

**FIELD REPORT**

**A STUDY FOR THE DEVELOPMENT OF A  
TOOLKIT ON POVERTY REDUCTION:  
PROMOTING POVERTY AND  
VULNERABILITY REDUCTION  
MAINSTREAMING**

**A Case Study in Kabupaten Kebumen,  
Kabupaten Serdang Bedagai, and  
Kabupaten Bombana**

**Prio Sambodho**

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A Study for the Development of a Toolkit on Poverty Reduction: Promoting Poverty and Vulnerability Reduction  
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This study has resulted in the Poverty and Vulnerability Reduction Mainstreaming Toolkit (PID-PPKK), which can be used by all poverty stakeholders. At the national level the launch of the toolkit was attended by H.S. Dillon (Special Envoy of the President of the Republic of Indonesia for the Reduction of Poverty) and government officials, organizers and activists from civil society organizations, and officials of international organizations. At the regional level the toolkit was launched in Kabupaten Cianjur, West Java, and was attended by SKPD officials, community organizers and activists, and reporters. To all of them, we extend thanks.

# **ABSTRACT**

## **A Study for the Development of a Toolkit on Poverty Reduction: Promoting Poverty and Vulnerability Reduction Mainstreaming A Case Study in Kabupaten Kebumen, Kabupaten Serdang Bedagai, and Kabupaten Bombana**

Prio Sambodho, Syaikhul Usman, Bambang Sulaksono,  
Muhammad Syukri, and M. Sulton Mawardi

Despite the fact that the poverty rate in Indonesia has fallen substantially, there are two trends that should receive particular attention, (i) the slow rate of the decline in poverty, and (ii) increasing inequality and the high proportion of the community who still experience social and economic vulnerability. Due to this, there needs to be an effort to broaden approaches to poverty reduction, including a widespread transformation in governance. On this basis, The SMERU Research Institute, with support from Support for Economic Analysis Development in Indonesia (SEADI) and the National Team for Accelerated Poverty Reduction (TNP2K), recognized the need for a Poverty and Vulnerability Reduction Mainstreaming Toolkit (PID-PPKK) which can be used by all stakeholders to increase the effectiveness of poverty reduction by mainstreaming poverty and vulnerability.

The creation of this toolkit is based on a literature review, stakeholder interviews at the national level, and field research in Kabupaten Kebumen, Central Java; Kabupaten Serdang Bedagai, North Sumatra; and Kabupaten Bombana, Southeast Sulawesi, conducted to collect information related to important issues and new innovations in poverty reduction efforts at a local level, including best practices and bad practices.

“Traditional” and targeted poverty reduction programs are still important, however there must be policy support in other areas, such as trade, land ownership, agriculture, public services, the environment, and others, so that poverty reduction becomes more effective. Through a poverty and vulnerability mainstreaming approach (PPKK), the programs and policies of all government ministries and agencies, and local government work units (SKPD), should explicitly explore their impact and benefits in relation to poor and vulnerable groups. This is the driving principle behind PPKK.

Key words: toolkit, mainstreaming poverty and vulnerability reduction, governance

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## LIST OF ABBREVIATIONS

ADD	: village funds allocation
AMPL	: Drinking Water and Environmental Sanitation
APBD	: local budget
APB Desa	: village budget
APBN	: national budget
Bapermades	: Village Empowerment Board
Bappeda	: Regional Development Planning Agency
Bappenas	: National Development Planning Agency
BDT	: unified database
BPD	: Village Representative Council
BPK	: Supreme Audit Agency
BLM	: Direct Community Assistance
BLT	: Direct (unconditional) Cash Transfer
CSR	: Corporate Social Responsibility
DAK	: Special Allocation Fund
DKPM	: Village/ <i>Kelurahan</i> Self-reliance and Community Empowerment Funds
FGD	: focus group discussion
Formasi	: Civil Society Forum
Gapoktan	: Joint Farmers' Groups
IOSA	: Indonesia Open Source Award
Jamkesda	: Regional Health Insurance
Jamkesmas	: Community Health Insurance
KLA	: children-friendly city
KUR	: Loans for Small-Scale Businesses
LKPD	: regional government financial report
<i>musrenbang</i>	: development planning deliberation meeting
<i>musrenbangcam</i>	: <i>kecamatan</i> development planning deliberation meeting
<i>musrenbangdes</i>	: village development planning deliberation meeting
<i>musrenbangkab</i>	: <i>kabupaten</i> development planning deliberation meeting
MIPI	: Indonesian Public Administration Society
NGO	: non-governmental organization
OSS	: open source software
P2DP	: Participatory Village Development Planning

P2KP	: Urban Poverty Reduction Program
P2SPP	: Program for Developing Participatory Development
P2TPD	: Initiatives for Local Governance Reform
PAD	: locally derived revenues
PLPBK	: Neighborhood Development
PNPM	: National Program for Community Empowerment
PTPN	: PT Perkebunan Nusantara
PPLS 2011	: Social Safety Program Data Collection 2011
PTSP	: one-stop service
PU	: public works
Raskin	: Rice for the Poor
RKP Desa	: Village Administration Work Plan
RKPD	: Regional Government Work Plan
RPJM Desa	: Medium-Term Village Development Plan
RPJMD	: Medium-Term Regional Development Plan
RPJPD	: Long-Term Regional Development Plan
PUG	: gender mainstreaming
SEADI	: Support for Economic Analysis Development in Indonesia
<i>sekda</i>	: <i>kabupaten</i> secretary
SKPD	: Regional/Local Government Working Unit
SPKD	: Regional Strategy for Poverty Reduction
Susenas	: National Socioeconomic Survey
SWOT	: strengths, weaknesses, opportunities, and threats
TKI	: Indonesian migrant workers
TKPKD	: Regional Poverty Reduction Coordinating Team
TKW	: women migrant workers
USAID	: United States Agency for International Development
WTP	: Unqualified Opinion

## EXECUTIVE SUMMARY

Despite a declining rate of poverty, efforts to reduce poverty in Indonesia still face a big challenge in terms of the slow pace of poverty reduction, and rising inequality. The proportion of the population that lives below the US\$2 (purchasing parity) poverty line is still around 40% of the population. Because of that, the effectiveness of efforts to reduce poverty and vulnerability now have to be broadened by increasing the capacity of government, especially local governments, in devising and implementing a variety of policies and programs relevant to the poor and vulnerable.

Bappenas (2008) suggested that government ministries and agencies, and local government working units (SKPD) are inclined to create development plans based solely on their own duties and functions without considering efforts to overcome poverty. Because of that, program integration between government agencies and between SKPD rarely occurs (Bappenas 2012).

Following on from this, to strengthen the capacity of local government and all local stakeholders in poverty reduction efforts, there is a need for learning resources that are effective and practical. To this end, the SMERU Research Institute, working with the United States Agency for International Development (USAID) and the National Team for Accelerating Poverty Reduction (TNP2K) have worked to create a Poverty and Vulnerability Reduction Mainstreaming Toolkit (PID-PPKK). This study is based on a literature review and draws on experiences of poverty alleviation at the national level through interviews with stakeholders. Additionally, the toolkit is based on field studies in three *kabupaten*, namely Kebumen, Central Java; Serdang Bedagai, North Sumatra, and Bombana, Southeast Sulawesi. The field research aims to develop an understanding of how regions implement poverty mainstreaming, identify general problems, and the weaknesses and obstacles that are faced during efforts to reduce the rate of poverty.

The government of Kabupaten Kebumen is one example of good practice in mainstreaming poverty and vulnerability. These efforts commenced with the passing of Local Regulation No.53/2004 on Community Participation in the Public Policy Process, which became the foundation for cooperation with a variety of groups. Although the Regional Poverty Reduction Coordinating Team (TKPKD) did not function ideally, the leadership of the *bupati* was an important factor and had a key role in efforts to overcome poverty. The regional government and all key stakeholders in Kabupaten Kebumen agreed to make the reduction of the poverty rate a priority of regional development. To this end, Local Regulation No. 20/2012 on the Acceleration of Poverty Reduction was passed, which included a funding commitment amounting to 8% of the total direct spending budget. Various awards that have been received are proof of the achievements of Kabupaten Kebumen in engaging the community members to move forward to free themselves from poverty.

Kabupaten Serdang Bedagai has made efforts to implement a development program which, it is hoped, will mean that each SKPD will generate improvements in community welfare, in line with their duties and functions. However, the synergy of the program has not unfolded well. The same thing happened in relation to a program related to poverty reduction. The presence of TKPKD cannot yet eradicate the “sectoral egotism” of each SKPD. The practice of mainstreaming poverty and vulnerability has not yet become a standard in the planning and implementation of development programs.

Kabupaten Bombana is yet to make efforts to reduce poverty levels a focus of development. Even though there has been movement in that direction, in reality these efforts exist only on paper and have not been realized. However, that does not mean that existing development efforts have no benefit. It merely means that the benefits of the programs undertaken by this local government largely fail to reach the poor and vulnerable. The primary cause is that many development programs do not include a poverty dimension in their design. The group of poor people that are dealt with by the regional government is limited to those with social welfare problems. In this case government efforts are not optimal because their activities have only been data collecting, and not implementing poverty reduction programs.

The lack of government concern towards efforts to reduce the poverty rate is caused by, amongst other things, insufficient understanding among government officials about poverty and strategies to overcome it. Aside from that, program implementators do not yet have the technical ability the design programs which although not dedicated to poverty reduction, could have a positive impact on the poor and vulnerable. The lack of concern for the problem of poverty is also a result of the region's status as a newly autonomous region whose infrastructure is not yet adequate. The development and improvement of infrastructure means that the budget would be considered under strain if there were allocations for poverty reduction as well. The problem of poverty reduction is transferred to the central government. Based on the findings of this study on efforts to alleviate poverty both centrally and regionally, the following issues should become priorities in the creation of content for the Poverty and Vulnerability Reduction Mainstreaming Toolkit:

- a) Participatory development planning processes.
- b) Policy, budget and program strategies that are pro-poor.
- c) The way SKPD forums, CSR forums and NGO forums are coordinated.
- d) Ways to build trust in regional governments among stakeholders
- e) Development of a poverty data and information centers, and ways to identify the vulnerabilities of poor groups.
- f) Ways to change the mindsets of the community and government officials.
- g) How to make community services accessible through a one-stop service system
- h) Principles of equitable development and development of local economies.
- i) How to conduct assessments of poverty and vulnerability as well as monitoring and evaluation.
- j) How to make quality guides that are inexpensive or free.
- k) How to create a focal points in various institutions for efforts to reduce poverty.
- l) How to avoid development programs that have a negative impact on efforts to reduce poverty.

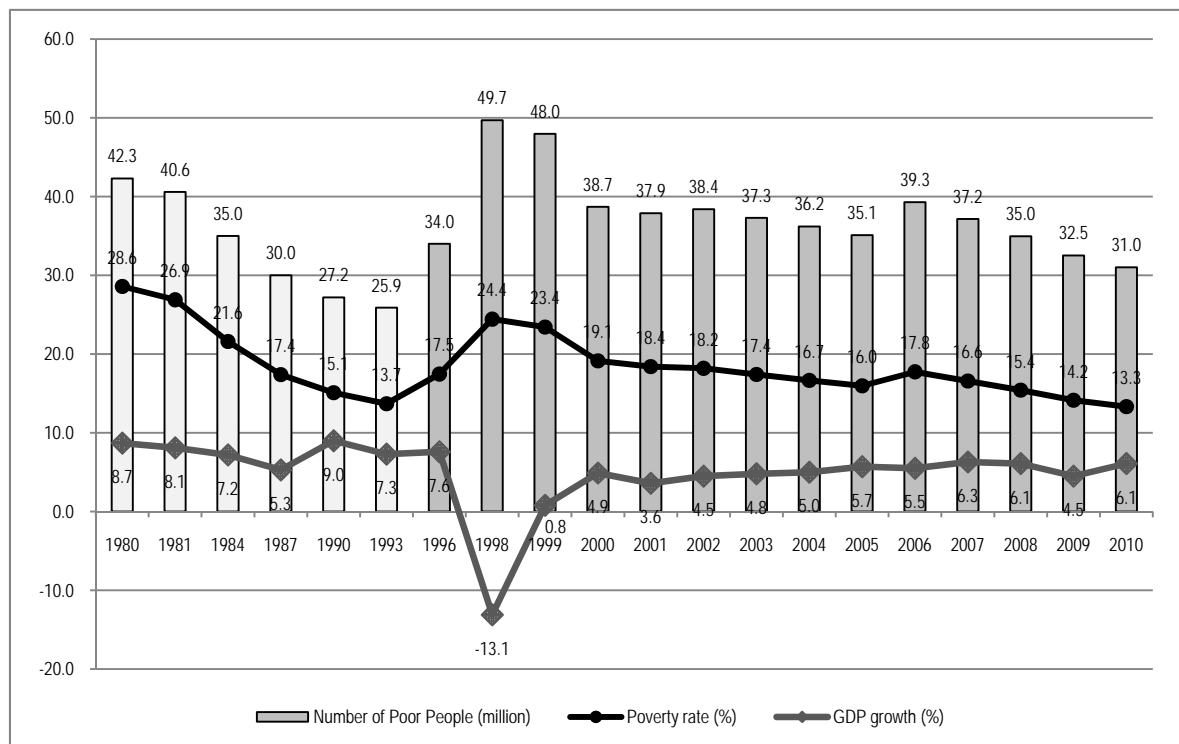
In general there are five guiding principles behind the toolkit. First, that poverty and vulnerability reduction is an approach that is not separate to activities in the development cycle including planning, budgeting, implementation, monitoring, and evaluation. For this there needs to be a commitment by decision-makers to undertake a modification of the development cycle so that all policies and programs have a positive impact on the poor. Secondly, efforts to reduce poverty must be widened to also include vulnerable groups who, while not economically poor, often experience social exclusion and significant livelihood risks. Third, reducing the poverty rate is not a sectoral concern, but a concern for all sectors. Ideally, all officials of government ministries and agencies, and local government working units would understand the relevance of poverty and vulnerability reduction to their primary duties and

functions. Fourth, coordination and cooperation between stakeholders is an important precondition. A number of reports demonstrate that the most widespread problem is synergy and cooperation between groups, both between government entities and between government and non-government groups. In this respect, a variety of efforts to support synergy between groups, through strengthening coordination teams for the poverty reduction, is a necessity. Fifth, poor groups will not necessarily access programs and services that are available. There needs to be an awareness that the poor experience many limitations in accessing information and services, including experiencing discrimination and mental hurdles like shame and fear. Because of this, there needs to be an effort to reach out actively to ensure their access to government services and programs.

# I. INTRODUCTION

## 1.1 Background

Despite continued decrease in poverty in Indonesia, there is still a big challenge ahead facing the country, as in the last decade, the decrease in poverty rate has slowed down (See Figure 1). In the last several years, the elasticity of the poverty reduction has weakened (Suryahadi, et al.) At the same time, the proportion of population with purchasing power less than \$2 per person per day is around 40% of the total Indonesian population. The condition has put them in a vulnerable position of falling into poverty.



**Figure 1. Growth of GDP, poverty rates, and numbers of poor people in Indonesia, 1980–2009**

Source: Statistics Indonesia (various years).

Note: Poverty rates in the period of 1980–1993 are incomparable with those of 1996 and beyond due to the change in the method of calculating the national poverty line.

After one decade of decentralization, the role of local governments in formulating policies to improve the welfare of their people is greater and more important. Due to this fact, the effectiveness of efforts to reduce poverty and vulnerability needs to be increased and be focused on improving the capacity of local governments in designing and implementing various relevant and effective policies and programs. This focus is relevant to the present condition because there are still many local governments that lack the awareness and capacity to design and implement policies and programs to help the poor and vulnerable groups. Only some local governments have managed to capitalize on the decentralization policy for the betterment of their people (Bappenas 2012).

This low awareness of poverty and vulnerability issues is also reflected in the development programs in most of local government work units (SKPD). Bappenas (2008) discovered that SKPD had the tendency to make development plans based on their primary tasks and functions and not based on issues directed to reduce poverty. Thus, the integration of programs among SKPD rarely happens (Bappenas 2012).

Referring to this condition, to strengthen the capacity of local governments and all stakeholders in the regions in reducing poverty, there is a need for an effective and practical learning tool that accessible to all levels of stakeholders at the regional level. A toolkit that comprehensively contains poverty issues and tips on how to counter them effectively is considered the most appropriate tool for this purpose.

A poverty toolkit is not entirely a new thing. In 2001, SMERU, in collaboration with the Coordinating Board for Poverty Reduction (BKPK), compiled and published a poverty toolkit with the title “*Paket Informasi Dasar Penanggulangan Kemiskinan*,” or literally “Basic Information Package for Poverty Reduction”. The toolkit contains the following basic themes of poverty: definition and causes of poverty, reasons to reduce poverty, pro-poor policies and budgeting, learning from successes and failures of poverty reduction efforts, and monitoring and evaluation of poverty reduction programs. The toolkit was developed in a very practical format and designed not only for local governments but also for all stakeholders that had a role in poverty reduction efforts. Aside from that, the National Team for Accelerating Poverty Reduction (TNP2K) also published “*Pedoman Penanggulangan Kemiskinan: Buku Pedoman Resmi untuk TKPKD*”, or “Poverty Reduction Guidelines: Official Guidelines for TKPKD<sup>1</sup>”, in 2011. The book was specially intended to provide TKPKD with technical guidance on how to run TKPKD bodies at the provincial and *kabupaten* (district) levels, but the information contained in the book was too limited to be used by a wider audience.

In order that efforts to reduce poverty become more comprehensive and optimum, The SMERU Research Institute has collaborated with SEADI-USAID<sup>2</sup> to compile a new toolkit that is the refinement of previous *toolkits* on poverty reduction with a focus on poverty and vulnerability reduction mainstreaming.

## 1.2 Objectives

The main objective of this study is to compile a toolkit on poverty and vulnerability reduction mainstreaming in Indonesia. For this purpose, literature and field studies need to be conducted to obtain in-depth information as well as capture best practices and worst practices in the implementation of mainstreaming poverty and vulnerability reduction. The publication of the toolkit is also intended to update the poverty toolkit published by SMERU in 2001.

This toolkit was designed to be a practical guideline to increase the awareness and capacity of regional governments, regional parliaments, non-governmental organizations (NGOs), the private sector, and the general public in issues of poverty and vulnerability reduction mainstreaming. Aside from that, the toolkit was specially designed using simple and clear language with various illustrations and examples so that it is easy to understand. To improve its usefulness, the toolkit is also equipped with practical information, such as information on

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<sup>1</sup>TKPKD = Regional Poverty Reduction Coordinating Team.

<sup>2</sup>SEADI-USAID = Support for Economic Analysis Development in Indonesia-United States Agency for International Development.

contacts from central government bodies and NGOs that are relevant to improving the effectiveness of poverty reduction efforts in the regions.

With the toolkit, regional governments and stakeholders at the regional level are expected to have in their hands a practical and comprehensive guideline which they can use to improve the effectiveness of efforts to reduce poverty and vulnerability at the local level and accelerate the reduction of poverty in Indonesia.

### 1.3 Data Collection Method

To develop a toolkit that is effective, informative, and easy to use, there needs to be a literature study, interviews with stakeholders at the national level, and field research to collect information on key issues and the latest innovations in poverty reduction initiatives. This includes the best and worst practices of poverty reduction, as well as the mainstreaming of poverty and vulnerability reduction that have been conducted so far. The field research was carried out in three *kabupaten* chosen based on a set of selection criteria.

The literature study conducted for the toolkit comprised reviews of literature, news, research papers, donor and government reports, and other secondary data. Data and information collected during the study were used to decide on key issues that are relevant to poverty and vulnerability reduction mainstreaming in Indonesia. Specifically, the literature study was carried out to identify challenges and weaknesses of the existing system in reducing poverty. This included the review of the capacity of local government bodies in implementing poverty reduction programs.

Results of the literature study were then used as the materials for developing research instruments for collecting data at the national and regional levels. At the national level, the data collection was carried out through in-depth interviews with key stakeholders in central government bodies and NGOs. The interviews were designed to collect information on indicators for mainstreaming the reduction of poverty and vulnerability, examples of existing good practices, and data that should be collected from the field.

For the data collection at the regional level, research locations were chosen using the purposive sampling method and by making use of information collected during the literature study and interviews at the national level. To get comprehensive information on issues of poverty reduction in the regions, data collection was conducted in three locations with three different categories in efforts and achievements of poverty reduction: good practice, common practice, and less successful practice categories.

For the field research, primary data was collected using qualitative methods through in-depth interviews and focus group discussions (FGDs). In-depth interviews were conducted with local officials and non-governmental stakeholders. In each region, one FGD was conducted with relevant stakeholders, using the poverty mainstreaming assessment tool developed during the preparation stage. The data collection during the field research focused on finding out how the local governments managed poverty reduction programs and factors that hindered or supported the success of the programs.

Aside from assessing certain programs and using the poverty mainstreaming indicator instrument, the research team also assessed other aspects of the poverty reduction efforts made by the local governments, including those with the involvement and participation of the



private sector and the community, as well as development policies, especially economic policies. Secondary data, such as budget data, regional and local medium-term development plans, and any information related to poverty, served as complementary sources for analysis. Relevant facts and cases were documented and discussed, and they were then presented as case studies in the final version of the toolkit. Finally, strength, weaknesses, opportunities, and threats (SWOT) analysis was made to synthesize data and findings. These were used as primary data sources for the development of the toolkit. To ensure relevance and accuracy of the issues and themes presented in the toolkit, reviews and discussions of the content of the toolkit were conducted with relevant stakeholders, including TNP2K.

## **1.4 Field Research**

The objectives of the field research were, firstly, to get an understanding of how regions implement poverty and vulnerability reduction mainstreaming and, secondly, to identify general mistakes, as well as weaknesses and obstacles faced by regional governments in their efforts to reduce poverty and vulnerability.

Research locations were chosen based on the combination of the secondary analysis, consultation with stakeholders, and SMERU's experience in its previous research on poverty issues. The chosen regions were Kabupaten Kebumen, Central Java Province; Kabupaten Serdang Bedagai, North Sumatra Province; and Kabupaten Bombana, Southeast Sulawesi Province.

Each of the three locations meet one of the following criteria:

- a) considered able to implement good practices in mainstreaming poverty at the local level (location with the category “good practice”);
- b) adopting general practices in reducing poverty (location with the category "common practice"); and
- c) considered less successful in the practices and achievements of poverty reduction efforts (location with the category “less successful practice”).

The fieldwork was conducted from 18–24 January 2013 in Kabupaten Serdang Bedagai, 10–17 February 2013 in Kabupaten Kebumen, and 25 February–1 March 2013 in Kabupaten Bombana. Research in each location was conducted by two researchers from SMERU, assisted by one regional researcher.

## II. DISCUSSION OF FIELD FINDINGS

The findings in this field report are discussed in four different sections. The first section provides a brief overview of poverty and a general overview of efforts to reduce poverty in the three research locations. The discussion on the implementation of poverty reduction programs and roles of the stakeholders is the focus of the second section. The third section discusses main issues that affect efforts to reduce poverty, which can be a source of reference for other regions. The fourth section discusses results of FGDs about the main aspects of poverty and vulnerability reduction mainstreaming. This last part also presents suggestions and expectations of the FGD participants with regard to the contents of the toolkit that was being developed.

### 2.1 Overview of Poverty Conditions and Poverty Reduction Efforts in the Research Locations

#### 2.1.1 Overview of the Locations

Of the three research locations, Kabupaten Serdang Bedagai and Kabupaten Bombana are relatively new *kabupaten* (results of regional segregation).

Kabupaten Serdang Bedagai was once part of Kabupaten Deli Serdang, while Kabupaten Bombana was once under the administration of Kabupaten Buton. Both regions became new *kabupaten* in 2003. Based on the evaluation of the implementation of regional autonomy for newly established *kabupaten* conducted by the Ministry of Home Affairs (MoHA), Kabupaten Bombana fell into the category of "failing regions". Along with another four newly formed *kabupaten*, Kabupaten Bombana faced the threat of being returned to its former *kabupaten* if its government could not make basic improvements in the management of its development within a year. According to an informant from Kabupaten Bombana, the *kabupaten*'s poor assessment was due to its financial report that was substandard and did not conform to existing regulations.

See Table 1 for a description of the three research locations.

**Table 1. Key Indicators of the Three Research Locations**

	Kabupaten Kebumen	Kabupaten Serdang Bedagai	Kabupaten Bombana
<b>Population (2010)</b>	1,558,828 people	594,383 people	142,000 people
<b>Area</b>	3,081 km <sup>2</sup>	1,900.22 km <sup>2</sup>	2,845.36 km <sup>2</sup>
<b>Administrative regions</b>	26 <i>kecamatan</i> (subdistricts)/460 villages/ <i>kelurahan</i> (urban villages)	17 <i>kecamatan</i> and 243 villages/ <i>kelurahan</i>	22 <i>kecamatan</i> and 139 villages/ <i>kelurahan</i>
<b>Poverty rate (2011)</b>	24.06%	10.07%	14.68%
<b>Economy</b>	Farming and services	Farming	Mining

### 2.1.2 GRDP and the Local People's Livelihoods

The people's livelihoods in Kabupaten Kebumen are mostly farming. Based on the 2010 GRDP of Kabupaten Kebumen at the year 2000 constant prices, the farming sector still dominates the economy of Kabupaten Kebumen, which accounts for 37.28% of it, followed by the services sector (20.75%); the trade, hotel, and restaurant sector (11.33%); and the manufacturing sector (9.95%).

The livelihoods of the people in Kabupaten Serdang Bedagai are also mostly related to the farming sector. This is reflected in the composition of GRDP of Kabupaten Serdang Bedagai, which is dominated by the farming sector. In 2010, this sector contributed 40.23% to the GRDP. Other sectors that also gave significant contributions were industry (19.62%), construction (10.58%), services (9.06%), and financial, leasing, and corporate services (3.35%).

From 2005–2008, the economy of Kabupaten Bombana grew between 6.81% (2005) and 8.23% (2008). The economic growth of Kabupaten Bombana is closely related to the mining sector. In 2009, the *kabupaten's* economic growth fell to 7.74% due to the drastic decline of this primary sector, specifically the mining and quarrying subsector, from 36.5% to 14.3%. In 2010, the economy of Kabupaten Bombana bounced back, recording a growth of 8.06%.

### 2.1.3 General Conditions of Poverty

**Generally, the poverty rates in the three research locations are fluctuating with a long-term tendency to decline.**

In 2010, the number of poor people in Kabupaten Kebumen reached 263,000 people or 22.7% of the *kabupaten's* population. This percentage is higher than the national rate of 13.33% and Central Java Province's rate of 16.4%, making Kabupaten Kebumen the fifth poorest region in Central Java Province (Table 2).

**Table 2. Poverty Rates of Kabupaten Kebumen and Central Java Province, and the National Poverty Rates during 2006–2011**

Year	Kabupaten Kebumen		Central Java Province	National
	Population	%	%	%
2006	388,700	32.4	20.90	17.80
2007	362,400	30.25	19.30	16.60
2008	334,870	27.87	18.99	15.40
2009	309,610	25.73	17.48	14.15
2010	263,000	22.70	16.40	13.33
2011	278,750	24.06	15.76	12.50

Source: Puji Lestari. "Kajian Singkat Strategi Percepatan Penanggulangan Kemiskinan." Bappeda.

The poverty rates of Kabupaten Serdang Bedagai in the last three years have been fluctuating. In 2009, the poverty rate reached 9.51% and climbed to 10.59% in 2010 as a result of the

2008/2009 global financial crisis. In 2011, along with the economic recovery following the crisis and the implementation of various poverty reduction programs, the poverty rate of Kabupaten Serdang Bedagai fell to 10.07%.

A slightly different pattern is observed in Kabupaten Bombana. Kabupaten Bombana falls into the category of poor *kabupaten*, with a poverty rate far below the national average. Based on the National Socioeconomic Survey (Susenas) data, the number of poor people in Kabupaten Bombana in 2009 was 20,230 people, or 16.63% of the *kabupaten*'s total population. The number is slightly smaller than the number in 2008, namely 21,790 people, or 18.25% of the total population. In 2010, the poverty rate fell to 15.7%, while in 2011 the number became 14.68% (see Table 3).

The condition of poverty in Kabupaten Bombana is also closely related to the spatial aspect. There is a wide development gap between the northern and southern parts of the *kabupaten*. The southern part tends to be underdeveloped. The roads are in a bad condition (only 40% is categorized as good), even in the capital of the *kabupaten*. The electrification level is still low (67%) and clean water is limited (only 3 out of 22 *kabupaten* get clean water). In the northern part, people live in a better condition. This is obvious from the more complete main infrastructure available and some are even in a good condition. The houses are well built and the soil is generally more fertile. In fact, the area is one of the rice production centers of Kabupaten Bombana.

**Table 3. Poverty Rates and Rates of Poverty Reduction of Kabupaten Bombana, 2005–2011**

	2005	2006	2007	2008	2009	2010	2011	Average Rate of Poverty Reduction per Year
Poverty Rate	20.83	22.60	20.51	18.25	16.63	15.7	14.68	
Rate of Poverty Reduction from Previous Year	-	8.50%	-9.25%	-11.02%	-8.88%	-5.59%		-5.25%

Source: BPS (2011) Kabupaten Bombana Dalam Angka 2011.

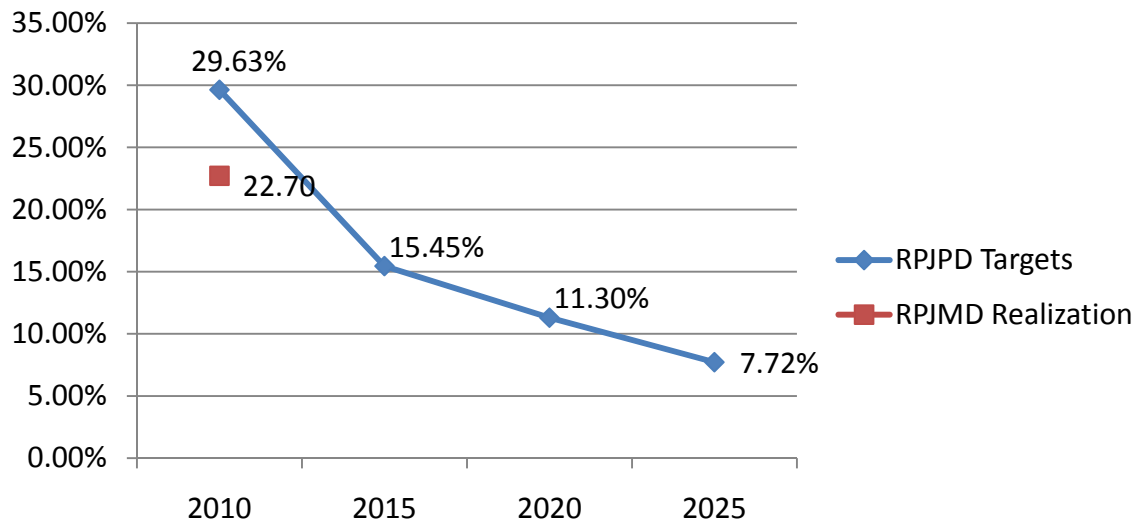
#### 2.1.4 Overview of Poverty and Vulnerability Reduction Efforts

**In the planning stage and the strategic development directives, of the three research locations, Kabupaten Kebumen and Kabupaten Serdang Bedagai are seen as being more focused and giving more attention to poverty issues, which is not the case with Kabupaten Bombana.**

Kabupaten Kebumen's being focused on poverty issues is evident from the topic on the increase in poverty between 2010 and 2011 that always arose in any discussion or interview conducted with respondents. The local government and other stakeholders in Kabupaten Kebumen pay great attention to the increasing number of the local poor people, as in that period poverty reduction initiatives were at their highest intensity.

Based on interviews with officials at the Bappeda of Kabupaten Kebumen, the increase in poverty was due to the change of method of estimating the number of poor people by

Statistics Indonesia.<sup>3</sup> Despite this view, there was a major effort made by the Government of Kabupaten Kebumen, especially by the Bappeda, to find the reason for the increase in poverty and to formulate a strategy to accelerate its reduction. The strategy was in the form of an action plan for reducing poverty in Kabupaten Kebumen.<sup>4</sup> With the action plan, the local government sets a target of reducing poverty to 7.72% by 2025 (see Figure 2).



**Figure 2. Targets of poverty reduction in Kabupaten Kebumen in the 2010–2025 RPJPD5**

Kabupaten Kebumen's issuing of Local Regulation No. 20/2012 on the Acceleration of Poverty Reduction is the most important indication of the *kabupaten's* interest in poverty issues.<sup>6</sup> Aside from strengthening the legal basis for public participation and partnership with non-governmental bodies, this regulation also states the commitment of putting aside 8% of the total local budget (APBD) for poverty reduction efforts. This local regulation is one of the strongest bases for effective and maximum efforts to mainstream poverty reduction in the *kabupaten*.

The same attention to poverty issues in the strategic development agenda is also shown in Kabupaten Serdang Bedagai. Based on the 2010–2015 RPJMD<sup>7</sup>, the development programs of Kabupaten Serdang Bedagai put efforts to reduce poverty in particular, and improving community welfare in general, to focus on initiatives to (i) create community self-reliance and economic empowerment through environmentally sound and fair utilization of natural resources and (ii) to create a participatory and self-help village development process.

<sup>3</sup>According to the Center for Poverty Data and Information of Kabupaten Kebumen, the increasing poverty rate is due to change in the method of estimation. Prior to 2011, the estimation of the poverty rate was based on Susenas data, which uses 14 indicators. Susenas data is macro in nature, showing only the total poverty rate and does not reach the household level. On the other hand, with the data collection system using the Social Protection Program Data Collection (PPLS 2011), the number of indicators increases to 18 indicators (food and non-food) and the data collection reaches the household level (by name by address).

<sup>4</sup>See Appendix 1.

<sup>5</sup>RPJPD = long-term regional development plan.

<sup>6</sup>See Appendix 2.

<sup>7</sup>RPJMD = medium-term regional development plan.

To interpret these programs, as described in the 2012 Regional Government Work Plan (RKPD), the local development priorities include these points:

- a) improvement of the quality of education and the community's level of health to increase the quality of human resources at all levels of society;
- b) improvement of infrastructure necessary for the community's economy;
- c) poverty reduction and improvement of community welfare through economic empowerment and gender mainstreaming; and
- d) improvement of food security by optimizing natural resources with high regard for environmental sustainability.

Kabupaten Serdang Bedagai, along with 31 other *kabupaten/kota* (cities), has signed a memorandum of understanding with the Strategic Alliance for Poverty Alleviation (SAPA) program as a way of accelerating poverty reduction by involving various parties, including the central government, regional governments, and civil society organizations. The 2013 RKPD of Kabupaten Serdang Bedagai is themed: "Empowerment of the Community's Economy and Local Creativity for the Acceleration of Poverty Reduction through the Utilization of Natural Resources with High Regard for Environmental Sustainability".

In the case of Kabupaten Bombana, prior to 2012, the *kabupaten* basically did not have a specific strategy to fight poverty. Development in general did not run smoothly in the kabupaten. This is evident in the decision made by the minister for home affairs that named Kabupaten Bombana as one the failing new autonomous regions. Moreover, the key actors in the local government prior to 2012, namely the *bupati* (*kabupaten* head) and his son, as well as the *kabupaten* secretary (*sekda*), face criminal charges.

After a new *bupati* was elected in 2011, several initiatives focusing on issues of poverty came to the surface, yet they mostly came from the central government. There were no genuine initiatives coming from the local government. For instance, in the 2011–2016 RPJMD, the word *miskin*, or poor, or any other word having a similar meaning, is mentioned only twice. The concept for reducing poverty does not show up in the *kabupaten*'s vision and mission as described in the RPJMD vision and mission. In the 2013 RKPD, there is also no specific program for reducing poverty.

Despite this condition, there is already an effort to put issues of poverty as one of the points in the local government's agenda, even though there is a strong indication that the central government is putting a pressure, as opposed to it being the initiative of the local government. One of the efforts is the formation of TKPKD with the vice *bupati* chairing the team and the head of the Bappeda as the secretary. With the formation of TKPKD, the Regional Strategy for Poverty Reduction (SPKD) is formulated. The SPKD document shows that the efforts to reduce poverty in Kabupaten Bombana focus on three main issues (Chapter 5 of the SPKD document) which basically adopt the national strategy for reducing poverty. These three issues are:

- a) **Family-based Integrated Social Assistance Directive.** This policy is meant to reduce the expenditure burden of the poor. This is carried out by fulfilling the basic rights of poor individuals and households, including education, health services, food, sanitation, and clean water. There are 28 programs included in the planning stage.

- b) **Community Empowerment Directive.** This policy aims to improve the capability and income of the poor. It is characterized by its participative approach based on the needs of the community, strengthening of the institutional capacity of the community, and self-managed and group-based implementation of activities. The focus of this policy includes (i) the fulfillment of the community's basic social needs, (ii) the improvement of the community's capabilities and skills, and (iii) the improvement of the efficiency and effectiveness of public services provision for the poor. There are 17 empowerment programs that are proposed to implement this policy.
- c) **Micro and Small Enterprises Empowerment Directives.** This policy aims at developing and guaranteeing the sustainability of micro and small enterprises. It provides capital assistance or funding in a micro scale, encourages self-reliance in business, provides access to the market, and improves business skills and management. Activities focus on efforts to improve: (i) capabilities and skills of the community; (ii) access of the community/cooperatives and small and medium enterprises (SMEs) to capital, the market, and information and technology; (iii) the operation of agribusiness system; and (iv) cooperation and economic connectivity with other regions. To put this policy into practice, the local government proposes six programs.

**At the implementation level, except for Kabupaten Kebumen, there seems to be no systematic efforts in Kabupaten Serdang Bedagai and Kabupaten Bombana to translate these strategic poverty reduction directives into practices that can support poverty and vulnerability reduction.**

Despite the evident theme of poverty reduction in Kabupaten Serdang Bedagai's development programs, results of field observations and interviews with related SKPD show that poverty and vulnerability reduction has not been embodied or has not become part of the various development programs. Evidence shows that there is still a lack of focus on assisting poor people in programs that is closely related to reducing poverty and vulnerability.

This condition is seen in the implementation of some programs under the SKPD of Kabupaten Serdang Bedagai. In 2007, the Government of Serdang Bedagai issued Local Regulation No. 19/2007 on the Control and Utilization of Vacant Land for Agriculture and Fisheries of Seasonal Commodities.<sup>8</sup> As a facilitator, the local government has a role to record all people in the location who want to make use of the land. In practice, it did not take into account the socioeconomic status of the prospective tenants and, instead, just went with the rule "those who request will get". Based on interviews with respondents, it was learned that the agricultural agency do not think that they are the party in charge of the program; they do not see the correlation between the program and the reduction of poverty and vulnerability. They perceive that such program is the responsibility of other SKPD. This tendency is also seen from interviews with respondents from the women empowerment agency. The respondents are of the opinion that what is most important for the agency is to run programs related to women empowerment as stipulated in their main tasks and functions. It is not really important whether the women come from low-level social class (the poor) or middle social class (the non-poor).

<sup>8</sup>Up to now, this local regulation has been implemented just once, in 2008. At that time, the implementation of the program involved three institutions: PT Perkebunan Nusantara PTPN III and PTPN IV as the land owners (as well as the one setting up the 600 ha of land for planting), the North Sumatra Police as the security force, and the Government of Kabupaten Serdang Bedagai as the facilitator and provider of corn seeds, fertilizers, and pesticide.

A similar approach is also seen in cooperatives and SMEs empowerment programs at the Cooperative and SME Agency of Kabupaten Serdang Bedagai. There used to be 170 listed cooperatives in the *kabupaten*, which in the last few years have fallen into the state of "coma". This agency has been trying to pump life back into these cooperatives and so far has managed to revive 10 of them. From field observations and interviews, it is revealed that most activities related to cooperatives and SMEs are aimed at improving the welfare the community in general; there is no specific effort made to reduce poverty. This shows that the idea of mainstreaming the reduction of poverty and vulnerability is not yet apparent in the scope of cooperatives movement in Kabupaten Serdang Bedagai.

Aside from the absence of alignment towards the poor in sectoral programs, in Kabupaten Serdang Bedagai, there is also no genuine local program to reduce poverty as shown in the work of the social agency. One of the main tasks and functions of the social agency is to distribute direct assistance from various sources to those who should be receiving social welfare, such as senior citizens and children in orphanages. The social agency also runs community empowerment programs in a limited scope, such as through Productive Economic Enterprises (UEP) and Joint Enterprise Groups (KUBE). Programs/activities run by the social agency generally fall into the category of routine activities which are run with no innovation.

Besides in the government program implementation, some respondents stated that various poverty reduction programs run by non-government organizations are deemed not optimum. This is due to, among others, the fact that the programs run by SKPD, or those part of Corporate Social Responsibility (CSR), do not work synergistically.

In Kabupaten Bombana, the condition is more or less similar to that in Kabupaten Serdang Bedagai. Even though at the strategic level Kabupaten Bombana has had TKPKD and SPKD, after more than one year since its establishment, the dissemination of TKPKD and its existence is still minimum. Except for Bappeda which was the initiator, parties that are members of TKPKD have not even known the existence of the team. According to respondents, this ignorance is due to the lack of dissemination and, so far, there has not been any meeting with related parties. The only meeting conducted was that at the provincial level, attended by the representative of the Government of Kabupaten Bombana, which, in this case, was the Bappeda. Lack of budget is blamed for the fact that TKPKD is still inactive.

A similar case occurred during the implementation of the SPKD program. Even though the document was written comprehensively, field observations revealed that many of the strategies and programs did not work optimally. Policies, programs, and efforts specially made to tackle issues of poverty are not consolidated yet. In reality, some programs indeed reached the intended poor target, but there is no clear scenario as to how to implement poverty reduction in Kabupaten Bombana. Some SKPD claimed that they had programs for reducing poverty, but these programs are usually those driven by the central government's policies to meet MDGs targets, such as providing clean water pipes, building/renovating houses of the poor, education assistance, etc. Unfortunately, in implementing these programs, they did not have reliable data whether the beneficiaries were really poor or not.

Similar to the condition in Kabupaten Serdang Bedagai, lack of affirmative effort was also detected in Kabupaten Bombana, as seen in their flagship program, "Gerakan Membangun Bombana dengan Ridho Allah (Gembira Desa)", or "Movement to Develop Bombana with God's Grace", abbreviated to "Gembira Desa". With this program, the Government of



Kabupaten Bombana granted Rp350 million to each village, Rp1 billion to each *kecamatan*, and Rp20 billion to the *kecamatan* that is the capital of the *kabupaten* (see Appendix 5). Unfortunately, the Government of Bombana did not make a distinction between poor villages and non-poor villages. All villages received the same amount of grant and the same fund allocation to each expenditure item for each village. In short, until the beginning of 2013, the poverty reduction program was implemented as usual, without any innovation that can accelerate poverty reduction.

A different condition from the other two *kabupaten* is noted in Kabupaten Kebumen. In this region, the practice of poverty and vulnerability reduction mainstreaming is considered advanced. It was initiated by the issuance of Local Regulation No. 53/2004 on Community Participation in Public Policy Process, which then evolved to Local Regulation No. 20/2012 on the Acceleration of Poverty Reduction. Kabupaten Kebumen is one of the best examples in mainstreaming public participation in reducing poverty and improving development in general.

The strong legal basis has encouraged stakeholders in Kabupaten Kebumen to develop innovative strategies, including creating partnerships with the business community in reducing poverty with the establishment of the CSR Forum. The effective participation of non-governmental parties is evident in the partnership between the local government and the Civil Society Forum (Formasi). Formasi members are NGOs working in Kabupaten Kebumen. They provide assistance, advocacy, and supervision in the planning, budgeting, implementation, and monitoring of programs. In addition, Kabupaten Kebumen also established the SKPD Forum as a coordinating forum in creating synergy between development and the reduction of poverty.

The Government of Kabupaten Kebumen has a poverty data and information office that is located in front of the Bappeda building. Even though this office is still far from perfect, the existence of this unit shows the seriousness the Government of Kabupaten Kebumen in reducing poverty. Aside from that, Kabupaten Kebumen also has conducted quite comprehensive studies on poverty issues. The studies were conducted by the local Bappeda and they cover basic elements of poverty, such as the number of poor people, the percentage, spatial distribution, and poverty reduction target. In these studies, the Bappeda has also noted the importance of identifying the vulnerable group. This is an indication the local government is aware that poverty reduction programs should not only be focused on the poor group but also the vulnerable group due to the high dynamics of poverty fluctuation (see Appendix 4).

High attention to poverty issues is also apparent in the local government leaders' perception of and approach towards development, including efforts that are simple but very important for reducing poverty and vulnerability. From field observations and interviews with the *sekda*, the researchers learned that in their development strategy, Kabupaten Kebumen puts forward the principle of equity, particularly in the expansion of economic opportunities through the development of new economic centers, including the opening up of potential areas for tourism and revitalization of traditional markets, as well as an emphasis on the development of the local economy.

In addition to the pro-poor approaches at the macro level, the practical initiative introduced by the *sekda* to move the public service unit to the ground floor of the government building was a good idea. The aim was to facilitate the poor to access services in the context of poverty and vulnerability reduction mainstreaming. Besides for physical reasons (for the elderly/handicapped), the relocation was also strategic for the poor, who are often confused or reluctant when entering government buildings.

## 2.2 The Implementation of Poverty Reduction Strategies and the Roles of Stakeholders

In general, except for Kabupaten Kebumen, Kabupaten Bombana and Kabupaten Serdang Bedagai have not had a clear and specific strategy in the implementation of poverty reduction programs. The implementation of poverty reduction programs in both *kabupaten* is still largely conducted as “business as usual”. At the same time, sectoral ego is still apparent in all regions.

Starting from 2012, the Bappeda of Kabupaten Serdang Bedagai has made efforts to synchronize various development programs so that all programs complement each other. This includes achieving synergy among poverty reduction programs. One of the efforts made by the Bappeda was asking each SKPD to conduct program elaboration prior to the development planning meeting (*musrenbang*).

Despite this effort, the development program in Kabupaten Serdang Bedagai is still sectoral in nature. Each SKPD focuses on its own activities in accordance with their respective tasks and functions. So far, there is still a strong perception that poverty reduction is only the tasks of certain agencies (SKPD). In fact, there are respondents who argued that poverty reduction in general and the empowerment of the poor in particular are the responsibilities of the National Program for Community Empowerment (PNPM). To change this perception, the local Bappeda has sought to integrate the various SKPD programs to make them work synergistically.

In Kabupaten Bombana, the local government seems to have no strategy or special policy/affirmative program to reduce poverty. This does not mean that the ongoing programs provide no benefits to the poor; instead, this shows that there is no program that is specifically designed for the poor. For example, the local agriculture agency has a program that disburses fertilizers and seeds to farmers' groups and the distribution is conducted by the groups to their members. However, there is no rule, for instance, saying that poor farmers could get more fertilizers or seeds.

In the implementation of Gembira Desa program, the main program for improving the welfare of the Kabupaten Bombana community, some members of the local parliament said that the development focus is still on providing and renovating village infrastructure, such as the roads. Some villages used a significant amount of the funds from Gembira Desa to renovate their village office and even the mosque. The informants affirmed that this program have not yet touched the poor. The absence of poverty issues and/or poverty reduction mainstreaming in Kabupaten Bombana's development policies is due to the fact that Kabupaten Bombana is a relatively new *kabupaten* that requires much budget for infrastructure development. According to the informants, after the infrastructure is sufficient, poverty issues would then become a priority. Therefore, the local parliament so far have not held a meeting of any sort to discuss issues of poverty.

Unlike the other two *kabupaten*, Kabupaten Kebumen has a clear strategy for reducing poverty and vulnerability. To maximize the effectiveness of this strategy, the Government of Kabupaten Kebumen did a study on poverty characteristics. The results of the study are systematically used in the action plans for accelerating poverty reduction. They break down poverty characteristics by asset ownership of the poor group based on the PPLS 2011 and Susenas data, such housing condition and ownership of basic infrastructure (see Appendix 7).

Aside from that, another plus point of the approach used in Kabupaten Kebumen is the stocktaking of poverty issues based on Statistics Indonesia's poverty indicators compared to the available programs. This shows conditions that have met the target and those that have not. This approach has a big potential for improving the efficiency of limited resources allocation. By doing the stocktaking, the local government can then design local poverty reduction programs to complement the central government programs effectively (See Appendix 4).

Based on an interview with the *sekda*, the local government sets its focus on poverty reduction by renovating houses and social facilities through the mechanism of working groups run by the community. This focus is based on the analysis run by the local government using poverty indicators designed by Statistics Indonesia (especially in PPLS). The indicators mostly relate to infrastructure and housing condition (See Appendix 7). It is expected that with the focus on infrastructural dimension, efforts to reduce poverty can have a significant impact on accelerating the reduction of poverty.

Regardless of the advantages that Kabupaten Kebumen has, there are still some weaknesses. There is a tendency that each SKPD sees poverty reduction program as a sectoral issue. In some discussions, it was mentioned that the Village Community and Administration Empowerment Board (Bapermades) is still dominating, while other SKPD play an insignificant role. In FGDs, the discussion of the role of SKPD such as the public works, trade, and market management agencies did not always surface. In addition, with regard to the data, there is still an attitude of mistrust between the local government and Statistics Indonesia. The local government felt that they were being disadvantaged and they questioned Statistics Indonesia's method of calculation. The local government especially thought that Statistics Indonesia was not being transparent and was inaccurate in determining samples. There was tension in each discussion on the topic of poverty. In addition, Statistics Indonesia could not always give a convincing explanation when asked about their method.

**From field observations, the TKPKD in the three research locations are still not optimum in their operations. It was found that there are problems in the internal coordination mechanism and day-to-day operations of the TKPKD.**

In Kabupaten Kebumen, the TKPKD was not well organized. This is evident from discussions which show that TKPKD did not have any significant role. Stakeholders tend to relate their roles based on their own sector (Bappeda, NGOs, and other SKPD), not to the framework of TKPKD coordination. Besides, the role of TKPKD as the entity for planning and coordinating efforts to reduce poverty was not clearly seen.

In Kabupaten Serdang Bedagai, to make poverty reduction programs work synergistically, the local government has established TKPKD based on the Local Regulation No. 16/2010. The members are SKPD, local parliament, NGOs, and the business community. TKPKD is expected to help better coordinate various poverty reduction programs so that the results are optimum and tangible, not overlapping, and reaching the target. In this context, in 2012, the vice *bupati* as the head of TKPKD advised the SKPD to prioritize poverty reduction programs in three area groups: coastal area, urban/plantation area, and agricultural/urban area; in addition to prioritizing on the development of poor villages.

Unfortunately, TKPKD in Kabupaten Serdang Bedagai could not achieve an optimum result. Not only was it not able to take the initiative in mainstreaming poverty and vulnerability

reduction, but it was also having problems carrying out its coordination role. This was caused by, among other things, TKPKD's not having its own operational budget. The meetings which the team moderated used funds of the Sociocultural Section of the local Bappeda. The head of TKPKD explained that he once asked for the funds but the Budgeting Board of the local parliament turned down the request. What was dejecting related to this was that the vice chairperson of the local parliament was not aware of TKPKD's existence, let alone its purpose and activities.

The fact that the TKPKD could not give an optimum result is regretful, as the person in charge of the TKPKD Secretariat was actually a capable person, having the knowledge in various poverty issues and the ways to solve them. Yet, the team could not do much because the members of the TKPKD, including the heads of SKPD, could not work as a team. Having to put to the fore each of SKPD's main tasks and functions became a constraint in merging all the activities for reducing poverty. One staff member from the agricultural agency, for example, said, "issues of poverty are being taken care of by different SKPD."

TKPKD meetings attended by the members (heads of SKPD) happened only once, during the team's inauguration. After that, meetings were conducted four times a year on average, attended only by poverty reduction-related staff members of 12 SKPD. To some extent, the absence of the heads of SKPD in the TKPKD meetings reflects how issues of poverty reduction are not an important agenda for all the SKPD.

As discussed earlier, Kabupaten Bombana already has TKPKD whose members are from the SKPD. In line with *Bupati* Decree of Kabupaten Bombana No. 398/2012, the person in charge of the team is the *bupati*, the head of the team is the vice *bupati*, and the secretary as well as the head of the secretariat is the head of the Bappeda. There are also ten members of the secretariat consisting of section heads from various agencies. Many of the section heads are also members of working groups or program groups. Aside from the SKPD, there are also representatives from businesses, in this case, the Chamber of Commerce. However, there is no representative from community groups or the NGOs. Up to the time of the field research, the TKPKD had not had even a meeting. The head of the secretariat said that the first meeting would be conducted at the beginning of the next year (2013). The agenda was to disseminate the existence of the team and the SPKD document.

**In all research locations, the business community, as part of the companies' CSR programs, has played quite a significant role in helping to reduce poverty in the three regions. In Kabupaten Kebumen and Kabupaten Bombana, steps are already taken to integrate partnerships with the business world through CSR programs, which are systematically integrated with the poverty reduction process.**

For Kabupaten Kebumen, the integration of CSR activities with poverty and vulnerability reduction efforts started with the formation of the CSR Forum. The forum meets once a year to talk about the local needs which CSR programs can help provide. Aside from that, the concise information package on the acceleration of poverty reduction in Kabupaten Kebumen has acted as an important source of reference for the companies. It contains a quite comprehensive explanation on need assessment and poverty mapping.

A similar condition is also found in Kabupaten Bombana. As the region is a mining area, the involvement of the business world in poverty reduction efforts in the general sense is also apparent, even though it is not significant. The effort is in the form of disbursement of CSR

assistance to the people living near the mining sites. However, the main focus is not on poverty reduction, but on social compensation for the company's presence in the area. PT Panca Logam, one of the biggest mining companies in Kabupaten Bombana, already has a quite advanced CSR mechanism.

In managing its CSR funds, PT Panca Logam divides them into three main activities in community development, or comdev. With the comdev mechanism, the CSR committee distributes assistance to SMEs in the form of business capital. CSR using comdev mechanism also allocates funds for the education sector by providing computers and other education facilities for certain schools in the location near the company. Lastly, approaches using comdev mechanism provide training to people living near the company. The training is on cooperative management and capital support for multipurpose cooperatives.

The second mechanism is infrastructure assistance. The assistance is especially aimed at renovating and expanding school buildings or places of worship, either mosques or churches. The last mechanism is social activities in the form of direct incentives to poor households located near the company. The incentives are given to 80 households per month. To decide on who should get the incentives, the CSR committee works together with village officials.

Realizing the importance of CSR for the local development, the Government of Kabupaten Bombana recently issued a local regulation that regulates the management of CSR funds. Basically, the management of CSR funds will be handled by a third party, meaning that they will be managed by a professional institution for local development. The problem is that the local regulation document is still in the technical revision process by the Legal Section of the *sekda*, and therefore it is not yet available.

The condition is different in Kabupaten Serdang Bedagai. In this *kabupaten*, besides the government agencies, CSR programs of big plantation companies, owned either by the state or by the private sector, should be able to play a big role in mainstreaming poverty and vulnerability reduction. Unfortunately, these companies design, manage, and implement their CSR programs without consulting with the local government to synchronize their programs with those of the local government. Local government officials have difficulty getting into the companies, especially PT Perkebunan Nusantara (PTPN), to collect information on their CSR programs.

**Partnerships with non-governmental stakeholders are clearly evident in Kabupaten Kebumen but not in the other two *kabupaten*.**

In Kabupaten Bombana and Kabupaten Serdang Bedagai, field observations and interviews with stakeholders revealed that the roles of NGOs and other non-governmental bodies have not been significant. Their involvement has mostly been limited to being one of the members of the TKPKD representing the community.

A different situation is found in Kabupaten Kebumen. The participation of non-governmental entities and their partnerships with the local government act as a major supporter of efforts to reduce poverty and vulnerability. In Kabupaten Kebumen, as mentioned above, Local Regulation No. 53/2004 on Community Participation in Public Policy Process has become a strong legal basis for partnerships with non-governmental parties. In Kabupaten Kebumen, there is a clear strategy for partnerships with the business world in reducing poverty with the formation of the CSR Forum. Thus, the involvement of the public and the participation of various stakeholders in the process of formulating public policy are clearly felt. The process

involves the poor, women, and even children. Some institutions whose roles have been quite important are PLAN International Indonesia-Kebumen Unit, Bapermades, related agencies, and NGOs. They play an active role in formulating the Participatory Village Development Planning (P2DP) guidebook from the perspectives of the poor, gender, and children.

From observations and information gathered in the field, the major factor that supports the strong partnerships between the local government and non-governmental institutions is a high level of trust from the stakeholders, especially in the partnerships between the governmental institutions and donors operating in Kebumen. These partnerships and trust become the strategic foundation and starting point for improving the effectiveness of poverty reduction efforts in the future.

## 2.3 Issues and Key Lessons for Poverty Reduction in the Regions

From observations and information gathered in the three research locations, the researchers found several key issues that can be useful in the improvement of mainstreaming the reduction of poverty and vulnerability, which in turn can improve the effectiveness of poverty reduction in the regions.

- a) **The importance of commitment of local governments to poverty reduction.** In Kabupaten Kebumen, the process of participatory development planning started to institutionalize after the issuance of Local Regulation No. 53/2004 on Community Participation in Public Policy Process during Rustriningsih's tenure as *bupati*. The regulation acts as a strong legal basis for supporting the process of mainstreaming poverty and vulnerability in the local development. This is one of the key factors in the case of Kabupaten Bombana, especially during the previous administration: The opinion that developed was that the head of the administration had little commitment to poverty issues. That is why it is apparent that leadership factor or the existence of champion leadership is very important for the success of mainstreaming poverty and vulnerability in the regions.
- b) **A strong legal basis and policy strategy that cover pro-poor budgeting aspect.** Breakthroughs made by local governments must be sustainable and be made into local regulations to ensure this sustainability. In Kabupaten Kebumen, the breakthroughs initiated by former *bupati* Rustriningsih, which were then followed by supporting policies, led to the issuance of Local Regulation No. 20/2012 on the Acceleration of Poverty Reduction. This regulation covers the commitment of setting aside 8% of the total direct expenditures of the APBD. In Kabupaten Bombana, one of the main weaknesses that the researchers found was the lack of grand strategy for reducing poverty, so the efforts are still fragmented and are still "business as usual".
- c) **Affirmative approach in managing government programs and public services, especially by civil servants and officials.** One of the major weaknesses found in Kabupaten Bombana and Kabupaten Serdang Bedagai was the lack of affirmative approach towards the poor group in development programs. One informant, who was a section head and one of the heads of the TKPKD in Kabupaten Bombana, even stated that there were *no* poor people in Kabupaten Bombana, as the poverty indicators used by Statistics Indonesia were no longer relevant for the people of Kabupaten Bombana.

In addition, there is still a perception that people hold saying that when talking about poverty, what comes to mind is activities of disbursing incentives, either money/capital or

goods, to the poor, and thus it requires a lot of money. No informant had any thought on how to formulate a policy or program, which, although it may not be aimed specifically at the poor community, could still be beneficial for the poor. For them, an effort to reduce poverty is a specially designed program with a special budget/funding.

The condition is in contrast with the findings in Kabupaten Kebumen. For instance, there is an initiative from the *sekda* to relocate the public service unit to the ground floor of the local government office building. This makes it easy for the poor to access the services. Aside from physical disability or old age reasons, the relocation of the unit is also deemed strategic, as often times poor people are confused or feel reluctant when entering a government office building.

- d) **The strengthening of participatory development planning process and strong partnerships with all stakeholders.** From observations and information gathered in the field, one of the major factors that support the mainstreaming of poverty and vulnerability reduction is that there is a high level of trust from stakeholders, especially in the partnerships between governmental bodies and donors working in Kabupaten Kebumen. Cooperations with donors also help expand attention to more complex issues, such as child poverty. In this case, in 2009, the Government of Kabupaten Kebumen worked together with PLAN International Indonesia and NGOs, and published P2DP guidebook from the perspectives of the poor, gender, and children.

Besides the partnerships with non-governmental bodies working directly in poverty reduction, partnerships with the business world in the form of CSR partnerships should get a bigger portion. Strengthening the synergy can start from building active communication and coordinating with the business people, as well as providing information on how and where CSR programs are most needed.

- e) **The importance of innovations and breakthroughs by local governments in poverty reduction efforts.** Since 2009, the Government of Kabupaten Kebumen has executed more than 11 types of programs that fall into the category of pro-poor. The budget came from APBD or local initiatives from the Special Allocation Fund (DAK). Some of the programs are housing renovation for the poor, clean water provision, provision of grants for poor students, Jamkesda (Regional Health Insurance), free contraceptives, revitalization of traditional markets, etc. Innovations in the form of programs are not limited to the formulation of new programs that specifically target poverty reduction. They can also be a mechanism that helps to reach the poor and special affirmative actions for the poor.

Breakthroughs and innovations do not always come in the form of new programs. They can also be a creative approach in the analysis of the poor. At present, Kabupaten Kebumen has conducted a systematic analysis on poverty, especially by breaking down assets ownership of the poor taken from the PPLS 2011 and Susenas data. The breakdown includes housing condition and basic infrastructure asset ownership. This helps to show conditions that are effectively fulfilled and those that are not yet. The approach has a big potential for improving the efficiency of allocating limited resources.

- f) **The importance of comprehensive poverty studies and poverty data management.** It is important that local governments have and understand valid data on poverty conditions for effective poverty reduction efforts. One of the major components of reducing poverty in Kabupaten Kebumen has been a good understanding of the PPLS

2011 data, which is used as the main reference for program targeting. Failure to understand the data can lead to ineffective efforts in reducing poverty. That is why there should be an improvement of capacity for poverty data analysis and management so that they can be guidelines for poverty reduction programs.

## 2.4 Results of FGD on Indicators for Mainstreaming Poverty Reduction in the Regions

### 2.4.1 FGD Results on Indicators for Mainstreaming Poverty Reduction and Vulnerability

So that the toolkit to be designed is as effective as possible for use by stakeholders in the regions, this study conducted FGDs at the local level. The researchers invited all stakeholders involved in the poverty reduction efforts. During the FGDs, besides discussing key issues on reducing poverty in the regions, FGD participants were also asked to choose aspects they thought were most important in the efforts of mainstreaming poverty reduction and vulnerability. These aspects then became the main topics in the toolkit so that the toolkit can address their needs and raise issues which are relevant to the latest condition of the regions.

Even though various discussions with related stakeholders reveal that poverty reduction efforts were still sectoral in nature and did not show strong synergy, FGD participants had good knowledge in many aspects of poverty reduction mainstreaming. The same thing happened in Kabupaten Kebumen: FGD participants could easily identify important aspects in mainstreaming poverty reduction and vulnerability. A slightly different condition was detected in Kabupaten Bombana. Here, FGD participants faced difficulty in formulating indicators which show whether mainstreaming poverty reduction is already present or not. The difficulty in finding the indicators clearly shows that the concept of mainstreaming poverty reduction and vulnerability has not been something close to their experience. The FGD results in the three regions are presented in Table 4.

**Table 4. Key Aspects of Poverty Reduction and Poverty Reduction Mainstreaming in the Regions (Based on Level of Importance)**

Level	Kabupaten Serdang Bedagai	Kabupaten Kebumen	Kabupaten Bombana
1	Pro-poor development policy	Policy and legal basis, including budget	Access of the poor to basic infrastructures
2	Budget allocation	Aspect of governance	Availability of data on poverty
3	Activity management	Planning and data	Availability of employment
4	Improvement in public services	Programs	Direct financial assistance for the poor
5	Participatory	Geographical (principle of equality)	Encouragement of the participation of the poor
6	Regular monitoring and evaluation activities	Mentality	

FGD results show that the major and most important aspect is the need to have a legal basis for pro-poor budgeting policy. Besides having a strong legal basis, poverty reduction must also become the reference for each development program, either as a direct reference or an indirect one. Components for the budgeting in this case must also have a legal basis, which is



clear and binding, and indicates clear regional coverage so that areas which fall into the poor category get priority in the budget planning.

Other aspects that emerged in the three regions were the importance of activity management or governance related to the mindset of government officials, targeting that reaches the poor, and bureaucracy that pays attention to the interest of the poor or the disadvantaged. In short, all government programs/activities must really be in line with what the poor people need.

The aspect of public service is another important point in the efforts of reducing poverty and mainstreaming poverty reduction in the regions. Policies in the form of the fulfillment of the basic needs of the community, utilization of natural resources, and administrative services that are pro-poor are considered very important in the effort to reduce poverty. There should also be a shift in paradigm held by each SKPD so that everyone involved realizes that good routine public services can significantly help to reduce poverty.

From the aspects of planning and data collection, what should be emphasized is that village development planning must have the perspective of the poor. The planning process must be pro-poor, with initiatives from and involvement of community members (the participatory principle).

In terms of programs, there should be efforts to improve the community members' skills, create employment and pro-poor programs, maintain salary levels, and develop decent housing, programs to develop productive economic activities, and the quality of human resources of the poor community.

#### **2.4.2 Expected Toolkit**

Results of FGDs with *kabupaten*-level stakeholders on poverty reduction mainstreaming show that the Poverty and Vulnerability Reduction Mainstreaming Toolkit to be designed should meet the following criteria:

**Table 5. List of Inputs for the Development of the Toolkit**

Kabupaten Serdang Bedagai	Kabupaten Kebumen	Kabupaten Bombana
<ul style="list-style-type: none"> <li>• The toolkit should come in the form of a pocket guidebook so that it is easy to carry and is not easily damaged.</li> <li>• The toolkit should not be too thick.</li> <li>• The explanation is to the point or in the form of pointers, not narrations.</li> <li>• The language is simple, clear, and easy to understand by everybody, and it should not lead to different interpretations.</li> <li>• It has illustrations/pictures/charts, or caricatures.</li> <li>• The layout and coloring should be interesting.</li> <li>• There is a supplementary book with details, or leaflet.</li> <li>• It contains examples of good practices from successful regions.</li> <li>• There is a focus on the roles of SKPD.</li> <li>• There should be concise data/background of poverty in Indonesia.</li> <li>• There should be a short explanation on the synchronization of pro-poor, pro-job, and pro-growth programs.</li> <li>• It should be accompanied with an interactive CD as the supplementary material.</li> </ul>	<ul style="list-style-type: none"> <li>• The language is easy to understand.</li> <li>• It contains case studies.</li> <li>• For foreign language/expressions, there should be translations/explanation of terminology.</li> <li>• There should be a content analysis.</li> <li>• There should be comparisons with other regions.</li> <li>• The content should be clear.</li> <li>• It uses a good book binding.</li> <li>• E-book version is available.</li> </ul>	<ul style="list-style-type: none"> <li>• The book is in full color.</li> <li>• There are illustrations.</li> <li>• The language is simple.</li> <li>• It should be handy, so it is easy to carry.</li> <li>• The paper is of good quality.</li> <li>• The cover is catchy.</li> <li>• It should use iron spiraling for the binding.</li> <li>• If possible, the guidebook is made in series according to themes or regional typology.</li> <li>• There are examples of best practices.</li> <li>• Indicators are measurable.</li> <li>• There is multimedia supplementary material.</li> </ul>

### III. CONCLUSION AND RECOMMENDATIONS FOR DEVELOPING THE TOOLKIT

The Government of Kabupaten Kebumen is a good role model in implementing poverty and vulnerability reduction mainstreaming. Such effort was initiated by the issuance of Local Regulation No. 53/2004 on Community Participation in Public Policy Process and it became a strong foundation for implementing partnerships between various parties. Although the TKPKD has not played an effective role yet, the leadership factor holds a significant role in reducing poverty. The local government and all of the stakeholders in Kabupaten Kebumen have agreed to make poverty reduction one of the main issues of the local development. Its implementation can be seen in Local Regulation No. 20/2012 on the Acceleration of Poverty Reduction and it covers a budget commitment of 8% out of the total APBD. Various awards that the *kabupaten* has received are solid proof of their success in encouraging members of society to move forward together to relieve themselves from poverty.

Generally, Kabupaten Serdang Bedagai strives to implement development programs by which the results are expected to improve community welfare. Such development is carried out by each SKPD according to their respective tasks and functions; therefore, programs of the different SKPD have not worked synergistically. A similar problem occurs to poverty reduction programs. The existence of the TKPKD is not able yet to eliminate the sectoral ego in each SKPD. The practice of poverty reduction and vulnerability mainstreaming has not been referred to in the paradigm used in the planning and implementation of the development program.

In reality, Kabupaten Bombana has not applied poverty reduction as its main focus of development. Even if efforts towards that goal can be seen, the reality is that the initiatives are only on paper, without implementation. However, the efforts that are made are not without benefit for the poor. It is just that the effect of these efforts are not strongly felt by the poor. The main reason for this is that existing programs have not included poverty dimension into their designs. If poverty is not yet a main focus of the local government, it would be unlikely that vulnerability is. The poor groups that the local government addresses are those that are categorized into “people with social welfare problems.” However, even in this effort, the local government has not been optimal because what they have done so far is only data collection and not making real efforts to reduce poverty.

Local governments' lack of attention toward poverty reduction is partly caused by the local leaders' lack of understanding about poverty and the strategies to reduce it. Furthermore, program implementers have not had the technical capacity to design programs that have benefits for the poor and vulnerable groups, even if they are not specifically meant for reducing poverty. Moreover, the lack of attention to poverty is also caused by lack of infrastructure considering that the *kabupaten* have become new autonomous regions only recently. The *kabupaten's* focus on developing and improving their infrastructure has led to a budget condition that always seems insufficient, especially if funds are also to be allocated for poverty reduction.

Based on the understanding gained from experiences shared by the three *kabupaten* as the research locations, the following issues should receive attention in the formulation of the Poverty and Vulnerability Reduction Mainstreaming Toolkit:

- a) Participatory development planning processes.
- b) Policy, budgeting, and programs strategies that are pro-poor.
- c) The way the SKPD Forum, CSR Forum, and NGO Forum are established and coordinated.
- d) Ways to built trust in the regional government among stakeholders.
- e) Development of poverty data and information centers, and ways to identify the vulnerability of poor groups.
- f) Ways to change the mindsets of the community and government officials.
- g) How to make community services accessible through a one-stop service (PTSP) system.
- h) Principles of equitable development and development of local economies.
- i) How to conduct assessments of poverty and vulnerability as well as monitoring and evaluation.
- j) How to make quality guides that are inexpensive or free.
- k) How to create focal points in various institutions for efforts to reduce poverty.
- l) How to avoid development programs that may have bad impacts on effort to reduce poverty.

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## **APPENDICES**

## APPENDIX 1

**Table A1. Identification of Poverty Reduction Mainstreaming Issues and Points Suggested to Be Included in the Poverty Toolkit**

Dimension	Issues Found during Field Research	Points Suggested to Be Included in the Poverty Toolkit
Planning and Data	Poverty data management at the local level	Options and innovations of utilizing available data sources (PPLS 2011, Susenas, and sectoral survey data) as materials for local poverty studies Establishing centers for local poverty data and information Information on spatial poverty data application (poverty mapping) Information on methods, logic, and the importance of using the Unified Database (BDT)
	Management of work relations with partners and central-level institutions, especially concerning methods and validation of poverty data	Ideal coordination framework between Statistics Indonesia and the local government through TKPD framework or other forums Dissemination of information on Statistics Indonesia's method of calculating poverty Dissemination of information on contacts from Statistics Indonesia for consultation purposes related to Statistics Indonesia data Management of relations between regions and TNP2K and ministries concerning data requests and analysis using the BDT
	Development of local poverty indicators	Principles of formulating and developing local poverty indicators and their harmonization with the BDT Dissemination of information on contacts who can contribute in giving information and consultation (Bappenas, TNP2K, Statistics Indonesia)
	Best practices in data management and its implementation in the effort to reduce poverty	Examples of action plans for the acceleration of poverty reduction in Kabupaten Kebumen and mini map of poverty in Kota Solo

Dimension	Field Research Finding Issues	Suggestions for Discussion Points in Toolkit
<b>Partnership and participation</b>	Management of partnerships between the local government and NGOs in the planning and implementation of poverty reduction efforts	<p>Development of effective partnership structure and pattern between local governments and NGOs through the TKPKD framework using the case study of Kabupaten Kebumen and other regions with a high level of synergy</p> <p>Basic principles of the ideal cooperation to strengthen trust between local governments and non-governmental stakeholders</p> <p>How to build an effective foundation for partnership (local regulations, policies, leadership approaches, and utilization of the institutional structure for poverty reduction of TKPKD)</p> <p>Principles of ideal partnership in the monitoring and evaluation of efforts to poverty reduction</p> <p>Dissemination of information on relevant contacts</p>
	Management of CSR programs and partnerships with the business world	<p>Basic principles concerning ideal CSR based on domestic or international best practices</p> <p>Effective management of CSR programs and partnerships with the business world</p> <p>Examples of best practices in CSR program management</p>
<b>Governance and program implementation</b>	Government services and basic services that are pro-poor and poor people friendly	<p>Basic principles of pro-poor governance in the provision of basic services, including basic points about how to make basic services as optimal as possible in helping the poor, including people who belong to specific marginalized group</p> <p>Examples of innovations in pro-poor basic services</p>
	Transparency and open government	<p>Principles on how to make the government encourage transparency, including the openness of budget data, the explanation why it is needed, and how it can help to reduce poverty</p> <p>Best practices about innovations in public information openness, especially about the budget</p>
	Sectoral poverty reduction efforts, including the government's perceptions of and approaches toward poverty issues	<p>Explanations and arguments that reduce the tendency of "blaming the poor"</p> <p>Poverty reduction approaches and principles in planning and implementation (sectoral approach vs. mainstreaming approach)</p>
	Management of the implementation of poverty reduction programs	<p>Principles of good program implementation (planning, implementation, and evaluation)</p> <p>Integration of poverty programs at the implementation level</p> <p>Management and reform of social protection programs</p>



Dimension	Field Research Finding Issues	Suggestions for Discussion Points in Toolkit
<b>Policies and legal foundation</b>	Legal bases in the form of local regulations that open up opportunities to increase the effectiveness of poverty reduction	<p>Important policy elements that are necessary in local regulations (commitment to budget, formalization of non-governmental stakeholders' roles, recognition of participation and partnerships with non-governmental stakeholders)</p> <p>Examples of best practices in the making of policies that become an effective foundation for poverty reduction (local regulation of Kabupaten Kebumen on poverty reduction)</p>
<b>Poverty reduction strategies and approaches</b>	Effective poverty reduction strategies	<p>Information on existing innovations, such as pro-poor planning and budgeting initiatives</p> <p>Focused poverty reduction approaches and strategies based on the national poverty reduction strategies (MP3KI)</p> <p>Focused poverty reduction efforts based on Statistics Indonesia's poverty reduction indicators (pragmatic approach)</p> <p>Strategies for developing local economies and labor capacity, including the development of livelihoods based on existing local potential</p> <p>Strategies for developing pro-poor agricultural sector, including the strategies for developing fair and efficient markets</p>

## APPENDIX 2

### Efforts of the Government of Kabupaten Kebumen in Accelerating Poverty Reduction

Various poverty mainstreaming efforts are made by the Government of Kabupaten Kebumen to encourage pro-poor development planning by involving the community in the process of public policy. Poor people, women, and children are directly involved in the process of the village development planning deliberation meetings (*musrenbangdes*). The following are various steps related to regulations, strategies, and program implementation that have been taken by the Government of Kabupaten Kebumen.

#### a) Regulations

1. Local Regulation of Kabupaten Kebumen No. 3/2004 on Village Funds Allocation (ADD)
2. Local Regulation of Kabupaten Kebumen No. 53/2004 on Community Participation in Public Policy Process.
3. Local Regulation of Kabupaten Kebumen No. 3/2007 on Sources of Village Revenues.
4. *Bupati* Regulation of Kabupaten Kebumen No. 117/2012 on the Procedure of Development Planning Deliberation Meetings for Regional Government Work Plan (Musrenbang-RKPD).
5. Circular Letter of the *Bupati* on Technical Guidance on the Implementation of Village Development Planning Deliberation Meetings and *Kecamatan* Development Planning Deliberation Meetings, and the SKPD Forum, which is issued annually.
6. Local Regulation of Kabupaten Kebumen No. 20/2012 on the Acceleration of Poverty Reduction.

See Appendix 4 for the chronology of participatory development planning.

#### b) Implementation Strategies

1. Giving great authority to the community in making decisions.
2. Increasing synergy between the community and the local government in poverty reduction.
3. Providing help to the community in the form of Direct Community Assistance (BLM) and technical assistance (Pudji Lestari, 2012).

#### c) Programs

Various poverty reduction programs have been conducted by the Government of Kabupaten Kebumen. There are more than 17 programs that are funded by APBN, 9 programs funded by APBD, and 2 programs conducted by the *kabupaten* with funding from DAK. Appendix 3 describes poverty reduction programs that have been conducted in the last five years. However, the list does not include programs that come from or are funded by sectoral agencies or companies (CSR), or other donors.

For programs funded by APBD, many have been conducted since 2009, such as the house renovation program, scholarship for poor students, drinking water provision, and Jamkesda. Funding of the PNPM had been provided earlier.

Other initiatives undertaken by the Government of Kabupaten Kebumen were the submitting of two proposals to the central government to obtain DAK for the revitalization of traditional markets and for coastal areas, namely Suwuk Beach, Ayah Beach, and Jempangan Dam in Ponocitro, in order to develop the tourism sector. These two initiatives have resulted in a quite significant increase in locally derived revenues (PAD) for Kabupaten Kebumen.

## APPENDIX 3

### Poverty Reduction Programs/Activities in Kabupaten Kebumen, 2009–2012 (in million rupiah)

No.	Program/Activity	Year of Implementation					Total	Note
		2008	2009	2010	2011	2012		
<b>A.</b>	<b>National Budget (APBN)</b>							
1.	Direct Cash Transfer (BLT)	92,600	26,547	-	-	-	119,147	100,000/HH <sup>a</sup> / month
2.	Rice for the Poor (Raskin)	38,118	36,568	35,193	38,126	38,126	186,131	@15 kg/Poor HH Σ 122,200 Poor HH
3.	Fuel conversion to LPG (3 kg)	0	0	57	0	0	57	For 285,000 HH heads @ 200,000
4.	Special fund for poor primary school/junior high school students	0	0	0	4,301	9,428	13,729	For 22,065 poor students
5.	Special fund for poor high school students	0	0	0	31,749	31,749	63,498	For 40,704 poor students
6.	Special fund for poor students in vocational school	0	0	0	37,698	37,698	75,396	For 48,331 poor students
7.	Community Health Insurance (Jamkesmas)					989		For 530.760 people
8.	Community-based water provision and sanitation	1,732	2,887	2,310	2,502	1,155	10,586	58 Villages @192.5 million
9.	Drinking water and environmental sanitation (AMPL)	3,700	3,700	0	0	0	7,400	Targeted 30 villages
10.	Rural-PNPM	18,000	36,500	43,000	41,760	47,278	186,538	About 80% of the fund was for infrastructure
11.	PNPM-Integration	0	0	0	4,000	5,000	9,000	For infrastructure
12.	Urban Poverty Reduction Program (P2KP)	3,755	3,755	4,430	3,208	6,555	21,703	For 3 <i>kecamatan</i> (Kbm, Gbg, Kr-anyar)
13.	Neighborhood Development (PLPBK)	0	1,000		24,000		25,000	25 HH/villages in 3 <i>kecamatan</i> (Gomb, Kyr, Kbm)
14.	Financial aid for fishers	1,128	1,048	750	1,648	1,490	6,064	184 packages for fishers
15.	Development of Food Self-Sufficient Villages	0	376	351	334	327	1,388	Targeted villages with poor HH >30%
16.	Development of food consumption and improvement of fresh food security	0	0	640	888	644	2,172	Targeted villages with poor HH >30%

B. Local Budget (APBD)								
1.	Rural-PNPM	4,500	9,100	11,460	10,440	2,,172	37,672	About 80% of the fund was for infrastructure
2.	PNPM-Integration	0	0	0	1,000	1,250	2,250	For infrastructure
3.	Housing renovation for the poor (substandard condition)	0	2,000	2,000	2,000	2,000	8,000	@Rp5 million/house, There are still 12,000 houses left.
4.	Scholarship for poor primary school/islamic primary school and junior high school/islamic junior high school students	0	2,994	3,000	3,000	3,200	12,194	For 7,731 poor students
5.	Scholarship for poor high school/university students	0	0	565	565	524	1,654	For 524 poor students
6.	Jamkesda	0	530			1,600		For 106,362 lives
7.	Drinking water and environmental sanitation (AMPL)		1,100	800	0	0	1,900	Targeted 30 Villages
8.	Loans for Small-Scale Businesses (KUR)	0	0	25	0	0	25	
9.	Free family planning services	-	-	25	25	25	75	Providing for 15,000 acceptors
C. Special Allocation Fund (DAK)								
1.	Rehabilitation of traditional markets <sup>b</sup>		3	5	4		12	Rehabilitation of traditional markets( <i>kecamatan</i> )
2.	Development of tourist attractions							Suwuk Beach, Ayah Beach, and Jempangan Dam

Source: Pudji Lestari. "Brief Study of Acceleration Strategies of Poverty Reduction in Kabupaten Kebumen, 2012"; and results of FGDs and interviews with respondents.

<sup>a</sup>HH = household.

<sup>b</sup>This program was a regional initiative funded from DAK.

## APPENDIX 4

### The Chronology of Participatory Village Development Planning in Kabupaten Kebumen

1. In 2005, all villages (449 villages) finished formulating the RPJM Desa Partisipatif (Participatory Medium-Term Village Development Plan), period of 2006–2010 → requirement of the Village Funds Allocation (ADD).
2. During 2006–2007, the embryo of ADD, which was the Village/*Kelurahan* Community Autnomy and Empowerment Funds (DKPM), was allocated.
3. In 2007, ADD was launched (Local Regulation No. 3/2007 on Sources of Village Revenues) and the villages were all ready because they already had the RPJM Desa → requirement of ADD: RPJM Desa, Village Administration Work Plan (RKP Desa), and the village budget (APB Desa).
4. In 2009, Bapermades, along with relevant agencies; NGOs; and PLAN International Indonesia Kebumen Program Unit formulated the P2DP Guidebook from the perspectives of the poor, gender, and children (October 2009–2 February 2010).
5. In March 2010, the training of trainers (TOT) for facilitators of the *Kabupaten*- and *Kecamatan*-Level Village Development Planning was held (in cooperation with PLAN Indonesia and the Public Works (PU) Agency of Kabupaten Kebumen).
6. In May 2010, the training for the Village Development Planning Teams/Work Groups from 52 facilitated villages was held (in cooperation with the Initiatives for Local Governance Reform/P2TPD).
7. In May 2010, the Village Development Planning and the Rural-PNPM were integrated (together formulating the RPJM Desa using the PSPD guidebook).
8. In October 2010, the *kabupaten* received P2SPP<sup>9</sup>/PNPM-Integration and the planning of Rural-PNPM was integrated with the regular development planning.
9. In December 2010, all the villages formulated the RPJM Desa for the second period, 2011–2015.
10. In November 2011, the Government of Kabupaten Kebumen issued *Bupati* Regulation of Kabupaten Kebumen No. 117/2011 on the Procedure of Implementing *Musrenbang* RKPD.
11. In 2010, Kabupaten Kebumen integrated the Participatory Village Development Planning-Rural PNPM into the Regular Development Planning System, starting from the village, the *kecamatan* up to the *kabupaten* level (*musrenbangdes*, *musrenbangcam* *musrenbangkab*). In 2012, the discussion on PNPM-Integration was already included in the PNPM-related SKPD Forum.

Source: Pemerintah Kabupaten Kebumen (2013) *Best Practices: Pendampingan Perencanaan Pembangunan Partisipatif Desa di Kabupaten Kebumen, Provinsi Jawa Tengah* (Best Practices in the Facilitation of Participatory Village Development Planning in Kabupaten Kebumen, Central Java Province).

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<sup>9</sup>P2SPP = Program for Developing Participatory Development.

## APPENDIX 5

### The Gembira Desa Program in Kabupaten Bombana

The focus of the Gembira Desa program, along with the budget allocation, is as follows.

1. Capital of the *kabupaten* with a budget of Rp20,000,000,000.
2. *Kecamatan* Growth Centers with a budget of Rp1,000,000,000 per *kecamatan*.
3. Villages with a budget of Rp350,000,000 per village/ *kelurahan*.

In more detail, the allocation of those budgets per village/ *kelurahan* is as follows:

a. Capital of the <i>kabupaten</i> (first year)	Rp20,000,000,000
b. Gembira Desa <i>kecamatan</i> (Rp1,000,000,000) x 22 <i>kecamatan</i>	Rp22,000,000,000
c. Administration and operation of village/ <i>kelurahan</i>	Rp97,100,000
▪ Village head	Rp12,000,000
▪ Village secretary	Rp6,000,000
▪ Village treasurer	Rp3,600,000
▪ PKK <sup>10</sup>	Rp6,000,000
▪ BPD <sup>11</sup>	Rp7,500,000
▪ <i>Dusun</i> <sup>12</sup> heads (5 people) x 12 x Rp400,000	Rp24,000,000
▪ <i>Kaur</i> <sup>13</sup> (3 people) x 12 x Rp350,000	Rp12,600,000
▪ LPM <sup>14</sup> (1 person) x 12 x Rp350,000	Rp4,200,000
▪ Operational costs	Rp5,000,000
▪ Trips	Rp2,200,000
▪ Office supplies	Rp2,000,000
▪ Payment for community services (4 people) x 12 x Rp250,000	Rp12,000,000
d. Economy	<b>Rp77,900,000</b>
▪ “Superior Rice” seeds	
▪ Community forest (teakwood)	
▪ Animal husbandry (cows)	
▪ Home industry (coconut oil)	
▪ Seaweed	
▪ Bamboo fish cages	
▪ Improvement of cacao production and processing	
▪ Artificial fish habitat for aggregating fish	
▪ Fish ponds, etc.	

Based on the priority of each village/ *kelurahan*

e. <b>Infrastructure 50%</b>	<b>Rp175,000,000</b>
▪ Farm roads/neighborhood roads	
▪ Village electricity	
▪ Village infrastructure	
▪ Plumbing	
▪ Irrigation network	
▪ Village market	
▪ Places of worship	

Based on the priority of each village/ *kelurahan*

<sup>10</sup>PKK = Family Welfare Empowerment.

<sup>11</sup>BPD = Village Representative Council.

<sup>12</sup>A *dusun* is an administrative area within a village, consisting of a number of RT, or neighborhood unit, which consists of several households.

<sup>13</sup>*Kaur* = administrative coordinator.

<sup>14</sup>LPM = Community Complaint Center.

## APPENDIX 6

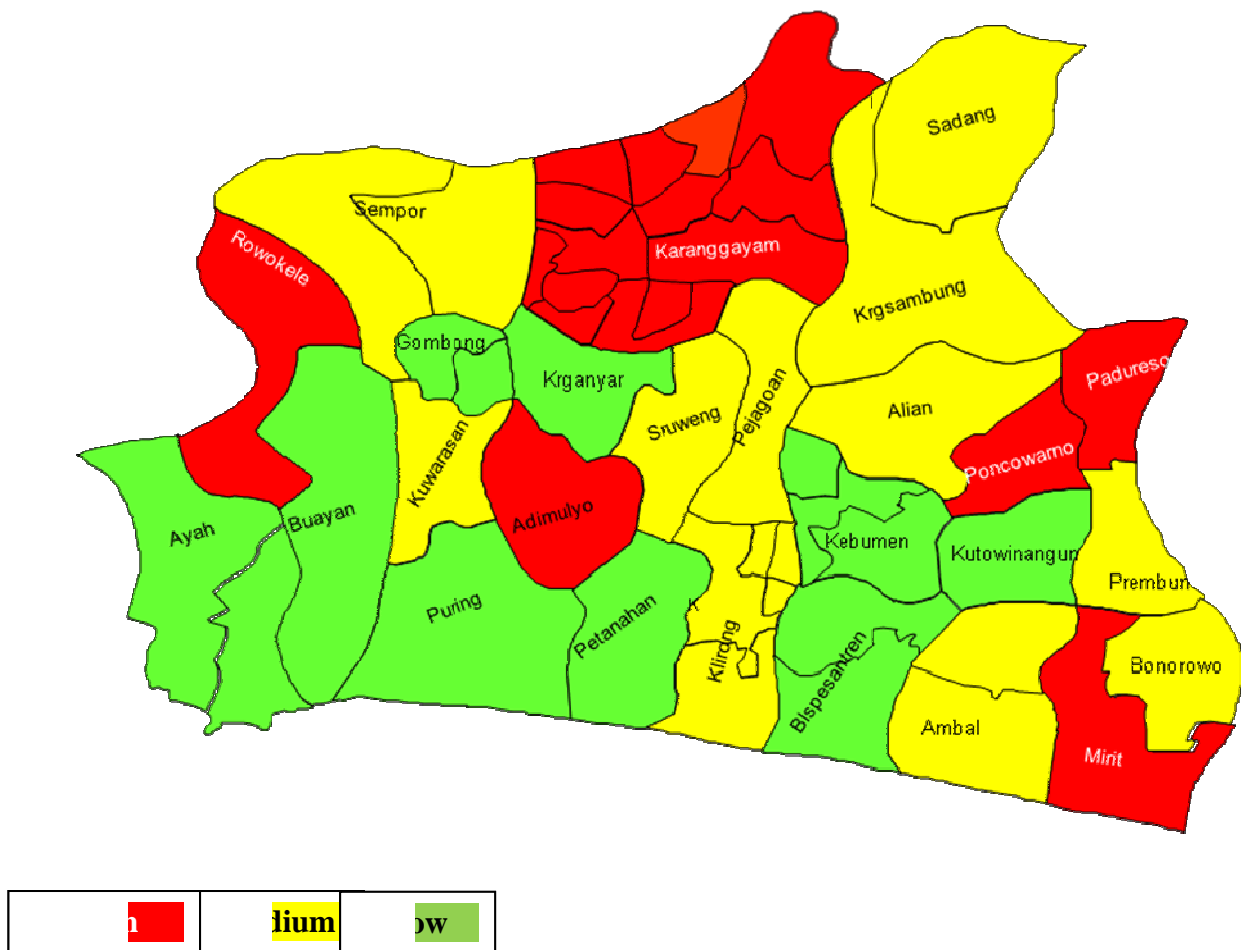


Figure A1. Poverty map of Kabupaten Kebumen by *kecamatan*



## APPENDIX 7

**Table A3. Poverty Indicators in Kabupaten Kebumen and Their Distribution**

No.	Poverty Indicators	Distribution
1.	Floor size of the house is less than 8 m <sup>2</sup> per person	11.40%
2.	Floor of the house is made of earth/bamboo/cheap wood	93.40%
3.	Walls of the house are made of bamboo/palm leaves/low-quality wood/unplastered wall	88.00%
4.	The house does not have a toilet/the toilet is shared with other households	69.90%
5.	The house uses non-electrical source of power for lighting	9.90%
6.	Drinking water comes from a well/unprotected spring/river/rainwater	73.10%
7.	Fuel used for daily cooking is firewood/charcoal/kerosene	93.30%
8.	Only able to consume meat/milk/chicken once a week	98.80%
9.	Only able to buy a set of clothes once a year	96.20%
10.	Only able to eat meals once or twice a day	20.90%
11.	Unable to pay for medical bills at the <i>puskesmas</i> (community health center)/polyclinic	22.00%
12.	Household head's main source of income: farmer with 0.5 hectare of farmland, farmhands, fishers, plantation workers, or other jobs with income less than Rp600,000/month	65.80%
13.	Household head's highest education level: did not go to school/did not finish primary school/primary school graduate	80.80%
14.	Does not have savings/resaleable goods in the value of Rp500,000, such as a motorcycle (paid in installments or cash), gold, livestock, motorboat, or other assets	67.90%

Source: Statistics Indonesia; data is processed by each indicator with the scale range of 1%–100%.

## APPENDIX 8



**Figure A2. Distribution per Poverty Indicator in Kabupaten Kebumen**

## APPENDIX 9

### Awards Won by the Research Locations

#### 1. Kabupaten Kebumen

Various awards have been presented to the Government of Kabupaten Kebumen to honor their loyal service and commitment to the community. Several of the awards are as follows:

- a) In 2008, Kebumen *Bupati* Rustriningsih received an award from the Indonesian Society for Governance Studies (MIPI).
- b) In 2011, Kabupaten Kebumen received a Rural-PNPM award from the central government for being in the first rank in the Village Development Planning. The village that earned this title was Desa Pandansari, Kecamatan Sruweng, Kabupaten Kebumen.
- c) In 2011, Kabupaten Kebumen received the Indonesia Open Source Award (IOSA) from the Ministry of Communications and Informatics, specifically in utilizing open source software (OSS) optimally in building a Network.
- d) In 2011, Kabupaten Kebumen received the “Participation of Civil Society in Child Protection” award from the Ministry of Women Empowerment and Child Protection.
- e) In 2012, Kabupaten Kebumen received the KLA (Children-Friendly City) award from the Ministry of Women Empowerment and Child Protection.
- f) In 2012, Kabupaten Kebumen received the 12th Ekapraya Parahita award from the president. This award is the highest accolade for the implementation of gender mainstreaming (PUG) strategies, the empowerment and protection of women and children who are victims of violence, and the fulfillment of children’s rights.
- g) In 2012, Kabupaten Kebumen received an award from the central government after receiving “Unqualified Opinion” from the Supreme Audit Agency (BPK) for the Audit of its regional government financial report (LKPD).
- h) In 2012, Kabupaten Kebumen received the Food Security 2012 award from the central government. The award was won by Mitra Permata Joint Farmers' Groups (Gapoktan), Desa (Village of) Tersobo, Kecamatan Prembun, Kabupaten Kebumen.
- i) In 2012, Kabupaten Kebumen received an award from the MoHA in the field of Integrated Services in the effort to improve the capacity and quality of one stop services (PTSP) in the regions.

With such achievements and awards, the Government of Kabupaten Kebumen is now preparing themselves to be considered as the candidate for the Adipura award, which is an award for a city that successfully implements environmental-based development. For that purpose, the Government of Kabupaten Kebumen signed a support commitment to receive the Adipura award for Kebumen in 2012–2013.

#### 2. Kabupaten Serdang Bedagai

During 2006–2012, the Government of Kabupaten Serdang Bedagai received 77 national awards and 187 provincial awards in North Sumatra. Several awards related to improving community welfare are as follows:

- a) The Citra Trophy in the category of the Implementation of a One Stop Service Office.
- b) In the field of food security for two consecutive years (2008–2009) from the President of Republic of Indonesia, and for three consecutive years received the National-Level Exemplary PPL (Field Advisor) award.
- c) Anugerah Parahita Ekapraya (APE) for the regional head's commitment to women empowerment, fulfillment of children's rights, family planning, and gender mainstreaming.

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