

WEEKLY MEDIA MONITORING

HEADLINES

- **The number of Village Fund recipients will increase from 94,910 villages in 2017 to 94,954 villages in 2018. The fund will be distributed using the newly introduced 80-20 formula**, in which 80 percent of the fund will be divided evenly to all villages, and the remaining 20 percent will be disbursed based on poverty rate, population, and topography.
- **In January 2018, the government will launch a cash-for-work program in 1,000 villages in 10 districts, with a budget of Rp 18 trillion, or 30 percent of the village fund of Rp 60 trillion.** The Ministry of Public Works and the Ministry of Agriculture will contribute Rp 11 trillion and Rp 10 trillion, respectively, of their budget.
- **The Central Statistics Agency (BPS) announced that the Indonesian poverty rate decreased from 10.64 percent in March 2017 to 10.12 percent as of September 2017. The poverty rate in rural areas stood at 13.47 percent.** The Head of the Development Planning Agency (Bappenas) said the increasingly better targeted and integrated social assistance programs contributed to reducing the poverty rate by 2 percent.
- Director General of Fiscal Balance at the Ministry of Finance, Boediarso Teguh Widodo said, **although the central government had disbursed Rp 59.77 trillion (99.6 percent) of the village fund to the districts as of Dec. 31, 2017, the villages only receive Rp 48.3 trillion (80.84 percent).** About Rp 12 trillion were yet to be disbursed and remained in the district governments' bank accounts.
- **The Minister of Villages said the absorption rate of the 2017 Village Fund did not reach 100 percent as the Fund Phase 2 had yet to be disbursed to villages in Merauke District and Ambon Municipality.**
- **The Government revised Government Regulation No. 18/2016 on Local Government Apparatus to strengthen the role of Government Internal Supervisory Apparatus (APIP).** At the district level, APIP is now in equal position with district secretary and reports to the governor. At the provincial level, APIP reports directly to the Minister of Home Affairs.
- **Papua Police are investigating corruption cases of the 2017 Village Fund in 796 villages** with total losses of Rp 323.5 billion in Tolikara, Pegunungan Bintang, and Nabire Districts.

1. VILLAGE DEVELOPMENT

The number of Village Fund recipients will increase from 94,910 villages in 2017 to 94,954 villages in 2018. The fund will be distributed using the newly introduced 80-20 formula, in which 80 percent will be divided evenly to all villages, and the remaining 20 percent will be distributed based on poverty rate, population, and topography. The Finance Minister said the new formula would allow poor villages to receive more fund, up to Rp 3.5 billion, while the more developed villages will receive Rp 800 million to 900 million.

In January 2018, the government will start a cash-for-work program in 1,000 villages in 10 districts. The government allocates 30 percent of the 2018 village fund, or Rp 18 trillion, to finance the program. The Ministry of Public Works and the Ministry of Agriculture will contribute Rp 11 trillion and Rp 10 trillion, respectively, from their budget.

The Central Statistics Agency (BPS) announced that the poverty rate declined from 10.64 percent in March 2017 to 10.12 percent as of September 2017. In absolute terms, the number of poor people is reduced by 1.18 million people, from 27.77 million people to 26.58 million people. The poverty rate in rural areas remains high, standing at 13.47 percent or 16.31 million people.

The Head of the Development Planning Agency (Bappenas) said integrated social assistance program contributed to reducing the poverty rate by 2 percent. He added that the coverage of social assistance will be expanded this year. The National Health Insurance/Indonesia Health Card (KIS) will cover 92.4 million people, while the Indonesian Smart Card (KIP) covering 19.7 million people, Non-Cash Food Assistance (BPNT) targetting 10 million in 217 districts /cities, and Family Hope Program (PKH) reaching out to 10 million families.

Sources:

- [Rp 60 T dana Desa, Menteri Eko: Tahun 2017 Terserap 98,47 Persen](#) – Tempo.co, Jan. 11, 2018
- [Kepala Bappenas Beberkan Penyebab Kemiskinan RI Turun](#) – Detik.com, Jan. 9, 2018
- [Bappenas: Kemiskinan di Desa Lebih Cepat Turun Dibanding Kota](#) – Tempo.co, Jan. 9, 2018
- [Pemerintah Siap Atasi Kemiskinan](#) – Koran Sindo, Jan. 10, 2018
- [Dana Desa Naik Bertahap](#) – Koran Tempo, Jan. 8, 2018
- [Program Padat Karya Fokus di 1.000 Desa](#) – Media Indonesia, Jan. 10, 2018
- [Padat Karya Cash Jokowi Akan Mulai di 1.000 Desa](#) – Detik.com, Jan. 9, 2018
- [Padat Karya Cash Jokowi Mulai di 1.000 Desa](#) – Suara Merdeka, Jan. 10, 2018

2. VILLAGE FUND DISBURSEMENT AND REPORTING

Director General of Fiscal Balance at the Ministry of Finance Boediarso Teguh Widodo said although the central government had disbursed Rp 59.77 trillion (99.6 percent) of the village fund to the districts as of Dec. 31, 2017, the villages only received Rp 48.3 trillion (80.84 per cent). About Rp 12 trillion were yet to be disbursed and remained in the district governments' bank accounts.

Minister of Villages, Development of Underdeveloped Regions and Transmigration, Eko Putro Sandjojo said, the absorption rate of the 2017 village fund did not reach 100 percent as the Fund Phase 2 had yet to be disbursed in all 179 villages in Merauke District (Rp 60.38 billion) and Ambon Municipality (Rp 11.4 billion), because these villages failed to meet the requirements.

Sources:

- [RP 60 T Dana Desa, Menteri Eko: Tahun 2017 Terserap 98,47 Persen](#) – Tempo.co, Jan. 11, 2018
- [Triliunan Rupiah Dana Desa Mengendap di Kas Pemda](#) – Kompas, Jan. 8, 2018
- [Dihentikan untuk Hindari Penyalahgunaan](#) – Kompas, Jan.10, 2018

3. CORRUPTION AND ANTI-CORRUPTION MEASURES

The Government has completed the revision of Government Regulation No. 18/2016 on Local Government Apparatus to strengthen the role of Government Internal Supervisory Apparatus (APIP). At the district level, APIP is now in equal position with district secretary and reports directly to the governor. At the provincial level, APIP reports directly to the Minister of Home Affairs.

The Corruption Eradication Commission (KPK) signed an agreement with the Ministry of Home Affairs to use e-catalog in the procurement of goods and services in five major provinces of West Java, Central Java, East Java, North Sumatra and South Sulawesi.

Papua Police are investigating corruption cases of the 2017 village fund in 796 villages in Tolikara, Pegunungan Bintang, and Nabire Districts with total losses of Rp 323.5 billion. These cases reportedly occurred in 517 villages in Tolikara District with total loss of Rp 318 billion; 277 villages in Pegunungan Bintang District (Rp 4.1 billion), and two villages in Nabire District (Rp 1.3 billion).

In Lamandau District, Central Kalimantan, the village head of Kujan is named as suspect in a corruption case of the Village Fund Allocation (ADD) and Village Fund (DD) in 2015 and 2016, which allegedly inflicted state losses of up to Rp168 million.

In Bener Meriah District, Aceh, the State Attorney detained former village head of Biang Ara Village at Takengon Detention Center for alleged village fund corruption in 2015, which caused state loss of Rp 312 million.

In Malaka District, East Nusa Tenggara, Numponi Village Head formed a team to collect information on alleged irregularities related to Village Fund, Anggur Merah Grant program, and the Generasi Sehat Cerdas (GSC) Program over the past two years.

District Attorney of Katingan District in Central Kalimantan named a staff of the Community Empowerment and Village Government (DPMPD) as a suspect of village fund and village fund allocation corruption in 2015.

Inspectorate of Tangerang District in Banten sent a team to five villages to investigate Rp 1.78 billion of unused budget last year. These five villages only absorbed 60 percent of the 2017 budget of Rp 800 million-900 million.

Sources:

- [Peraturan Penguatan Inspektorat Daerah Hampir Rampung](#) – Koran Tempo, Jan 12, 2018
 - [Cegah Korupsi di Daerah, Ini Kesepakatan KPK Dengan Kemendagri](#) – Detik.com, Jan 11, 2018
 - [Dihentikan untuk Hindari Penyalahgunaan](#) – Kompas, Jan 10, 2018
 - [Berkas Kades Kujan Tahap Satu](#) – Kalteng.antaraneews.com, Jan 10, 2018
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- [Mantan Reje Blang Ara Dijebloskan ke Rutan](#) – Serambi Indonesia, Jan 12, 2018
- [Kades Numponi Lapor Polisi](#) – Kupang Pos, Jan 9, 2018
- [Kantor DPMPD Katingan Digeledah](#) – Kalteng.prokal.co, Jan 11, 2018
- [Lima Kades Diperiksa](#) – Radar Banten, Jan 11, 2018

4. VILLAGE GOVERNANCE

In Batang District, Central Java, the government and the police launched the grand design of the Village Fund Monitoring Information System (SIPADAN). Through the application, Bhabinkamtibmas officers – police officers stationed in the villages – will have access to village documents. SIPADA application will be integrated with the Village Financial System (SISKEUDES), an application managed by the State Financial and Development Supervisory Board (BPKP).

In Gresik District, East Java, the District Legislative Council (DPRD) requested the suspension of the recruitment of 460 village apparatus due to indication of illegal levy. The DPRD spokesperson stated that applicants were reportedly asked to pay Rp 20 million to Rp 25 million.

In Lamongan District, East Java, dozens of village official from the Indonesian Village Officials Association (PPDI) staged a demonstration to demand monthly allowance increase to Rp 2.5 million from Rp 1.1 million. Similarly, village apparatus from Mranggen and Sayung Subdistricts in Demak District, Central Java, demanded the DPRD to raise their salary and allowances by 10 percent.

Sources:

- [Sipadan, Aplikasi untuk Awasi Dana Desa](#) – Suara Merdeka, Jan 8, 2018
- [Diwarnai Dugaan Sogok – Menyogok](#) – Jawa Pos, Jan 11, 2018
- [Perangkat Desa di Lamongan Demo, Tuntut Kenaikan Tunjangan](#) – Detik.com, Jan 10, 2018
- [Perangkat Desa Desak Revisi Perbup Penghasilan Tetap](#) – Suara Merdeka, Jan 12, 2018

5. HEALTH

Sintang District in West Kalimantan is preparing a district head circular to regulate the allocation of Village Fund to strengthen the efforts to reduce stunting, particularly those by Generasi Sehat Cerdas (GSC) Program.

Source:

- [Pemdes Upayakan Ada Alokasi Dana Desa untuk Cegah Stunting](#) – Pontianak.tribunnews.com, Jan 11, 2018

6. EDUCATION

In West Java, only 1 percent of the 57,000 early childhood learning centers (PAUD) and non-formal education institutions have been accredited as of December 2017.

Source:

- [Lembaga PAUD dan PNF Terakreditasi Masih Sedikit](#) – Pikiran Rakyat, Jan 11, 2018
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7. ADDITIONAL NEWS

- **BANTEN:** In Pandeglang District, 108 village heads elected on November last year will be inaugurated on Jan 23. The inauguration is postponed from the original schedule of Dec 21, due to delayed submission of accountability reports by acting village heads ([Pelantikan 108 Kades Ditetapkan 23 Januari](#) – Radar Banten, Jan 9, 2018).
- **CENTRAL JAVA:** In Wonogiri District, 138 of 251 villages have not completed the annual budget plan (RAPBDes) as a condition to receive village fund allocation (ADD) Phase 1 ([138 Desa Belum Menyetorkan RAPBDes](#) – Suara Merdeka, Jan 9, 2018).
- **EAST JAVA:** Generasi Sehat Cerdas (GSC) Program in Malang District held a community magazine training for nurses, midwives, village secretaries, and youth, in 14 sub-districts from Nov to Dec 2017. GSC targets each sub-district to publish a monthly magazine ([Saat Orang-orang Desa “Dipaksa” Membuat Majalah](#) – Kompas, Jan 8, 2018).

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