

The Use of the Social Protection Card (KPS) and the Implementation of the 2013 Unconditional Cash Transfer (BLSM)



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SMERU RESEARCH REPORT

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ABSTRACT

The Use of the Social Protection Card (KPS) and the Implementation of the 2013 Unconditional Cash Transfer Program (BLSM)

Hastuti, Bambang Sulaksono, M. Sulton Mawardi, Akhmadi, Rahmitha, Valentina Y. D. Utari, Dyan Widyaningsih, Dinar Dwi Prasetyo, and Kartawijaya

Soon after raising the price of fuel on 22 June 2013, the Government of Indonesia launched several compensation programs, one of which was the 2013 Unconditional Cash Transfer (BLSM). To access this program, each target household received a social protection card (KPS) that could also be used to access the Subsidized Rice for Poor Households (Raskin) program and Cash Transfer Program for Poor Students (BSM). BLSM provided assistance in the amount of Rp150,000 per month for four months to 15.5 million poor and vulnerable households. The disbursements of the BLSM funds took place in June/July and September/October 2013 via PT Pos Indonesia. To investigate the use of KPS and the implementation of BLSM, The SMERU Research Institute carried out monitoring in ten *kabupaten*(districts)/*kota*(cities) located in the provinces of North Sumatra, Central Java, West Java, West Nusa Tenggara, and South Sulawesi.

The monitoring results show that the accuracy of BLSM targeting was quite high as indicated by the low inclusion error. The exclusion error, on the other hand, was rather high, meaning that there is an indication of a fairly high rate of undercoverage. The program design made it possible for improvement in targeting accuracy through village/*kelurahan*(urban village) deliberation (*musdepmuskā*) that, in fact, faced many obstacles during implementation. Whenever there was a returned KPS, the card was given to a new recipient by the village/*kelurahan* officials through direct appointment. In general, the implementation of BLSM had gone well without causing any significant social turmoil, although the program information was limited and its information dissemination was not on time. Students holding a KPS were prioritized during the nomination of BSM recipients. Due to limited information, however, there were still students from households with KPS that had not received BSM funds. Meanwhile, KPS usage in Raskin was still limited. Most of the villages/*kelurahan* still applied the practice of equal distribution to prevent social turmoil from arising. The results of this monitoring provide a lesson in that the implementation of a program that includes massive involvement of stakeholders needs thorough planning, a detailed program design, a comprehensive operational guideline, complete understanding from all parties involved, and sufficient preparation time.

Keywords: KPS, BLSM, BSM, Raskin

TABLE OF CONTENTS

ACKNOWLEDGEMENTS	i
ABSTRACT	ii
TABLE OF CONTENTS	iii
LIST OF TABLES	iv
LIST OF FIGURES	iv
LIST OF BOXES	iv
LIST OF ABBREVIATIONS	v
EXECUTIVE SUMMARY	vii
I. INTRODUCTION	1
1.1 Background	1
1.2 Monitoring Objectives	2
1.3 Monitoring Methods	3
II. KPS DISTRIBUTION AND TARGETING	7
2.1 KPS Distribution	7
2.2 Targeting Accuracy	10
2.3 Determination of Returned KPS	13
III. BLSM IMPLEMENTATION	23
3.1 Information Dissemination	23
3.2 Funds Disbursement	25
3.3 Problems and Solutions	28
3.4 The 2013 BLSM and the 2005 & 2008 BLT in Comparison	29
IV. KPS USAGE IN OTHER PROGRAMS	32
4.1 KPS Usage in BSM	32
4.2 KPS Usage in Raskin	36
4.3 KPS Usage in Other Social Protection Programs	39
V. CONCLUSIONS AND RECOMMENDATIONS	41
5.1 Conclusions	41
5.2 Recommendations	41
LIST OF REFERENCES	44

LIST OF TABLES

Table 1. Monitored Areas	4
Table 2. Distribution of KPS at the Monitored Villages/Kelurahan	9
Table 3. Inclusion and Exclusion Error Based on FGD Results in Monitored Areas	12
Table 4. Total Number of KPS and Returned KPS in the Monitored Villages/Kelurahan	16
Table 5. Mechanism and Criteria for Household Replacement	19

LIST OF FIGURES

Figure 1. Coverage of areas monitored in each province	3
Figure 2. Flow chart of KPS distribution in monitored areas	7

LIST OF BOXES

Box 1. Recipient Households Considered to Be Ineligible	11
Box 2. Various Responses to the Weak Information Dissemination of the KPS and BLSM	25
Box 3. The BLSM Funds Cuts at the Community Level	28

LIST OF ABBREVIATIONS

BBM	<i>bahan bakar minyak</i>	gasoline and diesel fuel
BDT	<i>Basis Data Terpadu</i>	Unified Database for Social Protection programs
Bimtek	<i>bimbingan teknis</i>	technical guidance
BLSM	<i>Bantuan Langsung Sementara Masyarakat</i>	2013 Unconditional Cash Transfer program
BLT	<i>Bantuan Langsung Tunai</i>	2005/2008 Unconditional Cash Transfer program
BPD	<i>Badan Permusyawaratan Desa</i>	Village Consultative Body
BPK	<i>Badan Pemeriksa Keuangan</i>	Audit Board of Indonesia
BPS	<i>Badan Pusat Statistik</i>	Statistics Indonesia
BSM	<i>Bantuan Siswa Miskin</i>	Cash Transfer Program for Poor Students
Bulog		National Logistics Agency
ekbang Sekda	<i>ekonomi dan pembangunan</i>	Economics and Development
FGD		Focus Group Discussion
HH		households
Jamkesda	<i>Jaminan Kesehatan Daerah</i>	Regional Health Insurance for the Poor
Jamkesmas	<i>Jaminan Kesehatan Masyarakat</i>	Health Insurance for the Poor
KK	<i>Kartu Keluarga</i>	family identity card
KKB	<i>kartu kompensasi bbm</i>	fuel compensation card
KPS	<i>kartu perlindungan sosial</i>	social protection card
KTP	<i>kartu tanda penduduk</i>	identity card
LPM	<i>Lembaga Pemberdayaan Masyarakat</i>	institution for community empowerment
LPMD:	<i>Lembaga Pemberdayaan Masyarakat Desa</i>	institution for the empowerment of village community
MA	<i>madrasah alh</i>	Islamic senior high school
MI	<i>madrasah ibtidai</i>	Islamic primary school
MoEC		Ministry of Education and Culture
MoRa		Ministry of Religious Affairs
MoSA		Ministry of Social Affairs
MTs	<i>madrasahsanawah</i>	Islamic junior high school
musdes	<i>musyawarah desa</i>	village deliberation

<i>Muskel</i>	<i>musyawarah kelurahan</i>	<i>kelurahan deliberation</i>
P4I	<i>Program Percepatan dan Perluasan Pembangunan Infrastruktur</i>	Infrastructure Development Acceleration and Expansion
P4S	<i>Program Percepatan dan Perluasan Perlindungan Sosial</i>	Program for the Acceleration and Expansion of Social Protection
<i>pilkades</i>	<i>pemilihan kepala desa</i>	<i>village head election</i>
PKH	<i>Program Keluarga Harapan</i>	Family of Hope Program
PMD	<i>pemberdayaan masyarakat desa</i>	village community empowerment
<i>polsek</i>	<i>polisi sektor</i>	subdistrict police command
<i>posdumas</i>	<i>pos pengaduan masyarakat</i>	public complaints center
PMKS	<i>penyandang masalah kesejahteraan sosial</i>	people with social welfare problems
PPLS	<i>Pendataan Program Perlindungan Sosial</i>	Data Collection for Social Protection Programs
Raskin	<i>Subsidi Beras bagi Masyarakat Berpenghasilan Rendah</i>	Subsidized Rice for Low Income Groups
RT	<i>rukun tetangga</i>	neighborhood unit
RW	<i>rukun warga</i>	a unit of local administration consisting of several rt within a kelurahan
SD	<i>sekolah dasar</i>	primary school
SKPD	<i>satuan kerjanya perangkat daerah</i>	regional work unit
SKRTM	<i>surat keterangan rumah tangga miskin</i>	poor household affidavit
SMA	<i>sekolah menengah atas</i>	senior high school
SMK	<i>sekolah menengah kejuruan</i>	senior vocational high school
SMP	<i>sekolah menengah pertama</i>	junior high school
TKSK	<i>tenaga kesejahteraan sosial kecamatan</i>	kecamatan social welfare worker
TNP2K	<i>Tim Nasional Percepatan Penanggulangan Kemiskinan</i>	National Team for the Acceleration of Poverty Reduction

EXECUTIVE SUMMARY

Background

The Government of Indonesia increased the prices of *premium* type gasoline and diesel fuel from Rp4,500 per liter to Rp6,500 and Rp5,500 per liter, respectively, on 22 June 2013. This policy, which was intended to make the economy healthy, had the potential to trigger inflation and lower the economic welfare of the people, particularly the poor and vulnerable. To curb these negative effects, the government initiated the Program for the Acceleration and Expansion of Social Protection (P4S) and several special compensation programs, including the 2013 Unconditional Cash Transfer (BLSM). Aside from accessing BLSM, KPS holders can access two P4S programs: Cash Transfer Program for Poor Students (BSM) and Subsidized Rice for Low Income Groups (Raskin).

BLSM is a cash transfer program similar to the 2005 and 2008 Unconditional Cash Transfer (BLT). The target of BLSM was 15.5 million (25%) Indonesian households having the lowest welfare level in the Unified Database (BDT) for social protection programs, which was the result of the Statistics Indonesia (BPS) data collection conducted under the 2011 Data Collection for Social Protection Programs (PPLS). BLSM provides assistance of Rp150,000 per household per month for four months which was disbursed twice in June/July and in September/October 2013 via PT Pos Indonesia.

The BSM is a cash transfer disbursed every semester to students from SD/MI (primary school) level, SMP/MTs (junior high school) level, and SMA/SMK/MA (senior high school) level.ⁱ Raskin is a subsidy of 15-kg rice per household with a redemption price of Rp1,600 per kilogram at the distribution point. With the launch of the compensation program for the fuel subsidy reduction, BSM recipients were provided with an additional benefit of Rp200,000 per target student, while Raskin recipients were provided with an extra rice disbursement for three months in June, July, and September 2013.

To obtain a picture of the implementation of BLSM and to investigate KPS usage by BSM and Raskin recipients, from February to May 2014, The SMERU Research Institute and the National Team for the Acceleration of Poverty Reduction (TNP2K) once again carried out qualitative monitoring and evaluations (M&E) in ten *kabupaten* (districts)/*kota* (cities) located in five provinces, namely Kabupaten Tapanuli Tengah and Kota Sibolga (North Sumatra), Kabupaten Demak and Kota Semarang (Central Java), Kabupaten Cianjur and Kota Sukabumi (West Java), Kabupaten Bima and Kota Bima (West Nusa Tenggara), and Kabupaten Barru and Kota Makassar (South Sulawesi). The following are the findings of the M&E in the abovementioned locations.

ⁱSD: *sekolah dasar* (primary school); MI: *madrasah ibtidaiyah* (Islamic primary school); SMP: *sekolah menengah pertama* (junior high school); MTs: *madrasah tsanawiyah* (Islamic junior high school); SMA: *sekolah menengah atas* (senior high school); SMK: *sekolah menengah kejuruan* (senior vocational high school); MA: *madrasah aliyah* (Islamic senior high school).

KPS Distribution and Targeting

KPS Distribution

The distribution mechanisms of KPS to recipient households differed between villages/*kelurahan*. In some villages/*kelurahan*, the KPS were distributed directly by the post office, while in some others, they were left to the village/*kelurahan* officials by the post office. There are three delivery methods for the KPS: (i) the post office or the village/*kelurahan* officials delivered the KPS directly to each recipient household; (ii) the post office or the village/*kelurahan* officials gave the KPS to the recipient households after they were gathered beforehand; and (iii) the post office or the village/*kelurahan* officials gave the KPS to the recipient households at the same time as the BLSM disbursement.

Accuracy of Targeting

The results of the focus group discussions (FGDs) and in-depth interviews with various informants show that, in general, BLSM was right on target, in which it indeed targeted the poor and very poor households. There were, however, many poor and very poor households that did not become recipients (exclusion error). There was a case in Kota Semarang where there was not a single household in one RTⁱⁱⁱ that received BLSM even though it was a poverty pocket. The same thing occurred in one of the *kelurahan* in Kota Makassar.

Although BLSM was considered right on target, in a limited number, there were still recipient households that belonged to the nonpoor (inclusion error). The reasons were, among others, the inaccurate data collection and the absence of data verification. The period of the data collection and the program implementation that took two years to finish allowed changes in the people's welfare condition to take place.

Returned KPS and Replacement of Recipients

Returned KPS in the monitored villages/*kelurahan* varied between 0% and 21%—generally because the households had moved or the household head had passed away. The KPS that were returned mostly came from monitored villages/*kelurahan* in Kabupaten Barru and Kota Makassar where local officials withheld KPS whose recipients were considered ineligible. Out of all the returned KPS in monitored villages/*kelurahan*, none were returned from the cards being withdrawn by the officials nor the result of a *musdes/musko* (village/*kelurahan* deliberation); nor were they returned by the recipient households.

In Kabupaten Bima, Kota Bima, and Kabupaten Tapanuli Tengah, there were KPS that could not be given to the recipient households but were not included as returned KPS. The recipients of the KPS were replaced locally at the village/*kelurahan* level, whether this was or was not known to the post office. The reason was to simplify and expedite the process of delivering the BLSM benefit.

The holding of a *musdes/musko* to replace the returned KPS only occurred in one monitored village in Kabupaten Barru. In other monitored areas, the village/*kelurahan* officials and/or the head of RW^{iv}/RT directly appointed the replacement households. To meet the administrative requirements

ⁱⁱA *kelurahan* is a village-level administrative area located in an urban center.

ⁱⁱⁱRT (*rukun tetangga*) or neighborhood unit, is the smallest unit of local administration consisting of a number of households.

^{iv}RW (*rukun warga*) is a unit of local administration consisting of several RT (neighborhood units) within a *kelurahan*.

of the returned KPS's replacements, almost all the monitored locations had the necessary documents made up as if they were results of *musdes/muskel*

The KPS replacement through *musdes/muskel* and direct appointment was not widely informed to the community. Even the households which were replaced and some of the households that became the replacement did not know that they were in that particular position. This was meant to curb the possibility of social turmoil from arising.

Generally, the replacement of the returned KPS through *musdes/muskel* and direct appointment considered poverty criteria which vary between regions. The criteria that are often used are type and status of employment, condition and status of housing, number of dependents, and age (that is, whether the household head is elderly). Some monitored areas also used additional criteria, namely that the recipient household that is replaced and the replacement household live in the same RT/RW; there is a kinship relationship between the replaced household and the replacement household; and there is kinship relationship between the replacement household and the village/*kelurahan* officials.

Implementation of BLSM

Information Dissemination

In general, the information dissemination of BLSM was limited to certain circles and tended to be only about the mechanism of the funds disbursement. The formal information dissemination to the officials at the *kabupaten/kota* level all the way down to the village/*kelurahan* level was late, was not received by all the relevant officials, and was aimed more at securing the program implementation. The information dissemination to the BLSM recipient households from the post offices or village/*kelurahan* officials was only limited to the disbursement schedule, place, and requirements. The recipient households also received information dissemination in the form of brochures, but they came late and not all recipient households read and/or understood the content of the brochures.

The lack of information dissemination of BLSM resulted in confusion. There were many recipient households who did not understand that BLSM was only disbursed twice because on the KPS it is stated that “the validity period is 2013–2014”, therefore, they were expecting that there would be more disbursements to come. There were also many recipient households that were not quite familiar with the name BLSM and the name KPS in particular. They called BLSM ‘BLT’ or ‘BBM [Fuel] Assistance’. As for KPS, it was better known as ‘BBM Card’, ‘Yellow Card’, ‘BLSM Card’, or ‘BALSEM [play of word for BLSM meaning balm] Card’.

Funds Disbursements

Disbursement of BLSM funds generally went well and the funds were withdrawn by recipients whose name was written on the KPS. During the first stage of the BLSM funds disbursement, many households in some monitored areas came at the same time so that they had to wait for a long time and jostle for space at the post office. During the second stage, this did not happen because the post office had arranged a more optimum time management and added more service counters.

Not all *kecamatan* (subdistricts) have their own post office; therefore, PT Pos Indonesia provided a special counter at the *kecamatan* or village level, except in Kabupaten Tapanuli Tengah, where, as a result, the recipient households had to spend more money and time to obtain the BLSM funds.

There were also cases where the KPS holders could not withdraw the BLSM funds because they: (i) received the replacement KPS late; (ii) lost the KPS; or (iii) did not get information about the schedule of the second-stage disbursement.

The recipient households, in general, received the BLSM funds from the post office in full. There was a case in Kabupaten Cianjur where 11 households considered to have come late were forced by an individual at the post office to accept a deduction of Rp50,000 per household. In Kabupaten Cianjur, Kabupaten Demak, and Kota Sukabumi, a deduction of Rp10,000–Rp100,000 per household was made by the head of the RT/*dusur* (hamlet), on the basis of an agreement between the officials and the BLSM recipients or based on the one-sided request of the officials. The collected funds were distributed within the respective RT/*dusur* to: (i) all nonrecipient households; (ii) poor nonrecipient households; or (iii) nonrecipient households that protested against the officials.

Problems and Solutions

In general, there was no serious social turmoil arising during the implementation of BLSM. Some households who felt that they were eligible but did not become recipients of BLSM usually only filed a complaint, asked questions, or protested mildly to local officials. The officials curbed them by explaining that the officials were not involved in the data collection process or in determining the recipients which was conducted by the central government. Officials also promised to nominate the respective households as recipients and suggested that the households ask directly at the post office or BPS.

A problem that received quite a lot of attention happened in one of the monitored *kecamatan* in Kabupaten Bima, where the village office was sealed for more than one week. The problem was not solely because of BLSM but there was also a problem regarding the election of the previous village head and the appointment of the caretaker of another government program. The problem was settled through a deliberation mediated by the people from the *kecamatan*.

The 2013 BLSM and the 2005 & 2008 BLT in Comparison

There were varied informants' evaluations over the implementation of the 2005 BLT, the 2008 BLT, and the 2013 BLSM, which generally were similar to SMERU's monitoring over the study results of the implementation of the three programs. In general, BLSM was considered better, particularly in terms of: (i) targeting accuracy; (ii) the use of the KPS that allowed the withdrawal of funds by the household members as written on the KPS; (iii) the use of a barcode in the KPS that could ease and speed up the withdrawal process; and (iv) low conflict level.

The implementation of BLSM was considered lacking in the areas of: (i) program information dissemination; (ii) program coverage, considering the great number of elderly who did not become recipients; (iii) total nominal and real value of the assistance; (iv) program duration; and (v) mechanism for proposing to add benefit recipients.

The implementation of BLSM was considered to have lacked the involvement of local officials. This was, however, also considered an advantage because: (i) if there was a complaint from the community, the officials could argue that they were not involved in the program; (ii) the central authority's decision could better curb the possibility of social turmoil from occurring because the community could not challenge the central government's decision; and (iii) if there had been unrest, the officials would most likely not have been the target.

KPS Usage in BSM

The dissemination of information about KPS usage in BSM to the *kabupaten/kota* education agency and religious affairs office was conducted by holding meetings and through the distribution of brochures, banners, posters, circulars, and guidebooks. The dissemination of information to schools varied between the monitored *kabupaten/kota*; it was conducted either by holding meetings, sending circulars, or making telephone calls. The information varied, especially information that was conveyed through circulars and telephone calls.

The dissemination of information to the community was carried out by the central government by enclosing the information about KPS usage for BSM in the BLSM brochures, however, this information was not read and understood by most KPS recipients. Information was also disseminated by schools to their students or parents who were KPS holders with the purpose of asking them to complete the requirements of the BSM nomination. After the disbursement of the BSM funds, the information regarding KPS usage for BSM became more widespread.

In general, the *kabupaten/kota* officials and the households knew that KPS could be used to access BSM; however, their understanding was limited. The schools' understanding also varied and was not always accurate. There were schools that had the understanding that one household only had a quota of one BSM recipient student. There were also schools that were of the opinion that BSM was only for students whose names were written on the KPS. In addition, there were schools that limited the filing of the nomination to two children per household.

The idea of using KPS for BSM was developed through impromptu planning and program design because of the time limitation. The time constraint affected the readiness of the program in implementing the use of KPS and forced the program implementers to make changes to the policy several times. The initial proposal of having recipient students only from the KPS recipient households was then changed to include other poor students, and then to having as many students as possible because there was still an unfulfilled recipient quota.

The changes to the nomination were not supported by an adequate data processing system; therefore, there were names of recipients registered twice, consequently reducing the recipient quota. The changes to the nomination were also not supported by an adequate information delivery system; therefore, not all schools knew about and went through the same nomination stages.

Disbursement of the BSM funds through the bank had some advantages, but this was not always supported with a cooperative mechanism that facilitated the recipient students. As a result: (i) there were recipients who faced difficulties when making a withdrawal because of the distance to the service point; (ii) the administrative requirements could not always be met; therefore, there were students who could not yet withdraw their BSM funds; (iii) the partner banks, aside from Bank Sumut, required students to leave a credit balance of Rp10,000–Rp50,000 so that the savings account could stay active; (iv) some banks did not tolerate slightly unmatched names on the documents to those in the bank data; and (v) the banks generally have a limited number of branches/service unit offices that created long queues of recipients trying to withdraw the BSM funds, thereby causing delays to the disbursement schedule completion.

KPS usage in BSM had an impact on the improvement of recipient targeting and students' access to the program; however, because of time constraints and problems with information dissemination: (i) all of the monitored *kabupaten/kota* could not meet the target quota; (ii) not all schools had more recipients than before the use of the KPS; (iii) in general, schools had prioritized the KPS holders when proposing students to become the recipients, but not all students coming from the

KPS holder's households could access BSM; and (iv) the poor students from the non-KPS recipient households could access BSM, but the number was limited.

The use of KPS should have guaranteed targeting accuracy because students from the KPS recipient households were generally poor students and poor students from the non-KPS recipient households could be proposed to become BSM recipients. Nonetheless, this issue faced time constraints and information dissemination problems.

KPS Usage in Raskin

The level of understanding of officials at the *kabupaten/kota* level all the way down to the village/*kelurahan* level about KPS usage for Raskin was quite good. They received information disseminated through posters and circulars, however, at the community level, only a few understood this. Although the KPS recipient households received brochures, many did not read them or did not understand that what was meant by KPS was the card they used to receive BLSM funds. Furthermore, there were still some people who did not understand the term Raskin because they were accustomed to calling it "cheap rice" or other local terms.

Regarding the changing of the program target to only the KPS holders, the government did not provide clear regulations that could bind all parties. The efforts towards this change were also not supported by well-prepared information dissemination. Meanwhile, the officials evaluated that the KPS recipients were not entirely targeted accurately because there were still many poor households that did not receive the KPS.

Without the support of a firm regulation, sufficient information dissemination, and accurate data, the implementers in the field generally did not have the courage to bear the negative consequences from making changes to the existing Raskin distribution patterns. Of all the monitored areas, only the officials in one *kelurahan* in Kota Semarang had the courage to fully implement the use of KPS to access Raskin. The use of KPS did not, therefore, improve Raskin's targeting accuracy. Raskin distribution still used the old patterns, namely: (i) evenly distributing the rice; (ii) rotating the rice; (iii) using the 2012 Raskin recipient data; and (iv) using the village poor households list.

Although Raskin was evenly distributed and rotated, the KPS households in a small number of monitored areas were given priority, in which they received a larger ration than the non-KPS recipients, were given the assurance to receive the ration every time there was a distribution, or became full recipients of the additional quota to compensate for the fuel price increase. In most of the other monitored areas, Raskin distribution did not consider the KPS ownership.

In one monitored *kelurahan* in Kota Sibolga, KPS ownership, in fact, removed access to Raskin. The local neighborhood head transferred the Raskin rights from the KPS households to the non-KPS recipient households because the households of the KPS holders were considered to have experienced economic improvement and had received BLSM.

Conclusion

The implementation of BLSM went well and did not result in significant social turmoil. Target accuracy was quite high, seen from the low inclusion error; however, the exclusion error level was also quite high. Among other reasons, this was because the government did not carry out target data verification and there was an insignificant difference in the welfare condition of the lowest-

income community. The program design made it possible to replace the recipients through deliberation at the village/*kelurahan* level, but this was rarely done and if there were replacements, they were typically carried out through an official's direct appointment.

BSM had already used the KPS, but there were still students from the KPS households who had not become BSM recipients, especially because of limited information dissemination. In Raskin, the local implementers generally had not used the KPS to prevent the possibility of social turmoil from occurring.

Recommendations

1. The target household data has to be verified before the program is implemented to accommodate possible changes in the condition of the people's welfare during the gap between the time of the data collection activity and the time when the data is used. The verification through *musdes/muskel* needs strong guidance.
2. The selection of the recipient households must be done at the central level to minimize the possibility of officials' collusion and community conflicts or protests that may result in anarchic actions.
3. There should be strong legitimation from the central government that the *musdes/muskel* have the right to keep/withdraw the KPS whose recipient households are ineligible and to sanction the respective households that reject the decision.
4. There should be affirmation to all relevant parties that the returned KPS should be given back to the central government and the replacement should be based on the result of *musdes/muskel* decided by the central government based on the BDT.
5. There should be a guarantee from the central government that the returned KPS will be replaced according to the number of returned KPS and the replacement households can get the replacement KPS before the deadline of the disbursement ends and receive the program benefits in full.
6. The implementation of any program that involves a large number of implementers and targets needs a well-planned preparation. Such preparation includes detailed program concept design, operational guidelines that are comprehensive and can be properly understood by all parties involved, and sufficient preparation time.
7. Dissemination of information has to be conducted before the program starts and decisions concerning the person in charge at every governmental level have to be made clearly, firmly, and formally. Information dissemination should be conducted promptly through various media so that it will be possible for the information to reach all stakeholders, including the community.
8. The information provided should be thorough but compact and concise using terminology that is easy for people to understand and it should also minimize the possibility of social turmoil occurring at the community level.
9. The adjustment of existing programs, such as BSM and Raskin, to using the KPS has to be properly designed prior to the implementation.
10. There should be a special dissemination of information to schools and the community to affirm that all students who come from the KPS holders' households have the right to receive BSM.

11. To guarantee that students who come from the KPS households receive the BSM funds in full, there should be a special agreement between the agency that implements the program and the partner bank while still upholding the principles of transparency and accountability.
12. There should be affirmation from the regional government guaranteeing that the Raskin rice is only for the KPS recipients, for example, through a *bupati*(*kabupaten* head)/*walikota*(*kota* head) instruction directed to all heads of villages/*kelurahan*
13. There should be optimum dissemination of information to local officials and the community to guarantee that the KPS households receive Raskin rice according to the stipulated quota, quality, and price.

I. INTRODUCTION

1.1 Background

The Government of Indonesia reduced the subsidy on fuel (BBM) by increasing the price of premium and diesel from Rp4,500 per liter each to Rp6,500 and Rp5,500 per liter, respectively, on 22 June 2013. On one hand, this policy aimed to improve economic conditions, while, on the other hand, it could trigger inflation that could lower the level of people's welfare, particularly that of the poor and vulnerable. To reduce the negative impact, the government launched the Program for the Acceleration and Expansion of Social Protection (P4S) and several special compensation programs.

The P4S included the Cash Transfer Program for Poor Students (BSM), Subsidized Rice for Poor Households (Raskin), and the Family of Hope Program (PKH). The special compensation programs consisted of the temporary Unconditional Cash Transfer Program (BLSM) and the Infrastructure Development Acceleration and Expansion (P4I) that comprised the infrastructure development of residences, clean water, and water resources (Tim Sosialisasi Penyesuaian Subsidi Bahan Bakar Minyak, 2013). Of all those programs, BLSM, BSM, and Raskin targeted the poor and vulnerable households; meanwhile the PKH targeted very poor families that meet certain requirements.

BLSM targeted 15.5 million households that were registered in the Integrated Database (BDT). That household number was 25% of Indonesian households that had the lowest welfare level based on the Statistics Indonesia (BPS) data collection results through the 2011 Data Collection for Social Protection Programs (PPLS). To access BLSM, target households received the Social Protection Card (KPS) to identify the poor and vulnerable households that were eligible to receive BLSM. In addition to accessing BLSM, KPS was also used to access two P4S, namely BSM and Raskin.

BLSM was an unconditional cash transfer with a limited period of implementation. This program, with a budget of Rp9.32 billion, was similar to the 2005 and 2008 Unconditional Cash Transfer Programs (BLT) that were also launched by the government to compensate for the increase of the fuel price. BLSM aimed at helping to maintain the buying power of the poor and vulnerable households when there was a price increase of various commodities as a result of the fuel price adjustment. The target households received cash assistance of Rp150,000 per month for four months. The funds disbursements took place in two stages, which were in June/July 2013 for the first two-month payment and in September/October 2013 for the payment of the following two months. KPS distribution and BLSM funds disbursements became the responsibility of PT Pos Indonesia (Tim Sosialisasi Penyesuaian Subsidi Bahan Bakar Minyak, 2013).

BSM and Raskin were social protection programs that had been implemented several years ago and were included in the first cluster of poverty reduction programs. BSM was an unconditional cash transfer for poor students in SD/MI (primary schools), SMP/MTs (junior high schools), and SMA/SMK/MA (senior high schools)¹ that was channeled every semester with varying amounts of assistance depending on the level of education. Meanwhile, Raskin was a subsidized rice assistance program for as much as 15 kg per household per month with a redemption price of Rp1,600 per kg at the distribution point. In 2013, with the fuel subsidy compensation program, every BSM recipient student received an additional benefit of Rp200,000, while the Raskin recipient households

¹SD: sekolah dasar (primary school); MI: *madrasah ibtidaiyah* (Islamic primary school); SMP: *sekolah menengah pertama* (junior high school); MTs: *madrasah tsanawiyah* (Islamic junior high school); SMA: *sekolah menengah atas* (senior high school); SMK: *sekolah menengah kejuruan* (senior vocational high school); MA: *madrasah aliyah* (Islamic senior high school).

received an additional distribution for three months that was channeled in June, July, and September 2013. In those three months the Raskin recipient households received a distribution twice per month, which was the regular Raskin and the additional Raskin. The allocation of each distribution was Rp15 kg per household; thus, each household received a rice quota of 30 kg per month.

Based on various research and monitoring activities, social protection programs always faced various problems in their implementation. The study of those problems and the experiences gained in efforts to solve the problems identified the things that could be done to improve the implementation of an ongoing program or could serve as a lesson for other programs. The implementation of every social assistance program, therefore, had to be accompanied with monitoring and evaluation to increase the effectiveness of program implementation.

To obtain an initial and quick illustration of BLSM implementation, in July–August, The SMERU Research Institute, in collaboration with The National Team for the Acceleration of Poverty Reduction (TNP2K) conducted monitoring of the implementation of the first-stage BLSM disbursement in four *kecamatan* (subdistricts) located in Jakarta Utara, Kabupaten (District of) Karawang, Kota (City of) Bandung, and Kabupaten Tangerang (Hastuti et al., 2013). To follow up the monitoring activity so that an illustration of BLSM implementation in a wider area could be obtained, and understand the use of the KPS in the implementation of the BSM and Raskin programs, The SMERU Research Institute, collaborated again with TNP2K, conducted monitoring in 10 *kabupaten/kota* spread in five provinces.

1.2 Monitoring Objectives

In general, this monitoring aimed at providing information about the implementation of BLSM and KPS usage in BSM and Raskin for all policy makers and other stakeholders. This monitoring was expected to serve as inputs for the improvement of the implementation of the ongoing program and the planning of similar programs in the future.

Specifically, this monitoring aimed at answering several questions.

- a) How were the KPS distributed? How were the recipient households targeted? How accurate was the targeting?
- b) Were there replacements of KPS recipients? What was the replacement mechanism and what criteria were used to determine the replacement of the KPS recipients?
- c) How was the implementation of the 2013 BLSM in connection with information dissemination, funds disbursement, problems that arose as well as their handling?
- d) In general, how was the implementation of the 2013 BLSM compared to the implementation of the 2005 and 2008 BLT?
- e) How was the understanding of the program implementers, officials, the recipient households and nonrecipient households about the KPS benefits?
- f) How far did BSM and Raskin incorporate the use of the KPS into their work mechanisms and what obstacles were faced?
- g) What were the impacts of KPS usage in BSM and Raskin implementation on targeting accuracy and on KPS holders' ability to become recipients of the programs?

1.3 Monitoring Methods

This monitoring utilized the qualitative approach. The monitoring area did not represent Indonesia, but the selection was done purposively based on certain criteria, including geographic representation. The information gathering was done through a literature study, in-depth interviews using the semi-structured interview guidelines, and focus group discussions (FGDs).

1.3.1 Monitored Areas

The monitoring was conducted in five provinces which were selected based on their geographic representation—Sumatra-Kalimantan, Java, Bali-Nusa Tenggara, and Sulawesi-Maluku-Papua. The selection of the provinces for the monitoring also considered SMERU research locations of the 2005 and 2008 BLT studies so that comparative information about similar program implementation was available. Based on those criteria, the monitoring was conducted in the provinces of North Sumatra, West Java, Central Java, West Nusa Tenggara, and South Sulawesi. Of the five provinces, only South Sulawesi was not SMERU’s BLT study location. In every province, one *kabupaten* and one *kota* were selected to get regional representation of the rural area (*kabupaten*) and the urban area (*kota*). The selection of *kabupaten* took into account SMERU’s research locations of the 2005 and 2008 BLT studies, while the selection of the *kota* took into account the location’s vicinity near the selected *kabupaten* to make it easy to carry out the monitoring. Most of the selected *kota* were the locations of SMERU’s study on the implementation of the 2011 PPLS. For South Sulawesi in particular, the biggest city in the province and the *kabupaten* that had good community involvement practices in development planning were chosen. This was meant to obtain different information and to discover village/*kelurahan* (urban village) deliberations (*musdes/muskel*) that involved the community.

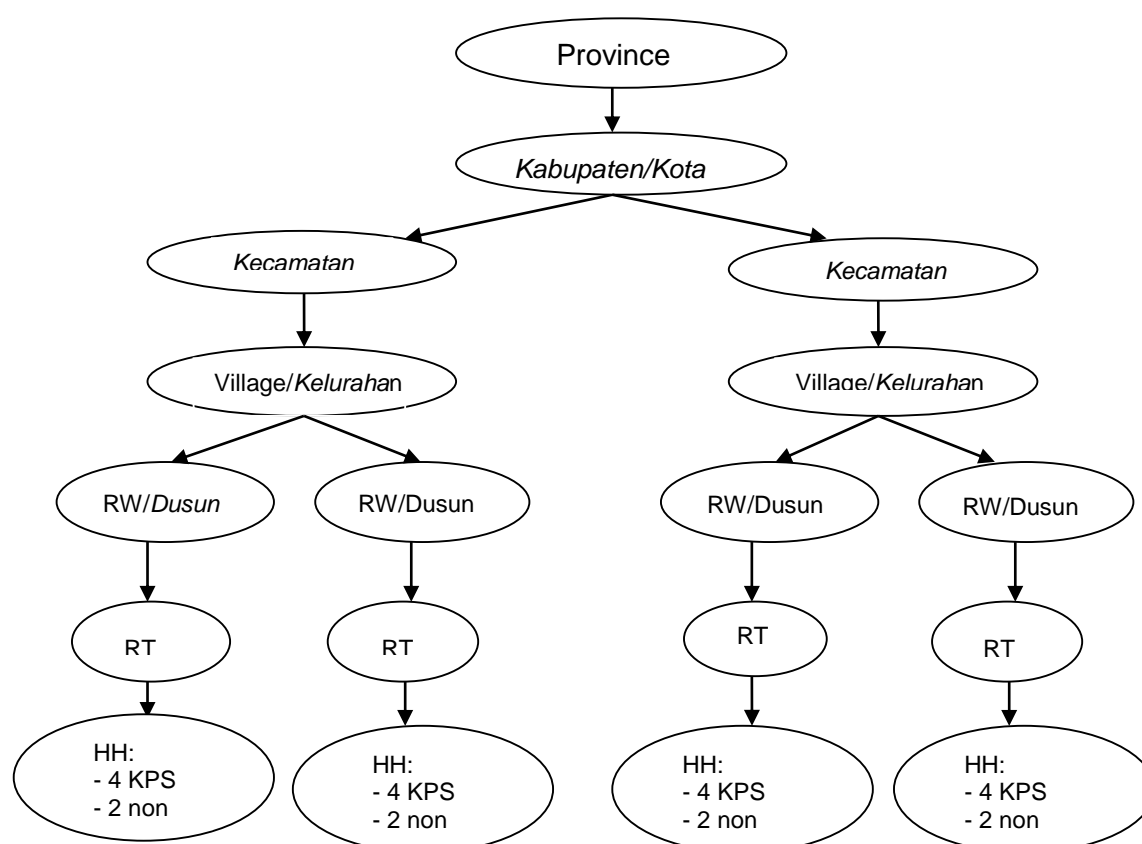


Figure 1. Coverage of areas monitored in each province

Note: HH = household.

In every *kabupaten/kota* two *kecamatan*, which had been SMERU's research locations during previous studies, were chosen and the distance between the *kecamatan* was relatively far to get a more varied illustration of the program implementation. In South Sulawesi, the selection of *kecamatan* also took into account the number of returned KPS. In every *kecamatan*, one village/*kelurahan* that used to be SMERU's research location and had certain cases in the implementation of BLSM was chosen (Figure 1). Next, in every village/*kelurahan*, two RW²/*dusun*³ neighborhoods that are relatively distant from one another, had the most KPS recipient households, and had returned KPS were chosen. In every RW/*dusun* neighborhood, one RT⁴ that had the most KPS recipient households and had returned KPS was chosen. Overall, the monitoring covered 5 provinces, 10 *kabupaten/kota*, 20 *kecamatan*, 20 villages, 40 *dusun*/RW, and 40 RT. The selected areas of monitoring are presented in Table 1.

Table 1. Monitored Areas

Province	<i>Kabupaten/Kota</i>	<i>Kecamatan</i>	Village/ <i>Kelurahan</i>
North Sumatra	<i>Kabupaten Tapanuli Tengah</i>	<i>Sorkam</i>	Village-1
		<i>Sibabangun</i>	Village-2
	Kota Sibolga	Sibolga Kota	Kel-3
		Sibolga Selatan	Kel-4
West Java	<i>Kabupaten Cianjur</i>	<i>Cibeber</i>	Village-5
		<i>Cugenang</i>	Village-6
	Kota Sukabumi	Cikole	Kel-7
		Warudoyong	Kel-8
Central Java	<i>Kabupaten Demak</i>	<i>Karang Tengah</i>	Village-9
		<i>Wedung</i>	Village-10
	Kota Semarang	Semarang Utara	Kel-11
		Semarang Barat	Kel-12
West Nusa Tenggara	<i>Kabupaten Bima</i>	<i>Wera</i>	Village-13
		<i>Monta</i>	Village-14
	Kota Bima	Mpunda	Kel-15
		Rasanae Barat	Kel-16
South Sulawesi	Kabupaten Barru	Pujananting	Village-17
		Barru	Village-18
	Kota Makassar	Rappocini	Kel-19
		Makassar	Kel-20

Note: Those printed in italics were the locations of SMERU's studies on the 2005 and 2008 BLT.

²RW (*rukun warga*) is a unit of local administration consisting of several RT (neighborhood units) within a *kelurahan*

³A *dusun* is an administrative area within a village, consisting of a number of RT.

⁴RT (*rukun tetangga*) or neighborhood unit, is the smallest unit of local administration consisting of a number of households.

1.3.2 Information Gathering

The information gathering was carried out through a literature study, in-depth interviews, and FGD. The literature study was done on the results of the previous study and the program guidelines of BLSM, BSM, and Raskin. The in-depth interviews were done with stakeholders at the central government, *kabupaten/kota* *kecamatan* *village/kelurahan* and community levels.

At the central level, interviews with institutions-in-charge or relevant program implementers were conducted, including the Ministry of Social Affairs (MoSA), the Ministry of Education and Culture (MoEC), the Ministry of Religious Affairs (MoRA), and TNP2K. At the *kabupaten/kota* level, interviews were conducted with officials of regional government officials or Bappeda, *kabupaten/kota* social agencies, *kabupaten/kota* education agencies, *kabupaten/kota* religious affairs offices, post offices, regional subdivisions of Bulog, and banks.

At the *kecamatan* level, in-depth interviews were conducted with the head of *kecamatan*, the *kecamatan* officials who handled the relevant program, the *kecamatan* social welfare workers (TKSK⁵) of the *kecamatan* social agency, and school principals. At least three schools needed to be selected in every *kecamatan* representing SD/MI, SMP/MTs, and SMA/SMK/MA levels, public-private status, and public madrasas. At the *village/kelurahan* level, interviews were conducted with the *village/kelurahan* officials, the heads of RW/*dusun* neighborhoods, the heads of RT, and community leaders.

At the community level, interviews were conducted with the KPS recipient households, including, if any, replacement recipient households and households in the inclusion error category. Interviews were also conducted with the non-KPS recipient households, including, if any, the KPS recipient households that were replaced and the households in the exclusion error category. Six informants were selected in every RT—consisting of four KPS recipient household heads and two non-KPS recipient household heads. The selection of the KPS recipient household informants was done purposively, taking into account the different welfare levels (very poor, poor, and middle-class/rich), the existence of children in school, and whether the household's head was a man or a woman. The selection of the non-KPS recipient household informants was also done purposively, consisting of the poorest households that did not become the KPS recipients and the households that were replaced. In total, this monitoring interviewed 240 households including 160 KPS recipient households and 80 non-KPS recipient households.

The FGD was conducted at the *dusun*/RW/neighborhood/RT level especially to ascertain information about the accuracy of the KPS recipient targets in the FGD participants' neighborhood. The number of participants was 10 to 15 people consisting of formal and informal community leaders, women leaders, as well as the community (very poor, poor, average/rich). The FGD also required the representation of women and spatial (domicile) representation. In those FGDs, the participants were asked to: (i) classify a household's welfare and the criteria used in the respective neighborhood; (ii) make a list of households' names that were in the two lowest welfare classification; (iii) mark the KPS recipient households from the list that had been made; and (iv) mention the name of the KPS recipients that did not belong to the two lowest welfare categories.

⁵TKSK is a person who is given the task, function, and authority by the Ministry of Social Affairs and /or the social service agency/provincial social institutions, the *kabupaten/kota* social service agency for a certain period of time to carry out and/or assist the implementation of social welfare [programs] in accordance with the assigned areas in the *kelurahan*. In P4S and BLSM, TKSK is tasked with updating the list of KPS recipient households and other administrative activities (Ministry of Social Affairs of the Republic of Indonesia and National Team for the Acceleration of Poverty Reduction, 2013).

1.3.3 Members of the Monitoring Team and the Monitoring Schedule

The research team involved in the monitoring consisted of ten people, namely Hastuti, Bambang Sulaksono, Sulton Mawardi, Akhmadi, Rahmitha, Valentina Y. D. Utari, Dyan Widhyaningsih, Dinar Dwi Prasetyo, Kartawijaya, and Imam Zamroni. They were divided into five teams with each team responsible for carrying out monitoring in two *kabupate/kota*

The monitoring activity took place between January and May 2014. The field visits were done between February and March 2014, for about 11 days for every *kabupate/kota*. The expected outputs were initial findings and recommendations as well as a complete report.

1.3.4 Report Structure

This report was the result of the monitoring of BLSM implementation and the use of KPS in the monitored areas. The results of the study do not represent the BLSM implementation and the use of the KPS at the national level, but they are a source of information that illustrates the program implementation and the use of the KPS that may also have happened outside the monitored areas. This report is divided into five parts, including introduction, KPS distribution and targeting, BLSM implementation, KPS Usage for other programs, as well as conclusion and recommendations.

II. KPS DISTRIBUTION AND TARGETING

The data of the KPS and BLSM recipients target households came from the BDT for the Social Protection Program that was processed and managed by the TNP2K. The BDT contained 40% of the data of the Indonesian population with the lowest welfare level or around 24,7 million households. The major data source of the BDT was the 2011 PPLS that targeted households with the lowest welfare level and was conducted by BPS.⁶ The central government decided that not all households in the data became the recipients of BLSM. A total of 15.5 million households or 25% of all households with the lowest welfare received BLSM payments. The government believed that the cut off was already sufficient because the proportion of people who lived below the poverty line in September 2012 based on BPS data was 11.66 percent (Tim Sosialisasi Penyesuaian Subsidi Bahan Bakar Minyak, 2013).

2.1 KPS Distribution

PT Pos Indonesia became the institution-in-charge of the KPS distribution to each of the target households and provided the service free of charge. In executing their responsibilities, the postal officers were accompanied by a representative of the local village/*kelurahan* administration (Tim Sosialisasi Penyesuaian Subsidi Bahan Bakar Minyak, 2013). In the implementation, the households received the KPS for free. The mechanism for the KPS distribution was different across monitored regions and even between villages/*kelurahan* in the same *kabupaten/kota*. The post office did not always directly deliver the KPS to the target households and was not always accompanied by the village/*kelurahan* representative.

In general, the KPS distribution used two different mechanisms: (i) the postal officer delivered the KPS to the target households directly; and (ii) the postal officer delivered the KPS to the target households via the local village/*kelurahan* official (Figure 2).

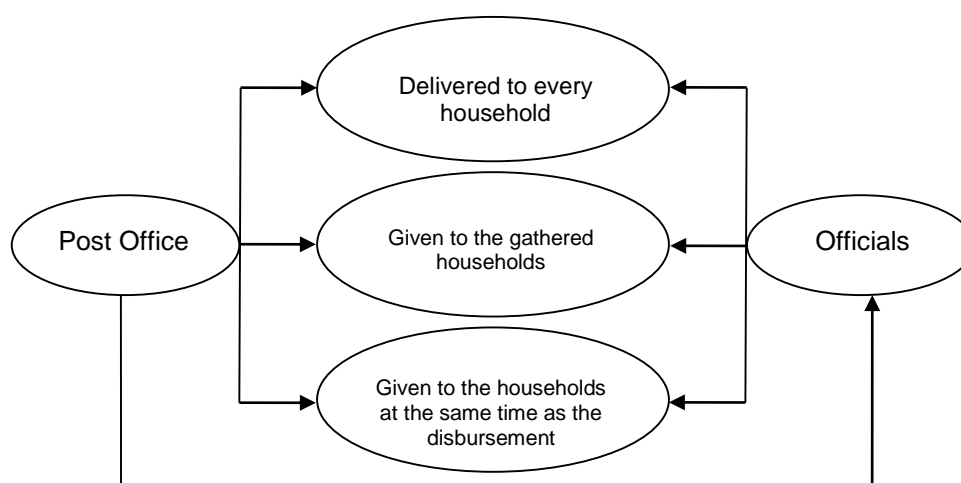


Figure 2. Flow chart of KPS distribution in monitored areas

⁶The census at the village/*kelurahan* level was carried out by local residents who became BPS's partners. The residents had different professions, such as village/*kelurahan* officials, *puskesmas*, Family Empowerment and Welfare cadres, housewives, farmers, employees receiving honorarium (Hastuti et al., 2012).

In the first distribution pattern, the post office distributed the KPS to the target households through several ways:

- a) The postal officer distributed the KPS to each of the households independently and unaccompanied by the local official. This way of distribution was no different to the postal officer's pattern in delivering mail or packages.
- b) The postal officer distributed the KPS to the target households that had been gathered at one place, usually at the village/*kelurahan* office, accompanied and facilitated by the village/*kelurahan* representative. Prior to the distribution, the post office provided a list of the KPS recipients to the village/*kelurahan* official and asked them to inform all the households on the list on the time to collect the KPS.
- c) The postal officer distributed the KPS to the target households during the disbursement of BLSM. Before the scheduled time of the disbursement, the postal officers asked the village/*kelurahan* official to give the information orally or via a letter to the target households regarding the place, time, and disbursement requirements. KPS distribution that was done simultaneously with BLSM disbursement was usually taken as a strategy to overcome the problem of disbursement time constraints and the distance between the target region and the post office location.

Under the second method, the KPS was also distributed through several ways, which were: (i) the postal officer handed the KPS over to the village/*kelurahan* official at the village/*kelurahan* office; (ii) the postal officer handed the KPS over to each head of RT without going through the village/*kelurahan* office; or (iii) the postal officer asked the village/*kelurahan* official to collect the KPS at the post office. The village/*kelurahan* representative or the head of the RT then delivered the KPS to target households in several ways similar to the way the postal officers delivered the KPS to the households:

- a) The village/*kelurahan* official distributed KPS to the target households in stages. The village/*kelurahan* representative handed the KPS over to the head of RW, then the head of RW handed them over to the head of RT and the head of RT distributed them directly to the target households.
- b) The village/*kelurahan* official distributed KPS to the target households that came to the village/*kelurahan* office. The target households usually got information about KPS distribution from the village official or from their neighbors, but there were also households who came without notice because the KPS distribution was held simultaneously with Raskin distribution.
- c) The village/*kelurahan* official distributed KPS to the target households during the BLSM disbursement. Prior to the disbursement, the village/*kelurahan* official requested target households to come to the post office according to the disbursement schedule. When they arrived at the post office, the village/*kelurahan* representative distributed the KPS to the households and the households used it directly to withdraw BLSM.

In a few cases, the postal officers delivering KPS to the beneficiary household were not always successful in distributing it to all target households because no one was home. In these cases, the postal officer usually left the KPS with the village/*kelurahan* official, a neighbor of the respective household, or another KPS recipient household.

The KPS distribution method in each of the monitored villages/*kelurahans* presented in Table 2. KPS distribution directly from the post office to the household tended to occur in the urban area, while in rural areas the post office usually distributed the KPS through the local village official.

The factors that influenced the KPS distribution method include: the different understanding of the postal officers, the different geographical condition of the region, and each post office's policy after taking into account the community social and political condition in the respective region. This policy was usually based on input from the village/*kelurahan* and *kecamatan* officials. The goal of the delivery method was that the KPS would not cause social turmoil. Such a case happened in one of the monitored villages in Kabupaten Demak; the KPS was temporarily seized by village officials and was only distributed after a deliberation was held to make cuts on the BLSM funds, which would be distributed to the non-KPS recipients. This was because the officials were worried there would be turmoil as in the implementation of the 2005 BLT, where people lodged protests and committed violence against the data enumerators and their family. In a monitored village in Kabupaten Bima, the KPS distribution was done through the head of RT who came to each recipient's house. This was because a riot had occurred at the neighboring village when the post office distributed the KPS to the households gathered at a certain place.

Table 2. Distribution of KPS at the Monitored Villages/*Kelurahan*

<i>Kabupaten/ Kota</i>	<i>Village/ Kelurahan</i>	Ways to Distribute KPS
<i>Kabupaten Tapanuli Tengah</i>	<i>Village-1</i>	The postal officer distributed KPS to the households gathered at the village
	<i>Village-2</i>	The village head takes the KPS from the post office to be distributed to the
Kota Sibolga	Kel-3	
	Kel-4	The postal officer
<i>Kabupaten Cianjur</i>	<i>Village-5</i>	The postal officer distributes KPS at the post office during the BLSM disbursement.
	<i>Village-6</i>	The postal officer distributes KPS to the households gathered at the village office. The KPS of the households that do not come are left with their respective RT head who will distribute them during the BLSM disbursement.
Kota Sukabumi	Kel-7	The postal officer distributes KPS at the post office during the BLSM disbursement.
	Kel-8	The postal officer hands the KPS over to <i>kelurahan</i> to be distributed to the households through each of their RT heads.
<i>Kabupaten Demak</i>	<i>Village-9</i>	The postal officer hands the KPS over to the village official to be distributed to the households gathered at the <i>dusun</i>
	<i>Village-10</i>	The postal officer hands the KPS over to the villagers that he trusts to be distributed to the households directly or via the RT heads.
Kota Semarang	Kel-11	
	Kel-12	The postal officer
<i>Kabupaten Bima</i>	<i>Village-13</i>	The postal officer distributes KPS at the post office during the BLSM disbursement.
	<i>Village-14</i>	The postal officer hands the KPS over to the RT/RW heads to be delivered to
Kota Bima	Kel-15	The postal officer distributes the KPS to the households gathered at their <i>kelurahan</i> .
	Kel-16	The postal officer delivers the KPS to
Kabupaten Barru	<i>Village-17</i>	The postal officer distributes the KPS during the BLSM disbursement at the withdrawal counter provided in the village.
	<i>Village-18</i>	The postal officer hands the KPS over to the village head to be distributed to the households at the village office. The KPS of the households that do not come are delivered by the village cadre to their houses.
Kota Makassar	Kel-19	The postal officer hands the KPS over to the <i>kelurahan</i> to be distributed to the households.
	Kel-20	of the households who are not home are left with their neighbors or other recipients to be given later.

Note: Those printed in italics were the locations of SMERU's studies on the 2005 and 2008 BLT.

2.2 Targeting Accuracy

Targeting accuracy is one of the keys to the successful implementation of a social assistance program, including BLSM. The result of the in-depth interviews with all informants in the monitored areas showed that, in general, BLSM had been correctly targeted to the poor and very poor households.

Some informants said that all BLSM recipient households at the village/*kelurahan* RW/*dusun* neighborhood and RT levels in the monitored locations were poor and very poor households. Some other informants stated that there were recipient households that were not eligible to receive BLSM (inclusion error), but the number was very small. The households that were considered ineligible usually belonged to the low- and middle-income groups in their village/*kelurahan*. Most of them were households whose welfare had been improving for merely a short while (for the past 1–2 years) and who had previously been considered to be poor households or even very poor households. Some were considered ineligible not because they were not poor but because there were other households which were in worse condition. Some nonrecipient household informants and their neighbors could, therefore, understand why those households could become BLSM recipients. However, there were a few cases of households which were completely ineligible to receive KPS because they were middle-class households. Box 1 presents some examples of the recipient households that were considered ineligible by the informants.

Box 1
Recipient Households Considered to Be Ineligible

In one monitored neighborhood in Kota Sibolga, there were recipients who were considered by the informants to be ineligible to receive BLSM because they belonged to the middle-income group. One household head worked as a port hand with an income between Rp50,000 and Rp60,000 per day, while two out of the six children worked for a fishery company with a wage of Rp200,000 per week. Their family house could be classified as permanent and was quite big compared to the house of the neighbors.

In one monitored RW in Kota Semarang, there were three BLSM recipients who were considered ineligible. One of them was the RT head who owned a welding business that was quite thriving. He also had a pick-up van to carry various orders, such as iron fences and trellises.

In one monitored RW in Kota Bima, there were two recipient households that were considered ineligible because their welfare had improved. One recipient household became a KPS recipient because previously it was a poor household that lived in a house with bamboo plaited walls. Three years ago, the household started a business of selling household equipment and furniture on credit using the capital they received from an *arisan*^a. The household head with a wage of Rp65,000 per day allowed the household to build a small permanent house and buy a piece of farmland. The other recipient household could become a KPS recipient because previously the household head only had work as an *ojek* (motorcycle taxi) driver. Two years ago, he was accepted to work for a multinational company and today he has a salary of over Rp4 million per month. Although he and his family still lived with his parents, they were no longer considered poor.

In one monitored village in Kabupaten Bima, there was a recipient household that could build a simple brick house which was more adequate than the housing condition of their neighbors who were categorized as poor. The household referred to lives in a house which was just recently built from the earnings of the household head who had been a hand at a palm plantation in Kalimantan twice, for 15 months. The family, therefore, was considered ineligible to receive BLSM even though the household head currently only worked as a firewood collector with an unfixed income of around Rp20,000 to Rp30,000 per day.

In one of the monitored RTs in Kota Sukabumi, there was a recipient household that was considered ineligible because its welfare had already improved. The household head worked as a welder in Jakarta with a net income of at least Rp200,000 per week. Despite having seven children, the household was considered well-off because they had just renovated their residence to become a permanent house equipped with some new furniture, so it looked quite striking compared to other houses in the vicinity.

In one of the monitored RWs in Kota Makassar, there was a recipient household that was deemed ineligible. The household head had already performed his Hajj, owned a car, and had a two-storey house with tiled floors and ample parking space. He worked as a building contractor and four of his eight children are married and have their own income.

^aAn *arisan* is a regular social gathering in which members operate a rotating savings scheme.

Although they assessed that BLSM had targeted the poor and very poor households, all informants in the in-depth interviews stated that there were many households that belonged to the poor and the very poor that did not receive BLSM (exclusion error). The households that could be classified in this category were usually the elderly households, the widow/widower households, the young newlywed households, or the households that had recently moved to the place. An example of a very striking exclusion error occurred in the monitored area of Kota Semarang where not even a single household in one RT received BLSM. According to the informants, the RT was a poverty pocket because there were many poor and very poor households with people living in slum houses and neighborhoods and occupying the land illegally. In Kota Makassar, there was even a *kelurahan* where no household received BLSM, while, according to the *kota* government, it was one of the poverty pockets in the monitored *kecamatan*

In addition to in-depth interviews, BLSM's targeting accuracy in the monitored areas could also be seen through the FGD carried out with officials, community leaders, and the community at the *dusun*/*RW*/neighborhood or RT level. In the 20 FGD conducted in 20 monitored villages/*kelurahan* the participants divided the households in their regions into several welfare groups. Generally, they

divided the households into four groups, but there were also those who divided them into three or five groups. The four common welfare groups mentioned are: (i) very poor households, (ii) poor households, (iii) middle-class households, and (iv) rich households. Each of the welfare groups had certain criteria that varied among regions. The welfare indicators that were commonly used by the participants were job types, property or asset ownership, house condition, consumption type, educational level, and access to health services (description about the welfare groups based on the abovementioned indicators can be seen in Appendix 1).

The FGDs showed the same results as the in-depth interviews, in which BLSM had targeted the households from the lowest welfare group or the poor and the very poor households. The recipient households from the middle group were nonexistent or relatively small in number, while from the rich group there were none. The FGD results also showed that there were still many households from the lowest level group that did not become recipients. In Table 3, it can be seen that out of 30 households with the lowest welfare condition, there are seven to 25 households that did not receive a KPS.

In some monitored areas, the number of BLSM recipient households that were not considered poor by the FGD participants was quite big, reaching up to 11 households at the *dusun*/*RW* level. This number was far higher than the assessment of the in-depth interview informants. This might have happened because the FGD participants' evaluation was affected by the thought that there were many poorer households that did not become BLSM recipients. In general, those households also belonged to the lowest level of the middle group in their region.

Table 3. Inclusion and Exclusion Error Based on FGD Results in Monitored Areas

<i>Kabupaten/Kota</i>	<i>Village/Kelurahan</i>	<i>FGD Coverage</i>	<i>Inclusion Error^a</i>	<i>Exclusion Error^b</i>
<i>Kabupaten Tapanuli Tengah</i>	Village-1	<i>Dusun</i>	0	10 out of 30 HH
	Village-2	<i>Dusun</i>	0	14 out of 30 HH
Kota Sibolga	Kel-3	Neighborhood	0	13 out of 30 HH
	Kel-4	Neighborhood	3	21 out of 30 HH
<i>Kabupaten Cianjur</i>	Village-5	RW	0	14 out of 30 HH
	Village-6	RW	0	13 out of 30 HH
Kota Sukabumi	Kel-7	RT	5	15 out of 30 HH
	Kel-8	RW	0	7 out of 30 HH
<i>Kabupaten Demak</i>	Village-9	<i>Dusun</i>	2	19 out of 30 HH
	Village-10	<i>Dusun</i>	1	21 out of 30 HH
Kota Semarang	Kel-11	RW	2	16 out of 30 HH
	Kel-12	RW	5	16 out of 30 HH
Kabupaten Bima	Village-13	<i>Dusun</i>	0	14 out of 30 HH
	Village-14	RW	9	13 out of 30 HH
Kota Bima	Kel-15	RW	11	23 out of 30 HH
	Kel-16	RW	5	25 out of 30 HH
Kabupaten Barru	Village-17	<i>Dusun</i>	0	8 out of 30 HH
	Village-18	<i>Dusun</i>	11	9 out of 30 HH
Kota Makassar	Kel-19	RW	1	27 out of 30 HH
	Kel-20	RW	2	20 out of 30 HH

Note: Those printed in italics were the locations of SMERU's studies on the 2005 and 2008 BLT.

^aInclusion error = nonpoor households (middle-class) that became BLSM recipients.

^bExclusion error = poor households (out of 30 poorest households) that did not become BLSM recipients.

During observation to see the situation of BLSM recipients that were considered ineligible to accept BLSM, it was discovered that not all of the respective households had a better economic condition than other BLSM recipient households. Usually, the economic condition of those households was just slightly better than other BLSM recipient households, such as having the ability to rent a rice field, earn a daily income as an *angko* (public transport) driver, *ojek* driver, or carriage driver, and owning a small kiosk.

There were at least four factors that caused the exclusion and inclusion errors to occur. First, the PPLS of 2011 was not entirely accurate. Second, there was no data verification prior to BLSM implementation to anticipate the changes in the condition of the community's welfare. The period span of two years between the data collection of the 2011 PPLS and the implementation of the 2013 BLSM allowed the possibility of various community welfare dynamics occurring. Third, the decision to determine BLSM recipients took into account the number of dependents; thus, it gave higher priority to poor and very poor households that had dependents. That is why many households of the elderly who lived alone, households of widows/widowers who no longer had dependents, or the poor households who had not had children yet during the data collection in 2011 did not become BLSM recipients. Fourth, the difference in the welfare condition of the lowest level group in the community was not significant.

2.3 Determination of Returned KPS

A returned KPS is one that could not be delivered or sent to the address of the recipient household by the post office. According to the "Manual Book" and "BLSM Implementation Guidelines", there are several reasons why a KPS is returned: (i) the household changes address; (ii) the household is unknown; (iii) the household refuses the KPS; (iv) all household members have passed away; (v) the house is empty; (vi) the address is not complete; (vii) the address is unknown; and (viii) the household is registered more than once. A returned KPS has to be given back to the post office to be returned to the central government.

The KPS can also be withdrawn through the *musdes/muske* as the central government mandated that this was a medium to update the 2011 PPLS data. The updating was needed because there was a two-year gap between the PPLS data collection in 2011, which became the basis of the data of the target households, and the determination of the KPS recipient households in 2013. The *musdes/muske* consequently allowed changes in the welfare condition of the households to happen. The updating was done by withdrawing the KPS from the household that was considered ineligible and replacing it with the one that was.

The Minister of Home Affairs Instruction No. 541/3150/SJ on the Implementation of the KPS Distribution and the Handling of the Community's Complaints suggests that the recipient households should return the KPS voluntarily. That instruction ordered the head of the village/*kelurahan* to urge the recipient households that were not poor or vulnerable to return the KPS they had received to the complaint post or the village/*kelurahan* office.

This monitoring showed that in most of the monitored areas, there were returned KPS. The post office, both directly and through the village/*kelurahan* officials, was not able to deliver all KPS to target households especially because the target households had moved out of the village/*kelurahan* or had passed away. The latter reason usually could happen to households that consisted of only one member. In a very few monitored villages such as that in Kabupaten Barru, there were also a number of returned KPS because the households were listed more than once (duplication of recipient households).

Returning of KPS through a withdrawal process is not found in all the monitored areas. There was no village/*kelurahan* government that dared or was willing to take back the KPS that had been distributed. Besides worrying that doing this would cause social unrest in the community, some village/*kelurahan* governments also did not accept the list of KPS recipients or only accepted/knew about it after the first-stage disbursement. Under that condition, even if there had been an assessment that stated there were household recipients who were not eligible to receive the KPS, the head of the village/*kelurahan* would find it difficult to withdraw the KPS that had been distributed or ask the households to return the BLSM funds that had been disbursed.

The KPS that have been returned through the village/*kelurahan* officials are ones that have been withheld from the households that were considered ineligible rather than those withdrawn from the recipients. Withheld KPS were only found in three monitored villages/*kelurahan* in South Sulawesi. In those three villages/*kelurahan*, the KPS were not distributed to recipients who were not considered poor or vulnerable by the village/*kelurahan* officials or were withheld by the post office based on the officials' request.

KPS could be withdrawn because they were distributed through the village/*kelurahan*. KPS can also be withdrawn prior to the KPS distribution if the post office had coordinated with the village/*kelurahan* that identified the households were considered ineligible. In Kabupaten Barru, the reason behind this act of withholding the KPS was also because there was an instruction from the *kabupaten* government to safeguard the KPS distribution and BLSM implementation which was conveyed during the coordination meeting at the *kabupaten* and *kecamatan* levels for the heads of *kecamatan* and the heads of villages/*kelurahan*. One of the safeguarding efforts was sorting/withholding the KPS from the households that were considered ineligible and recording them as returned KPS.

A *musdes* decision to withhold the KPS only happened in one monitored village in Kabupaten Barru. The decision to withhold the KPS in another monitored village in Kabupaten Barru and in one *kelurahan* in Kota Makassar were made by the village/*kelurahan* officials. When a decision was made through deliberation, only two KPS were withheld due to the recipient households being deemed ineligible, however, when the decision to withhold KPS was by village/*kelurahan* officials, many KPS were not distributed—namely 45 and 94 KPS respectively or 10% and 21% of the total number of KPS received by the respective villages/*kelurahan*. When the decision to withhold KPS was made by the village/*kelurahan* official, there were some indications of inaccuracy in determining the replacement household.

The research team found that there was a household that was canceled from receiving the KPS, although it was clear that it was a poor household and its condition was not better than that of the household that replaced it. Neither the household whose KPS was withheld or the public were informed of the decision to withhold the KPS. In some regions, it was also discovered that the heads of RT and RW/*dusun* were completely unaware of the decision to withhold the KPS. The lack of openness to information was meant to prevent social turmoil; however, this could also provide an opening to fraud.

In the other 16 villages/*kelurahan* there was no KPS withheld. This happened because the village/*kelurahan* government did not want to trigger social turmoil, as reflected from the following statements: "If the village official insists on replacing the existing KPS, then the one that become target of the rage is the official himself" (interview, male, 34 years old, Kabupaten Demak, 6 March 2014).

One of the heads of RW in the monitored *kelurahan* in Kota Sukabumi once withheld ten KPS intended for households that turned out to be ineligible and were going to be replaced by other households that were more deserving; however, one of the registered households had already obtained the information that they had become a KPS recipient. In the end, to prevent problems from arising, the RW head distributed all the withheld KPS to the registered recipient households.

No cases were found of a household voluntarily returning the KPS because it considered itself ineligible. Even the households that were requested by the village administration were not willing to return the KPS they received. The head of *kelurahan* in the monitored area of Kota Bima, for example, once urged the five households whose economic condition had improved to return the KPS that they received so that the *kelurahan* could transfer the card to other households that needed it more. The plea was ignored, however, with the claim that they had a right to the KPS that they had received; therefore, they did not have the obligation to return the KPS. Such instances were also found in Kabupaten Demak. In the FGD in Kota Makassar, an RW head said that two recipient households that belonged to the middle-income group returned the KPS after they had been given some understanding by the RW head; however, that statement was not true, in reality, both households still withdrew the BLSM funds.

Overall, the number of returned KPS, including those that were withheld by the village/*kelurahan* officials varied across monitored regions. In seven of 20 monitored villages/*kelurahan* there were no returned KPS (Table 4). The monitored villages/*kelurahan* in South Sulawesi that withheld KPS had the most returned KPS, which reached 10.3% to 21.2% of the total KPS that was received by the respective village/*kelurahan*.

Table 4. Total Number of KPS and Returned KPS in the Monitored Villages/Kelurahan

<i>Kabupaten/Kota</i>	<i>Village/ Kelurahan</i>	Number of KPS in the Village/Kelurahan			Reasons for the Return
		Total KPS	Returned KPS	% Returned KPS	
<i>Kabupaten Tapanuli Tengah</i>	<i>Village-1</i>	77	1	1.30	Household moved
	<i>Village-2</i>	110	3	2.73	Households moved
Kota Sibolga	Kel-3	392	14	3.57	Households moved, passed away, or were unknown
	Kel-4	339	0	0.00	n.a.
<i>Kabupaten Cianjur</i>	<i>Village-5</i>	610	9	1.48	Households moved or passed away
	<i>Village-6</i>	442	0	0.00	n.a.
Kota Sukabumi	Kel-7	609	19	3.12	Households moved or passed away
	Kel-8	1,104	50	4.53	Households moved or passed away
<i>Kabupaten Demak</i>	<i>Village-9</i>	306	0	0.00	n.a.
	<i>Village-10</i>	840	0	0.00	n.a.
Kota Semarang	Kel-11	406	20	4.93	Households moved or passed away
	Kel-12	494	0	0.00	n.a.
<i>Kabupaten Bima</i>	<i>Village-13</i>	302	0	0.00	n.a.
	<i>Village-14</i>	325	0	0.00	n.a.
Kota Bima	Kel-15	147	2	1.36	Households moved or their names/address were not clear
	Kel-16	125	5	4.00	Households moved or passed away
Kabupaten Barru	Kel-17	471	70	14.86	Households moved, passed away or improved their welfare
	Kel-18	137	29	21.17	Households passed away, moved, were listed more than once, or were ineligible
Kota Makassar	Village-19	446	94	21.08	Address was not found or households were ineligible.
	Village-20	488	50	10.25	Households moved, passed away, or their names were different

Source: Data and results of interviews with heads of villages/*kelurahan*, postal officers, and TKSK of the monitored areas.

Note: n.a. (not applicable).

Those printed in italics were the locations of SMERU's studies on the 2005 and 2008 BLT.

2.3.1 Replacement Mechanism

According to the Minister of Home Affairs Instruction No. 541/3150/SJ on the Implementation of KPS distribution and the Handling of Community Complaints, the Manual Book, and the BLSM

Guidelines, the decision regarding the returned KPS recipient household replacement as well as the replacement based on the results of the KPS withdrawal and data updating had to go through the process of *musdes/muskab*. *Musdes/muskab* could be held if the post office had made the list of returned KPS and had provided it to the heads of the TSKS and the villages/*kelurahan*. The *musdes/muskab* should be held transparently and participatively by involving various relevant parties—at least, the village/*kelurahan* officials, representatives of the community groups (religious leaders, community leaders, youth leaders), and the KPS recipient household representatives of every *dusun/RW*/neighborhood. The *musdes/muskab* to determine replacement households was held simultaneously with the update of data on the KPS recipient households. In this way the *musdes/muskab* decided the withdrawal of the KPS whose holder was ineligible and the replacement households for the returned KPS, the KPS withdrawal results, and the KPS that were returned by the recipient households.

Technically and conceptually, the *musdes/muskab* process was actually simple. The village/*kelurahan* government found it difficult to withdraw the KPS from households that were considered ineligible or deciding on replacement households because it was hampered by many non-technical factors, including:

- (i) *The exclusive right of the KPS recipient households received KPS passively, not through the self-request process, so when the government had given the right to the households, the respective households did not have the legal or formal obligation to return it. Moreover, the envelope containing the KPS clearly stated the civic character of the KPS, which was, "Private and Confidential". The granting of the rights was also not accompanied with a clause that stated, for example, if there was an error in the granting of the right then the government could withdraw the KPS. In Kota Bima, for example, the administration of one monitored *kelurahan* did not make an effort to find out which villagers received the KPS. The respective informant argued, "If I wanted to know who among the people got the KPS, I will break the law; it's clearly meant for other people should not know."*
- (ii) *The lack of accuracy of the targeting. As indicated above, although the KPS targeting had been accurate, that did not mean that the targeting had fulfilled the principle of "the most needy covered". It means that although the KPS recipient was poor, there were still poorer households that did not receive the KPS. In addition, not all poor households received KPS. Visually, it was indeed difficult to distinguish the poverty level of the KPS recipient households and the poverty level of the non-KPS recipient households. The large number of poor households that did not receive the KPS was not comparable with the small number of the returned KPS and the number of KPS whose recipients were deemed ineligible.*
- (iii) *The relationship between the central government and the local government. Some local government administrations were not involved in the KPS distribution and BLSM implementation, or just received limited program information after the first-stage BLSM disbursement. They said that all problems surfacing in the program implementation should have become the responsibility of the central government. One official explicitly stated that the village/*kelurahan* government did not want to be just the "fire extinguisher" (terminator) of central programs that, from the beginning, did not involve them. There was one case where the head of the village not only refused to hold a *musdes*, but also refused to accept the returned KPS list because he was not involved from the beginning of the program implementation. In relation to the lack of involvement of officials in the data collection, some informants initially stated that they felt sidelined and had wanted to be involved. In further discussion, however, they stated that they did not want to be involved so that they would not be blamed if protests arose—as had happened during the BLT implementation.*

Based on the above factors, it was not surprising that village/*kelurahan* governments were reluctant to hold *musdes/muskel* in order to find replacements for returned KPS and/or to update the PPLS data of 2011. In some monitored areas, the TSKK had suggested and facilitated the process of *musdes/muskel*, but the head of the village/*kelurahan* usually refused to hold *musdes/muskel* out of concern that it would cause problems. The TSKK in Kabupaten Bima once raised the possibility of replacing the ineligible recipient households with five village heads who had come to the *kecamatan*, but the suggestion was flatly rejected. They even challenged the TSKK to have the courage to guarantee the smooth process, and execute the decisions on the replaced and replacement households.

Of 20 monitored villages/*kelurahan*, only one village in Kabupaten Barru held a *musdes* to withhold KPS whose recipients were deemed ineligible, and then chose the replacement households for the withheld KPS and for the KPS that could not be delivered because those households had moved, passed away or registered more than once. The *musdes* was attended by 36 people consisting of the village head, village officials, village institution heads, community leaders, *dusur* heads, RT heads, farmers groups' heads, PKK cadres, and village cadres. The reasons why the village could hold the deliberation were probably because: (i) for a few years, the village had prepared developments through deliberation that involved the community; (ii) every program that came in, especially the one that targeted individual households or families would be reviewed for its targeting accuracy at the village level; (iii) of the leadership style of the village head that always involved village community leaders and institutions; (iv) of a compact with civil society; (v) of the strength of institutions that was influenced by the Village PNPM implementation; and (vi) of the support of the *kabupaten* government in the implementation of participatory planning.

In several other monitoring locations, like in Kota Bima, the TSKK and the administration claimed to have held *musdes/muskel* in their respective regions for the replacement of the returned KPS and the withheld KPS. Some TSKK even showed the minutes of *musdes/muskel* meetings, some of which were complete with names and signatures of the *musdes/muskel* participants, however, the results of the investigation of the SMERU Team showed that the *musdes/muskel* never happened. Some officials, village institutions, and household representatives that were said to have attended the *musdes/muskel* explained that they never followed that kind of activity and the activity never happened. It seems that the creation of the official report of the nonexistent *musdes/muskel* was an effort to fulfill the administrative standard of the returned KPS replacement.

The claim of having held the *musdes/muskel* could also be due to ignorance of the concept of *musdes/muskel*. For example, a TSKK who said that he held *musdes/muskel* in the villages that were under his supervision explained that the *musdes/muskel* was only attended by the heads of the villages, the replacement households, and the head of the BPD. They gathered only to sign the minutes without deliberation because the replacement households had already been decided. Of all the findings, it could be concluded that, with the exception of one monitored village in Kabupaten Barru, the replacement of the returned KPS and of the withheld KPS was done through direct appointment by the head of the villages/*kelurahan* and/or the head of RW/RT (Table 5). The following quotations revealed the process for replacing the returned KPS in several monitored areas:

I don't think there was a *musdes*, but proposed directly by each neighborhood, later the village head will decide. (Interview, male, 54 years old, Kabupaten Barru, 15 February 2014)

For KPS replacement, I call the RT head whose region has the returned KPS, then I ask him to propose households that, according to his evaluation, are worthy to be a replacement....those names are the ones that I submit to the post office. (Interview, male, Kota Sibolga, 6 March 2014)

The post office suggested that those who moved out are replaced by their relatives. But, I don't dare to decide it myself. I asked the RW to decide. (Interview, female, Kota Sukabumi, 6 March 2014)

As was the case with withheld KPS, the determination of the replacement of the KPS both through *musdes/muskel* as well as through direct appointment was not informed widely to the people. The replacement of the KPS recipient usually was known only by certain officials and by the replacement households. The main reason was to avoid social turmoil at the community level because there were more poor households than returned KPS.

According to the regulation, the returned KPS and the withheld KPS had to be returned the central government through the post office to be replaced with the new KPS based on the names of the replacement households that had been determined at the village/*kelurahan* level, however, this regulation was not applied in every monitored area. Of the 12 villages/*kelurahan* that had returned KPS, eight gave the returned KPS and the withheld KPS back to the central government along with the list of names of the replacement households. Four other monitored villages located in Tapanuli Tengah and Kota Bima did not hand the returned KPS back to the central government. The local head of village/*kelurahan* only submitted the returned KPS to the households appointed as the replacement to withdraw the BLSM funds. In Kota Bima, the replacement of the recipient households was done locally with the knowledge of the post office and the TKSK, while in Kabupaten Tapanuli Tengah the replacement of the local KPS was not known by either the post office or the TKSK so only one in three KPS replacement households were able to withdraw the BLSM funds.

Table 5. Mechanism and Criteria for Household Replacement

Kabupaten/ Kota	Village/ Kelurahan	Mechanism for Determining the Replacement Households	Replacement Criteria
Kabupaten Tapanuli Tengah	Village-1	<ul style="list-style-type: none"> ◁ Chosen by the village head with the knowledge of the heads of the LPMD^a and TKSK ◁ KPS replaced by the central government 	In the same RT as the replaced household, poor, casual worker, low income, and rents a house. The chosen household was the village @^ æå q • Á ^ [~ } * ^ Á • ã à poorest household
	Village-2	<ul style="list-style-type: none"> ◁ Chosen by the village head with the knowledge of a village official ◁ Replaced locally 	Poor household, farm hand, low income, elderly, and legal resident
Kota Sibolga	Kel-3	<ul style="list-style-type: none"> ◁ Chosen by the neighborhood head and he head of <i>kelurahan</i> and there were minutes of <i>muskel</i>. ◁ Replaced locally 	Poor households, many dependents, elderly widow, casual worker/own small stall, slum house
	Kel-4	-	-
Kabupaten Cianjur	Village-5	<ul style="list-style-type: none"> ◁ Chosen by village official ◁ KPS replaced by the central government 	Poorer household, widow with dependents, casual laborer
	Village-6	-	-
Kota Sukabumi	Kel-7	<ul style="list-style-type: none"> ◁ Discussion result of each RT head with the <i>kelurahan</i> official and the postal officer ◁ KPS replaced by the central government 	The same RT as the replaced household, poor, especially elderly, small and not permanent house, casual laborer
	Kel-8	<ul style="list-style-type: none"> ◁ Chosen by each RT head 	Same RT as the replaced household, poor, especially elderly, small and not permanent house, casual laborer

Kabupaten/ Kota	Village/ Kelurahan	Mechanism for Determining the Replacement Households	Replacement Criteria
		◁ KPS replaced by the central government	
Kabupaten Demak	Village-9	-	-
	Village-10	-	-
Kota Semarang	Kel-11	◁ Chosen by each RT head ◁ KPS replaced by the central government	Same RT as the replaced household, poor, especially widows and the elderly, casual laborer, and inadequate house
	Kel-12	-	-
Kabupaten Bima	Village-13	-	-
	Village-14	-	-
Kota Bima	Kel-15	◁ Chosen by the RT head, approved by the head of the <i>kelurahan</i> and the head of the LPM ^b , and with the knowledge of the TKSK ◁ Replaced locally	Same RT as the replaced household, poor, especially elderly widow, casual laborer, live in a hut, and a relative of the replaced household
	Kel-16	◁ Chosen by each RT head based on the head of <i>kelurahan</i> • Á ã } • c ; there are minutes of the <i>muskel</i> . ◁ Replaced locally.	Same RT as the replaced household, poor, old widow/widower, inadequate house, casual worker.
Kabupaten Barru	Village-17	◁ Chosen by the village head ◁ KPS replaced by the central government	Poor household, poorer than the replaced household, having no house, farm hand.
	Village-18	◁ Through <i>musdes</i> that was attended by 36 people (chosen from village poor household data) ◁ KPS replaced by the central government	Poor household, elderly/disabled/sick, low income, daily farm hand, having no farmland.
Kota Makassar	Kel-19	◁ Chosen by the <i>kelurahan</i> official ◁ KPS replaced by the central government	Poorer than the replaced household and meeting the criteria of PMKS ^c . Chosen household was a relative of the official
	Kel-20	◁ Chosen by the <i>kelurahan</i> official ◁ KPS replaced by the central government	◁ Poor household, casual laborer, non-permanent or slum house, Households making complaint were included as the chosen ones

^aLPMD: institution for the empowerment of the village community.

^bLPM: institution for community empowerment.

^cPMKS: people with social welfare problems.

The reason for replacing the KPS locally was usually to avoid the long process of the KPS replacement and to accelerate the BLSM receipt of funds. The reason was logical considering the replacement households could only withdraw the BLSM funds at the same time or after the second-stage disbursement. Nevertheless, there was a replacement household that could not withdraw the BSM funds because the replacement KPS was received late or was not even received. On the other hand, however, when the KPS replacement was not done formally, it would be a disadvantage for the replacement households because they lost their privilege as the KPS holders that could have accessed BSM and Raskin.

Based on information from the heads of the villages/*kelurahan*, the post office, and the TKSK, not all returned KPS sent to the central government received a replacement. They did not know the

reason and felt that they had followed the same replacement procedures, which were submitting the returned KPS along with the replacement households' nomination, and the official report of the deliberation. For example, in Kabupaten Tapanuli Tengah, the post office that sent 84 returned KPS only received replacements for 45 KPS and another post office that had 27 returned KPS only received replacement for 6 KPS. In Kabupaten Demak, out of 134 KPS returns, only 39 were replaced, while in Kota Semarang out of 1,346 returned KPS, there were 164 KPS that were not replaced. At the *kelurahan* level, in one *kelurahan* in Kota Sibolga, there were 14 replacement households that were proposed by the head of the *kelurahan* but at the conclusion of the disbursement schedule, only 11 households had received a replacement KPS.

2.3.2 Criteria for Replacement

Generally, the official and related parties used certain poverty criteria when deciding to withhold the KPS and to determine the household replacement for the returned KPS and for the withheld KPS. These criteria varied across regions and usually they were not rigid. The households whose KPS was withheld were considered to have better condition than that of the replacement households, although in many cases, they were both poor. "The criteria for selecting the replacements are mainly based on poverty level. We looked for households that are poorer than the old ones," said a village head (male, 41 years old, interview, 13 February 2014) in Kabupaten Barru.

In replacing the households through direct appointment, the criteria that were often used were the household's job type and status, house condition and status, number of dependents, and whether the household was an elderly household or not, however, those criteria were not always applied rigidly. The decision-makers in several villages/*kelurahan* still inserted additional criteria, for example, the replaced households and its replacement were in the same RT/RW. This was not in line with the requirement stating that the locus of the KPS replacement was at the village/*kelurahan* level, not at the lower or higher level. Other additional criteria that were often used were family relationship between the households, especially if those households passed away or moved out. In some cases, such as in Kabupaten Tapanuli Tengah, it was found that the replacement household still had family relationship with the head of the village. The replacement criteria that were used in each of the monitored villages/*kelurahan* are presented in Table 5.

The TKSK in the monitored area of Kota Makassar stated that to ensure that KPS replacements targeted the appropriate households, the criteria for the determination was based on the 14 poverty indicators of BPS, while the TKSK in Kota Bima stated that they were based on the PMKS indicators. In practice, that TKSK only gave input about the households that were included in the PMKS, especially the elderly households or the households that had a house that was not proper to live in and who did not become a KPS recipient; however, the one making the decision on the choice of replacement households was still the respective village official.

In the monitored village of Kabupaten Barru that decided the replacement households through *musdes*, the replacement criteria were more standardized and clear. The village official and the related party sorted out the KPS based on the local poor household data that was called *baruga sayang* data. The KPS of the recipients whose names were not in the *baruga sayang* would be withheld and replaced. Of 137 KPS received, only two KPS recipients were not listed in the *baruga sayang*. As many as 27 other KPS became returned KPS because the recipients were listed more

⁷The *baruga sayang* data is poor household data based on the local poverty indicators made at the village level. The data collection of the *baruga sayang* referred to the Parental Program on Child Rearing for Children Under Five indicators because it was considered more detailed and suitable for the condition of the community of the respective village. The data are updated every year by the village cadre. The data are utilized as the basic data for social protection programs that come into the village, including Raskin and BLSM.

than once, passed away or moved out. The decision to determine the 29 replacement households also used the same data, in which the options were the households that were in the list of the *baruga sayandata*. Because there were 60 non-KPS recipient households on the list, however, the replacement households that were chosen were the poor households that did not have a permanent job, did not have a rice field, and were not productive (such as the elderly, the disabled, and the sick who, due to these conditions, were not able to work any more, as well as the elderly women who became widows due to death or by divorce).

III. BLSM IMPLEMENTATION

Under the coordination of the Coordinating Minister for People's Welfare, BLSM implementation involved various institutions. Nationally, the Social Affairs Minister was in charge. In the regions, BLSM had a coordination team at every regional level.⁸ In general, the responsibility of the various coordination teams was to conduct coordination, synchronization, information dissemination, monitoring, and reporting of the program (Direktorat Jenderal Perlindungan dan Jaminan Sosial Kementerian Sosial Republik Indonesia, 2013).

3.1 Information Dissemination

The information dissemination role for BLSM was very important because this program involved many stakeholders. Before implementing the 2013 BLSM, the Dissemination Team on the Adjustment of Gasoline and Diesel Fuel Subsidy had held several information dissemination activities to the relevant ministries/institutions, the regional government and the community. According to the team (Tim Sosialisasi Penyesuaian Subsidi Bahan Bakar Minyak, 2013), the information dissemination of BLSM and KPS was done through the following media:

- a) Informational brochures to the KPS recipient households was delivered directly to the households along with the KPS.
- b) Dissemination of information to the government official, including the village/*kelurahan* official was given in the form of posters, circulars (instruction) from the Minister for Home Affairs as well as the cover letter from the Coordinating Ministry of People's Welfare.
- c) Dissemination of information to the TKSK was given in the form of the TKSK Manual that was sent to all TKSK.
- d) Dissemination of information to the public was done through community service advertisements in the print and electronic media as well as the provision of posters/banners at strategic points.

The central government did not initiate any information dissemination activities in the form of direct meetings between the central government and the regional government or the community. The central government believed that the various information dissemination media had been adequate in giving an understanding to various related parties about the implementation of the 2013 BLSM. In general, various information dissemination media provided a message that "KPS is only for the poor and vulnerable households", and "only households that have KPS can receive BLSM benefits".

At the *kabupaten/kota* governmental level, the information dissemination in general was only in the form of coordination meetings (*rako*) between related institutions and the heads of *kecamatan*. Information dissemination was usually late—conducted after the distribution of the KPS

⁸At the central level, MoSA was the coordinator with team members consisting of the TNP2K, Bappenas, BPS, the Ministry of Finance, the Ministry of Home Affairs, the Ministry of Communication and Information, the State Ministry of State-Owned Enterprises (BUMN), the Indonesian National Army (TNI), the Indonesian National Police (Polri), the Attorney General, the State Development Financial Controller (BPKP), and PT Pos Indonesia as the operator. At the *kabupaten/kota* level, the social affairs agency acted as the coordinator with team members that included the relevant work units (SKPD), BPS, the Territorial Command, the Regional Police, the BPKP, as well as the Investigation Office, and the Payment and Post Service Office, PT Pos Indonesia (Directorate-General of Social Protection and Security of MoSA of the Republic of Indonesia, 2013: 15).

or even after the first-stage BLSM disbursement. The materials given were about the preparation for the disbursement of BLSM, especially security matters. In most areas, the information dissemination at the *kabupaten/kota* level was not extended to the village/*kelurahan* level. In some monitored areas, information dissemination was hindered due to coordination problems. For example, in Kabupaten Barru and Kota Bima, there was a coordination problem between the *kabupaten* social agency and the Regional Secretariat for Economics and Development (*Ekbang Setda*). The *kabupaten* social agency stated that it was never involved in the coordination and information dissemination of BLSM that had been conducted by Ekbang Setda. As a result, the *kabupaten* social agency's officials had limited understanding on BLSM implementation, yet the *kabupaten* social agency was the party that had the role of coordinating with the TSKS and the people's welfare section head at the *kecamatan* and *kelurahan* levels.

Initially, we did not even know who coordinated or who was responsible before finally it was decided by the head of the *kabupaten* that the coordinator was the second assistant of the economic section. Because the decision to determine the coordinator was late, the information dissemination was also late. Consequently, the KPS distribution was done without considering the targeting accuracy. (*Kabupaten* social agency official, male, Kabupaten Barru, 12 February 2014)

In some monitored areas, the TSKS was involved in the information dissemination and coordination at the *kabupaten/kota* level. In addition, the TSKS received information dissemination in the form of technical guidance (*bimtek*) from the provincial social agency, however, the *bimtek* was held late and was only attended by representatives of the TSKS at the *kabupaten/kota* level. The TSKS also received a manual about P4S and BLSM, but not all the TSKS received the manual. The limited and delayed information dissemination reduced the role of the TSKS as the mentor in BLSM implementation.

The information dissemination which was received by *kecamatan* and *kelurahan* officials in several monitored areas was not forwarded to officials at the lower level and to the community. An exception occurred in one monitored *kecamatan* in Kota Sukabumi. In this *kecamatan*, after the head of the *kecamatan* received the information dissemination at the *kabupaten/kota* level, the *kecamatan* invited all section heads of the *kelurahan* who then forwarded the information to the heads of RW/RT in their respective region. The materials for the information dissemination covered announcements about the list of recipients and the schedule of the BLSM disbursements.

The information dissemination to all KPS recipients was directly conveyed by the central government through brochures. Those brochures were received late, which was after the first-stage BLSM disbursement. Not all recipient households read the brochures because they were illiterate, not used to reading, or felt it was difficult to read for the writing was too small. Even many of the households who tried to read the brochures did not understand the information conveyed in the brochures because the narration was quite long and much of the terminology was not understood. Inside the KPS envelopes, the central government also enclosed a brochure, but the brochure was not about BLSM, but about KPS and Raskin. The recipient households also obtained information from the postal officer who delivered the KPS and from the village/*kelurahan* officials. The information given was limited to the disbursement mechanism and to the advice that the respective households would receive cash assistance from the government.

The dissemination of information to the public was done by the central government through community service advertisements in both the print and electronic media. In general, however, the officials and households who became informants did not receive information. According to the manual, the central government also provided posters/banners at strategic points. In practice, those posters could only be seen in a few monitored areas, put up on walls of the *kecamatan* offices and the village/*kelurahan* offices.

Related to the weaknesses of the information dissemination, Box 2 presents some quotations from the stakeholders about the implementation of the 2013 BLSM.

Box 2

Various Responses to the Weak Information Dissemination of the KPS and BLSM

We were only asked to deliver the KPS and were not given the authority to conduct information dissemination. Even to give explanation to the people who were not related to the KPS delivery process, we were also not given the authority. (Postal officer, male, 42 years old, Semarang, 14 February 2014)

Öã • • ^ { ã } æc ã [} Á [~ Á ã } ~ [| { æc ã [} Á , æ • Á | æ & \ ã } *Kecamatan* could not give information because they do not know for certain, there was no special information dissemination. (*Kecamatan* official, male, 55 years old, Kabupaten Bima, 17 February 2014)

It was as if there was someone who is getting a new in-law; the date has been set and suddenly we are asked to hold the wedding reception without knowing the previous problem. (*Kecamatan* official, male, 43 years old, Demak, 10 March 2014)

We felt that we were being stepped over because there was no prior notice to the RT/RW when distributing the KPS, whereas if something goes wrong, the people will ask us. (RW head, male, 67 years old, Semarang, 16 February 2014)

Even the information dissemination was never with us; suddenly [KPS] was distributed. Distributed by the post office to the village. It was held in the hotel after there were protests (from the people). Even the information dissemination from then on, we were not involved. (*Kecamatan* official, male, 34 years old, Tapanuli Tengah, 6 March 2014)

When BLSM was out, we as the officials were confused because we were not involved and did not know about it. When many people who were eligible to receive it did not become the recipients, we were unable to explain. (Male, around 40 years old, Kota Sibolga, 8 March 2014)

The lack of information dissemination and that of people’s understanding about the implementation of BLSM meant information that was disseminated was unclear. Many households did not know the terms BLSM and KPS in almost all monitored areas. They called BLSM the BLT program, the BBM program, or an assistance program from the post office. Meanwhile, the KPS was better known as ‘BLSM Card’, ‘BBM Card’, ‘Yellow Card’, ‘*Koneng* Card’ especially in West Java, or ‘BALSEM Card’. Most people also did not understand the reason why they received the assistance.

The information confusion also made many households unaware that BLSM disbursements only took place twice and the deadline of the disbursements was 14 December 2013. Furthermore, they still expected a further disbursement because on the KPS card it was stated “validity period of 2013–2014”. In addition to this reason, they also referred to the implementation of the 2005 and 2008 BLT in which the disbursements took place four times.

3.2 Funds Disbursement

Based on the program stipulation, the BLSM funds disbursement in the monitored areas generally took place at the nearest post office, both at the *kabupaten/kota* level as well as at the *kecamatan* level. In the *kecamatan* that did not have a post office, PT Pos Indonesia usually provided a disbursement counter at certain points, such as at the *kecamatan* office, the village office, or the

⁹*Koneng* means yellow in Sundanese.

village unit cooperative office. There was also a post office that provided a special counter at a remote place to serve one or several villages. This policy was quite accommodating for the recipient households in terms of savings in transport cost, time, and distance. In Kabupaten Tapanuli Tengah, the post office did not apply this policy; consequently, the households from several *kecamatan* had to withdraw BLSM funds at the same post office. The households from the monitored village, for example, had to travel around 30 kilometers on roads that were sometimes rocky, incur costs for transport of around Rp30,000, in addition to costs for food/snacks, and lose the chance to work for one day.

Regarding the time to withdraw BLSM funds, the local post office set the schedule and informed the households during the KPS distribution or prior to the disbursement. Approaching the disbursement time, the post office usually asked the assistance of the village/*kelurahan* official to convey the information to the households. The village/*kelurahan* official then directly conveyed it to the household through the RW/RT or the village cadre, at routine meetings, or through an announcement using the mosque's loudspeaker. Nevertheless, many KPS recipient households only obtained information by word of mouth.

In general, the head or the member of the household whose name was written on the KPS was the one who withdrew the BLSM funds. According to the regulation on fund withdrawal, the recipient households were required to bring their KPS and KTP (identity card) as the supporting documents. If they do not have a KTP, the recipient households could bring a domiciliary verification letter from the head of village/*kelurahan* as the KTP substitute. The other requirement such as the certificate of family relations (KK) was needed if the withdrawal was done by the member of the household whose name was not on the KPS. If there was a discrepancy between the name on the KPS and the supporting document, the recipient households could enclose an affidavit from the head of the village/*kelurahan* stating that the name written on the KPS and the name written on the supporting documents referred to the same households.

In some monitored areas, the policy of using an affidavit from the head of the village/*kelurahan* to replace the KTP or explain the difference in the name became a loophole for manipulation. The BLSM funds could be withdrawn by another person, such as government officials or nonrecipient households. Such a case happened during the funds disbursement for households holding the replacement KPS and during the KPS funds disbursement whose recipient was changed locally.

The government official or the replacement households usually could withdraw the BLSM funds except for one monitored village in Tapanuli Tengah. In this monitored village, three replacement households attempted to withdraw BLSM funds using the three KPS that were not delivered by bringing with them a domiciliary verification letter issued by the village head, however, only one household was successful. The local post office conducted verification by asking questions about the names stated on the KPS. If the person who withdrew the funds could answer correctly and convincingly, the post office would approve it. In Kota Bima, the post office approved of the BLSM funds withdrawal by the local replacement households because the TKSK accompanied them and they enclosed an affidavit from the *kelurahan* as well as the official report of the *kelurahan* deliberation.

In general, the BLSM funds disbursements went well and were on schedule. In the first-stage disbursement, in some monitored areas, there were an accumulation of households that took the funds at the same time so that they had to wait in line for hours; there were even some that had to return the next day. This happened because the schedule arrangement was not optimum, the number of service counters was limited, and the information that reached the households was not complete. In several cases, the post office provided limited time for every village/*kelurahan* or served several villages/*kelurahan* at the same time. In another case, because of the lack of

information, the KPS holder households were worried that they would not get the BLSM funds; thus, they went to the post office not according to schedule. In the second stage of BLSM disbursement, the massing of people no longer happened because the post office arranged the disbursement schedule more effectively or added more service counters. The households also received better information or had learned from the experience in the first stage of BLSM disbursement.

In a few cases, there were households that could not withdraw the BLSM funds because of various reasons. There was a household that failed to withdraw the BLSM funds during the first stage because the household had lost the KPS—the use of a barcode on the KPS did not allow the households to withdraw the BLSM funds at the post office without the KPS. Some households in the monitored village in Kabupaten Cianjur failed to withdraw the BLSM funds because they received the replacement KPS late. In this case, the replacement households only received the KPS after the deadline of the BLSM funds withdrawal on 14 December 2013. In Kota Bima, a KPS household only withdrew the first-stage BLSM funds because the household did not receive information about the second-stage disbursement. In Kota Sukabumi, there were households that could not withdraw the first-stage BLSM funds because they made the withdrawal too late. According to the local post office, the BLSM funds had already been returned to the central government. In the second stage of BLSM disbursement, however, the above households could withdraw the first-stage BLSM funds, so they were able to receive the whole Rp600,000.

The households generally received the BLSM funds in full just as regulated, Rp300,000 per disbursement stage. Nevertheless, there were several cases of BLSM fund cuts. In Kabupaten Cianjur, there was a case of BLSM fund cuts made by the postal officer. In this case, 11 households of the monitored village came to the post office based on the information of the disbursement schedule that was conveyed by the head of the village, however, the officer said that they came late and could not withdraw the BLSM funds because the post office counters were closed. The individual offered “a BLSM withdrawal service” with a fee of Rp50,000 per household. The households that did not understand the administrative procedures of the BLSM funds withdrawal agreed to the demand.

In the monitored villages of Kabupaten Cianjur, Kabupaten Demak, and Kota Sukabumi, the incidence of BLSM funds cuts happened at the *dusun* or RT level. The fact that BLSM did not reach all poor households was assessed as having the potential to cause social jealousy in the community; therefore, a portion of the BLSM funds—between Rp10.000 and Rp100.000—was withheld to prevent social turmoil. The RT or *dusun* head then distributed the collected funds to the non-BLSM recipient households. The criteria for the non-recipient households that became the recipients from the funds pool were also varied among regions. There were officials who distributed the funds to all non-recipient households; some distributed the funds only to poor non-recipient households; however, some also distributed the funds to households that filed a protest with officials. The amount of funds distributed was usually the same among households, but some were different depending on the welfare level.

The basis of the decision on funds pooling, the amount of the cut, and the criteria for households that would receive them was different between villages/*kelurahan* even among RT, in that the decision was the result of: (i) an official’s deliberation at the village level that was attended by *dusun* heads, RT heads, and representatives of the BLSM recipient households; (ii) an agreement between the RT head and the BLSM recipient households; (iii) a discussion between the RT head, RW head, and community leaders; and (iv) a decision solely made by the RT head. In regard to the amount of the cut, there were also RT heads who decided on the estimated amount, while the exact amount relied on the willingness of each of the BLSM recipient households.

The BLSM recipient households usually could accept this ‘policy’ although some household heads felt reluctant and dissatisfied as mentioned by some informants in the monitored *kelurahan* of Kota Sukabumi. They were not satisfied because the non-recipient households received an amount of the BLSM funds that was not much different from that received by the recipient households. According to these households, they would rather receive Rp100,000 without having to wait for hours than receive Rp200,000 but have to queue in turn. Although they were not happy, these households still gave up some of the BLSM funds they received to the RT head and only conveyed their complaints to other households.

Box 3
The BLSM Funds Cuts at the Community Level

Two RT heads in one of the monitored villages of Kabupaten Cianjur collected Rp100,000 from every BLSM recipient household in their regions. According to them, the decision was based on the agreement of the villagers. The collected funds were evenly distributed to all households that did not receive BLSM. In one RT with a very small number of BLSM recipients, every non-BLSM household only received Rp8,500. In another RT with a large number of BLSM recipients, every non-BLSM household received up to Rp60,000 per disbursement. In another monitored village in Kabupaten Cianjur, the cutting of the BLSM funds was made after a discussion between the RT head, the RW head, and the community leader to respond to the message from the village secretary that emphasized the importance of preventing community turmoil from happening. In one of the monitored RTs, Rp100,000 was deducted from each recipient household in the first stage of BLSM disbursement and Rp50,000 during the second stage. The collected funds were distributed only to the non-BLSM households that were considered worthy to receive the assistance. Every household received Rp20,000 in the first stage and Rp15,000 in the second stage.

In one monitored village in Kabupaten Demak, before the distribution of KPS, a deliberation between the division so that social upheaval would not occur. The result of the deliberation decided that there would be a cut of Rp100,000 per household that was submitted to the *dusun* head or the RT head. The collected funds were distributed evenly among all non-recipient households in each *dusun* or RT. Households that were economically capable also received a share, unless they refused it.

In one monitored *kelurahan* of Kota Sukabumi, the BLSM recipient households were gathered by the head of RT and asked to set aside Rp50,000. Rp100,000 from their BLSM fund, depending on their willingness, to share with the poor households that did not receive BLSM. In another *kelurahan* in Kota Sukabumi, the RT official only asked for Rp10,000 from every BLSM recipient. The collected funds were distributed to the elderly households that lived alone, widows with dependents, and the households that lodged protests. To maintain transparency and trust of the people, the RT official informed the source and the amount of fund as well as the distribution to the BLSM households, and also the amount that was shared.

3.3 Problems and Solutions

In general, BLSM implementation did not cause serious social turmoil. The problems that occurred in the community usually were limited to jealousy from the people that felt that they were eligible to receive BLSM but did not become a recipient. Usually the people’s jealousy took the form of complaints, questions, or mild protests to local officials because they consider themselves eligible to receive the fund. The village/*kelurahan* officials, including the RT/RW and *dusun*/neighborhood heads, became the target of people’s complaints because of the lack of information dissemination. Most people assumed that local officials were responsible for the data collection and the decision to determine BLSM recipients. This assumption was stronger in the regions that involved the local officials in the KPS distribution to the households.

Village/*kelurahan* officials in the monitored areas used several means to curb such protests or complaints. Some officials explained that they did not know the data collection process and how

the decision regarding the BLSM recipient households was made. They stated that they just received the list of the names of the BLSM recipients from the post office or that the decision regarding the BLSM recipients was made by the central government based on the data the central government had. The bottom line was that local officials were not the party that was responsible for the target. With this explanation, the community usually felt that they could not do anything because they could not possibly lodge protests to the central government. There were also officials who asked the people to go directly to BPS and the post office to get a further explanation. Another official recorded the names of the households that lodged protests and promised to propose the names to the central government. In this case, the official did it to merely calm the people because they knew the proposition could never be realized. There were, however, also officials who did it with the belief that there was a chance to propose an extra quota of the BLSM for their people as was the case when the BLT was disbursed.

In several monitored areas, the poor households that conveyed their complaints became the replacement recipient households from the returned KPS or the households that received a share from the BLSM funds that were collected from the recipient households. In other monitored areas, the poor households did not get anything. Those households, including the households that had been promised by officials that they would be proposed as recipients, accepted this fact and did not lodge protests with anyone because they understood that the local officials could not do anything as well.

Cases where protests continued and ended in a demonstration, stone throwing, or the sealing of the village office for more than one week happened in several villages in the monitored *kecamatan* of Kabupaten Bima, however, this was not solely because of BLSM. They made an issue of the fact that BLSM did not reach all the poor households to organize a protest. The cause of their dissatisfaction was more related to other problems in their village, such as the implementation of other government programs and the changes of caretakers of those programs (PNPM, deconcentration funds and village aspiration fund), as well as political problems during the election of the previous village head. The sealing of the village office was finally resolved through a deliberation process that involved the community, *kecamatan* officials, the TKSK, the post office, and the Satpol PP (Public Order Agency). In the deliberation, the related parties explained that the data collection, which was the basis of the KPS distribution, was conducted directly by the central government through BPS and was not carried out by the regional government, the *kecamatan* or the village. To prevent the incident from happening in other villages, the *kecamatan* and the local post office agreed that the KPS distribution in several other villages, especially those whose location was far from the post office, be held at the post office at the same time as the BLSM disbursement.

3.4 The 2013 BLSM and the 2005 & 2008 BLT in Comparison

The informants' evaluation of the three unconditional cash assistance programs was varied. The relevant community and officials at the village/*kelurahan* level up to that of *kabupaten/kota* assessed that BLSM and BLT had their own advantages and disadvantages. The assessment covers the following aspects: the carrying out of information dissemination, targeting accuracy, disbursement mechanism, level of social turmoil, the amount of assistance, and the involvement of officials. The comparison between the implementation of BLSM and that of the 2005 and 2008 BLT is based on this study and SMERU's previous research study.

3.4.1 Information Dissemination

The information dissemination of the three cash transfer programs was relatively weak and the guidelines or the program implementation instructions were published/distributed late. Based on the findings of SMERU's research, the regional government generally believed that the information dissemination of the 2008 BLT was the best. This was because the information dissemination was given by several agencies (relevant agencies, the post office, and BPS) and information was also disseminated in the form of meetings down to the *kecamatan* level.

3.4.2 Targeting Accuracy

In general, the informants assessed that the targeting accuracy of BLSM was better than the 2005 and 2008 BLT. The reason was that BLSM targeted the poor and very poor households. Although there were recipient households that were ineligible, the number was very small and usually they were households that had not been out of poverty for a long time with a welfare level that was relatively not yet high. Meanwhile, the number of households that were not eligible to be the recipients of the 2005 and 2008 BLT was much higher.

In terms of undercoverage, however, the informants in general assessed that BLSM targeting was worse than that of the 2005 and 2008 BLT. The reason was because there were poor elderly households and poor old widow/widower households that did not become BLSM recipients. This created a perception in the community and amongst local officials that BLSM was not for the poor elderly and poor widow/widower groups. In addition, the number of BLSM target recipients was also much fewer compared to the 2005 and 2008 BLT; thus, there were still many poor and very poor households that did not receive BLSM. This evaluation was supported by the fact that there were quite a few households that used to be BLT recipients that did not become the recipients of the 2013 BLSM even though their condition remained poor.

The results of SMERU's research also showed the same conclusion in that BLSM targeting was more accurate than BLT targeting; yet its coverage was still low. In the 2005 and 2008 BLT, the number of recipient households that were no longer poor was higher, especially because there were factors of subjectivity applied by local officials who were involved in the data collection and verification. Even in the 2005 BLT, it was found that some village officials and their relatives who were not poor became a BLT recipient.

3.4.3 Funds Disbursement Mechanism

Regarding the funds disbursement, usually the informants from the officials, community leaders, and the post office circles assessed that the use of KPS was an advantage of BLSM. The reason was that the use of the KPS could reduce the possibility of misuse because only the person whose name was written on the KPS could withdraw the funds. The 2005 and 2008 BLT made use of the Fuel Compensation Card (KKB) which created an opportunity for fraud for village/*kelurahan* officials. An informant in a monitored village said that during the time of the BLT implementation, there was an official in that village that withdrew the BLT funds belonging to some recipient households.

Having three names on the KPS was also considered accommodating, especially for the head of households who were sick, old, or had to work, because BLSM could be disbursed to one of the other two persons whose names appeared on the KPS without requiring a letter of authority. The use of the KPS that had a barcode also made the disbursement process easier and faster. The post office official only needed to scan the barcode and the information of the funds being collected is automatically recorded in the computer. Meanwhile, in the disbursement of the 2005 and 2008 BLT, the mechanism of 'coupon ripping' from the KKB was very complicated and could risk losing

the payment evidence that could bring a disadvantage to the postal officers. Nevertheless, some informants mentioned that the use of barcode scanning that needed electrical supply had the potential to cause problems in the regions with limited electrical supply.

The informant assessment was in line with the results of SMERU's research that discovered that in the 2005 and 2008 BLT, the KKB listed only one person's name; consequently, the fund withdrawal by a different household member required a stamped letter of authority. The use of KKB that only used the mechanism "coupon paper ripping" had caused fraud in the form of collective fund withdrawal by village officials in several monitored locations. In addition, there were postal officers who had to return some portion of the funds because they forgot to rip the KKB or lost the ripped piece of the KKB.

3.4.4 Scale of Social Unrest

The minimal level of social unrest also became a positive evaluation aspect of BLSM implementation. Many informants stated that this happened because BLSM targeting accuracy was quite high (especially related to the few inclusion errors) and the level of the community's understanding was better as the experience from BLT implementation also became a supporting factor. They compared it especially with the 2005 BLT that created significant social turmoil that developed into anarchic acts.

The result of SMERU's research showed that the direct cash assistance program that frequently caused the most social turmoil was the 2005 BLT. At that time, the dissatisfaction of people at the monitored locations was expressed in the form of complaints, protests or demonstrations, destruction of housing or government offices, as well as threats towards officials and data enumerators.

3.4.5 Amount of Funds

Pertaining to the nominal amount of assistance and the time frame of the program, the informants in general assessed that the 2005 and 2008 BLT were better than BLSM. The amount of BLSM funds of up to Rp150,000 for four months (Rp600,000 in total) was lower than the nominal amount of the 2005 and 2008 BLT, which was as much as Rp100,000 per month for one year (total amount: Rp1,200,000), not to mention that when the impact of inflation for the last eight and five years respectively was taken into account, then in fact, the amount of BLSM assistance in 2013 became much smaller.

3.4.6 Involvement of Local Officials

Some informants assessed that the 2005 and 2008 BLT had more advantages in terms of the local officials' involvement, particularly in deciding the recipient households. In the implementation of the 2005 BLT, there was a mechanism to add benefit recipients proposed by the village/*kelurahan* officials. In the implementation of BLSM, the officials were only involved in the returned KPS replacement without the authority to add to the number of recipients. On the other hand, however, the lack of involvement of local officials was also considered positive because if there were community complaints, the officials could argue that they were not involved in target determination. If there was community dissatisfaction, local officials did not become the target of the community's rage and only became the place to ask or to convey complaints. Local officials clarification that targeting was determined by the central government could also better curb the possibility of social turmoil from occurring. The people, in general, considered that the central government was a governmental hierarchy that they could not possibly access directly, unlike the government at the village/*kelurahan* level. Although they felt that they were treated unfairly by the central government, they could not, however, do anything.

IV. KPS USAGE IN OTHER PROGRAMS

4.1 KPS Usage in BSM

4.1.1 Information Dissemination and Stakeholders' Level of Understanding

BSM has been implemented since 2008. Nationally, the BSM program implementation was the responsibility of MoEC for public/vocational schools and MoRA for madrasas. This program was cash assistance given directly to students from poor and vulnerable households. In the 2013/2014 school year, the amount of assistance per student per year was Rp450,000 for the students of SD/MI, Rp750,000 for the students of SMP/MTs, and Rp1,000,000 for the students of SMA/SMK/MA.

Pertaining to the increase in the fuel price in 2013, the government has included BSM as one of the components of P4S. Through the program, decisions about BSM targets that were originally conducted through the school-based selection and nomination process have been converted into a system of household-based nominations. KPS households with school-age children can bring the KPS to school so that the students could be nominated as BSM recipients. Each target student also receives an additional benefit of Rp200,000. Disbursement of the funds is also not allowed through the collective account of the school/madrasa, but it must use a bank account under the recipient student's name. The BSM disbursement process that was previously conducted once per year was also changed to two times, with disbursement every six months (Directorate-General of Islamic Education of MoRA, 2013).

The application of the KPS and the mechanism changes since June/July 2013 requires comprehensive information dissemination to the implementing agencies from the central level to schools and the community. The monitoring result showed that the information dissemination, both in the agencies of MoEC and MoRA, was conducted in phases by/for the agencies-in-charge and the implementers from each governmental level to school level. The form or media of information delivery at both ranks of the agencies was slightly different between governmental levels and between monitored areas.

4.1.2 Information Dissemination in the Agencies of MoEC

Information dissemination to the provincial and *kabupaten/kota* education agencies was given through meetings at the central level. The meetings had been held several times since 20 June 2013, partly because there were provision changes concerning the nomination of recipient student candidates. In the meetings, MoEC also provided manuals, brochures, and banners about BSM to be installed in front of the agency offices and schools. The agencies could also obtain information about BSM from MoEC's official website.

Some of the education agencies in the monitored areas, namely Kabupaten Demak, Kota Semarang, Kota Sukabumi, and Kota Sibolga, held information dissemination sessions for the public and private schools in the form of meetings in the *kabupaten/kota*. Materials presented included the BSM mechanism and the purpose of giving BSM to students. Additional information concerning the nomination was conveyed by mail and telephone. In other monitored *kabupaten/kota* schools only received information through circulars and/or a phone call from the education agencies. The information conveyed, particularly through circulars and telephone calls, was varied and not all schools received complete and uniform additional information. There were schools that only received instructions to make a list of students to be nominated as BSM recipients who only came

from the KPS recipient households. There were also schools that received instruction to nominate students from the KPS recipient households and the students from the non-recipient households that were considered poor by attaching a certificate of poor households (*surat keterangan rumah tangga miskin* SKRTM).

The different patterns of information dissemination eventually led to a different understanding on the requirements for students from the KPS households who were entitled to receive BSM. There were schools that argued that the students from KPS households who were eligible to be nominated were those whose names were written on the KPS. There were also schools that believed that KPS households were only entitled to one BSM; hence if a KPS household had more than one child studying at the same school, then only one child could be nominated. Apart from the information dissemination issue, the policy of one BSM funds transfer for one KPS was considered appropriate by the schools that implemented it, because it could avoid social jealousy at the community level.

The frequency of students' nomination as BSM recipient candidates also varied among schools because of the differences in the information obtained. Some of the schools only sent the proposal once so there were students from the KPS households who were not nominated because the schools were late in submitting the requirements of the proposal or, particularly in the case of the KPS replacement recipients, because the parents' KPS was overdue. Some other schools submitted the proposal many times as requested by the local education agency.

4.1.3 Information Dissemination in the Agencies of MoRA

In the agencies of MoRA, the information dissemination on KPS usage for BSM was also implemented in stages. The information dissemination to the provincial MoRA office was implemented at the central level, while the information dissemination to *kabupaten/kota* MoRA office was implemented at the provincial or regional level. Dissemination of information in the form of meetings was held several times, both in special forums and in coordination meetings. MoRA also coordinated with the regional offices about policy changes through circulars.

Dissemination of information in the form of meetings for *kabupaten/kota* MoRA offices was frequently attended by different people. The staff members handling BSM at the *kabupaten/kota* MoRA office that the team met in the monitored areas were not necessarily the ones who had attended the meetings. Consequently, their understanding of the use of the KPS to access BSM was varied. An informant who handled BSM in a monitored area stated that he only received information from circulars, posters, manuals, and the internet, so he might make the wrong interpretation. Another informant whose duties included BSM only learned about the KPS and P4S at the time of the interview. The informant stated that the BSM handled by him was BSM for private madrasas and it has nothing to do with the KPS. According to him, all this time, private madrasas had submitted BSM proposals based on the SKRTM from the *kelurahan* office and there was no requirement that it had to be based on KPS.

With the exception of Kota Semarang and Kabupaten Demak, madrasas in the monitored areas generally did not receive specific information dissemination from the *kabupaten/kota* MoRA office on KPS usage for BSM. In both areas, the information dissemination was only conveyed to private madrasas. The state madrasas were not included because they were a separate work unit with a BSM budget that had been included in each madrasa's budget implementation list; therefore, they were responsible directly to the provincial MoRA office and the Audit Board of Indonesia (*Badan Pemeriksa Keuangan* BPK). In other sample *kabupaten/kota* madrasas only received information through circulars and/or instruction letters. Due to the differences in the information dissemination, madrasas' understanding on KPS usage for BSM varied.

4.1.4 Information Dissemination to the Community

The government provided information dissemination on KPS usage for BSM to the community through the print and electronic media. The information was mentioned in a BLSM brochure distributed to KPS recipient households after the first-stage BLSM funds disbursement. Not all households who became the informants read the information, however, because they were illiterate or because reading was not yet a habit of the community, particularly those who were poor and vulnerable. Some of the informants who read the brochure also did not understand the information it gave because they did not understand the terms used, such as KPS and BSM. Meanwhile, information disseminated through radio and television was known only to few household informants.

The limitation of direct information from the government was in some areas partially replaced with information from schools although it was not comprehensive. Generally, schools conveyed information to students and to some parents who were KPS holders informing them that the students must immediately fulfill the administrative requirements to be nominated as the candidates for BSM. Information conveyed through students, especially elementary students, did not always reach the parents. Even if it did, there were parents who did not believe or understand what their children are telling them and did not try to ascertain more information from the school; hence, the information was ignored.

In Kota Sibolga, the community's ignorance was detected from, among other factors, the fact that several KPS households and nonholder households whose children did not receive BSM came to the *kelurahan* office. They demanded of the local head of *kelurahan* that their children get BSM. At the request of the *kelurahan* officials, the parents eventually went to the school to get an explanation on BSM.

Especially after the BSM disbursement, the information on KPS usage for BSM was spreading by word of mouth; thus, even the people who did not receive KPS knew about it. The information that had already been disseminated at the community level made the government officials at the *kecamatan* and village/*kelurahan* levels in general also aware that the KPS could be used to obtain BSM. The community's knowledge, including that of the KPS recipient households, was relatively limited, however, to the knowledge that the access of KPS to BSM was only applicable in certain schools that had conveyed the information about the nomination or schools whose students had already received BSM. Even in the monitored areas, it was found that some households did not know that KPS could be used to access BSM.

4.1.5 Program Readiness and Implementation Problems

The use of KPS for BSM, which is one of the manifestations of the policy incorporating BSM into P4S, was constructed through an impromptu program planning and design process. The policy was initiated almost simultaneously with the increase of fuel prices on 22 June 2013; thus, leaving only a narrow amount of time until the usual deadline for the recipient candidates' nomination under the previous BSM. The time constraint affected the readiness of the program in implementing the use of KPS and caused the program implementers to make several policy changes. The BSM Revised National Budget Implementation Handbook 2013 from MoEC, which is the guideline for KPS usage in BSM, was published late—only in August 2013—when the program was already running.

The deadline for the nomination of BSM recipient candidates in MoEC's information dissemination was set at 31 July 2013, but then it was not strictly enforced and the rules on students' nomination were changed several times. At first, MoEC requested that the *kabupaten/kota* education agency nominate students from the KPS households as BSM recipient candidates. Then, MoEC demanded

that the agency also nominate poor students from non-KPS recipient households. The number of candidates did not absorb all quota; therefore, as many students as possible were nominated.

The changes were not supported by an adequate data management system, resulting in some students' names appearing more than once. In fact, in Kota Bima there were several BSM recipient students at SMP level appearing up to five times. In such cases, the account would be automatically blocked by the bank, but it had reduced the poor's access to BSM due to the waste of recipient quota.

Nomination changes were also not supported by an adequate information system; therefore, not all schools knew and conducted the same stages of nomination. As a result, there were schools that: only nominated students from the KPS households; nominated students from both the KPS households and the poor households; and nominated all of their students.

In the implementation of BSM in 2013/2014, the funds disbursement which previously used a school's collective account at the post office was changed into using each recipient student's account at a banking institution. The changes were not supported by a simple cooperation mechanism to facilitate receipt by students. There were partner banks that could provide services close to the location of the school, but there were others that could not. As a result, there were recipient students and parents who had difficulty in withdrawing their BSM funds because of the distant location of the partner bank. In addition, aside from Bank Sumut, other partner banks required that recipient students leave a balance of Rp10,000–Rp50,000 so that the account could remain active. That purpose was not understood by most students or parents. Any remaining balance would most likely become the bank's possession because the recipient students and parents who came from poor households would unlikely use that account, unless there was further government assistance that could be disbursed through the account.

Informants in this monitoring also assessed that, although funds disbursement through the bank had many advantages, the administrative requirements and disbursement process were not flexible. Students and parents had to provide a photocopy of the parents' KTP, KK, and KPS. Some banks also required other documents such as birth certificate, report card, letter from school, student card, and SKRTM from *kelurahan*. Under normal circumstances, the requirements were easy to fulfill, but when the parents lived far away, as happened in boarding schools, these requirements became an impediment. In the case of a boarding madrasa in one of the monitored areas, this impediment resulted in the recipient students being unable to collect their BSM funds because the bank requested the withdrawal to be conducted collectively. Some banks also did not tolerate name differences between any documents and the data in the bank, so the recipients could not access their BSM funds. Some other banks did accept name variations as long as the recipients included a letter of explanation from the school or from the village/*kelurahan*.

The partner banks generally only had a branch office/service unit in each *kabupaten/kota* and they were inadequate to disburse BSM because they had to serve tens of thousands of recipient students. This limitation led to long queues at the bank during disbursement. In Kabupaten Barru, for example, there were students and parents who had to stay at a mosque in the district's capital as they were unable to withdraw the BSM funds in one day due to the long queue at the bank. In Kota Makassar, many parents had to come to the bank several times. The banks limited ability also led to delays in the completion of disbursement. The BSM funds that had been deposited in the banks could stay there up to four months due to the disbursement schedule queue.

4.1.6 Impacts of the KPS Usage

Coinciding with the use of the KPS, the number of target recipients had increased from 8.7 million to 16.6 million students (Tim Sosialisasi Penyesuaian Subsidi Bahan Bakar Minyak, 2013). This increase was one form of BSM integration into P4S. Because of the increased target, it was expected that BSM could cover all students from the KPS recipient households and the poor nonrecipient households. The national targets that were then divided into *kabupaten/kota* quotas in the monitored areas were not met due to time constraints and information dissemination issues. At the school level, not all schools had more BSM recipients than before the usage of the KPS.

The use of the KPS did not guarantee accuracy in the targeting. Informants at schools in the monitored areas acknowledged that students from KPS recipient households were generally poor students. Even if there were some who were not poor, they were few in number. On the other hand, there were still many poor students whose parents had not received the KPS; some of whom had poorer parents than that of the KPS holders. In a case in Semarang, there were schools that did not include students from the KPS recipient households because in their opinion there were still other students from the non-KPS recipient households who were poorer and were in greater need of the funds. Meanwhile, the presence of poor students from non-KPS recipient households could be overcome in some of the visited schools because the schools had also been asked to nominate other poor students to be the recipients of BSM. There were even some schools that nominated all of their students, such as a school in Tapanuli Tengah, so nearly 90% of their 243 students became BSM recipients.

After KPS was introduced, generally the nonmadrasa schools prioritized the KPS ownership when nominating the BSM recipients. The use of the KPS had, therefore, reduced the possibility of teacher/principal subjectivity in determining the candidates for BSM recipients. Teachers/schools would find it difficult to prioritize students who had family ties with the teachers/principals.

4.2 KPS Usage in Raskin

4.2.1 Information Dissemination and Stakeholders' Level of Understanding

The usage of KPS to access Raskin was a new thing. The government sought to disseminate this information through a variety of information media. Dissemination of information at the central government level was generally in the form of interministerial coordination meetings related to the implementation of P4S. Information was disseminated by the central government to regional governments via circulars and posters. Letter of the Coordinating Ministry of People's Welfare No. B-1115/KMK/DEP.II/VI/2013 (dated 14 June 2013) to the governors and heads of *kabupaten/kota* urged regional governments to distribute posters to introduce KPS usage for Raskin. The ministry also issued a letter, number B-/20/KMK/DEP.II/VI/2013 at the end of June 2013 regarding data update of Raskin and KPS recipient households. The letter stated that, starting in July 2013, the mechanism of Raskin distribution to recipient households would be improved by using the KPS.

Information was disseminated to the community by the central government through: (i) a brochure included in the KPS delivery envelope; and (ii) community service advertisements in the print and electronic media as well as posters/banners at strategic points (Tim Sosialisasi Penyesuaian Subsidi Bahan Bakar Minyak, 2013). In all monitored areas, the government of all levels had never conducted information dissemination in the form of direct meetings with the community, either in a special meeting to discuss the dissemination of information on KPS usage for Raskin or in other meetings.

Brochures, banners, and other information dissemination media had explicitly stated that only the KPS holders could receive benefits from Raskin. This was reinforced by the fact that the Raskin quota was equal to the number of KPS, from the national to the village/*kelurahan* level. The *musdes*/*musket* could, however, remove the KPS holder households from the Raskin recipient list and replace them with appropriate households. The replacement households were then given the SKRTM and were entitled to be the Raskin recipients.

Some *kabupaten/kota* government officials who were informants understood that since July 2013 the collection of Raskin rice by households had to use the KPS. But others thought that KPS was only used to access BLSM. Unfortunately, *kabupaten/kota* government officials who had understood the function of the KPS did not have the courage to instruct the implementers of Raskin at the village/*kelurahan* level to implement the regulation.

At the village/*kelurahan* government level, the same thing happened. Village/*kelurahan* officials who had understood the function of the KPS also did not have the courage to enforce the use of KPS as a means of accessing Raskin. In general, they reasoned that the mechanism changes of community's access to Raskin would lead to social unrest in the community. This was because Raskin was an old program that already had its own distribution rules based on the local policy at the village/*kelurahan* level. An exception to this phenomenon only occurred in Kelurahan Kembangarum, Kota Semarang. In this *kelurahan*, the head of the *kelurahan* did have the courage to apply the rule that only KPS holders could access Raskin.

In the community, the understanding of the function of KPS as a means to access Raskin varied. Although each KPS holder had received a brochure about the function of KPS as a means to access Raskin, only a small proportion of the informants read the brochure. As a result, information about the right of the KPS households to Raskin was limited. This condition occurred, among other reasons, because some KPS households could not read and others did not understand Indonesian. In addition, the KPS households also had difficulties in understanding some of the terms in the brochure, such as 'recipients list', 'sharing point', and 'distribution point'. Not all people in the monitored areas recognized the term Raskin. In Kabupaten Bima and Kota Bima, for example, the community was not familiar with the term Raskin because they had been calling it "cheap rice".

4.2.2 Program Readiness and Implementation Problems

Conceptually, the issuance of KPS in order to implement P4S had an effect on the changes in the mechanism of recipient households in accessing Raskin. Beyond these changes, other aspects of Raskin were practically unchanged. According to the official regulation, starting in July 2013, only KPS households were entitled to receive Raskin, however, the government realized that KPS issuance in 2013 using the PPLS data of 2011 was not entirely accurate due to the dynamics of poverty. The updating of the recipients list through *musdes*/*musket* followed by the issue of SKRTM as a temporary KPS replacement was expected to overcome the targeting accuracy issue. Under this policy, the households that were going to collect Raskin rice must provide proof of the KPS or SKRTM ownership. This policy drastically altered the existing Raskin distribution patterns since the households that were going to collect Raskin rice had not previously needed to show any documents.

Households previously accessing Raskin without having to show identification as a sign of their right to the assistance was the consequence of the general practice of Raskin distribution that used the equal distribution and rotation patterns. In this context, it did not matter anymore whether the concerned household was entitled to receive the benefits of the program or not. Through the KPS, the government tried to correct the longstanding Raskin deviation, however, unfortunately the

government was not very firm and resolute in making these changes through higher legal umbrella that had binding legal force on all parties.

On the one hand, the absence of such a regulation was the major obstacle for the implementers in the field to implement Raskin according to the regulations. Without the strong support of government regulation and comprehensive information dissemination to the community, they generally did not dare risk the negative effects that might occur due to the changes in the distribution pattern of Raskin. On the other hand, generally the *kabupaten/kota*/*kacamata* and village/*kelurahan* government officials considered that the KPS targeting was not completely accurate. Many poor households did not receive KPS.¹⁰ If the officials enforced the regulation that only KPS holders were entitled to receive Raskin, they believed this would be unfair. In order to improve the accuracy of the target, the government indeed had provided a program supporting mechanism in the form of village/*kelurahan* deliberation. In practice, however, there were many factors that prevented the village/*kelurahan* government from conducting *musdes*/*muskel*.¹¹

Both problems eventually resulted in Raskin implementers in the field tending to ignore the appeal to use the KPS and the SKRTM¹² to access Raskin. As noted previously, there was only one village that had the courage to implement the use of the KPS to access Raskin, namely Kelurahan Kembangarum, Kota Semarang. In other villages/*kelurahan* in the monitored areas, the Raskin practice of equal distribution or rotation remained the same. Even in Desa Wono Agung, Kabupaten Demak, the policy on Raskin equal distribution was legalized in the form of a village regulation. In Makassar, there was, in fact, a coordination meeting at the *kota* level to discourage the use of KPS to collect Raskin rice because the KPS recipients had been deemed inaccurate, so it had been decided to use the recipients list of Raskin 2012.

Raskin implementation practice that still applied equal distribution or rotation patterns was obviously a disadvantage to the KPS households because they could not receive their rights in full. In such cases, the government had also provided a program supporting mechanism in the form of public complaints centers (*posduma*) to receive complaints from the public whose rights were not fulfilled. In all monitored areas, however, there were no villages/*kelurahan* that established a *posduma*. In the case of Raskin, if a *posduma* did exist, it could be presumed that the concerned *posduma* could not change the situation. The equal distribution or rotation practice for Raskin was not a new practice that only occurred recently. The central government had long known about it and had never taken real steps, other than just an appeal, to fix it.

4.2.3 Impacts of KPS Usage

This analysis has directly indicated that the existence of KPS did not significantly improve the performance of Raskin. With the exception of one village in Kota Semarang, the KPS did not increase the targeting accuracy of Raskin. This happened because in all the other monitored areas, the KPS was not used by households as the evidence of their right to collect Raskin. Raskin distribution patterns were still using the old patterns: (i) equal distribution; (ii) rotation; (iii) distribution based on the data of Raskin recipients in 2012; and (iv) based on the list of poor households the village had. In such conditions, households that were going to redeem their Raskin rice were only required to show the Raskin card or coupon; there were even some that did not need to show the card or other pre-requisites to obtain the Raskin rice. Provided that their names were included in the list of

¹⁰See Section 2.2 on Targeting Accuracy.

¹¹For a complete description on *musdes*/*muskel*, see Chapter III about KPS Returns.

¹²In all study areas, there was no village/*kelurahan* that issued SKRTM for Raskin access purposes.

Raskin recipients held by the officials in charge of distribution, the households were entitled to collect Raskin rice.

Even so, there are some cases that need to be noted in the relationship between the KPS and Raskin distribution. First, KPS ownership gave a household priority in the Raskin quota distribution. In several monitored areas, such as an RT in Kelurahan Subangjaya, Kota Sukabumi that still implemented equal distribution policy in Raskin, the KPS households received a bigger quota in Raskin than the non-KPS households did.

Second, the use of KPS would eliminate the right of the households to Raskin. In the monitored *kelurahan* in Kota Sibolga, for example, the head of the local neighborhood transferred the right of the KPS households to Raskin to the poor non-KPS households. The reason was that the KPS households were considered to have experienced economic improvement and had already received BLSM. The local neighborhood head stated that the Raskin distribution transfer was implemented based on the deliberation in the neighborhood community, however, all KPS recipient households and non-recipient households that became informants stated that they were never involved in that deliberation. Some even doubted whether the deliberation had been conducted at all.

In addition to having no significant effect on the targeting accuracy of Raskin, the KPS also did not affect Raskin's other accuracy-related aspects. In regard to the correct amount distributed, for example, the still popular practice of equal distribution and rotation meant that the quota was not realized. It was the same with the issues of correct price and time—the same conditions apply as those operating before KPS. In the monitored areas that had been distributing Raskin rice once in two or three months, such as Kota Sibolga and Kabupaten Tapanuli Tengah, the use of KPS could not change the situation.

4.3 KPS Usage in Other Social Protection Programs

In all the monitored areas, no special policy was found that determined the application of KPS as a prerequisite to obtain the benefit of other social protection programs outside Raskin and BSM. The PKH and Jamkesmas (Health Insurance for the Poor) programs included in the P4S did not impose the use of the KPS to access them because these programs had their own criteria and requirements. The only local government that tried to apply the KPS to other social protection programs was Kota Bima. According to the informant, the Government of Kota Bima planned to hold a coordination meeting with the SKPD to discuss the plan to use KPS in Regional Health Insurance for the Poor (*Jamkesda*), however, it is likely that the plan would face some obstacles, especially because using the KPS does not improve targeting accuracy.

In the monitored areas of Semarang and Sukabumi, the local governments provided opportunities for KPS households to obtain the services of other social protection programs, such as *Jamkesmas/Jamkesda*. In addition to obtaining *Jamkesmas/Jamkesda* services, the KPS could also be used to obtain free health care at the *puskesmas* (community health center). The granting of such opportunities could not be separated from the policies of the local governments of Semarang and Sukabumi that focused on, among other things, providing easy access to education and health care services to the people. The local government's priority for health care was also reflected in the FGD result in one of the monitored *kelurahan* where households without *Jamkesmas/Jamkesda* cards could still receive free health care services as long as they could present the SKRTM that had been signed by the head of the *kelurahan* and the head of *kecamatan*.

Based on this information, this study shows that the local governments in the monitored areas have not made the KPS an integral part of the mechanism in the implementation of the local social protection program. The use of the KPS was, therefore, confined to the national protection programs—BLSM, BSM, and Raskin. Conversely, the KPS ownership also did not affect the ability of a household to access other assistance or programs, either those from the government or other parties.

V. CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusions

In general, the accuracy of BLSM targeting was quite high when seen from the low number of inclusion errors, however, the rate of exclusion errors was relatively high. Although the program design made it possible to make improvements in targeting accuracy through *musdes/musk* the implementation was hampered by many factors resulting in the inability of almost all monitored villages/*kelurahan* to hold a *musdes/musk* collection of the KPS was based on the returned KPS number alone and was not based on the appropriateness of the KPS recipients. The village/*kelurahan* official usually did not have the courage to collect or withhold the KPS that was not targeted accurately because they were worried it might lead to conflict. The process of replacing the returned KPS was usually through an appointment which was determined by the village/*kelurahan* official.

The implementation of BLSM in the monitored areas had run very well and did not cause significant social problems, although the program information dissemination was relatively limited and late. The recipient households generally received funds from the post office in accordance with provisions, but in some monitored villages there were deductions in the funds received, the total amount of which was distributed among households that did not become recipients.

In terms of usage of KPS to access BSM, the students who came from the KPS households generally became the priority in the nomination of BSM recipient candidates. Nevertheless, there were children of KPS holders who had not become recipients or had not been able to withdraw the BSM funds, especially because of the inadequate information dissemination, the lack of program preparation, and the difficulty to fulfill the banking requirements.

In Raskin, the use of the KPS was still very limited. Raskin distribution that used the KPS only took place in one *kelurahan* of the 20 monitored villages/*kelurahan*. The reason was because changing the distribution patterns and ways to access Raskin based on the KPS ownership would create social turmoil. Consequently, Raskin implementation in most of the monitored villages/*kelurahan* still applied the equal or rotation distribution practice.

5.2 Recommendations

1. The target household data has to be verified before it is used as the database for the targeting of a program in order to accommodate possible changes in the condition of the community's welfare during the time gap between the data collection activity and the time when the data is used. The mechanism needs strong guidance, at least by giving adequate training to the TKSK who is assigned as the mentor of the verification process.
2. The selection of the recipient households must remain at the central level to minimize the possibility of collusion by officials and community conflict or protests that may result in anarchic actions at the local level.

3. The central government should stipulate that: (i) *musdes/muskab* as the authority to keep/withdraw KPS whose recipients are ineligible and replace these households with more fitting households; and (ii) if there is an ineligible KPS recipient household that refuses to return his/her KPS to the village/*kelurahan* official, the government will sanction or take legal action against the household. All this should be informed to every KPS recipient household.
4. There should be affirmation to all relevant parties that the returned KPS should be given back to the central government. The nomination of the replacement should be through the *musdes/muskab* which is in line with the regulation and requires supervision. In addition, the replacement of the returned KPS holder should be done within the administrative area of the village/*kelurahan* if it is not possible to hold a *musdes/muskab* in the village/*kelurahan*, can propose that the replacement be decided by the central government based on the BDT.
5. There should be a guarantee from the central government that the returned KPS will be replaced according to the number of returned KPS. In addition, the replacement households should get the replacement KPS before the end of the program and receive all the benefits in full.
6. Any program that involves massive program implementers and targets needs thorough planning, including a detailed design of the program concept, a comprehensive operational guideline that can be properly understood by all parties involved, as well as sufficient preparation time.
7. Program information dissemination has to be conducted before the program starts by determining the person in charge at every governmental level clearly, firmly, and formally. The time constraint in the implementation of an impromptu program such as BLSM can be dealt with by providing quick information dissemination that is varied and through various media so that it will be possible for the information to reach all stakeholders including the community. The program information dissemination methods should include: (i) the distribution of circulars/instructions to the related agencies at all governmental levels; (ii) community service advertisements broadcast in the form of short announcements by the government leader on television and radio taking into account the working hours of the community in general and in the printed media; and (iii) taking advantage of the local government channel to give announcements to the community directly in formal and informal meetings, through the mosque's loud speakers, and other social activities.
8. The information provided should be thorough but compact and concise using terminology that is easy for everyone to understand and it should also minimize the possibility of social turmoil from occurring at community level. Matters that need to be delivered, for example, include the program's short goals, limitation of targets/budget, the decision of targets which is made by the central government, the amount of assistance, the time frame, or the distribution frequency, as well as the place and the requirements for disbursement.
9. The adjustment of programs which were already running, such as BSM and Raskin, to the use of the KPS has to be properly designed prior to the implementation and emphasizes the consistency of the central government in applying the program requirements so that the program runs effectively and efficiently, and so there will be no repeated nominations or even recurring names of recipients.
10. There should be special information dissemination to schools and the community to affirm that all students who come from a KPS household have the right to receive BSM.

11. To guarantee that students who come from the KPS households receive the BSM funds in full, there should be a special agreement between the program implementing agency and the partner banks while still upholding the principles of transparency and accountability. This includes: (i) tolerating slight differences in the spelling of students' and parents' names on the various required documents as long as the parents can submit an explanation letter that can be accounted for (from the school/head of village/*kelurahan*); (ii) tolerating the fact that students who live far from their parents may not be able to fulfill all requirements; (iii) a guarantee that the BSM funds can be withdrawn by the students/parents as soon as possible; (iv) a guarantee that there will be no obligation to deposit/have a minimum balance; and (v) a guarantee that the bank will provide a counter for easy access for students/parents/schools.
12. If the KPS will be used strictly in Raskin to eliminate the equal distribution system, then there should be affirmation from the regional government that guarantees that Raskin is only for the KPS recipients, for example, through an instruction from the head of *kabupaten/kota* to all heads of villages/*kelurahan*. The success of the use of the KPS for Raskin in one of the *kelurahan* in Kota Semarang can become a best practice. This policy also needs to be accompanied with the establishment of rewards and sanctions that are clear and firm.
13. To guarantee that the KPS recipient household receives Raskin according to their share, there should be information dissemination (village/*kelurahan*) to the local officials and to the community in particular which transparently conveys the quota of the region, the share of each household, and the additional distribution allocation (if any). The central government and the regional government have to seriously coordinate to ensure that the households pay according to the price set and there should be a guarantee of the rice quality as regulated.

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APPENDIX

Local Criteria to Distinguish the Household Welfare Groups

Through FGDs at the neighborhood/*dusun*/RW or RT level in 20 monitored villages/*kelurahan*, community leaders and members grouped households based on the welfare level and the criteria that distinguish every respective welfare group. These criteria varied across regions, depending on the economic, social, cultural, and geographical conditions.

The household welfare in the monitored areas is generally divided into four groups but in certain regions, it is divided into three and in one region into five groups. Four welfare groups that are normally mentioned are: (i) very poor households; (ii) poor households; (iii) middle-class households; and (iv) rich households. The leveling of the welfare groups in every monitored area is slightly different. For example, the household with the highest welfare level in most parts of the regions belongs to the rich group; while in some small parts of the regions, it belongs to the middle group.

Table A1. Household Welfare Groups in the Monitored Areas and their Proportion Based on the FGD Results

<i>Kabupaten/ Kota</i>	<i>Village/ Kelurahan</i>	Household Welfare Groups and their Proportion				
Kabupaten Tapanuli Tengah	Village-1	Middle-class (4%)	Simple (11%)	Poor (77%)	Impoverished (8%)	
	Village-2	Middle-class (5%)	Poor (78%)	Very Poor (17%)		
Kota Sibolga	Kel-3	Upper-class (10%)	Middle-class (10%)	Simple (15%)	Very Simple (15%)	Poor (50%)
	Kel-4	<i>Tabo</i> /Comfortable (8%)	Average (14%)	Simple (27%)	<i>Nahancit</i> /Difficult (37%)	<i>Acitian</i> /Very Difficult (14%)
Kabupaten Cianjur	Village-5	Rich (12%)	Average (24%)	Poor (55%)	Elderly (11%)	
	Village-6	Well-off/Rich (10%)	Average (22%)	Disadvantaged/Poor (68%)		
Kota Sukabumi	Kel-7	Prosperous (11%)	Average (24%)	Poor (45%)	Indigent (20%)	
	Kel-8	<i>Beunghar</i> (Rich) (20%)	<i>Biasa</i> (Average) (49%)	Poor (31%)		
Kabupaten Demak	Village-9	Rich (6.25%)	Middle-class (11.25%)	Poor (32.5%)	Very poor (50%)	
	Village-10	Middle (25%)	Poor (45%)	Very poor (30%)		
Kota Semarang	Kel-11	Rich (6.25%)	Middle-class (11.25%)	Poor (32.5%)	Very poor (50%)	
	Kel-12	Rich (18.75%)	Middle-class (37.5%)	Poor (25%)	Very poor (18.75%)	
Kabupaten Bima	Village-13	Rich (5%)	Average (11%)	Poor (28%)	The poorest (56%)	
	Village-14	Rich (4%)	Average (30%)	Poor (45%)	Very poor (21%)	
Kota Bima	Kel-15	Rich (8%)	Average (28%)	Poor (49%)	Very poor (25%)	
	Kel-16	Rich/Well-off (2%)	Adequate (20%)	Simple (20%)	Poor (58%)	
Kabupaten Barru	Village-17	Well-off/ <i>Sogi</i> /Rich (8%)	Average/Middle (37%)	<i>Mapperri</i> (disadvantaged) (55%)		
	Village-18	<i>Sogi</i> (Rich) (13.3%)	Simple (29.4%)	<i>Kasiasi</i> (poor) (33.3%)	<i>Kasiasi Ladde</i> (Very poor) (24%)	

Kota Makassar	Kel-19	Rich (26%)	Middle-class (57%)	Poor (17%)	
	Kel-20	Prosperous (11%)	Average (24%)	Not prosperous (45%)	Pre-prosperous (20%)

The characteristics that were often mentioned by the FGD participants to distinguish one welfare group from another welfare group included: (i) occupation; (ii) property or assets; (iii) house condition; (iv) consumption; (v) education; and (vi) access to health services. The first two characteristics were found in all FGDs all over the monitored areas.

The highest welfare group or the rich household, usually had the characteristics: (i) working as PNS, big farmer, TNI (soldier) or Polri (police officer), store merchant, broker, intermediary, entrepreneur; (ii) owning a permanent or luxurious house; (iii) obtaining, on average, a bachelor degree or graduated from senior high school; (iv) having lots of possessions in the form of extensive farmland, farm animals; (v) consuming rice, vegetables, and side dishes bought at a food stall; (vi) having a motorcycle or some having cars which they bought on credit or cash; and (vii) getting treatment at the *puskesmas*.

The second welfare group, which is the middle-class household, had the characteristics: (i) working as fisherman (who owns his own boat), farmer with his own farmland, entrepreneur (merchant), civil servant (PNS), private employee, intermediary; (ii) living in a permanent house; (iii) having, on average, a senior high school education, although there were some who were junior high graduates; (iv) having possessions in the form of limited farmland, several farm animals (chickens, ducks, and goats); (v) consuming rice, vegetables, and side dishes bought at a food stall; (vi) having a motorcycle or some having cars which they bought on credit or cash; and (vii) getting treatment at the *puskesmas*.

The third welfare group, which is the average household, shared similar characteristics with the middle-class households: (i) having their own business (merchants), becoming a factory hand, a female migrant worker, an *angkot* driver, a farmer having his own land of limited size, or a worker receiving honorarium; (ii) living in a permanent house, for example, a simple house with brick walls; (iii) usually having senior high school education, although there were some who were only junior graduates; (iv) having possessions in the form of limited-sized farmland, several farm animals (chickens, ducks, or goats), or furniture; (v) consuming rice, vegetables, and side dishes bought at a stall; (vi) owning motorcycle that was bought on credit or cash; and (vii) treating illnesses by buying over-the-counter medicine at the stall, going to *puskesmas*, or visiting a doctor. This welfare group is often categorized in the same group as the second welfare group or the middle-class.

The fourth welfare group, which was the poor household group, had the characteristics of: (i) having an assistant; (ii) living in a semipermanent or wooden house on their own land; (iii) having, on average, junior high school education, even though some only went to elementary school; (iv) having possessions, such as chickens, ducks, or goats in limited numbers; (v) eating simple meals: rice, vegetables, and side dishes; from the results of foraging or from buying it at the stall; (vi) owning a bicycle as the only means of transportation or a motorcycle bought on credit; and (vii) treating the illness using traditional methods, buying medicines at the stalls, visiting the orderly, or directly going to the *puskesmas* for treatment.

The lowest welfare group, which was the very poor household group, usually had similar characteristics to the poor household group: (i) not having a permanent job (doing casual work), becoming a hand^a, or a scavenger; (ii) not owning a house, having a house built on the land owned by another person, or having a house in poor condition or unfit to live in; (iii) having education as high as elementary or junior high school level, mostly elementary schools graduates; (iv) not having possessions; (v) having fewer than three meals a day with very simple side dishes; (vi) not having means of transportation or just owning a pedaled bicycle; and (vii) treating illness with traditional methods. Those who have *Jamkesmas* would go to *puskesmas* for treatment.

^aAmong others: farm hand, construction hand, fishing hand, plantation hand, launderer, coolie, and sand carrier.

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