

## WEEKLY MEDIA MONITORING

### HEADLINES

- **Four cabinet ministers will issue a Joint Decree (SKB) to regulate the implementation of cash-for-work programs using the Village Fund on Dec. 24 at the latest.** The Minister of Villages said the President has agreed that projects with the value of over Rp 200 million can be implemented by locals (*swakelola*).
  - The Coordinating Minister for Human Development and Culture, Puan Maharani, said **the government would conduct labor intensive program funded by related ministries/institutions in 1,000 pilot villages in 100 regions starting January 2018.**
  - The Villages Minister invites higher education institutions to provide vocational education to address the low quality of labor in rural areas. **According to the Minister, more than half (57.8 percent) of the workforce in villages are elementary school graduates.**
  - Data from the Ministry of Finance shows that the government has made regional transfer of Rp 698.97 trillion as of 30 November 2017, or 91.21 percent. Of the amount, **the Village Fund transfer reached 90.78 percent or Rp 54.46 trillion from the initial target of Rp 60 trillion.**
  - **Dr. Aviliani, researcher at the Institute for Development of Economics and Finance (INDEF), said that institutions such as BUMDes should be established at the district level,** as the establishment at the village level has been proven highly inefficient.
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## 1. VILLAGE DEVELOPMENT

Four cabinet ministers will issue a Joint Decree (SKB) to regulate the implementation of cash-for-work programs using the Village Fund. The Minister of Home Affairs, Minister of Finance, Villages Minister, and Coordinating Minister for Human Development and Development will sign the decree on Dec. 24 at the latest. The Villages Minister said the President has agreed that projects with the value of over 200 million can be implemented by locals (*swakelola*).

Coordinating Minister Puan Maharani said, in addition to the program funded by the Village Fund, the government will also conduct labor intensive program funded by the budget from other related ministries/institutions in 1,000 pilot villages in 100 regions starting January 2018.

Executive Director of Regional Autonomy Watch (KPPOD), Robert Endi Jaweng, said labor intensive program may undermine the quality of the projects, as village residents would play more direct roles in the project development, but without certainty regarding their competency.

Meanwhile, World Bank Country Director for Indonesia, Rodrigo A. Chaves, urged the government to be more attentive in transferring the obligation of infrastructure development to local authorities. He said that the country spends 53 percent of its budget through decentralization, which has successfully improved services over the past 15 years.

Separately, the Villages Minister invites higher education institutions to provide vocational education to address the low quality of labor in rural areas. According to the Minister, more than half (57.8 percent) of the workforce in villages are elementary school (SD) graduates, while junior and senior high school (SMP and SMA) graduates reach 18.87 percent and 13.07 percent, respectively.

### Sources:

- [Menteri Desa: Dana Desa Harus Swakelola Masyarakat](#) – Antaranews.com, December 11, 2017
  - [Swakelolakan Proyek Dana Desa](#) – Pikiran Rakyat, December 11, 2017
  - [Tahun Depan, Dana Desa 100 Persen Dikelola Masyarakat Desa](#) – Kompas, 12 December, 2017
  - [Dana Desa Bisa Digunakan untuk Program Padat Karya](#) – Krjogya.com, December 12, 2017
  - [Pemerintah Siapkan SKB 4 Menteri untuk Padat Karya Dana Desa](#) – Detik.com, December 12, 2017
  - [Kemendagri: Sebelum Natal SKB Menteri Sudah Ditandatangani](#) – Kompas.com, December 12, 2017
  - [Kualitas SDM Rendah, kendala Terbesar Dana Desa](#) – Suara Pembaruan, December 11, 2017
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- [New Village Scheme Risks Quality](#) – The Jakarta Post, December 15, 2017

## 2. VILLAGE FUND DISBURSEMENT AND REPORTING

Data from the Ministry of Finance shows that the government has made regional transfer of Rp 698.97 trillion as of 30 November 2017, or 91.21 percent. Of the amount, the Village Fund transfer reached 90.78 percent or Rp 54.46 trillion from the initial target of Rp 60 trillion.

In Aceh, 222 villages in Nagan Raya District have not received the Village Fund Phase 2 of Rp 67.2 billion as of Dec. 11. In the neighboring district of Aceh Utara, the fund has been disbursed in 440 villages, while the disbursement for the remaining 412 villages is still pending.

In the city of Ambon, Maluku, 16 of the 30 villages have not received the Village Fund Phase 2 because they have failed to submit the realization reports of the Phase 1. The government has set Nov. 30 as the deadline for report submission, without any significant development.

In Bali, the Village Fund Phase 2 or Rp 16 billion for 46 villages in Badung regency was disbursed last November. The District Government asked villages to submit realization reports by the end of January.

### Sources:

- [Pemerintah Sudah Setor Rp 698 Triliun ke Daerah Selama 2017](#) – Detik.com, December 12, 2017
- [Kemenkeu Catat Transfer ke Daerah mencapai Rp 698,97 T](#) – Tempo.co, December 13, 2017
- [16 Terancam Tak Terima DD Tahap Kedua](#) – Ambon Express, December 11, 2017
- [222 Desa Belum Terima Tahap II](#) – Serambi Indonesia, December 12, 2017
- [BPKD Aceh Utara Salurkan Dana Desa Tahap II](#) – Waspada, December 14, 2017
- [LPJ Penggunaan Dana Desa Wajib Selesai Akhir Januari](#) – Jawapos.com, December 13, 2017

## 3. CORRUPTION AND ANTI-CORRUPTION MEASURES

In Riau, Rokan Hilir District Attorney arrested Bagan Manunggal Village Chief for alleged corruption of financial grant of Rp 306 million from the provincial government in 2015 and 2016. The village chief is accused of marking up the price of materials, reducing wages, and avoiding taxes.

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In East Kalimantan, former chief of Sepaso Timur Village in Kutai Timur District was arrested, three years after being named as suspect of a corruption case of the Village Fund Allocation (ADD) in 2014 worth Rp 410 million. The suspect was detained in the capital city of Samarinda.

In Central Java, Rembang District police grilled two witnesses of alleged misappropriation of village fund in Sumber Village. The village head allegedly forged the signatures of sub-district head and village treasurer when withdrawing Rp 325 million.

**Sources:**

- [\*Kasus Korupsi Dana Desa Rp 306 Juta, kades di Riau Ditahan Jaksa\*](#) – Detik.com, December 13, 2017
- [\*Pikirnya Sudah Aman Sembunyi Selama 2 Tahun, Ternyata Polisi Masih Ingat Wajah Pak Kades\*](#) – Fajar.co.id, December 15, 2017
- [\*Inspektorat Turut Usut Kasus Penyelewengan Dana Desa Dua Kades Sumber\*](#) – Jawapos.com, December 13, 2017

#### 4. VILLAGE-OWNED ENTERPRISES (BUMDes)

Dr. Aviliani, researcher of the Institute for Development of Economics and Finance (INDEF), said the establishment of BUMDes at village level is highly inefficient. Ideally, institutions such as BUMDes should be established at district level.

In Bengkulu, clean water facilities will be built in 42 villages in Rejang Lebong Regency using a Rp 2 billion grant from the central government. BUMDes in each village will be managing these facilities as a revenue source.

In Wonogiri District, Central Java, only 74 out of 251 villages have BUMDes. According to the district head, the lack of innovation among village officials has hampered the development of BUMDes. In Kaur District, Bengkulu, only 62 out of 192 villages have established BUMDes.

**Sources:**

- [\*Idealnya, BUMDes untuk Kabupaten\*](#) – Krjogya.com, December 14, 2017
  - [\*Pengelolaan Air Bersih Mandiri untuk 42 Desa di Rejang Lebong\*](#) – Metrotvnews.com, December 13, 2017
  - [\*Tak Inovatif, Mayoritas Desa Belum punya BUMDes\*](#) – Krjogya.com, December 14, 2017
  - [\*Baru 30 Persen Desa di Kaur Miliki BUMDes\*](#) – Bengkuluexpress.com, December 16, 2017
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## 5. VILLAGE GOVERNANCE

In Aceh, college scholarship program for village officials funded by the village budget (APBDes) in Aceh Tenggara District may not roll out this year. The tuition fee for 385 village apparatus enrolled at the Gunung Leuser University (UGL) in Kutacane, amounting of Rp 1.3 billion, has not been paid due to pending revision of the district head regulation.

In Boyolali District, Central Java, the Election Supervisory Committee requested clarification from one village head and four village officials, whose name were recorded in the Political Party Information System (SIPOL) at the General Election Commission as members of certain political party.

Dozens of villagers of Leubok in West Aceh district on Friday (15/12) sealed the village government office to protest the lack of transparency in the implementation of the internet program. The village head claimed to have paid the cost of installing the internet to the subdistrict government but no follow-up has been done in the nine villages.

### Sources:

- [Aparatur Desa Agara Terancam Batal Kuliah](#) – Serambi Indonesia, December 13, 2017
- [Panwaslu Boyolali Klarifikasi Perdesa yang Namanya Masuk Parpol](#) – Detik.com, December 15, 2017
- [Warga Segel Kantor Keuchik](#) – Serambi Indonesia, December 16, 2017
- [Selalu Terbuka](#) – Serambi Indonesia, December 16, 2017

## 6. EDUCATION

In Nunukan District, North Kalimantan, teachers of early childhood education centers (PAUD) have not received their monthly allowance of Rp 400,000 from the District Government in the last nine months. The allowances from the provincial government of Rp 500,000 per person has also not been paid since October.

### Source:

- [Defisit Anggaran, Nunukan Tak Bisa Bayar Tunjangan Transportasi Guru PAUD](#) – Kompas.com, December 12, 2017
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## 7. VILLAGE HEAD ELECTIONS

In Banyuwangi District, East Java, 51 newly elected village heads - five of whom were women - were sworn in after completing the obligatory trainings. In Pandeglang District, Banten, 108 village heads who were elected in November 5 elections have not been inaugurated.

In Kubu Raya District, West Kalimantan, the simultaneous village head elections in 19 villages on Dec. 16 was marked by delayed payment of financial assistance from the district.

### Sources:

- [Pelantikan 108 Kades Belum Jelas](#) – Radar Banten, December 15, 2017
- [Lantik 51 Kepala Desa Terpilih, Ini Pesan Bupati Anas](#) – Detik.com, Desember 11, 2017
- [Dana Panitia Pilkades Parit Baru Belum Cair, Ini Kendalanya](#) – Pontianak.tribunnews.com, December 12, 2017

## 8. INDIGENOUS PEOPLES

The Alliance of Indigenous Peoples of the Archipelago (AMAN) in East Manggarai District, East Nusa Tenggara Timur, urged the district government and the provincial legislative council (DPRD) to accelerate the ratification of bylaw on local customary institutions, which has been drafted since 2016.

### Source:

- [Ranperda Masyarakat Adat Terkatung-katung](#) – Kupang Pos, December 15, 2017

## 9. ADDITIONAL NEWS

- **JAKARTA:** The Minister of Villages encourages village governments to build sports facilities. In 2018, villages can set aside at least Rp 50 million to build such facilities ([Kemendes Dorong Pemerintah Desa Bangun Infrastruktur Olahraga](#) – Antaranews.com, December 11, 2017).
  - **EAST KALIMANTAN:** Seven villages in Paser District have not received the remaining of the 2016 village fund allocation (ADD) amounting to Rp 749.9 million. The village heads questioned why the balance was not included in the 2017 District Budget ([Kekurangan ADD 2016 Belum Terbayarkan](#) – Kaltim.prokal.co, December 14, 2017).
  - **CENTRAL KALIMANTAN:** Kotawaringin Timur District Head asked village heads to report any attempt of extortion by non-governmental organizations to the authorities ([Cari dan Tangkap LSM Pemerias Kades](#) – Kalteng.prokal.co, December 12, 2017).
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- **EAST JAVA:** Six village heads in Malang District received award on the tax payment of the 2017 Village Fund and Village Fund Allocation ([Kelola Dana Desa dengan Baik, Enam Kades Diganjar Penghargaan](#) – Fajar.co.id, December 12, 2017).
- **EAST NUSA TENGGARA:** Malaka District Head donated motorcycles to 74 village heads ([74 Kades di Malaka Dapat Motor](#) – Kupang Pos, December 13, 2017).
- **WEST KALIMANTAN:** Mandiri Jaya Village in Sintang District provides grant for five churches of Rp 4.5 million per year ([Desa Mandiri Jaya Anggarkan Rp 4,5 Juta untuk Pembangunan Gereja GPSK](#) – Pontianak.tribunnews.com, December 14, 2017).
- **BANTEN:** Next year, the village fund for Serang District will be decreased by Rp 30 billion to Rp 247 billion as the poverty rate has dropped to to 4.5 percent ([Pembangunan Desa Bisa Terhambat](#) – Radar Banten, December 15, 2017).
- **CENTRAL JAVA:** Officials from 6,000 villages will attend village fiscal management training organized by the provincial office of Supreme Audit Agency (BPK) and the Indonesian Institute of Accountants ([6.000 Desa di Jateng Dapat Pelatihan Akuntansi Dana Desa](#) – Kompas.com, December 15, 2017).

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