ‘Folks’ says distribute equally – violating the poor?
CHANGES ARE DIFFICULT QUICK RESULTS SO FAR

COMPLACENCY: “why change the system, it works so far”

• Govt (Central & Local): new regional quota brings in protests
• Village: new socialization, risky
• On-going village politics between apparatus-beneficiaries-BULOG - addressing complacency.
• Village blames Central Govt for beneficiary data – despite replacement mechanism – this is actually good.
• Continuous socialization at both households, community, and local government important.
• Evidences remain important to collect to understand behavior, outputs and impacts of Raskin program.
FUTURE CHALLENGES OF INDONESIA’S TARGETING PROGRAM
UNIFIED DATA BASE & PROGRAM REFORMS

• Unified data alone is not enough, must be accompanied by program reforms. Challenge: complacency

• Single ID system would fix a lot of complication. Matching Unified Data and Population Registration Data now.

• Program’s grievance system – complaints on beneficiaries & program implementation.

• Unified data updating system – national registration & local initiatives

• Continuous engagement with line ministries and local governments in unified data & targeting
Thank you!

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