A COUNTRY FOCUS: POVERTY REDUCTION IN INDONESIA

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Based on Goldmann Sachs projection, Indonesia will be the 6th biggest economy, with GDP will be around US$ 26.000 B in 2050...... need to go through high economic growth that is sustainable and inclusive.

Population in 2015: 254.9 mio people

Changes in Demographic Structure brings Indonesia to experience Demographic Bonus b/w 2010-2030. Some caveats:

- Triple burden on population
- Will start to enter aging society in 2020 (around 71,6 million elderly in 2050).
- Around 28 mio. people (11,13%) live under national poverty line, while half of population is vulnerable.
SLOW DOWN DECREASE IN POVERTY

Financial Crisis in Asia

Democratization, Decentralization, and Commodity Booming

Global Financial Crisis and Its Impact

Sumber: BPS, Susenas and perhitungan Bank Dunia
Gini ratio was 0.408, slightly reduced after increasing for the last 5 years.
Only 20% richest people have spending growth above the national average
40% lowest income people have spending growth less than 2% per year.
Inequality is increase due to unequal opportunities for people to contribute and be benefitted from development.

Sumber: diolah dari data BPS, Susenas.
CHILDREN VULNERABILITY

• Around 23.4 million children live within poor families.

• Around 2,7 million children between 15-17 years old works (Sakernas 2012).

• Around 47.74% boys and 17.98% girls have experiencing violence (Survey prevalency of children with violence, 2013).

• Around 3,778 children were sentenced (monthly data from Min. of Justice, 13 Oct 2014).

• Around 500 thousand children were within institution and around 4,3 million were abandoned (Min. of Social Welfare 2011).

• Slightky increased number of early marriage in urban area from 26 out of 1,000 marriage in 2012 to 32 out of 1,000 marriage in 2013 (BKKBN, 2014).

• Increasing cases of children violence on online media (sexually abused, exploitation and traficking).
TRANSFORMATION OF POVERTY ALLEVIATION STRATEGY

2010 - 2014

Cluster 1
Social Protection

Cluster 2
Community Empowerment

Cluster 3
SME and Micro Credit

Cluster 4
Pro-Poor Program

Comprehensive Social Protection Program

Basic Services Improvement

Development of Sustainable Livelihoods

2015 - 2019

- Social Insurance: Health and Labor
- Social Assistance

- Basic Services
- Public infrastructure improvement

- Livelihood dev’t
- Enabling environment & capacity building for local economic development

Poverty Alleviation Strategy

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Poverty Alleviation Strategy
OBJECTIVE
TO FULFILL RIGHT OF EVERY CHILDREN TO BE PROTECTED FROM ANY VIOLENCES

**CHILD PROTECTION RELATED POLICY**

- PRESIDENTIAL DECREE No 36/1990-RATIFICATION ON CHILD RIGHTS
- LAW No 11/2012 ON CHILDREN RESTORATIVE JUICE
- AMENDMENT OF LAW No 23/2002-CHILD PROTECTION → PERPPU NO.1/2016 (EMASULATION, OPEN UP IDENTITY & ELECTRONIC MONITORING DEVICES TO REDUCE CHILDREN VIOLENCE)

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**Improving Quality of Life and Optimizing child development**
- a. Improving basic services;
- b. ECD for all children;
- c. CRVS;
- d. Stimulate any children creative activities;
- e. Supervise children Information content;
- f. Parenting education;
- g. Increasing provider’s staff;
- h. Partnership;
- i. Advocacy and dissemination;

**Improving child protection from any for of violence**
- a. Mitigation and law enforcement to reduce children violence;
- b. Reducing/preventing early marriage;
- c. Strethening family based idata and intervention
- d. Expansion of social protection program;
- e. Integrated restorative justice for children;
- f. Advocacy and dissemination
- g. Coordination and sinergy among programs, activities & stakeholders

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**Improving Effectiveness of Child Protection Institutions**
- a. Harmonize law & regulation
- b. Strengthening supervision, coordination and monev on child protection
- c. Strethening data and information system
- d. Capacity building of all stakeholders, including syntesizing planning and budgeting
UNIFIED DATABASE FOR TARGETING OF POVERTY AND SOCIAL PROTECTION PROGRAMS

- **Exclusion Error**
  - **UNIFIED DATA BASE**
    - Covers 25.7 million households or around 92.9 million people

- **Inclusion Error**
  - **PEOPLE WHO GETS GOV’T CONTRIBUTION FOR HEALTH INSURANCE PREMIUM**
    - Covers 22.05 million households or 92.4 million people
  
  - **RICE SUBSIDY, SCHOLARSHIP FOR THE POOR**
    - Covers 15.5 million households, including 21.6 million children

- **CONDITIONAL CASH TRANSFER**
  - Covers 6 million families

- **NATIONAL POVERTY LINE (September 2015)**
  - Covers 7.13 million households or around 28.51 million people
CCT/PKH EXPANSION IN 2016

- CCT/PKH was the most effective program to reduce poverty (WB, 2015)
- PKH has graduated around 28.2% (annual recertification).
- Consumption of PKH family has improved around 14%, from 79% to 90% of poverty line

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Estimated Impact</th>
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</thead>
<tbody>
<tr>
<td>Pre-natal visits</td>
<td>0.071** (0.031)</td>
</tr>
<tr>
<td>Assisted Delivery</td>
<td>0.068 (0.043)</td>
</tr>
<tr>
<td>Delivery at facility</td>
<td>0.039 (0.044)</td>
</tr>
<tr>
<td>Post-natal visits (1-40 days)</td>
<td>-0.053 (0.054)</td>
</tr>
<tr>
<td>Completed Immunization by schedule &amp; age</td>
<td>0.077** (0.038)</td>
</tr>
<tr>
<td>Severe Stunting</td>
<td>-0.027** (0.013)</td>
</tr>
</tbody>
</table>

- PKH has significantly impacted to pre-natal visit, immunization, and stunting.
- Delivery and post natal visits were not improved due to weak supply side
FAMILY DEVELOPMENT SESSION

Monthly meeting of CCT’s mothers recipient to share, learn, and change toward better knowledge on parenting, healthy life, simple financial management and entrepreneurship, as well as child protection principles.

- Nutrition
- Pregnant & mothers
- Lactating mothers
- Babies, under 5 age, and teenage caring
- Daily healthy life behaviour

- Become a great parents
- Understanding ECD
- Understanding changing behaviour
- Encouraging and helping children with school’s task and performance
- Language and ethics
- Play and caring

- Simple family financial management
- Saving and credit
- Micro finance
- Entrepreneurship
- marketing

- Child Protection principles
- Right of children
- Preventing child abuse, violence, and exploitation
- Protecting mothers & women in the family

Peningkatan Kemampuan Keluarga

HEALTH  PARENTING  ECONOMY  CHILD PROTECTION
1. Financial Inclusion (G2P – Government to Person payment through digital financial services (using agent & cell phone))

2. Unified Data Base as a basis for complimentary both national and local programs

3. Complementarity Programs (President Instruction No. 3 2010 – Justice for All)

4. Inclusion of the disable children (starting in 2014) within PKH, to induce more inclusive services
BUSINESS MODEL OF E-MONEY FOR SOCIAL ASSISTANCE

1. Aslut
2. Aspaca
3. Pendamping

1. HP
2. Kartu Debit
3. Buku Tabungkan

1. TabunganKu
2. E-money

- Open up an account
- Fund channelling
- Disbursement

Telco
Laporan

KC Bank

No HP
Facilitator

Education I
Education II

Data verification
Data validation

Payment Instruction

Bank Kemensos

Bank Penyalur

Pemb. Rek otomatis

SMS notification:
- Dapat ditarik sewaktu2 dan dimana saja

Via ATM/KC Bank:

Kementerian PPN/ Bappenas

1. ATM

Pengambilan

Pendamping

Atau

Atau

1. Aslut
2. Aspaca

Sarana

1. TabunganKu
2. E-money

Laporan

BENEFICIARIES

Data Verification