National Targeting System For Reaching The Poor and Those Who Left Behind

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Republic of Indonesia

34 provinces  >17,500 islands
Capital: Jakarta  Biggest Archipelago Country

253 million population
4th Most Populous Country
Poverty and Inequality Statistics

• Poverty Rate 10.16% around 27 Millions
• Continue going down but with slower rate
• Gini Ratio: National 0.41, Urban 0.43, Rural 0.33
• One percent of population control 50% of National Assets
• Was increasing but very slowly decreasing in the last 2 years
Jakarta at Night
Timor Tengah Selatan, East Nusa Tenggara

More than **53,000*** HH have no access to electricity

About **45 villages*** live in the dark (off grid area)

**Electrification Ratio 47 %***

* Source: Unified Database
** Source: Village Potential Data (Podes)
*** Source: Ministry of Energy & Mineral Resources & State Electricity Companye (PLN)
Poverty & Inequality Reduction Strategy

1. Increase income

2. Reduce Burden
   Targeted Social Assistance Program:
   • Healthcare
   • Education Assistance
   • Conditional Cash Transfer
   • Rice for the Poor
Building A National Targeting System
Targeting Options

• **Means-testing**, although this requires high-quality data that is not available in many countries and may be expensive to put in place.

• **Geographical targeting**, whereby transfers are provided to everyone living in areas where there is high incidence of poverty.

• **Community-based targeting**, uses community structures to identify the poorest members of a community or those eligible according to agreed criteria.

• Providing benefit to those recognized as belonging to a specific **vulnerable category** of the population; and

• **Self-targeting** such as in work program that offer a below-market wage, based on the logic that individuals choose to opt to the program.
Examples of a Specific Vulnerable Groups

1 | Bottom Poor (Fakir Miskin)
2 | Orphans, Street Children
3 | Homeless Without Support
4 | Isolated Tribal Community
5 | Mentally Ill
6 | Displaced Population
Self Targeting: Kerosene Conversions to LPG

Government provides free small bottles (3 kg) of LPG to poor households, small restaurants, food vendors and other micro business establishments.
Basic Idea
Shift From Commodity Subsidies into Household Subsidies

• Commodity subsidies are simple but unfair.
• They are not pro-poor.
• Have a big impact on government budgets.
• Aggregate poverty data is not adequate.
• Targeted subsidies as the basis of social assistance.
Data Collection & Welfare Ranking Mechanism

**GOAL:**
To reduce inclusion and exclusion errors

<table>
<thead>
<tr>
<th>Beneficiaries</th>
<th>Non Beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Poor</strong></td>
<td><strong>Not Poor</strong></td>
</tr>
<tr>
<td>✓</td>
<td>✗ Inclusion Error</td>
</tr>
<tr>
<td>✗ Exclusion Error</td>
<td>✓</td>
</tr>
</tbody>
</table>

- Initial List From Population Census & Other Programs
- Public Consultation
- Data Collection PBDT 2015 [BPS]
- Data analysis & development of PROXY MEANS TESTING models
- Unified Database
### Variable Collected in Unified Database 2015

#### HH Identity
- Head of family name
- Address
- Village
- Sub District
- District/City
- Province
- No of Family members

#### Program Beneficiary
- PKH
- Raskin
- Jamkesmas
- Others
- Jamsostek
- KKS
- KIP
- BPJS/KIS

#### Demography
- Nama anggota RTS
- Relationship with head of family
- Sex
- Age
- Marital Status
- ID Card
- National Registration
- Marriage /Divorce Certificate
- Birth Certificate

#### Employment Status
- Employment status
- Category of employment
- Type of work
  - Small and micro business: Type of business, no of employee, Income

#### Asset Ownership
- Car
- Motorcycle
- Boat
- Bicycle
- Small boat
- Refrigerator
- LPG
- Land
- Live feedstock
- Gold
- Mobile phone
- TV

#### Housing
- Ownership status
- Houseing condition
- Size of house
- Type of floor
- Type of wall
- Type of roof
- Source of water
- Access to water
- Source of light
- Electricity Category
- Type of cooking fuel
- Sanitation
- Septictank
- Bedroom

#### Health Condition
- Disability
- Cronic Disease
- Pregnancy status
- Contraception use

#### Education
- School participation
- School status
- Highest education
- Diploma/degree
Data Collection Process

Surveyor visited every house and collect all necessary information and variables.
Location of Data Collection
Unified Database for Social Protection

- Social Protection Program
  - Beneficiaries Criteria

Unified Database

- Health Program
- Education Program
- Family Hope Program
- Rice for the Poor

Other Social Protection/Subsidy Program targeted for household/individual

Set by relevant ministries or local government that implement the program

Unified database criteria

By name by address data and information
Managing Unified Database

1. Program Services (Operation)
   - Ensure national and local government programs use the Unified Database.
   - Provide technical support to the programs.

2. Research
   - Ensure the validity of various studies to improve targeting.
   - Monitor & evaluate the use of the Unified Database.
   - PMT modeling and analysis of cost-effectiveness for future data collection (presumably next in 2014).

3. Information System
   - IT-based management
   - Provide information extracted from the Unified Database through IT, media.
Percentage of Population With Almost Identical Social Economic Characteristics

Unified Database
40% Lowest Income Status

Exclusion Error

Unified Database*

Social Health Insurance
92 Million Individuals

Education assistance/Rice For the Poor
15,5 Million HH

Conditional Cash Transfer (PKH)
10 Million HH

Poverty Line (Sep 2017)
26.58 Million Population

Inclusion Error

No of Households (RT)
26.589.774

No of Families (KK)
28.488.031

Population
96.705.167
Which Household Has Lower Rank?

At glance has lower rank

This household actually has lower rank
Out of School Children Age 13-15 Year

Jumlah anak tidak bersekolah usia 13-15 tahun dengan status kesejahteraan 40% terendah

KABUPATEN TEGAL 9.654
KABUPATEN BREBES 18.904 Anak
KABUPATEN CILACAP 7.027 Anak
KABUPATEN BANYUMAS 7.571
KABUPATEN BANJARNEGARA 6.695
KABUPATEN WONOSOBO 6.085
KABUPATEN PEKALONGAN 7.146
KABUPATEN PEMALANG 11.455
KABUPATEN GROBOGAN 7.119
Less than 10% of students from poor households receive BSM*

Before 2013

Household Expenditure (Consumption) per decile

Percent of 6-18-year-olds that receive BSM

*) Cash assistance for students from poor households
Improve Policy:
Utilization of UDB & Improve Delivery Mechanism

Before

School-based

2013

Household-based

20 million students (2015)
Improve Targeting Accuracy for BSM (2014)

Source: Susenas 2009, SPS TW IV 2013 and TW I 2014
Eradicate Chronic Child Malnutrition
Approximately 37% (9 million) of children in Indonesia are stunted.

*The rate of stunting across provinces and income groups*

Source: Estimate and population projection from the Basic Health Research and the Central Bureau Statistics data.
The Vice President of Indonesia during the Ministerial Meeting established the Five Pillars of Stunting Reduction

<table>
<thead>
<tr>
<th>PILLAR 1</th>
<th>PILLAR 2</th>
<th>PILLAR 3</th>
<th>PILLAR 4</th>
<th>PILLAR 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commitment from</td>
<td>National campaign</td>
<td>Convergent, coordinated and coordinated national program with the</td>
<td>“Nutritional Food Security”</td>
<td>Monitoring and evaluation</td>
</tr>
<tr>
<td>highest national</td>
<td>focusing on improved</td>
<td>consolidated national program with the regional government and community</td>
<td>policy</td>
<td></td>
</tr>
<tr>
<td>leadership</td>
<td>awareness, behavior</td>
<td>members</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>change, political</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>commitment and accountability</td>
<td></td>
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To reinforce stunting reduction program, it is necessary to establish an intervention framework, which consists of the best practices acknowledged by all policy maker worldwide. This framework that has been discussed between the national policy maker and the World Bank is then translated into the five pillars of stunting reduction program as above.
Ensuring Accountability and Community Participation to Improve Teacher Performance
The government spending on education in 2016 is USD 16.5 million, half of it covers teacher salary and allowances …

But teacher professional allowance led to no improvement in student learning outcomes

Teachers in remote areas received hardship allowance at one times their base salary. Certified teachers received professional allowance, also at one times their base salary.

Teachers who receive remote area allowance had higher absenteeism rate compared to non-recipients

(SMERU, 2010)
Innovative instrument: Supporting government regulations

Social/financial accountability tied to Education service delivery

How?

Government regulations issued:

- MoU with Head of Districts
- Head of District Decree for the Project
- Head of District Decree on Coordination Team
- Technical Guideline
- Head of Education Department Decree
- Head of Village Decree

MoU signing between TNP2K and Head of Districts
Innovative instrument: Teacher presence monitoring tool

Social/financial accountability tied to Education service delivery

Is it affecting teacher presence?

Community empowerment instrument:

KIAT Kamera, Android-based application, combined with community verification

Teachers allowances in Group 2 are tied to community-verified teacher presence
Innovative instrument:
Community empowerment instrument

Is it affecting teacher service?

Community empowerment instrument:
Community Scorecard with 5-8 indicators for teacher service performance, scored by User Committee

Social/financial accountability tied to

Education service delivery

Teachers allowances in Group 3 are determined by community monthly score
Innovative instrument: Student learning assessment tools

Social/financial accountability tied to Is it affecting student learning? 

TNP2K’s Instruments

Diagnostic tests to quickly identify student’s basic literacy and numeracy skills along a continuum

Education service delivery

One-on-one student learning assessment
Pilot locations and participants

- **Western Kalimantan and East Nusa Tenggara Provinces**
  - **Very remote schools**: 2
  - **Primary school teachers**: 1778

- **User committee members**: 1827

- **Primary school students**: 26062
Community Evaluation on Teacher Presence

- **Manggarai Barat**: Score before KIAT Guru = 70.75, Score in May = 93.57, Score in April = 92.12, Score in June = 92.12
- **Manggarai Timur**: Score before KIAT Guru = 69.95, Score in May = 91.5, Score in April = 90.85, Score in June = 91.82
- **Landak**: Score before KIAT Guru = 59.2, Score in May = 82.98, Score in April = 83.93, Score in June = 86.25
- **Ketapang**: Score before KIAT Guru = 72.56, Score in May = 91.61, Score in April = 89.58, Score in June = 90.58
- **Sintang**: Score before KIAT Guru = 66.96, Score in May = 91.36, Score in April = 91.15, Score in June = 94.28
- **5 Kabupaten**: Score before KIAT Guru = 67.99, Score in May = 89.9, Score in April = 89.46, Score in June = 91.19

Legend:
- Blue: Score before KIAT Guru
- Red: Score in April
- Gray: Score in May
- Green: Score in June
Community evaluation on teacher service performance

Score before KIAT Guru
Score in May

Score in April
Score in June
Initial results on student learning outcomes

**Literacy**
- October-November 2016: 0.91%
- July-August 2017: 39.29%

**Numeracy**
- October-November 2016: 2.46%
- July-August 2017: 40.87%

Source: Baseline survey (World Bank) and diagnostic test from 5072 students in 173 intervention schools (TNP2K)
Building Trust to Encourage Participation of Private Sector in Poverty Aleviation
Sustainable Development Goals

GOAL 17

Means of Implementation

Strengthen the means of implementation and revitalize the global partnership for sustainable development

**Multi-stakeholder partnerships**

16. Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries

17. Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships
Why Public Private Partnership Model

- Local Wisdom & Empowerment
  - Local NGOs/CSOs
  - Community

Policy
- National Government
- Local Government

National Priorities in Poverty Reduction

Contribution/Shared Value
- Corporation
- Philanthropy Institution

TNP2K Role:
- Develop Partnership Framework and Delivery Mechanism
- Facilitating national level government and local government
- Facilitating contribution from private sectors as well public contribution through Philanthropy Institutions
- Providing Beneficiaries Data (Unified Database)
- Monitoring & Evaluation, Training & Education

Targeted Beneficiaries
[Using Unified Database]
Joint Impact Collaboration Framework For Poverty Reduction

**Shared Value dan Economic Value**

- **Government**
  - Poverty Reduction Priority

- **Corporate**
  - Financial and other resources

- **Community**
  - Community Participation

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**Process**

- Joint Impact Collaboration Framework For Poverty Reduction
  - Evidence-Based Needs assessment
  - Action Plan
  - Financial Needs
  - Implementation

**Beneficiaries**

- **Fund management**
- **Project management**
Targeting the Right Beneficiaries

One of TNP2K main priorities is to define a single database to be used by various poverty reduction program/initiatives. Hence, we shoot at the same target.

“Private Sectors are encouraged to avoid duplication and sharpen their target groups by using unified database.”
Households without Access to Proper Sanitation (40 % Lowest) In West Nusa Tenggara Province

LOMBOK UTARA
18,185 HH

KOTA MATARAM
5,605 HH

LOMBOK BARAT
53,592 HH

LOMBOK TIMUR
87,734 HH

DOMPU
17,740 HH

KOTA BIMA
4,361 HH

BIMA
32,068 HH

LOMBOK TENGAH
78,768 HH

SUMBAWA BARAT
4,447 HH

SUMBAWA
23,610 HH
Households without Electricity (40 % Lowest) In West Nusa Tenggara Province

LOMBOK UTARA
973 HH

LOMBOK BARAT
2,447 HH

LOMBOK TENGAH
1,751 HH

DOMPU
1,630 HH

KOTA MATARAM
91 HH

KOTA BIMA
214 HH

BIMA
3,991 HH

SUMBAWA BARAT
324 HH

SUMBAWA
2,874 HH

< 400

400 - 1,550

1,550 - 2,700

> 2,700
Timor Tengah Selatan, East Nusa Tenggara

Poverty rate 26.79%

122,488 individuals live below poverty line

Higher than provincial level poverty rate

Higher than national level poverty rate

Source: BPS 2014
Timor Tengah Selatan, East Nusa Tenggara

More than 53,000* HH have no access to electricity

About 45 villages** live in the dark (off grid area)***

Electrification Ratio 47 %***

* Source: Unified Database
** Source: Village Potential Data (Podes)
*** Source: Ministry of Energy & Mineral Resources & State Electricity Companye (PLN)
PPP Scheme: Electricity for the Poor Initiatives

**Contribution**
Cash/In Kind

- **Corporate**
- **Public**

**Fund Management**

- National Level Government (Ministry of Energy)
- Local Level Government (Government of Timor Tengah Selatan)

**Beneficiaries**

- National Level Government (Ministry of Energy)
- Local Level Government (Government of Timor Tengah Selatan)

**Operation Management**
Local NGO/CSO (Yayasan Besi Pae)
Electricity for the Poor Initiatives Pilot in NTT
Impact: Improve Productivity

Not long after becoming SHS beneficiary, I manage to open a kiosk to sell basic needs. This increase my income so I can repay my debt and have more money for the family.

Mr. Markus Lenamah
(Tli’u Village)

With the SHS program, I can continue to weave up to 10-11 pm in the night. Now I can finish the woven fabric 1 or 2 months faster.

Mrs. Yohana Hauteas
(Oemaman Village)
Impact: Improve Social Cohesion

In the village of Naileu, students have more time to study. Some of the families provide learning space for other family with no electricity.

In the village of Kusi Utara social gathering is happening every night. Increase social cohesion.
Thank You