

**SOCIAL DEVELOPMENT UNIT – WORLD BANK**  
**MEDIA MONITORING REPORT VILLAGE LAW**

**Period: Dec 15, 2016 – Jan 4, 2017**

**HEADLINES**

- The Ministry of Villages and the Ministry of Health will **expand the implementation of the Generasi Sehat dan Cerdas (GSC) Program** to an additional 7,000 villages in 11 provinces next year. The GSC Program aims at building 50,000 health centers to provide services for pregnant mothers and infants by 2019 and encourages more DD allocation to health sector.
- The **shortage of village facilitators continued to be an issue**. The Central Java Province only has 450 facilitators from the total 2,250 persons needed. In West Java a total of 2,930 facilitators were needed, but only 1,886 have been recruited. Consequently, a facilitator has to cover 2-5 villages.
- The Ministry of Education allocated IDR 3.5 trillion in the 2017 budget to **fund 190,000 early childhood education centers (PAUD)**. The Ministry urged the community learning centers to improve their role in advocating for more village budget allocations for education.
- A number of local governments began to **allocate financial assistance support the establishment of village-owned enterprise (BUMDes)**. One village received between IDR 150-200 million for this purpose.
- The media reported **delays in the disbursement of DD Phase 2**. Many villages only received the DD in mid-December 2016 or during the last week of December. For example, in the North Aceh District, 852 villages have not received DD Phase 2 until Dec 27. As for the 2017 budget, many villages will be managing a budget amounting from IDR 1 to 1.4 billion.
- In 2016, the Ministry of Villages has received approximately 7,000 **complaints and reports concerning misuse of village funds** through the Ministry's call center. To minimize the misuse of DD, the **Ministry has set up an illegal levies eradication task force**.
- Village head elections in many regions have reportedly been smooth and peaceful. The media, however, reported **cancellation of elections in three villages** in East Nusa Tenggara and **money politics** in village head election in East Java.
- The Environment and Forestry Ministry signed **decrees that formally recognize the status of nine customary forests in five provinces**. The decrees are effective for around

## 1. PUBLIC SERVICE DELIVERY: HEALTH

Minister of Social Affairs asked local governments to help facilitate the establishment of a community-based business venture as part of the support for PKH (Program Keluarga Harapan, a conditional cash transfer program for poor families) recipients. The government encourages PKH recipients to form a joint small business venture that consists of 6-10 households. Each group will receive additional financial assistance. To date almost 7,000 households have participated.

An article in Kompas argued that PKH has been successful. The total PKH recipient across the country has increased from 3.5 million to 6 million households, with the total grant amounting to approximately IDR 11 trillion per year. Citing the World Bank studies (2012, 2015), the program has increased health indicators among pregnant mothers (by 7%) and infants (22%); increased enrollment in 9-year compulsory education (by 4.4%); and increased spending on nutritious foods by 10%.

The Ministry of Health data showed that the maternal mortality rate in Indonesia is still high, 305 per 100,000 live births (2015). The high rate is caused mainly by poor health and maternal nutrition status. For example, 28.8% of pregnant mothers suffered from high blood pressure, 32.9% from obesity, and 37.1% from anemia.

The Ministry of Villages and the Ministry of Health will expand the implementation of the Healthy and Smart Generation (GSC) Program to an additional 7,000 villages in 11 provinces next year. Currently the program has been implemented in nearly 6,000 villages. The GSC Program aims at building 50,000 health centers for pregnant mothers and infants by 2019 and encourages more DD allocation to health sector. The government is allocating IDR 400 billion for this program in 2017. Separately in the Banyumas District (Central Java), the Cirahab village will commence a program to build 100 MCK (washing and bathing facility) using the 2017 DD fund to improve sanitation. In the Purwakarta district (West Java), an effort to integrate the local health insurance scheme (*jamkesda*) into the BPJS program (national compulsory health insurance) has been delayed by inaccurate poverty data. In 2015, the government calculated that there were 6,102 poor people but only 4,426 have a valid identity card.

### Sources:

- *Angka Kematian Ibu dan Anak Menurun* – Pikiran Rakyat, December 30, 2016
- *Sukseskan Jambanisasi, Maksimalkan Penggunaan DD* – Suara Merdeka, January 3, 2017

- *Proses Integrasi BPJS Terkendala Validasi Data* – Pikiran Rakyat, December 16, 2016
- *Angka Kematian Ibu Masih Tinggi* – Media Indonesia, December 21, 2016
- *Kemdes Bangun 50.000 Rumah Desa Sehat* – Suara Pembaruan, December 28, 2016
- *Digalakkan, Usaha Bersama di Desa* – Kompas, December 19, 2016
- *Meningkatkan Kesejahteraan Rakyat Melalui PKH* – Suara Pembaruan, December 27, 2016

## **2. VILLAGE FACILITATORS**

The media reports indicated that the shortage of village facilitators continued to become an issue. The Central Java Province, for example, only has 450 facilitators from the total 2,250 facilitators needed. In West Java a total of 2,930 facilitators were needed, but only 1,886 have been recruited. Consequently, one facilitator will have to cover 2-5 villages.

In Central Java representatives of 450 village facilitators met with the local parliament (DPRD) and Bapermades (the agency for the village governance) demanding a clarification on their employment status. They have passed selection test in May 2016, but have not been contracted to date. In response to this demand, Bapermades explained that the selected facilitators are required to complete training activity, which is scheduled in January 2017.

### **Sources:**

- *Pendamping Desa Terkatung-Katung* – Suara Merdeka, December 17, 2016
- *Pendamping Desa Diharapkan Bantu Berdayakan Masyarakat* – Waspada, December 15, 2016
- *Sepertiga Dana Desa Untuk Ketahanan Pangan* – Koran Tempo, December 15, 2016

## **3. PUBLIC SERVICE DELIVERY: EDUCATION**

The Ministry of Education allocated IDR 3.5 trillion in the 2017 budget to fund 190,000 early childhood education centers (PAUD), a significant increase from IDR 2.28 trillion in 2016. Separately, the Directorate of PAUD in the Ministry stated that community learning centers (PKBM, *Pusat Kegiatan Belajar Masyarakat*) have to improve their role in advocating more village budget allocation for children education.

The media reported various local government programs on education. The Wonogiri district government (Central Java) allocated an allowance for nearly 4,000 non-permanent teachers and staff of primary education institutions. In 2017 a non-permanent teacher receives IDR 200,000 per month, while a staff will receive IDR 50,000. The Sidoarjo district government (East Java) will commence in 2017 a pilot project on ‘children friendly schools’. Also, the district government is preparing a district head regulation on free compulsory education.

**Sources:**

- [Paud Ruman Dapat Hibah Disdik Aceh](#) – Serambi Indonesia, December 29, 2016
- [Pkbm Diminta Manfaatkan Dana Desa](#) – Suara Merdeka, December 17, 2016
- [Dana Paud Rp 3.5 T](#) – Jawa Pos, December 22, 2016
- [Dispendik Kembangkan Sekolah Ramah Anak](#) – Jawa Pos, December 24, 2016
- [3.850 Gtt Dan Ptt Di Wonogiri Terima Insentif Bulanan](#) – Suara Merdeka, December 27, 2016
- [Draf Perbup Sekolah Gratis Rampung](#) – Jawa Pos, December 27, 2016

**4. VILLAGE OWNED ENTERPRISE (BUMDes)**

The Minister of Villages stated that only around 22,000 villages have village-owned enterprise (BUMDes). The Ministry is preparing a state-owned enterprise as a holding company to the BUMDes. The Minister also requested the regional government to assist the village in establishing BUMDes.

The media reported that a number of local governments began to allocate financial assistance, through the ADD, to support the establishment of BUMDes. One village received between IDR 150-200 million for this purpose. In South Sulawesi, the ADD in 2017 will reach IDR 1.8 trillion and a budget amounting to IDR 200 million per village is allocated. In Central Java, the Klaten District allocated IDR 15 billion for 150 villages. In the Pemalang District, a local NGO (Community Oversight of Pemalang, MPP) criticized the allocation of IDR 150 million to villages that have not issued a village regulation on BUMDes.

**Sources:**

- [Pembentukan 391 BUMDes Dikebut](#) – Suara Merdeka, December 30, 2016
- [Tahun Depan Dana Desa Lewat BUMDes](#) – Waspada, December 27, 2016

- *Minim, Keterlibatan Pemda Dalam Pengelolaan DD* – Suara Pembaruan, December 27, 2016
- *Pembentukan BUMDes Klaten Dikebut Sebelum 2018* – Suara Merdeka, December 29, 2016
- *Dana Desa Sulsel Naik Rp400 M* – Fajar, December 22, 2016
- *BUMDes Dikucuri Bantuan Rp 15 Miliar* – Suara Merdeka, December 19, 2016
- *Mendes Tantang Bupati Majalengka Bentuk Holding BUMDes* – JPPN, December 26, 2016
- *Bantuan BUMDes Dipertanyakan* – Suara Merdeka, December 19, 2016

## 5. THE PROGRESS OF THE DD DISBURSEMENT

In this period, the media reported three important development. *Firstly*, there is a delay in the disbursement of DD Phase 2. Many villages only received the DD in mid-December 2016 or during the last week of December. For example, in the North Aceh District, 852 villages have not received DD Phase 2 until December 27. The delay has caused problems in project implementation and a low rate of budget absorption, but the media reported that the absorption rate in some regions was satisfactory. The absorption rate at the national level, according to the Minister of Villages, is 90%. *Secondly*, the village government will receive a significant increase in the DD and ADD payment in 2017. The villages will also receive additional funds from local government grant, the amount of which varies. The District of Mimika (Papua) will receive DD amounting to IDR 108 billion next year, a sharp increase from IDR 85.9 billion in 2016. In the Riau Islands Province, DD allocation increased from IDR 177 billion (2016) to IDR 228 billion in 2017. Many villages will be managing a budget amounting from IDR 1 to 1.4 billion in 2017.

*Lastly*, the flow of funds to the village has positively contributed to economic growth in rural areas, but the impact on poverty reduction has been modest. In 2016, the rural economy grew by 5%. However, citing the BPS (central statistics bureau) data, an economist from INDEF (Institute for Development of Economics and Finance) stated that poverty tends to be higher in rural areas than in urban areas, in terms of both the depth and severity of poverty.

### Sources:

- *ADD Terserap 100 Persen* – Radar Banten, December 29, 2016
- *Dana Desa Tahap II Rp199 M Gagal Amprah* – Waspada, December 29, 2016

- *Dana Desa Tahap II Biak Segera Cair* – Bintang Papua, December 15, 2015
- *90 Desa di Purworejo Tunggu Pencairan Dana Desa* – Krjogya, December 15, 2016
- *Desa Dituntut Selesaikan Pembangunan* – Kryigya, December 21, 2016
- *Pertanyakan Realisasi DD* – Bengkulu Express, December 19, 2016
- *Dana Desa Terserap 80 Persen* – Suara Merdeka, December 19, 2016
- *Terserap Rp1,4 Triliun* – Fajar.co.id, December 20, 2016
- *Dana Desa Mimika Naik Dratis* – Bintang Papua, December 15, 2016
- *Kabupaten Matim Dapat 173, 3 Miliar Tahun 2017* – Kupang.tribunews.com, Dec 23, 2016
- *Karimun Dapat Dana Desa Rp 35 Miliar* – mBatam Pos, December 22, 2016
- *Pemprov Lampung Mengucurkan Bantuan Dana Desa* – Antaranews, December 22, 2016
- *Dana Desa Sulsel Naik Rp400 M* – Fajar, December 22, 2016
- *Pemprov Kepri Desak Lingga dan Karimun Segera Salurkan Dana Desa* – Batam Pos, December 23, 2016
- *2017, Desa Kelola Dana Rp1 M* – Waspada, December 21, 2016
- *Dana Transfer Ke Daerah Dan Dana Desa Di NTT Mencapai Rp 22.3 Triliun* – Kupang Tribunews, December 19, 2016
- *DD Hingga Rp 1,2 M per Desa* – Bengkulu Express, December 19, 2016
- *Dana Desa Dan ADD 2017 Naik*, Suara Merdeka, December 15, 2016
- *Dana Alokasi Desa Dinilai Tak Efektif*, Pikiran Rakyat, December 30, 2016

## **6. MISUSE AND CORRUPTION OF THE VILLAGE FUND**

Throughout 2016, the Ministry of Villages has received approximately 7,000 complaints and reports concerning misuse of village funds through the Ministry's call center (PDTT 1500040). However, not all the reports could be verified as being attributed to corruption. Many of the reports were allegations caused by a misunderstanding or lack of information. To minimize the misuse of DD, the Ministry is setting up a task force on illegal levies eradication.

Police arrested two village heads, respectively in the Karawang District (West Java) and the Buton District (Southeast Sulawesi), for their alleged involvement in the DD corruption case. These

suspects allegedly used the DD for personal purposes and caused a loss between IDR 100-130 million.

In Aceh, a dispute emerged between a village head and the Nagan Raya district head. The district head dismissed the Paya Undan village head from his position due to an alleged involvement in a corruption case. The village head, however, claimed that the dismissal was caused by his recent report to the Aceh Provincial Police. He and another four village head reported illegal levies amounting to IDR 10 million per village, which allegedly would be used to fund a political campaign in the coming local election.

#### **Sources:**

- *DPR Temukan Penyimpangan Dana Desa* – Media Indonesia, December 30, 2016
- *Diduga Laporan Pungli, Bupati Copot Keuchik* – Serambi Indonesia, 2 January, 2017
- *Kades Korupsi Dana Desa Untuk Karaoke* – Media Indonesia, December 24, 2016
- *Kawal Dana Desa, Menteri Desa Siapkan Tim Saber Pungli* – Tempo.co, December 2016
- *Korupsi, Seorang Kepala Desa Di Buton Jadi Tersangka* – Kompas, December 19, 2016
- *Tokoh Adat Minta Kades Dicapot Karena Ada Dugaan Penyalahgunaan Dana Desa* – Kompas, December 15, 2016
- *Tidak Benar, Nagan Defisit Anggaran* – Aceh Tribunews, December 30, 2016

## **7. VILLAGE HEAD ELECTIONS**

Village head elections in many regions have reportedly been smooth and peaceful. The media, however, reported a number of cases concerning money politics in East Java and the cancellation of elections in East Nusa Tenggara. An allegation of money politics was reported in the Wonorejo Village (Kediri District). During the village head elections, there were reports of candidates giving away money to the voters, the amount of which ranged between IDR 100,000 to 1.5 million. Some villagers stated that money politics is not uncommon during elections.

Separately, elections in three villages in the Malaka and Ende districts (East Nusa Tenggara, NTT) were cancelled due to lack of viable candidates. All of the prospective candidates in these villages failed the selection tests, which included written tests and interviews. The acting village head will be assigned in these villages for the next 6 years.

The media also reported an electoral dispute in the Lasiolat Village (Belu District). The election has been conducted on October 13 and results were announced. Florita Besin, a female candidate who had been disqualified due to administrative reasons, refused to accept the result and reported it to the National Commission on Violence against Women. The Commission recently issued a recommendation to the Belu District head to annul the result and hold another election. The district government, however, insisted that election results could only be annulled by a court decision.

#### **Sources:**

- *Rakyat Antusias Ikut Pilkades Serentak Di 68 Desa* – Kupang Pos, December 23, 2016
- *Semua Pihak Harus Menerima* – Kupang Pos, December 23, 2016
- *Dua Desa Dipastikan Batal Pilkades* – Kupang Pos, December 21, 2016
- *Pilkades, Satu Rumah Dibom Rp 1,5 Juta* – Jawa Pos, December 28, 2016
- *Komnas Perempuan Minta Pilkades Ulang* – Kupang Pos, December 28, 2016
- *88 Desa Di Ende Selenggarakan Pilkades* – Kupang Pos, December 16, 2016

## **8. VILLAGE GOVERNANCE**

Villages in the Kendal district (Central Java) and Lebak district (Banten) have used the Internet to deliver an online public service. In Lebak, all 14 villages in the Maja sub-district have built an online system, funded by ADD, since April 2016. The system is now fully operational, providing services on civil documents and tax payments, and is connected to the district government system. The Kendal District is developing a similar system, which is called Desa Online (the online village program).

The media reported staff reorganization in some regional governments. In the Samosir District (North Sumatera), as many as 2,624 village apparatus participated in a re-selection test for 813 position. In the Serang District (Banten), the district government will remove 270 village secretaries from their position in January 2017 and post them in the various positions at the sub-district government office.

Separately in Central Java, a group of village officials in the Batang District staged a demonstration demanding payment of allowance, of IDR 1,470,000 per month. They claimed that they have not received an allowance since July 2016.



**Sources:**

- *Desa Diminta Siap Laksanakan Sistem Online* – Suara Merdeka, December 28, 2016
- *270 Sekdes Pindah Ke Kecamatan* – Radar Banten, December 20, 2016
- *Tingkatkan Kinerja Aparatur Dan Kualitas Pelayanan* – Radar Banten, December 22, 2016
- *Pemkab Samosir Seleksi Ulang Aparatur Desa* – Waspada, December 28, 2016
- *Perangkat Desa Batang Minta Pencairan Tunjangan Siltap* – Suara Merdeka, December 21, 2016

**9. ADAT AND INDIGENOUS PEOPLE**

The Environment and Forestry Ministry signed decrees that formally recognize the status of nine customary forests. The decrees are effective for barely 6,000 families across over 13,000 hectares of the customary forests - from the smallest, Padun Gelanggang in Jambi (almost 40 ha) to the largest, the Kasepuhan Karang (over 485,000 ha) in Banten. The decrees follow the historic 2013 ruling of the Constitutional Court, which invalidated the state's claim to customary forests in the 1999 Forestry Law.

Following the issuance of the decree, the government is preparing a program to empower the role of the indigenous communities and the adat institution in forest conservation. By the end of 2016, AMAN (the national alliance of the adat communities) has completed a map of approximately 700 customary forests, covering a vast area of 8.3 million hectares, and submitted to the government for verification. The nine customary forests that have received formal recognition were in South Sulawesi, Central Sulawesi, Banten, and North Sumatera, and Jambi (5).

**Sources:**

- *Hak Kelola Hutan Adat Legal* – Media Indonesia, December 31, 2016
- *Hak Masyarakat Adat Diakui* – Kompas, December 31, 2016
- *Sembilan Hutan Adat Segera Disahkan* – Media Indonesia, December 29, 2016
- *Sovereignty for Forest Guardian* – The Jakarta Post, January 3, 2017

**10. ADDITIONAL NEWS**

- Jakarta: the Anti-Corruption Commission (KPK) will formally request a clarification from the Joko Widodo administration regarding the remaining balance of the PNPM Mandiri revolving loan program. The KPK stated that the amount of the PNPM funds reached IDR 10 trillion (*KPK Tanyakan Dana Sisa PNPM Rp 10 Triliun* – Suara Merdeka, December 18, 2016).
- Central Java: a proposal to split the Batusari village (Demak District) into two villages, submitted since two years ago, was still pending. The village splitting is considered urgent since the population has reached 60,000 people, making it one of the most densely populated villages (*Pemekaran Desa Batusari Mendesak Dilakukan* – Suara Merdeka, December 30, 2016).
- South Sumatera: a village head change in Mekarsari (Ogan Ilir District) has triggered a dispute over a DD-funded infrastructure project. The newly village head instructed that a 1.1 km road improvement project should be halted. Several workers were assaulted and reported the case to the police (*Dianiaya Tanpa Sebab, 4 Pekerja Proyek Dana Desa Laporan ke Polisi* – Kompas, December 16, 2016).
- Central Java: in the Kendal District, almost 14,000 hectares of land (54% of the total land) – including village land - were not yet certified. A village head argued that the main reason is a lack of regulation on village land registration procedures and costs (*Kades Diminta Dorong Warga Miliki Sertifikat Tanah* – Suara Merdeka 22 December, 2016).
- East Nusa Tenggara: the Ngada district head officially inaugurated the acting village head as the leader in 56 preparation villages in the district. The acting village heads are responsible for ensuring that the splitting of these villages from their parent village can be completed smoothly. (*Kades Terpilih Agar Rangkul Yang Kalah* – Kupang Pos, December 29, 2016).
- Jakarta: the Ministry of Villages has identified around 3,000 villages as potential locations to build wet ponds for agricultural purposes. The Ministry provides various incentives for villages that allocate budgets to build the wet pond. The incentives include including tractor and farming tools (*Sepertiga Dana Desa Untuk Ketahanan Pangan* – Koran Tempo, December 15).