



REPORT ON THE ACHIEVEMENT OF MILLENNIUM DEVELOPMENT GOALS INDONESIA

2007



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REPORT ON THE ACHIEVEMENT OF
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INDONESIA 2007



Report on the Achievement of Millennium Development Goals Indonesia 2007
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**THE STATE MINISTER OF NATIONAL DEVELOPMENT PLANNING/
HEAD OF NATIONAL DEVELOPMENT PLANNING BUREAU**

STATEMENT

The report on the Achievement of Millennium Development Goals (MDGs) 2007 is the third national report of its kind. The first report was published in 2004, while the second one was published, in the form of a brief summary, in 2005. This report is published not merely as an obligation, but it is an attempt to provide readers information about the progress that Indonesia has made, and to demonstrate the commitment of the country to realise the goals of the Millennium Declaration which was made at the United Nations in 2000.

The MDGs represent the noble aspiration of many countries as expressed in the Millennium Declaration. This aspiration is based on the view that true development is in the form of human development. The goals represent a paradigm that must be the foundation of development for all the countries that have agreed on the United Nations Millennium Declaration.

Human development refers to a state of development where the final goal is the welfare of people. A prosperous community is made up of people who can fully enjoy prosperity; people who are not poor, who do not suffer from starvation, and who are able to have access to education and health services equally. A prosperous society is also one who are free from hazardous and contagious diseases, have appropriate housing, and live in a clean environment.

Indonesia's human development policies have long been planned and directed through various development programs and activities implemented under the administration of President Soekarno, President Soeharto, President Habibie, President Abdurrahman Wahid, President Megawati Soekarnoputri, and President Susilo Bambang Yudhoyono. Therefore, one can argue that Indonesia has always been strongly committed to human development.

The aim of this report is to review the progress made since 1990 to 2007. In addition to it, the report briefly explains the challenges being faced and the efforts needed to achieve the various targets under the MDGs. This report can be used as the basis for planning and mobilising necessary action in order to achieve the MDGs by 2015.

The report places a special emphasis on the accomplishment of developmental activities related to the MDGs in each province. In this respect, I would like to congratulate those regions that were able to show positive performance with an expectation that these results can be maintained in the coming years. As to any areas that require improvement, I invite all the parties to collaborate and strive together for the attainment of the MDGs.

As my closing remarks, I would also like to convey my gratitude to all parties who have assisted in the writing and publication of this report. I wish this report will be a valuable contribution in our attempt as a nation to realise the aspiration of a better human development in future.

Jakarta, November 2007

State Minister of the National Development Planning
Head of the National Development Planning

A handwritten signature in blue ink, appearing to read 'P. Suzetta', written over a light blue horizontal line.

H. Paskah Suzetta



UNITED NATIONS

FOREWORD

This is the second report that has been prepared on the status of the Millennium Development Goals (MDGs) in Indonesia. After world leaders from 189 countries agreed in 2000 to reach the eight MDGs by 2015, we now find ourselves at the halfway point. It is therefore an important time to take stock of where we stand, and more importantly how we can accelerate progress towards achieving these goals. The report shows that the country is showing gradual improvements towards all the goals, and is on track to meet many of the MDG targets.

There are concerns, however, over lack of progress on maternal health, child nutrition, and environment, including access to safe drinking water. Also, these national averages and aggregates conceal disparities across the Indonesian archipelago. If the current trend continues, there are many districts and provinces in the outer islands that are highly unlikely to meet the targets. Furthermore, these numbers do not capture the quality of development in the country, which is better reflected through Human Development indicators.

In conclusion, there is still much that needs to be done to ensure that all provinces and districts reach these global targets. Our focus should shift to those regions that are lagging behind, and assist them to localize the MDGs, not merely as benchmarks in their development plans, but as drivers for policy making, resource allocation and public spending.

The United Nations Country Team (UNCT) stands committed to helping the Government of Indonesia by providing the support needed in this endeavour to make poverty history in the country.

Jakarta, November 2007

United Nations Resident Coordinator a.i.

A handwritten signature in blue ink, appearing to read "G. Rotigliano".

Dr. Gianfranco Rotigliano

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1. INTRODUCTION

1.1. BACKGROUND

Millennium Development Goals can be closely translated in Bahasa Indonesia as “*Tujuan Pembangunan Milenium*” but are popularly known in Indonesia and elsewhere simply as MDGs. It represents the international paradigm of global development agreed by 189 member states of the United Nations at the Millennium Summit in September 2000. The UN General Assembly provided the formal framework through the United Nations Millennium Declaration No. A/RES/55/2, and through Resolution No. 55/2 of 18 September 2000 of the UN General Assembly.

The birth of the Millennium Declaration was the result of a long struggle waged by developing countries and a number of developed countries. The declaration reflects the commitment of world leaders, which was unprecedented to address the issues of peace, security, development, human rights, and fundamental freedom as part of a coherent global strategy. As part of this declaration, the member countries of the UN adopted the MDGs. Each ‘goal’ has one or several targets including quantifiable indicators for measuring progress. MDGs place human development as the main focus for development and set a definite deadline for reaching these targets. MDGs are underpinned by global partnership and consensus, stressing the responsibility of developing countries for achieving these targets, while underlining the role of developed countries in supporting these endeavours.

Historically, a dichotomy in development between growth and equity has existed. However, empirical studies have shown that development that emphasises equity will have a more positive impact, which is evident in two important aspects. Firstly, development that focuses on equity greatly raises the welfare of people. As a result, more communities will be able to enjoy the fruits of development. Secondly, as a result of improved welfare that in turn builds human capital, more people can participate in shaping development. Hence, the two produce a virtuous cycle of sustainable development. On the contrary, a development process that emphasises only on economic growth as an outcome creates an imbalance.

During the eighties many discussions were held at the global level to debate the “Growth” versus “Development” approaches. One of these debates led to the “Limit to Growth” theory proposed by the “Club of Rome”. Furthermore, in the nineties the United Nations actively brought the welfare of human beings as a key element into development discourse at various conventions. Examples are the “Earth Conference” held in Rio de Janeiro in 1992, the “Conference on Population and Development” held in Cairo in 1994. This was followed in 1995 by a conference on Gender and Women.

These efforts picked momentum and culminated in a commitment to promote human welfare, for both current and future generations. This was the agreement reached between the heads of states of 189 countries with the announcement of the Millennium Declaration. This declaration contains and embodies the global consensus to promote development.

Specifically, these globally agreed goals include targets for:

1. Eliminating poverty and extreme hunger;
2. Making basic education available for all children;
3. Promoting gender equality and the empowerment of women;
4. Decreasing child mortality;
5. Improving maternal health;
6. Combating the spread of HIV/AIDS, and other chronic diseases such as malaria and tuberculosis;
7. Ensuring environmental sustainability; and
8. Promoting global partnerships for development.

1.2 MDGs IN INDONESIA

The MDGs are not a “new” concept in Indonesia. As a guiding framework for development, MDGs, in a sense, have always been the focus of the Government including previous administrations under President Soekarno, President Soeharto, President Habibie, President Abdurrahman Wahid, and President Megawati Soekarnoputri. Various development programs and policies reflecting the circumstances prevalent at that time have been formulated and implemented.

During the time of President Soekarno, for instance, the Government published a document for development planning entitled the Outline of Five Year Development Planning period 1956-1960 and the Principles of Overall National Development Plan period 1961-1969. A closer look at these development plans reveals a resemblance to the goals and objectives of the MDGs.

From 1956-1960 the Government has tried to increase funding for the welfare of people (State Planning Bureau, 1956:8). Various policies were formulated to increase household income, improve education, health, and housing. The period from 1961 to 1969 witnessed increased focus on national growth and household income (Depernas RI, 1961: Chapter 8). Enhancing human resources through community development, education, and welfare is outlined in the Eight Year National Development Plan (Penasbede, 1961-1969). It appears that the importance of enhancing people’s welfare in the country was acknowledged long before MDGs were agreed as a global commitment. Unfortunately, interventions to realize these development outcomes were severely disrupted as a result of the political crisis in 1965.

Since 1970, the government has re-launched social welfare programs that include education, health, reproductive health, and poverty eradication. These were done as part of its Five Year Development Plans or REPELITA, especially during the REPELITA I-IV phase, which was carried out through sectoral and regional programs. During REPELITA V-VI, the government carried out programs that were consistent with the MDGs aiming to eradicate economic and social imbalances. Efforts were undertaken to synergise programs sectorally as well as regionally. The implementation of REPELITA V-VI was disrupted as a result of the enormous political and economic crisis in 1997.

Toward the end of the 20th century, Indonesia saw itself go through a major transition. Development policies in this period (1998-2000) can be characterized as transitional. Policies that were supportive of MDGs include the implementation of Social Safety Net (JPS) programs, which focused on education, health, and regional development for the reduction of poverty. It can be said that the implementation of various development policies in the last 40 years were consistent with the objectives of MDGs, although MDGs had not been formally conceptualised and included in the global development agenda before 2000. In 2004, Indonesia prepared the National Mid Term Development Plan (RPJMN) for 2004-2009 period which provided an outline of the government’s future annual plans (RKP) from 2004 through 2009.

In general, promoting human development and the eight MDGs has provided the backdrop for the preparation of the RJP MN 2004-2009 as well as the RKPs. These documents specifically discuss and analyse the progress on these targets including identifying challenges, programs and policies needed to achieve the MDGs.

The development problems and challenges as outlined in the RPJMN 2004-2009 include: (1) low level of economic growth, people’s welfare, and various other social issues, (2) the quality of Indonesian human resources is still low as access to quality education is limited; (3) the issue of environmental protection and use of natural resources, which often creates tension between economic interests, exploitation of natural resources (mining, forestry) and environmental protection, (4) the disparities in inter-regional development is very wide, such as between Java and outside Java, between the western and eastern regions of Indonesia, and between cities and villages, (5) decrease in quality of services and the delays in implementation of infrastructure projects has hampered national development, (6) social and political instability which has potential of disturbing the stability of Republic of Indonesia, (7) increase in both domestic and transnational crime (8) considering that the country is spread out, the threat of security, both domestic and external, along with all the challenges of managing the diversity in social, economic, and culture aspects across the country (9) legislations that have not yet resulted in promoting justice, equity, respect and protection of human rights,

(10) low level of public services provided to the community resulting from misusing authority as well as a number of legislations which no longer reflect the current situation and (11) weak political institutions and state implementing agencies. These challenges also resonates the challenges in the achievement of MDGs.

In order to respond to these challenges, in the 2004-2009 RPJM, the government of Indonesia set three main targets, which are: (i) creating a peaceful and safe Indonesia, (ii) promoting equity and democracy as well as (iii) increasing people's welfare.

Related to the third target, the priorities and policy direction puts emphasis on:

- Poverty eradication and reduction of unemployment
- Increasing investment
- Agricultural revitalization
- Development of fisheries and forestry
- Rural development and the reduction of inter-regional disparities
- Increasing people's access to education and quality health services
- Improving social protection and social welfare
- Promoting Citizenry, and
- Acceleration of infrastructure development

Despite enormous problems and challenges that are being faced in the implementation of this development plan, the Government of Indonesia is determined to fulfil the MDGs commitment by 2015. In fact, some of the goals in RPJM are more ambitious than the MDGs, e.g. poverty eradication target in RPJMN has a shorter time frame.

It is vital that a dialogue with stakeholders is continued in order to seek a common vision and collaboration in future. Active participation and support from the private sector and communities will make reaching the MDGs easier.

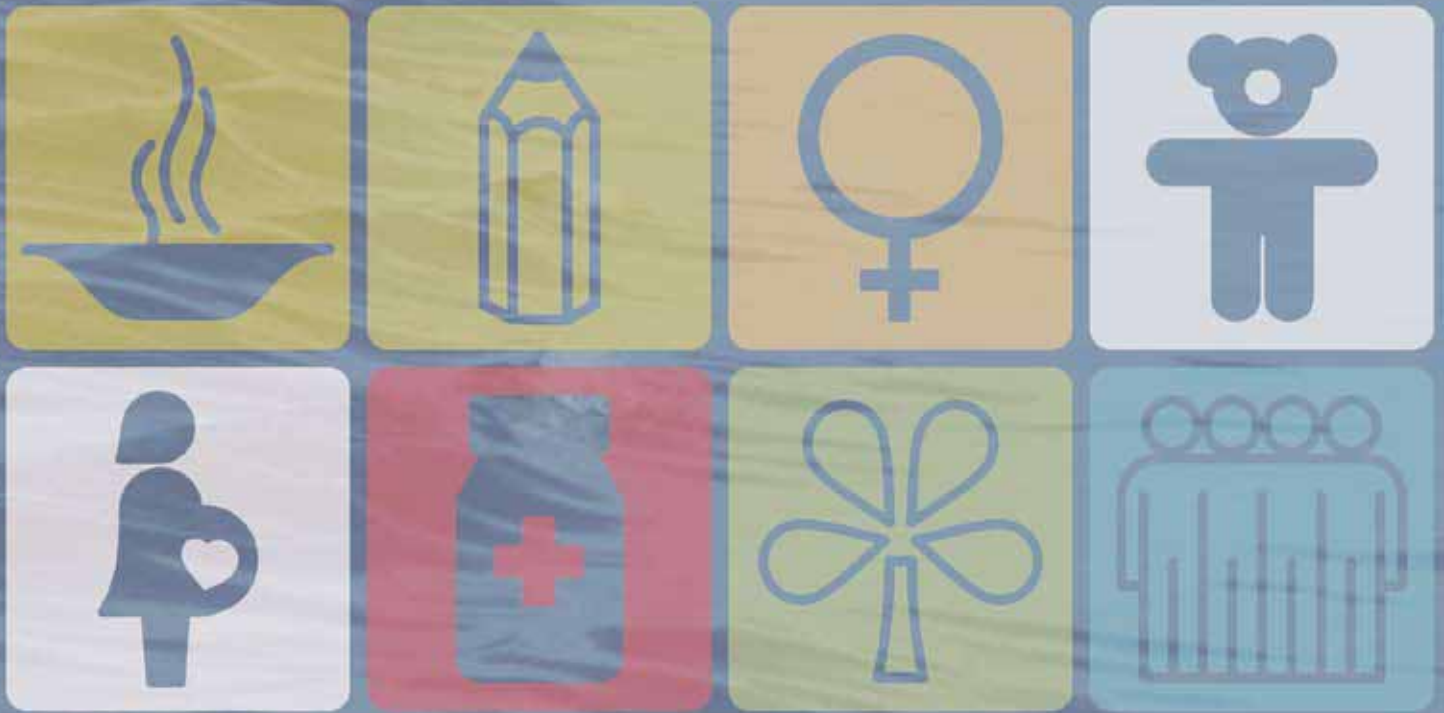
As domestic funding is not adequate to fully fund development, the government still needs international support for realising its development goals. The government will therefore keep strengthening coordination and also explore strategies for the management of its foreign debt, improve management, monitoring, evaluation, and harmonization of international development assistance.

Furthermore, the government will continue efforts to strengthen regional cooperation in the Asia Pacific region. Economic and trade cooperation among countries in Asia Pacific has a huge potential, and it can play a critical role in helping countries in the region to reach the MDGs, and to strengthen the position of these countries in a globalised world.

1.3. GOALS, TARGETS, AND INDICATORS FOR MDGs IN INDONESIA

GOAL 1. COMBATING POVERTY AND HUNGER	
Target 1	<p>Halve, between 1990 and 2015, the proportion of people whose income is less than US\$1 a day</p> <ol style="list-style-type: none"> 1. The percentage of population whose income is less than US\$1 (PPP) per day 2. The percentage of population below the national poverty line 3. Poverty gap ratio 4. Poverty severity index 5. Share of the poorest quintile in national consumption (first quintile)
Target 2	<p>Halve, between 1990-2015, the proportion of people suffering from hunger</p> <ol style="list-style-type: none"> 6. Children under 5 years who are severely underweight (%) 7. Children under 5 years who are moderately underweight (%)
GOAL 2. ACHIEVING UNIVERSAL BASIC EDUCATION	
Target 3	<p>Ensuring that by the year 2015, all children everywhere, boys as well as girls, are able to complete basic universal education</p> <ol style="list-style-type: none"> 8. Primary school net enrolment ratio (NER) (7-12 years) 9. Junior high school net enrolment ratio (13-15 years) 10. Literacy rate of the 15-24 year age group
GOAL 3. PROMOTING GENDER EQUALITY AND THE EMPOWERMENT OF WOMEN	
Target 4	<p>Eliminate gender disparity in primary and secondary education, preferably by 2005, and at all levels of education by no later than year 2015</p> <ol style="list-style-type: none"> 11. The ratio of female to male children in basic, secondary and tertiary education, which is measured through the net enrolment ratio (NER) of female children against male children 12. The literacy ratio of females against males in the 15-24 year age group, which is measured through the literacy rate of females to males (gender literacy parity index) 13. Female work force participation level 14. Level of open female unemployment 15. Female participation in waged employment 16. The Level of purchasing power of the female population 17. The proportion of women in public institutions (legislative, executive and judicial)
GOAL 4. REDUCING THE INFANT MORTALITY RATE	
Target 5	<p>Reducing the mortality rate of children under five by two thirds between the period 1990 and 2015</p> <ol style="list-style-type: none"> 18. Infant mortality rate per 1,000 live births 19. Child mortality rate per 1,000 live births 20. Percentage of children aged between 12-23 months immunized against measles
GOAL 5. IMPROVING MATERNAL HEALTH	
Target 6	<p>Reduce by three-quarters, between 1990 and 2015, the maternal mortality rate</p> <ol style="list-style-type: none"> 21. Maternal mortality rate per 100,000 live births 22. The proportion of births assisted by trained birth attendants (%) 23. The proportion of married women between the ages of 15-49 years using contraceptives (%)
GOAL 6 . COMBATING HIV/AIDS, MALARIA, AND OTHER INFECTIOUS DISEASES	
Target 7	<p>Have halted by 2015 and begun to reverse the spread of HIV/AIDS</p> <ol style="list-style-type: none"> 24. HIV/AIDS prevalence 25. Condom use during sexual intercourse among high-risk groups 26. Condom use among contraceptive users 27. Percentage of the population in the 15-24 year age group that has a comprehensive knowledge of HIV/AIDS
Target 8	<p>Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases</p> <ol style="list-style-type: none"> 28. Prevalence of malaria per 1,000 of the population 29. Prevalence of tuberculosis per 100,000 of the population 30. DOTS detection rate of new BTA positive tuberculosis cases (%) 31. DOTS recovery rate for tuberculosis (%)

GOAL 7. ENSURING THE CONSERVATION OF THE ENVIRONMENT	
Target 9	<p>Integrating the principles of sustainable development in national policies and programs as well and reversing the loss of environmental resources</p> <p>32. Forest cover based on the results of Landsat Satellite and land area photographic survey (%).</p> <p>33. Forest ratio based on extent of forest, protected and conservation areas including plantation areas and private plantations against total land area (%)</p> <p>34. Ratio of protected areas against total land area (%)</p> <p>35. Ratio of marine protected areas against total land area (%)</p> <p>36. Total carbon dioxide (CO₂) emissions in metric tons</p> <p>37. Total consumption of ozone depleting substances (ODS) in metric tons</p> <p>38. Ratio of carbon dioxide emission against total population (%)</p> <p>39. Total energy usage of various types (barrels of oil equivalent, BOE)</p> <p> a. Fossil fuels</p> <p> b. Non-fossil fuels</p> <p>40. Ratios of total energy usage of various types against gross domestic product (%)</p> <p>41. Absolute energy use from various sources in metric tons</p>
Target 10	<p>Reducing by half, the proportion of the population having no access to safe and sustainable drinking water sources and basic sanitation facilities by 2015</p> <p>42. Proportion of households against population according to various water source criteria (total)(%)</p> <p>43. Proportion of households against population according to various water source criteria (rural) (%)</p> <p>44. Proportion of households against population according to various water source criteria (urban) (%)</p> <p>45. Coverage of regional drinking water service companies (households)</p> <p>46. Proportion of households with access to adequate sanitation facilities (total) (%)</p> <p>47. Proportion of households with access to adequate sanitation facilities (rural) (%)</p> <p>48. Proportion of households access to adequate sanitation facilities (urban) (%)</p>
Target 11	<p>Achieving significant improvements in the lives of poor population living in slums by the year 2020</p> <p>49. The proportion of households possessing or renting homes (%)</p>
TUJUAN 8. BUILDING GLOBAL PARTNERSHIPS FOR DEVELOPMENT	
Target 12	<p>Developing an open, rule-based, predictable, and non-discriminative trade and financial systems</p> <p>50. The ratio of total exports and imports to gross domestic product. This ratio indicates the openness of a country's economy (%)</p> <p>51. The ratio of credit to savings (loan to deposit ratio, LDR) of commercial banks (%). This ratio indicates the intermediary function of commercial banks</p> <p>52. The ratio of credit to savings (LDR) of rural credit banks (BPR) (%). This ratio indicates in the intermediary function of rural credit banks</p>
Target 15	<p>Addressing developing countries' debts through national and international effort to develop sustainable debt management in the long-term</p> <p>53. Ratio of foreign debt to gross domestic product</p> <p>54. Debt-to-service ratio (DSR)</p>
Target 16	<p>Cooperating with other countries to develop and apply strategies to create meaningful and productive job opportunities for the young population</p> <p>55. Youth unemployment rate (15-24 years)</p> <p>56. Youth unemployment rate (15-24 years) according to sex</p> <p>57. Youth unemployment rate (15-24 years) according to province</p>
Target 18	<p>Cooperating with the private sector in utilizing new technologies, particularly information technology and communication</p> <p>58. Households with fixed-line and cellular telephones (%)</p> <p>59. Households that own personal computers and have access to the internet</p>



2. ACHIEVEMENT OF MDGs: STATUS AND PROGRESS



2.1. GOAL 1. COMBATING POVERTY AND HUNGER

TARGET 1:

HALVE, BETWEEN 1990 AND 2015, THE PROPORTION OF PEOPLE WHOSE INCOME IS LESS THAN US\$1 A DAY.

1.1.1. INDICATORS

In Indonesia, the following indicators are being used to track the status and progress to halve, between 1990 and 2015, the proportion of people whose income is less than US\$1 a day calculated in Purchasing Power Parity (PPP):

1. The percentage of population whose income is less than US\$1 (PPP) per day.
2. The percentage of population below the national poverty line.
3. Poverty gap ratio.
4. Poverty severity index.
5. Share of the poorest quintile in national consumption (first quintile).

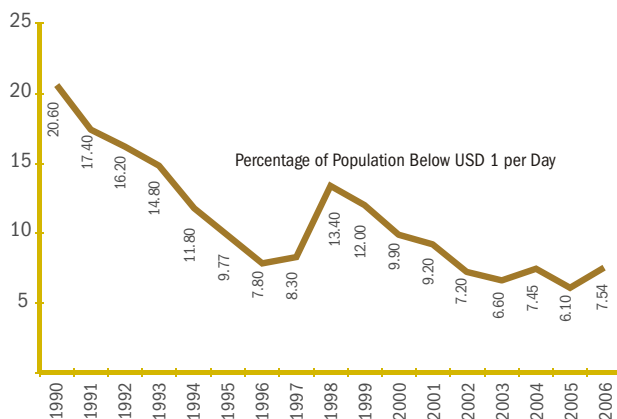
1.1.2. SITUATIONS AND TRENDS

The percentage of population whose income is less than US\$1 (PPP) per day. Between 1990-2006, the percentage of the population whose income is less than US\$1 (PPP) per day has declined significantly from 20.60% in 1990 to 7.54% in 2006 (see Figure 1.1). According to this indicator, Indonesia has already achieved the target well before 2015.

Percentage of the Population below the National Poverty Line (P_0). In planning and implementing development programmes, the government uses the national poverty line. Using the national poverty line as a benchmark, one can observe that the percentage of poor has continued to decline in the last 30 years. In 1976 the number of poor was as high as 40.1%, which declined to 17.4 % in 1987, and by 1996 it had already gone down to 11.3%. The economic crisis that hit the country in 1997-1998 drastically increased the number of poor households to 24.2%. Economic recovery in the last five years helped in reducing poverty level to 15.97 % in 2005.

Figure 1.1
Trends in the proportion of population whose income is less than US\$1 per day

Source:
World Development Report, (World Bank); Human Development Report, (United Nations Development Program)



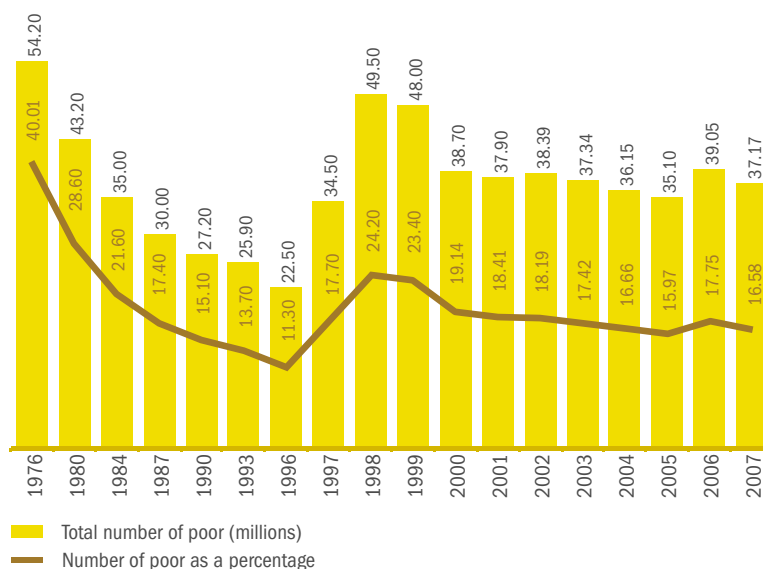
In 2006, however, the number of people living in poverty rose again to 17.75 percent (see Figure 1.2). This was primarily due to inflation after the government increased the price of domestic fuel, and the increase in the price of rice. The decision to increase the price of domestic fuel was taken to bring it in line with the rising world oil prices. As a result of continued improvement in the economy in 2007 poverty rate had again declined to 16.58%, which is equivalent to approximately 37.17 million people who are living below the poverty line.

The poverty rate in 1990 stood at 15.10%, and the MDG target is to reduce it by half, which means that by 2015 the poverty rate should come down to 7.5%. As mentioned above, in 2006 the poverty rate had increased to 17.75 percent, and then had fallen marginally in 2007. In addition, as a result of the economic crisis of 1997-

1998 the poverty rate had jumped to 24.1% in 1998. Considering the abnormal increase in poverty, it may be more appropriate to use 1998 as the “baseline,” which would set the target at 12%. Another possibility is setting targets for both periods i.e. 1990-2015 and 1998-2015 as 7.5% and 12% respectively.

Figure 1.2
Total and percentage of people living in poverty between 1976-2007

Indonesian Statistics (BPS); Official Statistics Report (BPS, 2007)



In addition to the national poverty line and US\$1(PPP) per day indicators, some countries use the US\$ 2 (PPP) per day per capita as indicator to measure poverty. According to this measure, in 2006 around 49% of the population of Indonesia was living on less than US\$ 2 (PPP) a day.

Although Indonesia has reached the poverty target according to the US\$1 indicator (PPP), the challenge for the country is to achieve the same target using the national poverty line, and the US\$ 2 per day per person indicators. As in other developing countries, there are many people in Indonesia who are living close to the national poverty line. They are a vulnerable segment of the population, and in case of any future economic crisis, they can easily fall below the national poverty line or even reach the bracket of those who are living on less than US\$1 per day.

Poverty Gap Ratio (P₁). The other indicator used to measure poverty is the poverty gap ratio, which measures the distance between the average income of the poor and the poverty line. In 2005, the poverty gap ratio improved compared with the situation in 2003. In 2006, the poverty gap increased to 3.43, but then declined again to 2.99 in 2007 thereby suggesting an improvement in the total expenditure of the poor.

In 2004, the widest gap was found to be in the provinces of Papua (10.56), followed by Gorontalo (6.95), Maluku (6.32), Nanggroe Aceh Darussalam (6.32) and East Nusa Tenggara (5.32). In 2004 there were 16 provinces where the poverty gap ratio was below the national figure while Jakarta recorded the lowest poverty gap ratio (0.42).

Poverty Severity Index (P_2). The poverty severity index is the square of the expenditure disparity of the poor against the poverty line. This index gives higher weight to those who live below the poverty line. An improvement in the poverty severity index shows an improvement for those who are extremely poor.

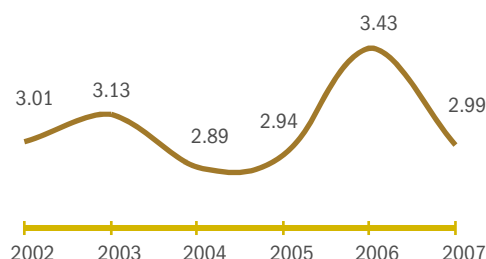


Figure 1.3
Poverty Gap Index 2002-2007

Source:
Data and Poverty Information,
Book 1 (BPS);
Official Statistics Report
(BPS, 2007).

Compared with the situation in 2003, the poverty severity index for 2005 shows an improvement. In 2006 the poverty severity index increased again to 1.0, but then declined to 0.84 in 2007. This suggests that in 2007 the expenditure of the poorest segment of the population experienced an overall improvement.

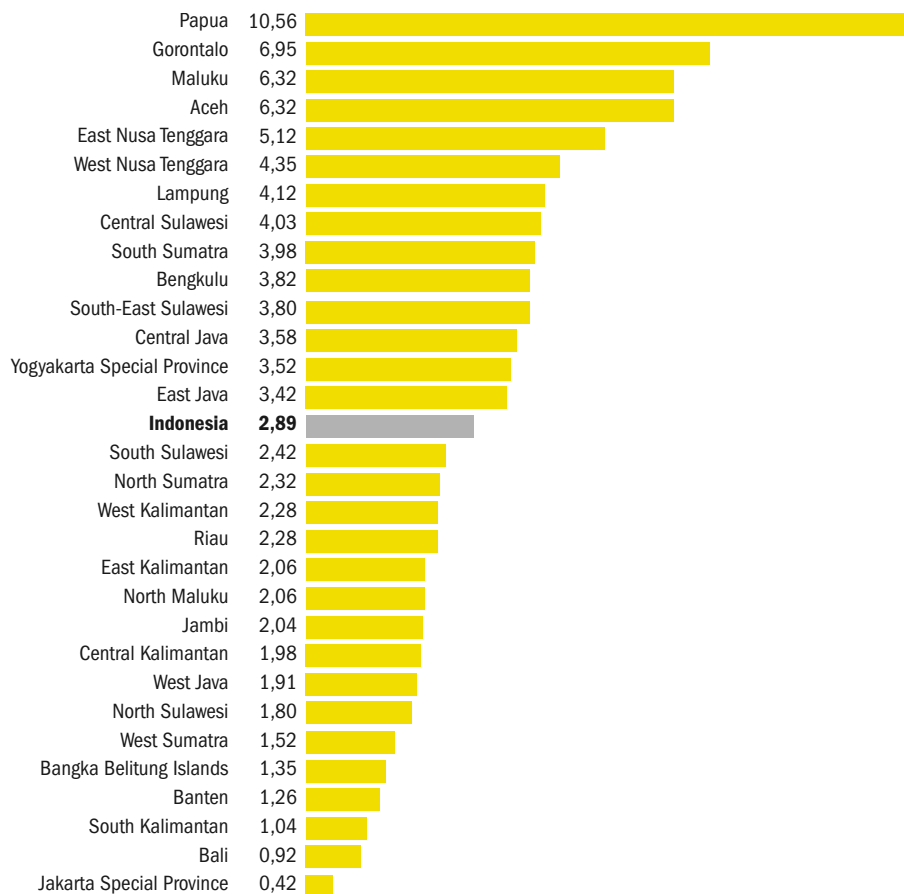


Figure 1.4
Poverty gap index ranking
according to province for 2004

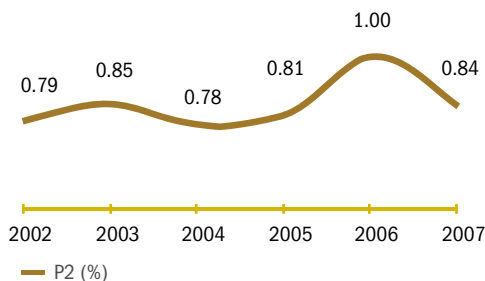
Source:
Poverty Information and Data,
Book 1 (BPS, 2004)

The worst poverty severity index in 2004 was recorded in Papua, followed by Gorontalo, Maluku, Nanggroe Aceh Darussalam, East Nusa Tenggara, West Nusa Tenggara, Lampung, and Central Sulawesi. Sixteen provinces recorded a poverty severity index that was better than the national index. Specifically, in the case of Jakarta in 2002 the province had the lowest index of 0.07. But this value worsened to 0.11 in 2003 and then improved to 0.09 in 2004. Over the last three years Papua has been consistently placed in the lowest ranking for this index. Nevertheless, on the whole the poverty severity index for Indonesia has improved.

The proportion of consumption by the poorest of the population (first quintile). This indicator provides a comparison of expenditure by the poorest 20 percent of the population against the expenditure of the population as a whole. In 1990, the consumption of the poorest 20 percent of the population was at its highest level at 9.3 percent compared with the consumption level of the population as a whole. Over a period of 15 years, the proportion of consumption by the poorest section of the population has grown very slowly and not

Figure 1.5
Poverty Severity Index
for 2002-2007

Source:
Poverty Information and Data,
Book 1 (BPS); Official Statistics
Report
(BPS, 2007)



moved far beyond its position in 1990. In 2002 the value was 9.1 percent and in the next two years only increased marginally to 9.7 percent.

1.1.3. CHALLENGES AND EFFORTS NEEDED

The main challenges in alleviating poverty in Indonesia can be examined from a number of dimensions.

- Firstly, maintaining focus on pro-poor national economic growth in order to bring down the poverty rate.

As part of this, to ensure macro-economic stability to stimulate real economic activity that supports the fight against poverty. Efforts should also focus on controlling inflation to maintain the purchasing power of the poor, especially the price of basic commodities such as rice.

- Secondly, increasing access to basic services such as education, healthcare and nutrition, including family planning, and to basic infrastructure such as sanitation and clean water. This is not easy as geographically Indonesia is a vast country.
- Third, getting poor communities involved in poverty reduction efforts so that their capacities are enhanced. Experience shows that involving and building the capacity of communities is extremely effective in poverty alleviation efforts.
- Fourth, creating a social security system, either in the form of social assistance for those who are vulnerable or a social security system based primarily on insurance for the poor.
- Finally, the challenge to reduce the glaring disparities among the regions. These disparities can be seen in the poverty rates. Poverty incidences in the provinces outside Java are much higher. In addition to this, disparities can also be seen from the differences in the human development index in the

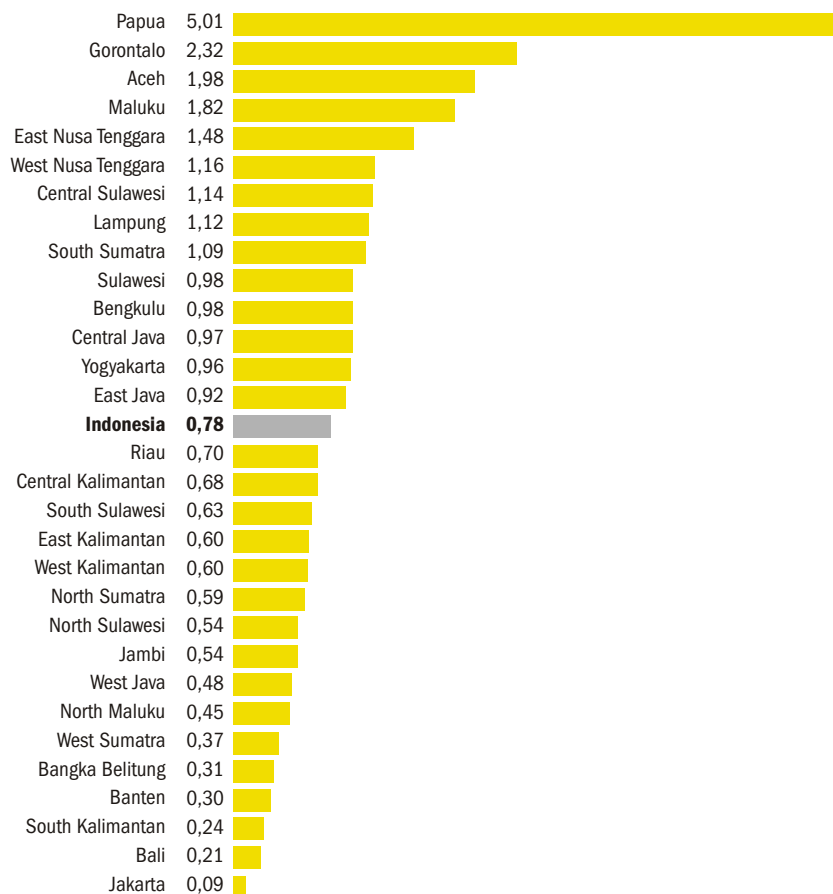


Figure 1.6
Poverty severity index ranking
according to province for 2004

Source:
Poverty Information and Data,
Book 1 (BPS, 2004)

regions and between urban and rural areas.

Addressing these problems requires a comprehensive set of policies as well as quantifiable targets for measuring progress. In the long run, overcoming poverty is not merely a matter of accounting -reducing the total number of the poor below the poverty line- but the emphasis should be on improving the overall welfare and quality of life. Combating poverty must be carried out in a comprehensive manner, involving multiple strategies with multiple time frames. In particular, poverty alleviation in Indonesia should place a special emphasis on the following:

- Firstly, it is important to remember the importance of sustained economic growth in poverty reduction. The two most important aspects related to this are maintaining macroeconomic stability and stimulating economic activity that assists in poverty alleviation. Maintaining the level of inflation including price stability of basic commodities such as rice is quite important. Moreover, efforts are needed to stimulate the creation of employment opportunities and to ensure these measures reach the poor. The revitalisation of agriculture as well as micro, small, and medium scale enterprises- on which the majority of the population depend for their livelihood- must be promoted and developed.
- Second, it is vital to continue improving the access to education, health care, nutrition, basic infrastructures such as clean water and sanitation, and family planning services. Improving the access for poor to education can be accomplished by providing scholarships to the poor. Access to health care can be enhanced by providing free health services, which can include free treatment in class III hospitals.
- Third, it is essential to continue developing and implementing social empowerment programs for the poor. In this regard, the government has launched the National Program on Community Empowerment (PNPM). This program is aimed at improving the capacity of communities to alleviate poverty, create employment opportunities and to improve infrastructure in the remote parts of the country. The PNPM will cover around 2,700 sub-districts in 2007, 3,800 sub-districts in 2008, and all the 5,624 sub-districts across Indonesia by 2009. Each sub-district will get assistance ranging from Rp 500 million to Rp1.5 billion per year.
- Fourth, simplifying and expanding the coverage of social security programs, particularly for those who are most vulnerable is extremely important. The government—aside from extending social assistance to those who are most vulnerable such as the disabled, elderly and abandoned children—has also launched the Conditional Cash Transfer Program (PKH) as part of an effort to develop a social security system. The PKH provides conditional cash transfers to the poorest households (destitute families). In return, these households are required to send their children to school in accordance with the provisions outlined by the National Education Department. In addition, poor households who have children under the school age and/or pregnant mothers are required to visit health care service centres to obtain services as recommended by the Department of Health.

Aside from easing the burden of poor households, the PKH intends to break the vicious circle of poverty between generations. It is hoped that families will have better quality education and health care, and will have also access to better employment opportunities. The PKH was started in mid 2007 with a pilot that targeted 500,000 households in seven provinces. In 2008, the program will expand its coverage to 1.5 million poor households. The PKH is consistent with and supports the MDGs in terms of education, health care and gender equality.

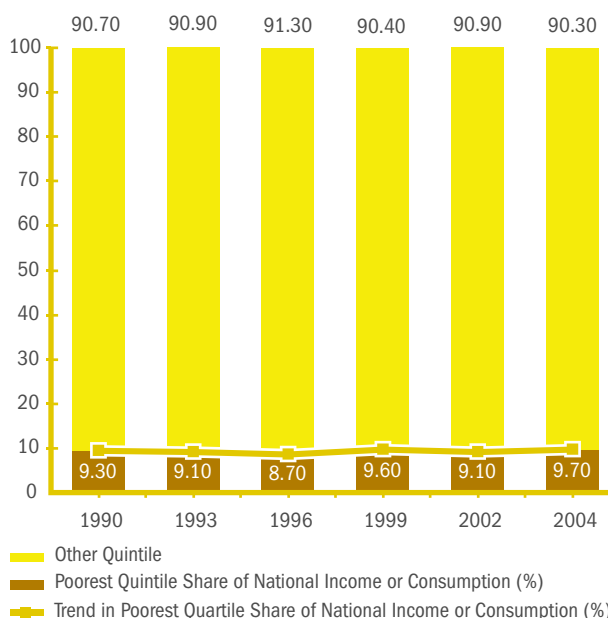


Figure 1.7
Proportion of consumption of the poorest section of the population against national consumption in 2004 (in %)

Source:
National Economic and Social Survey (BPS)

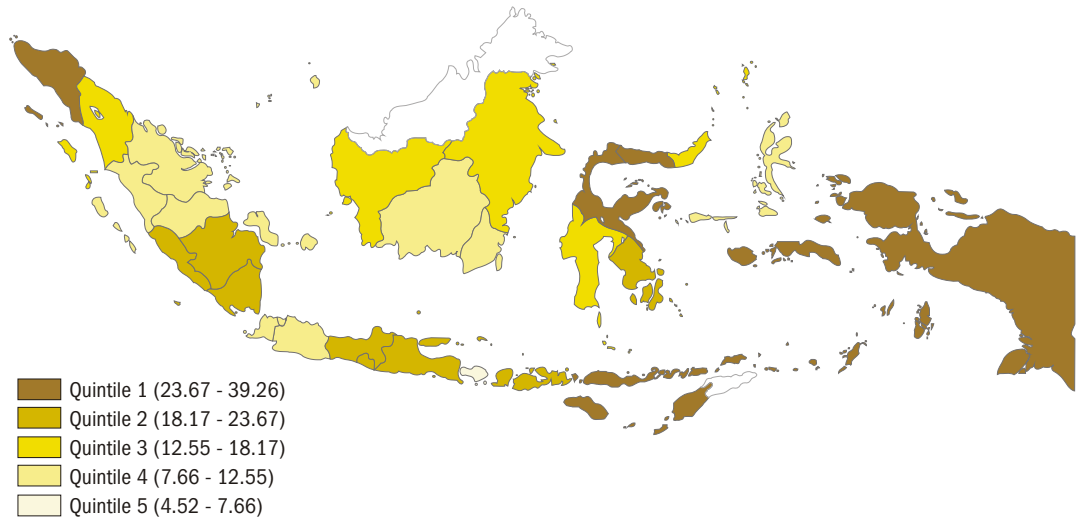
Policies need to also focus on making effective use of government expenditure. With limited funds, better coordination should pave the way for greater efficiency and outreach in poverty alleviation.

Map 1.1

Percentage distribution of the population living under the poverty line (P_0) according to province for 2006

Information:
Data for the Riau Islands is included in Riau province, West Sulawesi included in South Sulawesi, and West Irian Jaya is included in Papua.

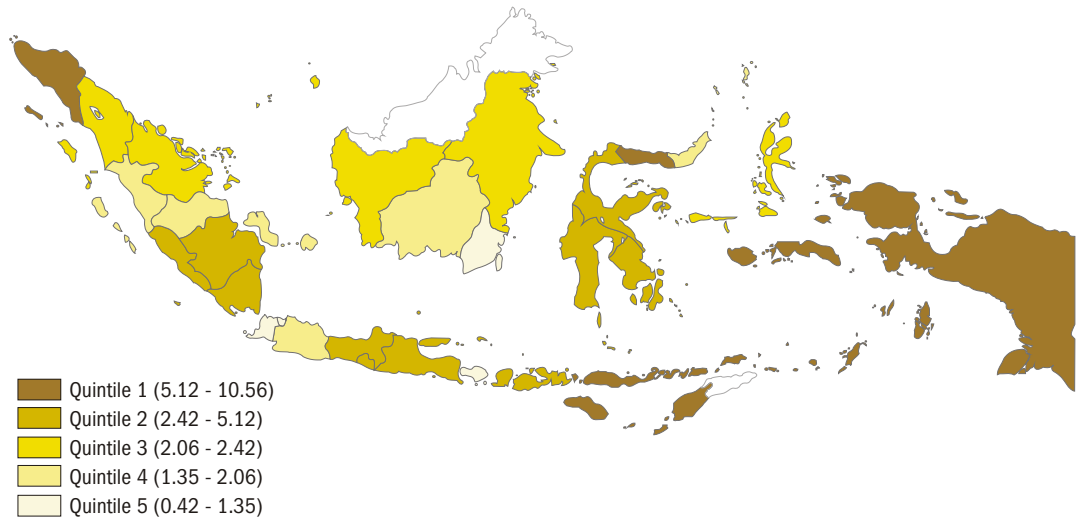
Source:
National Economic and Social Survey (BPS, 2006)



Map 1.2

Poverty Gap Index (P_1) distribution according to province for 2004

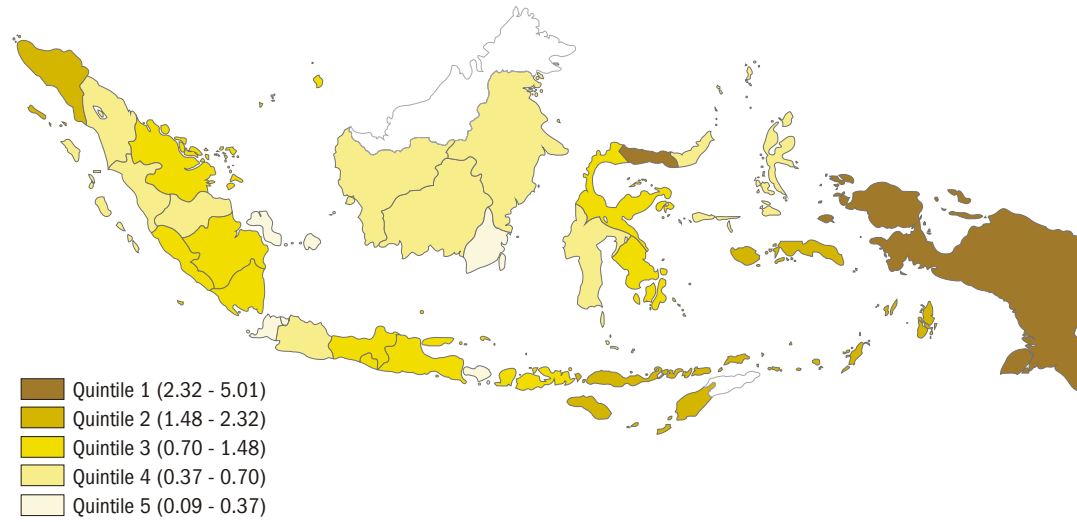
Source:
Poverty Information and Data, Book 1 (BPS, 2004)

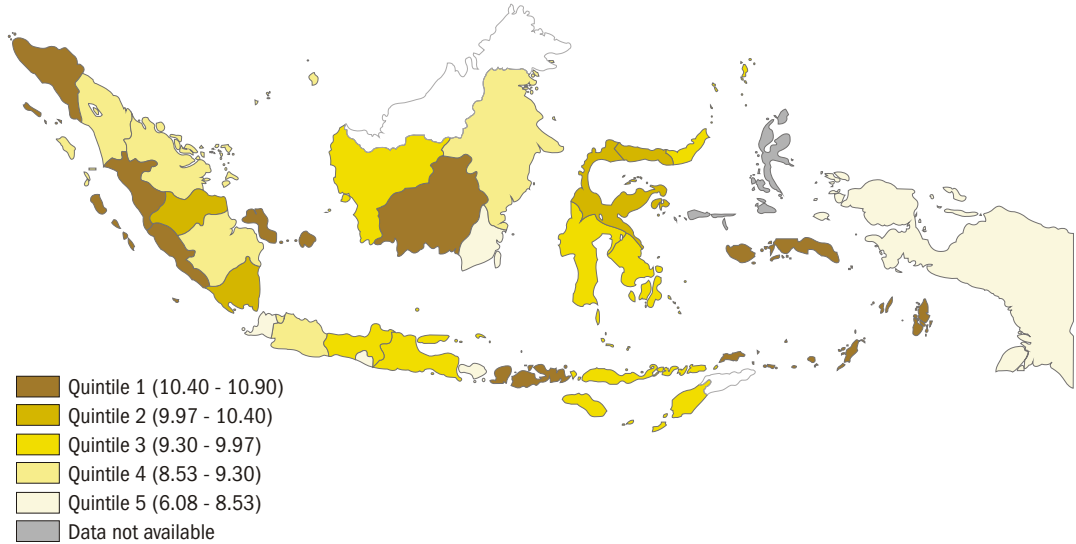


Map 1.3

Poverty Severity Index (P_2) distribution according to province for 2005

Source:
Poverty Information and Data, Book 1 (BPS, 2004)





Map 1.4
Percentage distribution of the poorest section of the population as a share of consumption according to province for 2004

Source:
National Economic and Social Survey (BPS, 2004)

TARGET 2: HALVE, BETWEEN 1990-2015, THE PROPORTION OF PEOPLE SUFFERING FROM HUNGER

1.2.1. INDICATORS

The target to reduce the proportion of the population suffering from hunger to half between 1990 and 2015 is linked with broader efforts to eliminate hunger. For Indonesia, the following indicators are used:

1. The percentage of children under five suffering from severe malnutrition (severely underweight).
2. The percentage of children under five suffering from under-nourishment (moderately underweight).

1.2.2. SITUATIONS AND TRENDS

In general, nutrition levels among the population have improved over time. This can be seen from the decline in the percentage of children suffering from severe malnutrition and under-nourishment: from 37.5 percent in 1989 to 26.4 percent in 1999. Nutrition levels improved with malnutrition dropping to 27.3 percent in 2002 but rose again to 28.17 percent in 2005. If the situation in 1989 is used as a baseline, the target for Indonesia is to reach 18.7 percent by 2015.

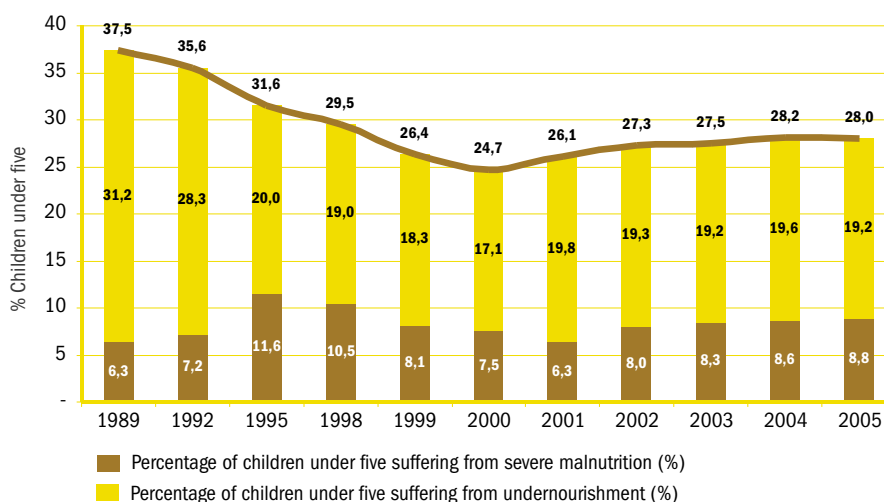


Figure 1.8
Percentage of children under five suffering from severe malnutrition (severe underweight) and undernourishment (moderate underweight) 1989-2005

Source:
National Socio-Economic
Survey (BPS)

The percentage of children under five suffering from severe malnutrition (severely underweight). In 1989 the percentage of children under five suffering from severe malnutrition was 6.3 percent, although this increased to 11.6 percent in 1995. The figure declined through 2002 before it increased again to 8.8 percent in 2005.

The percentage of children under five suffering from under-nourishment (moderately underweight). Between 1989 and 2000 the percentage of children under five suffering from under-nourishment declined from 31.2 percent to 17.12 percent. Although this figure rose again to 19.22 percent in 2005, overall this represents quite a significant decline. The drop in the percentage of children under five suffering from under-nourishment, however, was not counterbalanced by a drop in the percentage of children under five suffering from severe malnutrition.

Seen from the distribution in each province, under-nourishment levels have shown a gradual improvement. In 1989, the level of under-nourishment in 15 provinces was better (smaller) than the national figures. In 2005 there were 18 provinces where the percentage was better than the national figure. This change also indicates that there is increased disparity among the provinces.

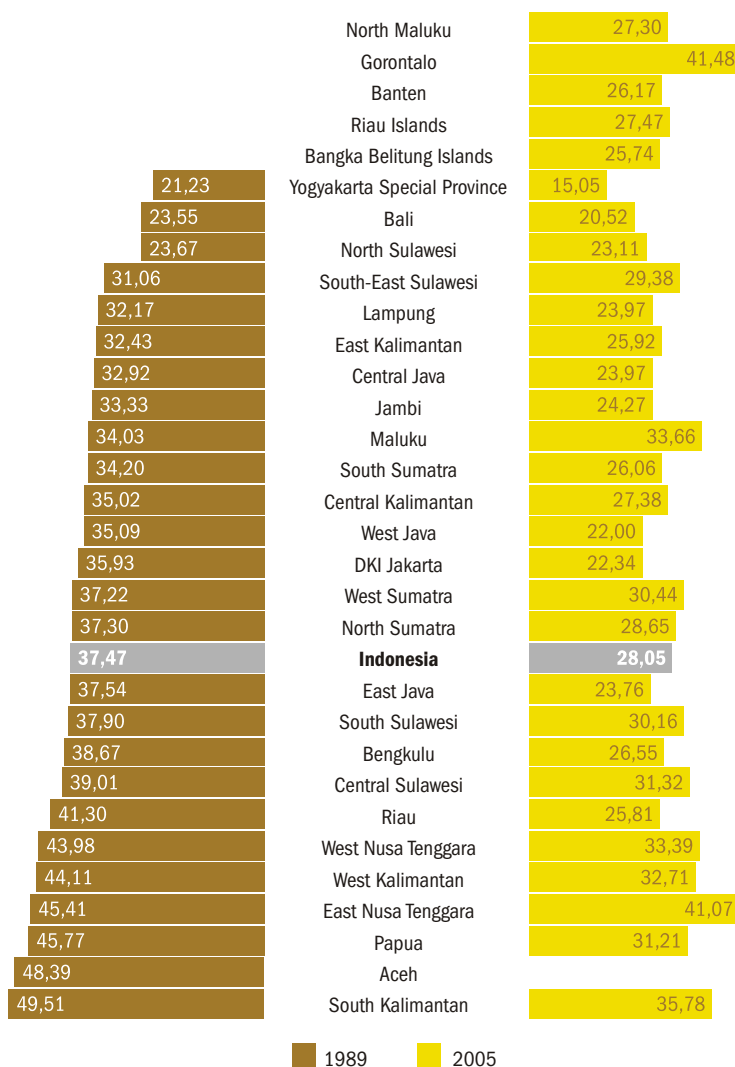


Figure 1.9
Percentage distribution of children under five suffering from severe malnutrition and under-nourishment for the years 1989 and 2005

Source:
National Socio-Economic Survey (BPS, 1989 and 2005)

Severe malnutrition is still widespread in all provinces. Trends show that as poverty rates worsen in a particular region, there would be a higher prevalence of severe malnutrition, particularly among the poorest segments of society. This suggests that the problem of nutrition does indeed need to be dealt with in a more comprehensive manner by addressing both poverty and the issue of food security. These issues are important to reduce under-nourishment in the coming years.

1.2.3. CHALLENGES AND EFFORTS NEEDED

The incidence of under-nourishment and severe malnutrition among children under the age of five is caused by, among other things, inadequate nutrition and infectious diseases. Another indirect factor is low purchasing power and the lack of nutritious food, as well as limited knowledge about nutrition, particularly among mothers and caregivers for children under five.

There are three major issues that need to be considered to address hunger: **implementation, targets** and **location**. Combating the problem of hunger requires cross-sectoral coordination. One needs to bear in mind that hunger, and more specifically nutritional problems, are critical issues. Failure to pay attention to the nutritional needs—particularly of children under five—can have severe consequences in the future.

Action needs to be primarily directed towards pregnant mothers, infants and children under five. Pregnant mothers, infants and children under five are groups who are most likely to suffer from under-nourishment and severe malnutrition. One of the obstacles in implementing nutrition programmes at the community level is the lack of qualified human resources who can work with them.

Another equally important challenge is the heterogeneous conditions in the regions. This explains the differences in nutrition levels between regions. Disparities exist in the level of nutrition in different regions and between urban and rural areas, as well as in the access to quality health care for poor communities living in the remote areas. Economic factors and a lack of awareness about nutrition can also give rise to problems of hunger and nutrition.

In 2005 for example, Gorontalo, Papua, East Nusa Tenggara, Maluku, West Nusa Tenggara, Central Sulawesi and South-East Sulawesi were classified as provinces where the percentage of the poor was high and where the prevalence of under-nourishment was above the national average (see Figure 1.10). These seven provinces need to be given serious attention and steps need to be taken to address this problem.

There are however a number of provinces where the percentage of the poor is high and yet the prevalence of under-nourishment is under the national figure. These provinces include Riau, Jambi, Bangka Belitung Islands, the Riau Islands, Jakarta, West Java, Banten, Bali, East Kalimantan, Central Kalimantan, North Sulawesi and North Maluku.

Improving nutritional status, particularly among poor communities, is considered as a national development priority. Many factors such as socio-economic levels, levels of education and knowledge, quality of health and social behaviour contribute to the problem of under-nourishment. Due to these reasons, efforts to deal with the problem of nutrition with a focus on the poor must be synergistic, and must cover a variety of areas such as agriculture, education and the economy.

Under-nourishment can have irreversible impact on the overall development of a child. Addressing severe malnutrition, for example, will enable children to live healthier lives in future. If however the physical development of a child is affected such damage would almost certainly be irreversible. Therefore, a multi-dimensional approach for preventing under-nourishment is needed and it must not be restricted to health sector alone.

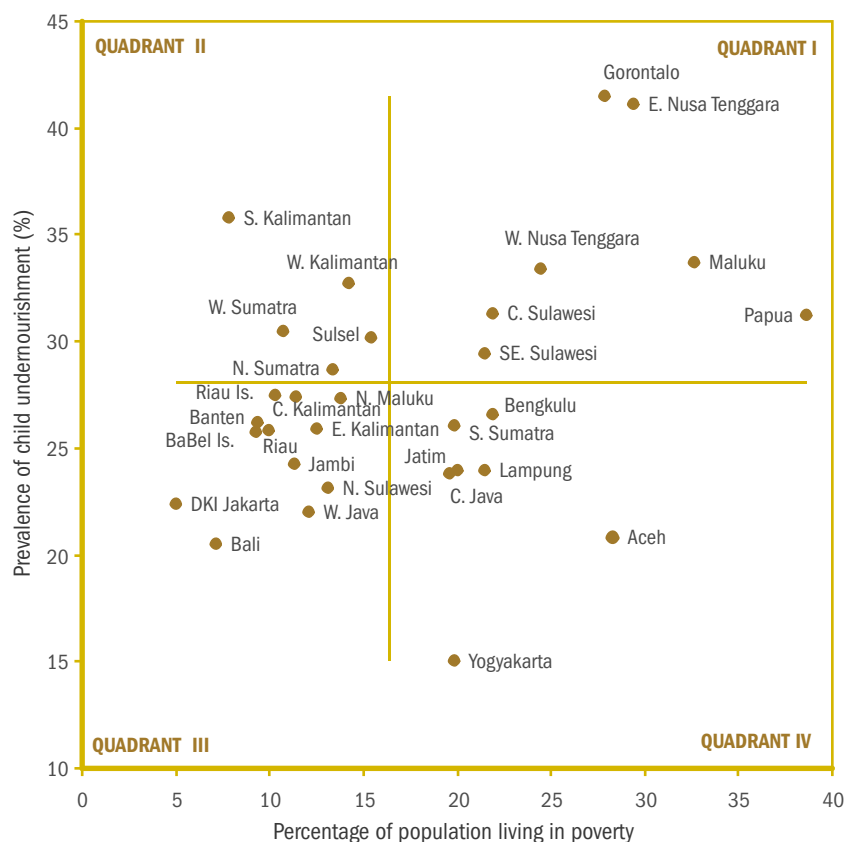
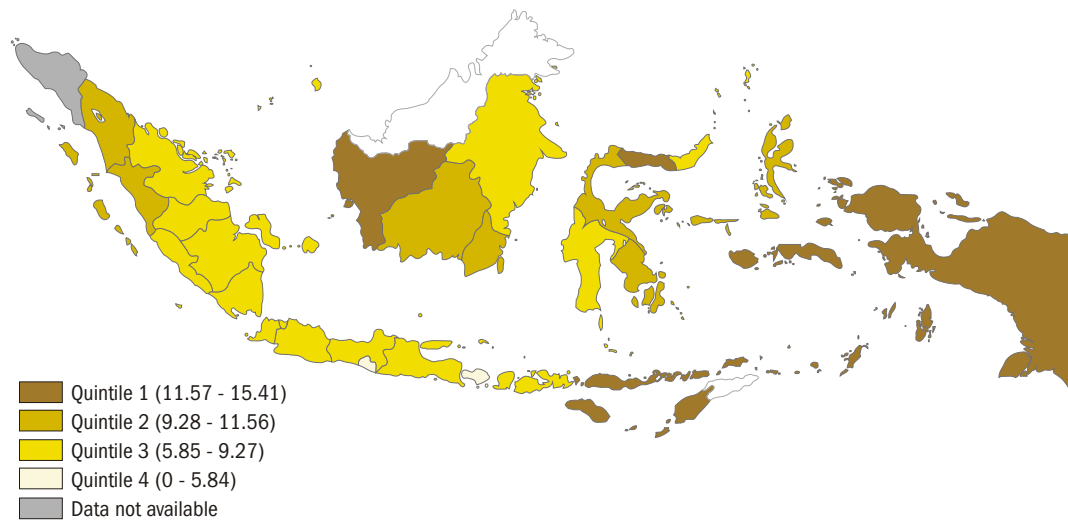


Figure 1.10
Prevalence of under-nourishment in children under five against the percentage of the population living in poverty for the year

Source:
National Socio-Economic Survey (BPS, 2005)

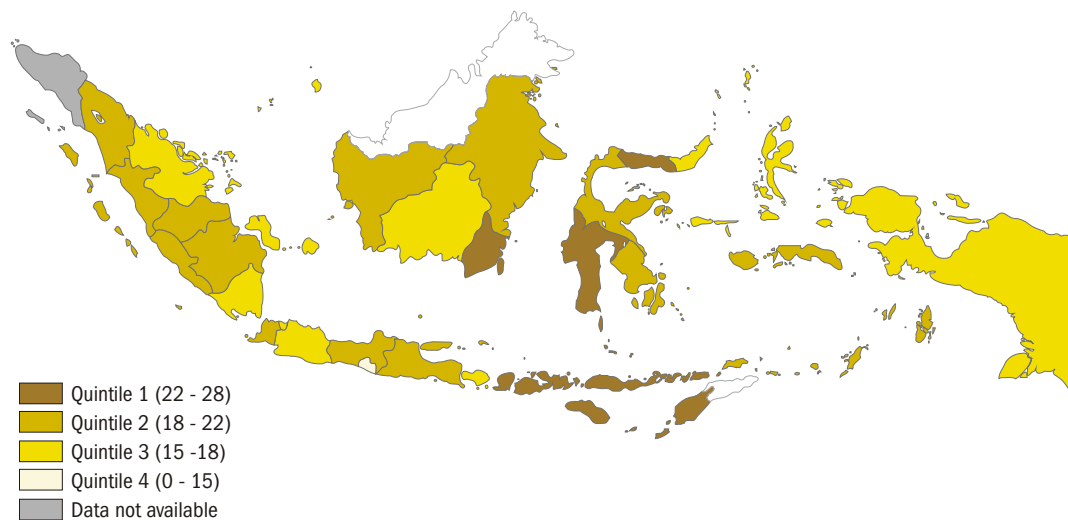
The 2005-2025 Long-term Development Plan (RPJP) highlights policies on malnutrition using a cross-sector approach. The challenge, however, is the effective implementation of these policies in the related sectors.

It is essential that the intake of primary nutrients, including protein and other energy requirements for pregnant mothers, infants, and children under five, is maintained. Also, adequate intake of iron, iodine, vitamin A and other micro-nutrients is critical. Measures need to be taken through programs that directly deal with the problem of under-nourishment and severe malnutrition. Supplementary early weaning food in addition to breast milk (MP-ASI) for babies and infants (6-24 months of age) must also be provided. It is also necessary to provide vitamin A to infants, children under five and women who have recently given birth. Iron tablets for pregnant mothers and iodine capsules to girls of reproductive age in endemic areas of malnutrition are also recommended. Lastly, a good nutritional surveillance system, starting with the Integrated Health Service Posts (posyandu), should be put in place and improved.



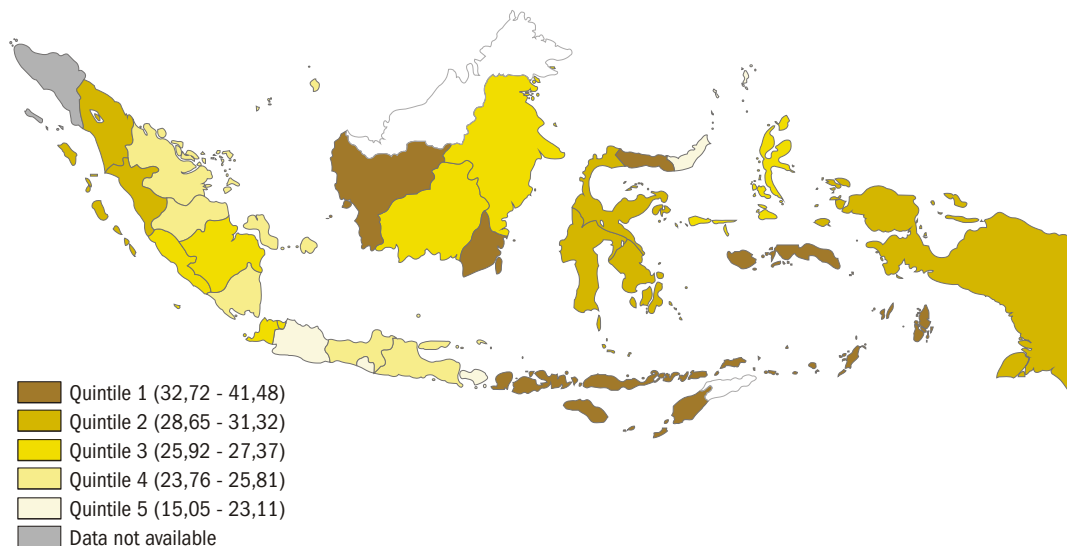
Map 1.5
Percentage distribution of children under five suffering from severe malnutrition (severely underweight) according to province for the year 2005

Source:
National Socio-Economic Survey (BPS, 2005)



Map 1.6
Percentage distribution of children under five suffering from under-nourishment (moderately underweight) according to province for the year 2005

Source:
National Socio-Economic Survey (BPS, 2005)



Box 1.1

REPORTS OF SEVERE MALNUTRITION IN THE MEDIA

Between May and June 2005, several newspapers such as Media Indonesia, Kompas, Koran Tempo and The Jakarta Post reported incidences of severe malnutrition affecting as many as 1.67 million children, or 8 percent out of 20.87 million children between the ages of 0-4 were suffering from starvation. In West Java there were as many as 107,500 children reported as suffering from severe malnutrition. In Central Java there were 710 children under five suffering from severe malnutrition: Rembang 64, in Semarang city 442, in Semarang regency 117, in Tegal, and 243 in Boyolali. While in Yogyakarta, three percent (4,755) of children under five were suffering from severe malnutrition. In East Java there were 144 children under five suffering from under nourishment, and 37 children under five in Surabaya were starving. In West Nusa Tenggara, 910 children were severely undernourished, and 21 children had died of starvation.

In East Nusa Tenggara 67,067 children were undernourished, 440 children were severely malnourished, 302 children were starving—twenty-four of whom died as a result. In West Sumatra 54,000 infants and children who are less than five were recorded as suffering from severe malnutrition. In Riau 11,000 children under five were found to be suffering from severe malnutrition. In Lampung, 176 children under five were suffering severe malnutrition and two had died of starvation. In West Kalimantan, meanwhile, 105 children under five were found to be suffering from severe malnutrition. And in Sulawesi, 26 children under five were suffering from severe malnutrition.

In the latest case, the September 9, 2007 issue of the Republika Daily reported cases of severe malnutrition affecting children under five in North-Central Timor regency, and that East Nusa Tenggara had been categorized as an extraordinary occurrence (KLB, health emergency). In a telephone interview with the national news agency Antara on Sunday September 9, 2007, the head of the East Nusa Tenggara Provincial Health Office Dr. Michael Suri, MM, said that the number of children under five suffering from severe malnutrition had reached 1,178, three of them had already died. He made an appeal saying that the situation, which had already been categorized as a KLB, needs to be addressed immediately and involve all related agencies, including the provincial government. Additional food and milk needs to be provided immediately because if neglected the affected children risked suffering marasmus and kwashiorkor type acute malnutrition.

It was further reported that the East Nusa Tenggara Health Offices no longer had enough funds to purchase supplementary food for those suffering from severe malnutrition. The health office will soon submit a proposal for additional funds from the 2007-revised budget for the procurement of milk and additional food. Specifically for those children who are less than five and who have been categorised as suffering from merasmus, the same week, will be transferred to the Care International Nutritional Care Centre in Bitefa for intensive treatment. He said that the North-East Timor regional government had already allocated budgetary funds amounting to Rp150 million from the regional administrative budget for operational expenses at the Nutritional Care Centre, although only Rp65 million had been disbursed over the last few days. Preparations are currently underway in the first week of September 2007. The cases of severe malnutrition that have affected children under five in the area have been caused by food shortages as a consequence of planting and crop failures.

The Deputy Regent of North-East Timor, Raymond's Fernandez said that the regional government had already distributed more than 729 tons of rice to overcome the food shortages resulting from recent droughts and bouts of plant diseases in 21 administrative districts and 68 villages in North-East Timor regency. The food shortages have occurred in a number of villages such as Motadik in the Biboki Anleu sub-district. Some 382 out of a total of 407 households there are suffering food shortages. Villages suffering food shortages are distributed across the eight sub-districts of South Biboki, North Biboki, Insana, West Miomafo, East Miomafo, North Insana, Biboki Anleu and Noemuti. The Deputy Regent of North-East Timor, Fernandez, hopes that the food aid that has been provided will be able to assist in preventing the spread of severe malnutrition affecting infants and children under five.

The various cases of severe malnutrition reported by the media indicate that all parties need to be on guard against the spread of severe malnutrition, particularly those cases that result in death, as well as responding seriously to efforts to prevent future cases of severe malnutrition in Indonesia. A National Action Plan involving all parties, particularly the Department of Agriculture and the Department of Health, needs to be drafted in order that the availability of food with adequate nutritional intake in potential food shortage areas can be monitored and met. The National Action Plan needs to pay attention to the different characteristics of each region such as food consumption patterns and the types of staple foods.

Close attention on food availability in a particular area is no guarantee that the population is free from poverty. One example is the fact that South Sulawesi has consistently experienced a rice surplus, yet food shortages and malnourishment in the area are also a fact. (Kompas).

Research by Saliem et al (2001) indicates that food security at the regional level does not guarantee food security at the household level. This can be seen from a study conducted in the provinces of Lampung, Yogyakarta Special Province, West Kalimantan and North Sulawesi. Although these four provinces are categorized as food-secure areas, at the provincial level it was found that around 22-30 percent of households were suffering food shortages. In general terms, this was caused by distribution factors and low purchasing power. Among other things, distribution factors are influenced by the availability of infrastructure, roads, transportation. Included in this are costs related to the uninterrupted flow of goods. Also, purchasing power is greatly influenced by income levels and the price of basic foods and commodities.





2.2. GOAL 2. ACHIEVING UNIVERSAL BASIC EDUCATION

TARGET 3:

ENSURING THAT BY THE YEAR 2015, ALL CHILDREN EVERYWHERE, BOYS AS WELL AS GIRLS, ARE ABLE TO COMPLETE BASIC UNIVERSAL EDUCATION

2.1.1. INDICATORS

Ensuring that all children everywhere, boys as well as girls, are able to complete basic education by the year 2015 is the primary MDG target in the field of education. The measurement for this target in Indonesia uses the following indicators:

1. Primary school net enrolment ratio (NER) (7-12 years).
2. Junior high school net enrolment ratio (13-15 years).
3. Literacy rate of the 15-24 year age group.

2.1.2. SITUATION AND TRENDS

Nationally, the primary school (PS) net enrolment ratio (7-12 years) and the junior high school (JHS) net enrolment ratio (13-15 years) between 1992 and 2006 has improved. This has also been the case with the Islamic religious school equivalent to madrasah ibtidaiyah (MI) and madrasah tsanawiyah (MTs). In 1992, the primary school net enrolment ratio stood at 88.7 percent and by 2006 it had reached 94.7 percent. Meanwhile the junior high school net enrolment ratio for 1992 was 41.9 percent and it had increased to 66.5 percent in 2006. If this progress can be maintained, Indonesia can expect to achieve its MDGs target by 2015.

Nationally, the primary school gross enrolment ratio (GER) and the junior high school gross enrolment ratio between 1993 and 2006 has shown an improvement. In 1992 the primary school gross enrolment ratio had reached 102.percent. In 2006, this figure rose to 109.9 percent.

However, the gross enrolment ratio for junior high school is still far behind the rate of primary school enrolment. In 1992, the rate for junior high school was 55.6 percent while it reached 88.7 percent in 2006. This suggests that various non-regular primary and junior high school programs have succeeded in getting primary and high school students to complete their term of study in primary and senior high school (SHS). The trend also indicates that many primary school students are unable to continue to higher levels of education.

Figure 2.1
National trend for the primary school PS/MI (7-12 years) and junior high school JHS/MTs (13-15 years) net enrolment ratio between the years of 1992-2006 (in percent)

Source:
National Socio-Economic Survey (BPS)

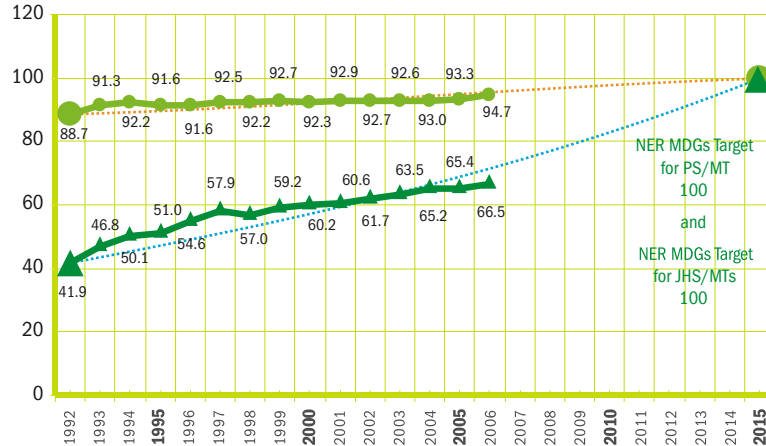


Figure 2.2
National trends in primary and junior high school gross enrolment ratio for the years 1992-2006 (in percent)

Source:
National Socio-Economic Survey (BPS)

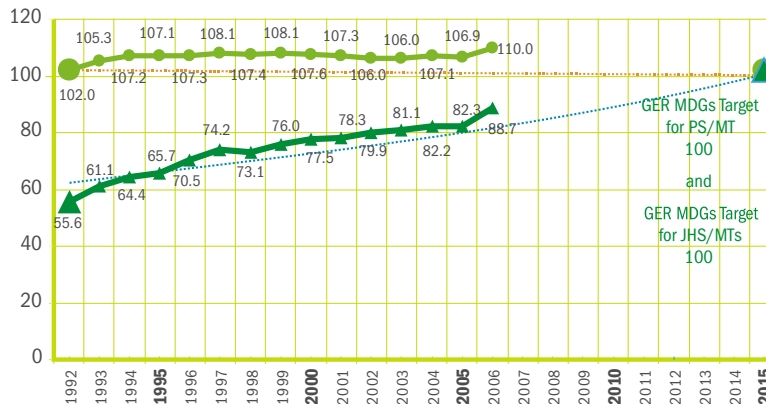
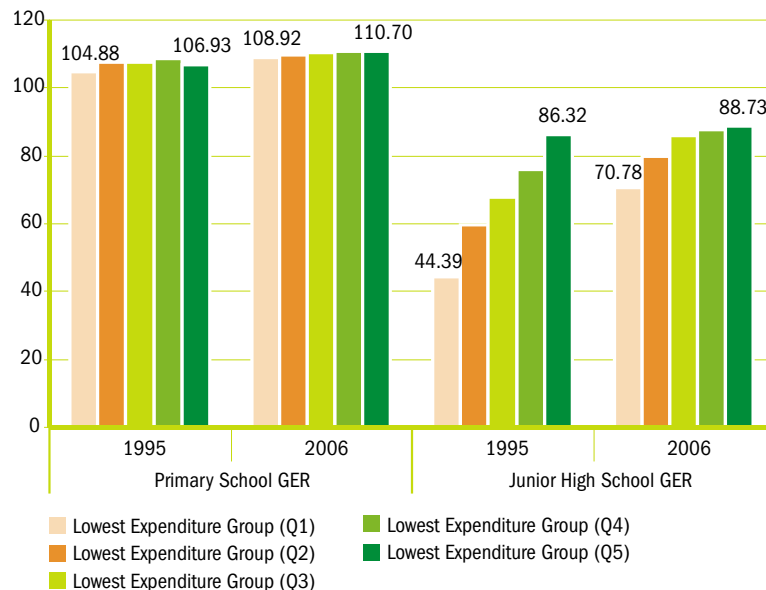


Figure 2.3
Trend in the primary and junior high school gross enrolment ratio according to family expenditure level for 1995 and 2006 (in percent)

Source:
National Socio-Economic Survey (BPS)



Although the gross enrolment ratio at primary as well as junior high school levels has shown an improvement, if seen from the level of household expenditure, a difference would be apparent between poor and non-poor households. For the lowest expenditure group (lowest 20% quintile, Q1), the primary school gross enrolment ratio in 1995 was 104.9 percent which had increased to 108.9 percent in 2006. Data from 1995 to 2006 does indicate that the primary school gross enrolment ratio for the lowest expenditure group appears to have improved more than the highest expenditure group. This is also the case for the junior high school gross enrolment rate between 1995 to 2006. The junior high school gross enrolment rate in 1995 for the lowest expenditure group was 44.4 percent while by 2006 it had reached 70.8 percent.

From the above breakdown, it appears that an improvement to household welfare influences education, particularly for families with children who are of primary and junior high school age. The glaring discrepancy in educational participation between the lowest expenditure group (poor families) and the highest expenditure group (rich families) indicates the need for increased attention to be paid to poor families in order that they can have better opportunities for educating their children.

In regional terms, the areas that had the lowest primary and junior high school net enrolment ratios in 2006 were the provinces of Papua, West Papua, North Sulawesi and Gorontalo. The provinces with the best primary and junior net enrolment ratios were Central Kalimantan, Aceh, Banten and Maluku. An interesting fact is that although Maluku and Aceh were both hit by conflicts, this does not appear to have resulted in any decline in the primary and junior high school net enrolment ratios for the two regions.

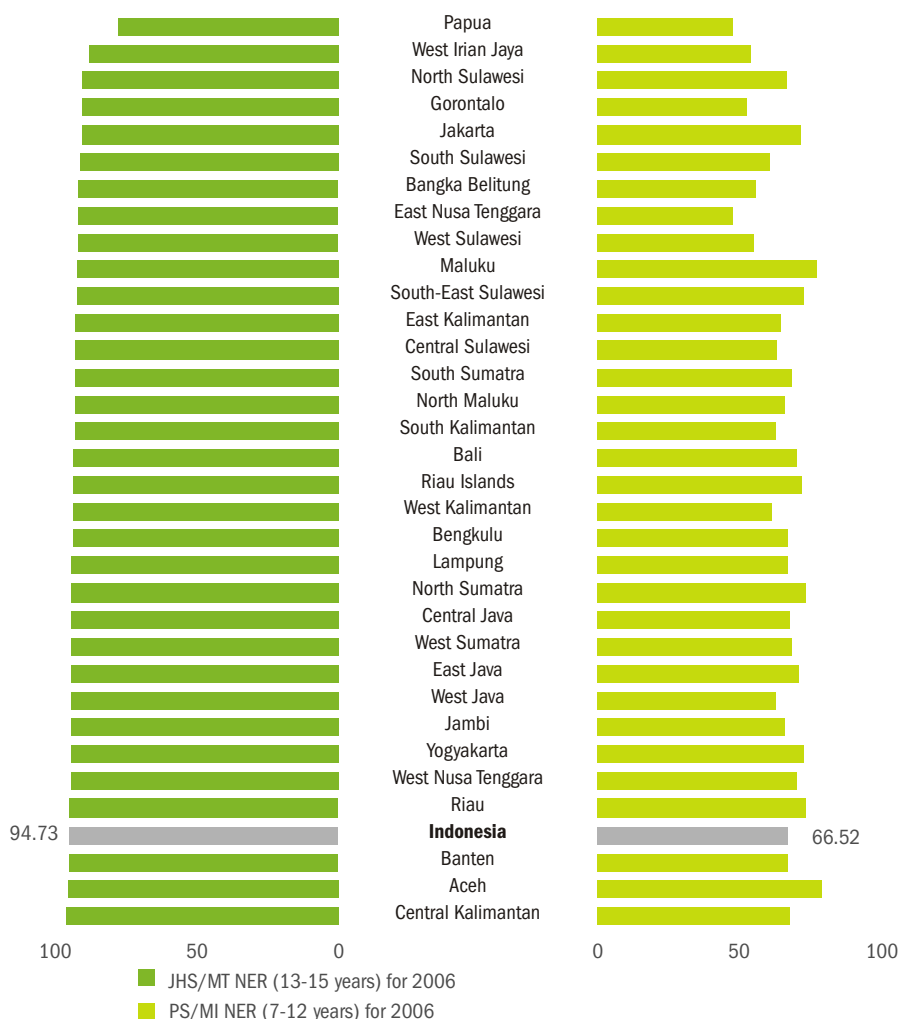


Figure 2.4
Distribution of Primary and Junior High School Net Enrolment Ratio according to Province for 2006 (in percent)

Source:
National Socio-Economic Survey (BPS, 2006)

The literacy rate of the Indonesian population has improved from 96.6% in 1992 to 98.8% in 2006. This progress has taken place along with improvements in the participation rate at the elementary level and proportion of students who have been able to complete their education at the primary school level. However, the illiteracy rate remains quite high for the >15 year age group which is as high as 87.1% for the poorest households.

In the 15-24 year age group and above, it appears that the highest level of illiteracy is found in children who come from poor families. What is encouraging to see is that from 1995 to 2006 the literacy rate of the poorest section of the population significantly rose from 92.9% to 97.8% for the 15-24 age group, and from 71.2% to 87.2% for the >15 year age group. In addition, 85% of the illiterate population aged 15 years old never attended school. Most members of that group are now elderly people.

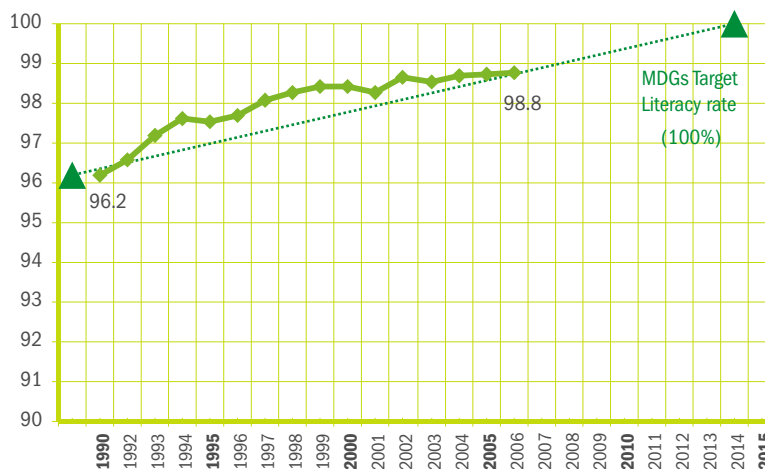


Figure 2.5
Literacy rate for the 15-24 age group for 1992 and 006 (in percent)

Source:
National Socio-Economic Survey (BPS)

Completing basic education

The success in increasing school attendance in both primary and high school has not yet been accompanied by satisfactory graduation rates. The high dropout rate and the large number of students who have to repeat classes remain a significant challenge. The cohorts from the academic years 1993/1994 and 2005/2006 does give a complete picture how well the pupils are performing in each class.

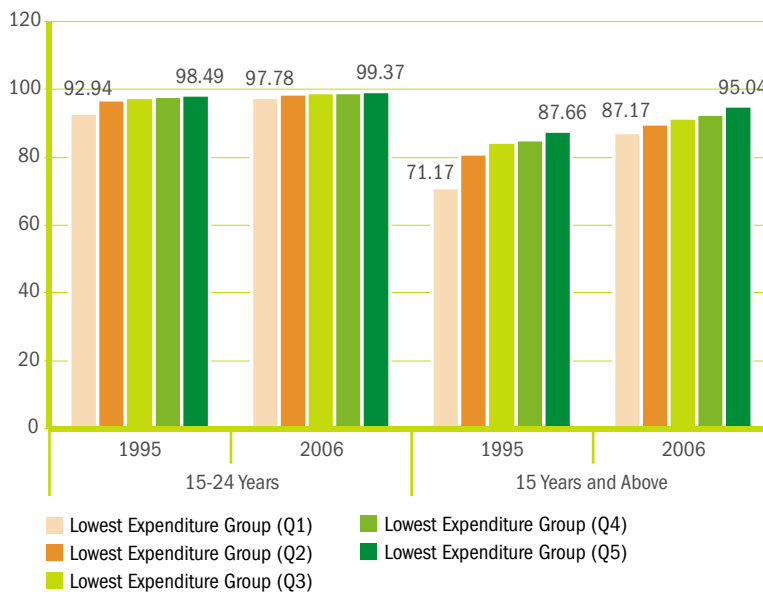


Figure 2.6
Literacy rate for 15-24 year old and >15 year age group according to expenditure group for 1995 and 2006 (in percent)

Source:
National Socio-Economic Survey (BPS, 1995 and 2006)

The cohort rate shows the proportion of pupils who complete the whole cycle of basic education. The Figure 2.8 shows the success in implementing compulsory basic education between 1993/1994 and 2005/2006.

The proportion of students who completed basic education between 1993/1994 and 1999/2000 was 73%. This figure has risen to 75% between 1999/2000 and 2005/2006.

Although the cohort of primary school students for the academic year 2004/2005, who reached the sixth grade in primary school, indicates that there has been an improvement, but that increase only amounts to 3,681,181 students. And, there were only 2,935,175 students who continued on to the first grade of junior high school which means that some 844,173 sixth grade primary school students progressed to the first grade of junior high school.

A closer examination of this trend reveals that students begin to drop out of school from as early as grade two. The student cohort in grade two is only 93% of the previous year's class (see Figure 2.8.). Likewise, it can be seen that the higher the education level, the smaller the number of students for the same cohort. Only 75% of students from the same cohort reached grade six in primary school in 2004/2005. It is because students drop out or have to repeat the previous year's class.

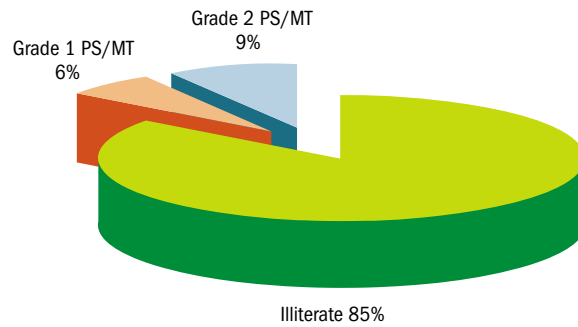


Figure 2.7
Profile of literacy rate of people above 15 years (in percent)

Source:
National Socio-Economic Survey (BPS, 2006)

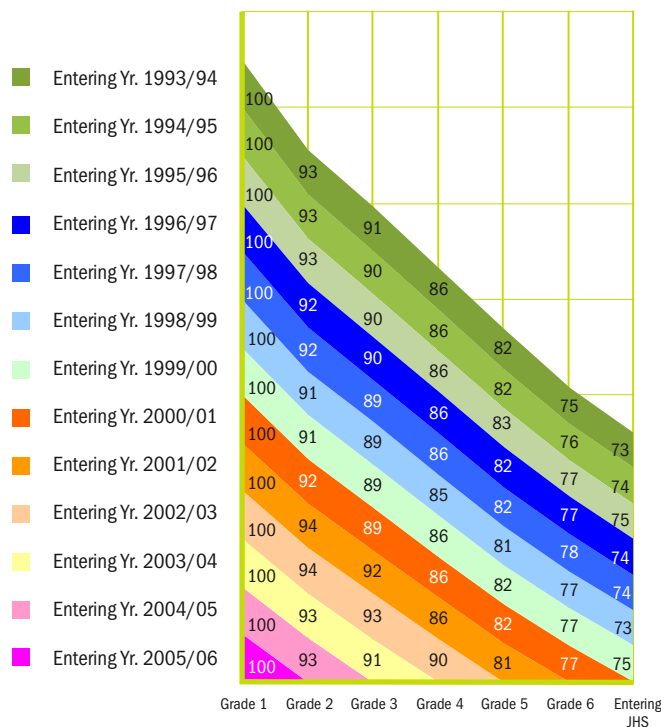


Figure 2.8
Primary school student cohort for 1993/1994-2005/2006 (%)

Source:
National Education Department (2006)

The school dropouts increased between the academic years of 2001/2002 and 2005/2006. Between the academic years of 2001/2002 and 2002/2003, 683,000 or 2.7% of primary school students dropped out, which then increased to 767,800 or 2.9% between 2002/2003 and 2003/2004; 777,000 or 3.0% between 2003/2004 and 2004/2005; and further increased to 824,700 or 3.2% between 2004/2005 and 2005/2006.

Aside from the large school dropout rate, the number of students who have to repeat classes is also quite high, although this percentage has continued to decline. Between the academic years 2001/2002 and 2002/2003, 1.4 million or 5.9% of primary school students repeated, dropping to 978,000 or 5.4% between 2002/2003; and 2003/2004, then to 1.17 million or 4.5% between 2003/2004 and 2004/2005, and again dropping to around 1 million or 4.0% between 2004/2005 and 2005/2006.

Under such conditions, the rate at which primary school students of the same cohort progress to junior high school is low. In 2005/2006, out of the student cohort who entered primary school in 1999/2000, only 59.0% were able to continue to junior high school. Although this is an increase from the situation in 2002/2003, where out of the student cohort who entered primary school in 1996/97, only 51.0% succeeded in going to junior high school.

Table 2.1
Repeating and drop out rate in elementary school

ISSUE	2001/02-02/03		2002/03-03/04		2003/04-04/05		2004/05-05/06	
	Sum./No.	%	Sum./No.	%	Sum./No.	%	Sum./No.	%
Drop Out Rate	683.056	2,66	767.835	2,97	777.010	2,99	824.684	3,17
Repeating Rate	1.388.153	5,90	978.224	5,40	1.171.814	4,51	1.026.275	3,95

Source:
Summary of Educational
Statistics, 2005/2006; National
Education Department , 2006

Nevertheless, when we consider the cohort that includes data on repeat students who continue their education to the next level, it appears that there was an improvement in dropout rate for students who had to disrupt their schooling between 1995 and 2006.

With regard to creating better educational opportunities, the government has carried various programs to improve access and promote equity. One such program is the School Operational Aid Program (locally known as BOS). The aim of the BOS Program is the completion, by all students, of compulsory nine years of primary school education. In 2007, the government targeted 41.9 million students through BOS at the primary school level with a total budget of Rp 11.8 trillion. The target includes Primary Schools (SD), Madrasah Ibtidaiyah (MI—

Box 2.1

RURAL EDUCATION: A STRUGGLE, 70-METERS TO SET OUT FOR THE FUTURE

Taken from *Kompas*, March 2, 2007

Every day, students from the Karyasari State Primary School in Simpang village, Cibalong sub-district, Garut regency have to struggle to cross the 70 meter-wide Cikaengan River to reach their school in the Cempakasari village, Bojongsambir sub-district, Tasikmalaya regency. The Karyasari State Primary School is the closest primary school to Simpang village. Every day the students from Simpang village are forced to swim the river because there is no footbridge connecting the villages of Simpang and Cempakasari. Under normal conditions, the depth of the Cikaengan River reaches up to an adult person's neck. Under such conditions male children are able to cross by themselves, while female children are carried across by an adult on shoulders. If the water level rises, the children are unable to attend school. Or if the water level rises before the children can return home from school, they are forced to stay overnight in the school or the house of a relative, and this can be for as long a week. As a result of there being no bridge, the school dropout level for the local area is quite high. Many children are unable to continue their schooling because they feel exhausted having to swim across the river to reach the school.

The headmaster of the Karyasari State Primary School considers that the government should pay more attention to isolated schools because these schools play no small role in the nine-year compulsory school program. Multimedia facilities such as computers, projectors, televisions and musical instruments have indeed been provided by the central government. None of these however are operating optimally because the school has no electricity. For supporting education in this area, building infrastructure like bridges and electricity are crucial.



The lack of a footbridge means that every day these two Karyasari State Primary School grade four students from the Simpang village, Cibalong sub-district, Garut, have to struggle to cross the 70-meter wide Cikaengan River in order to reach their school located in the village of Cempakasari, Bojonggambir sub-district, Tasikmalaya regency. Under normal conditions the depth of the river is 1.5 meters, but if it floods it can reach as high as 2 meters or more (Photo Kompas, Tuesday February 27, 2007).

In Tasikmalaya, there are 114 schools that are far and isolated. Generally, the infrastructure at these schools is in a poor state and there is no electricity. Local communities in the vicinity of the school are poor and isolated. If schools like these are to contribute in making the nine year compulsory education program a success, the government should give them more attention. Turning a blind eye cannot solve the problem.

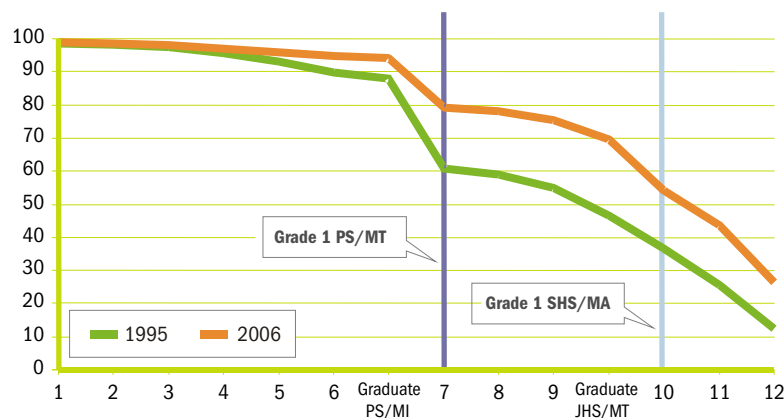


Figure 2.9
Education of population 16-18 years (1995 and 2006)

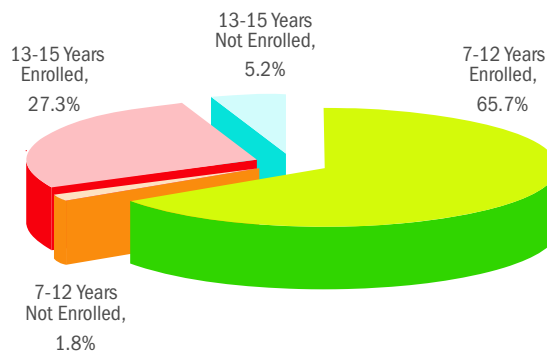
Source:
National Socio-Economic Survey (BPS, 2006)

Islamic religious basic schools), SDLB (Extraordinary Primary Schools), Junior High Schools (SMP), Madrasah Tsanawiyah (MTs-Islamic religious high schools), Extraordinary Junior High Schools (SMPLB) and Pesantren Salafiyah (Salafiyah Islamic Boarding Schools). The number of students receiving BOS increased from 41.3 million students with a total budget of Rp 10.2 trillion in 2006. Aside from funding operation of schools, the provision of BOS is aimed at relieving poor students from all kinds of fees and subsidizing the cost of schoolbooks so that poor students can have access to education at least until Junior High School level.

The provision of BOS books for the primary school level began in 2006. Within two years the Government has provided two schoolbooks for every student, and in isolated areas, three schoolbooks have been provided. The BOS program indirectly reduces the burden of parents for educating their children. The program is expected to reduce the dropout rates and increase school attendance.

Figure 2.10

 Participation rate of population
7 - 15 years, 2006

 Source:
National Socio-Economic Survey
(BPS, 2006)

Table 2.2

 Total population (7 - 15 years),
by education

 Source:
National Socio-Economic Survey
(BPS, 2006)

AGE GROUP	POPULATION	ENROLLED	NOT ENROLLED
7-12 Years	27.033.217	26.327.650	705.567
13-15 Years	13.020.153	10.947.345	2.072.808
Total	40.053.370	37.274.995	2.778.375

The research conducted by BALITBANG (Agency for Research and Development), and the Department of National Education show that through the BOS program 70.0% of Primary School and Junior High School students have been exempt from any kind of fee. BOS has also been successful in significantly reducing the number of dropouts from 4.3% to 1.5%, and increased the rate of students' attendance from 95.5% to 96.3%. Nevertheless, the present level of BOS funding is not sufficient for schools especially those that are located in urban areas.

The inability to pay school fees was found to be the main reason for children not continuing their education. The government has therefore developed programs that not only improve school facilities but also provide scholarship programs to those who cannot afford to pay school fee.

Good teachers play a central role in increasing the overall quality of education. Currently there are many teachers who do not hold minimum educational qualifications- Bachelor degree (S1) or a Diploma (D4)- which is required by Law No. 14, 2005 on Teachers and Lecturers. The educational survey conducted by DEPDIKNAS (The Department of National Education) in 2006 shows that on average the educational qualification of

Table 2.3

 Proportion of the basic education
budget against gross domestic
product (GDP) from 2004-2006
(in billions of rupiah)

 Source:
Bappenas, Department of
Finance, National Education
Department and the Department
of Religious Affairs (2004-2006)

COMPONENT	Year	Education Dept.	Dept. of Religion	Provincial Budget	Regency Budget	City Budget	Total
Total GDP (1)	2004						2,299,000
	2005						2,651,000
	2006						3,041,000
Education Spending (2)	2004	20,000	5,500	3,401	28,133	6,932	63,966
	2005	26,115	6,762	3,452	30,287	7,596	74,212
	2006	36,437	8,312	4,420	43,754	10,683	103,606
Education Spending Against GDP (2/1)	2004	0.87%	0.24%	0.15%	1.22%	0.30%	2.78%
	2005	0.99%	0.26%	0.13%	1.14%	0.29%	2.80%
	2006	1.20%	0.27%	0.15%	1.44%	0.35%	3.41%
Basic Education Spending Estimate (3)	2004	11,488	2,200	3,401	30,384	7,140	54,613
	2005	15,663	2,467	3,452	32,104	7,748	61,434
	2006	20,060	2,666	4,420	45,505	10,790	83,440
Basic Education Spending Estimate Against GDP (3/1)	2004	0.50%	0.10%	0.15%	1.32%	0.31%	2.38%
	2005	0.59%	0.09%	0.13%	1.21%	0.29%	2.32%
	2006	0.66%	0.09%	0.15%	1.50%	0.35%	2.74%

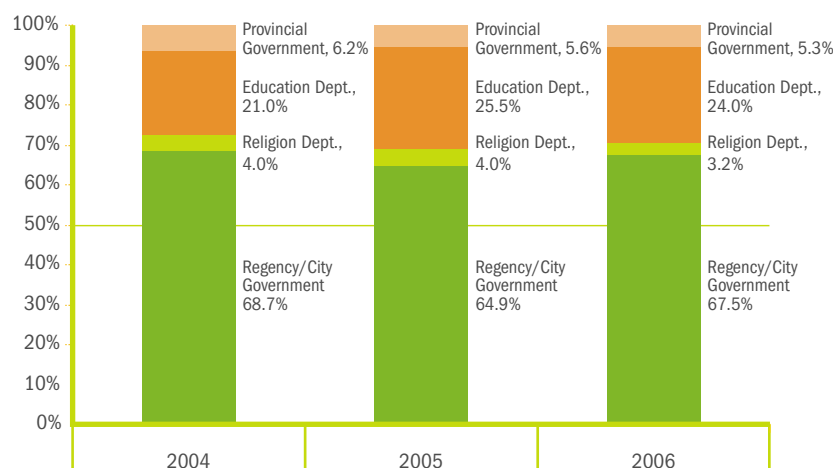


Figure 2.11
Budgetary allocation for basic education, 2004-2006

Source:
Bappenas, Department of Finance, National Education Department, Department of Religious Affairs and USAID (including revised state budget supplementary funds)

BUDGETING SOURCES FOR EACH EDUCATION LEVEL		2004	2005	2006
1	National Education Dept.	11.488	15.663	20.060
1.1	PS/MI	7.293	11.581	14.614
1.2	JHS/MTs	4.195	4.082	5.446
2	Dept. of Religious Affairs	2.200	2.467	2.666
2.1	PS/MI	1.110	1.232	1.323
2.2	JHS /MTs	1.090	1.235	1.343
3	Provincial Government	3.401	3.452	4.419
3.1	PS/MI	1.122	1.139	1.458
3.2	JHS /MTs	2.279	2.313	2.961
4	Regency/City Government	37.524	39.852	56.295
4.1	PS/MI	23.779	25.224	35.659
4.2	JHS /MTs	13.745	14.628	20.636
	Total	54.613	61.434	83.440
	PS/MI	33.304	39.176	53.054
	JHS /MTs	21.309	22.258	30.386

Table 2.4
Budgetary allocation for basic education, 2004-2006 (in millions of rupiah)

Source:
Bappenas, Department of Finance, National Education Department, Department of Religious Affairs and USAID (including revised state budget supplementary funds)

teachers from Primary School (SD/MI) to Senior High School (SMA/SMK/MA) both in public and private schools, who hold a D4 (Diploma) or S1 (bachelor) degree was just 35.6%.

Most teachers had not yet fulfilled the standard of qualification generally required Primary School (SD/MI), and most of them only had a Diploma 1-3. In fact, the study found that some of the teachers were Senior High School graduates such as SPG (Pedagogic School), Religious Pedagogic, and Sport Pedagogic. Besides that, some teachers give lessons not in accordance to their educational backgrounds creating a mismatch. For instance, a teacher with a social studies background may teach science classes which deeply influences the quality of learning in the schools.

2.1.3. CHALLENGES AND EFFORTS NEEDED

The challenges that confront reaching education targets have remained same over the last two to three years which can be categorized as the following:

- **Large number of school age children who do not attend school and/or drop out of school.** Data gathered by the National Statistics Agency (BPS) shows that in 2006, 705,000 Indonesian children between the ages of 7-12 years did not attend classes on a regular basis. In addition, more than 2 million children between the ages of 13-15 did not attend school.

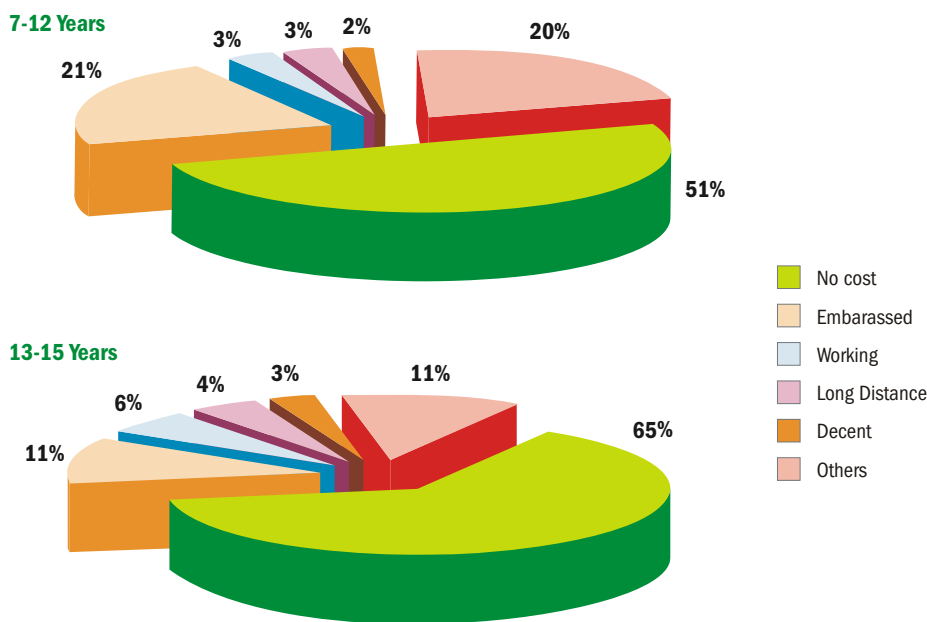


Figure 2.12
Causes of drop out for population aged 7 - 15 years, 2006

Source:
National Socio-Economic Survey
(BPS, 2006)

- **Disparity in participation levels between the lowest and highest income groups as well as between urban and rural areas.** The disparity in education between poor and the rich still stands out. The disparity between social groups appears most obvious in the advanced levels of education- junior and senior high school. Therefore, improving the even distribution of education services is extremely important, particularly for children who belong to poor families, and those who live in rural areas. In addition to the gap between urban and rural areas, the gap in the educational participation between the regions (province and region/city) is still quite large. Figure 2.14 shows that, although the gap in the educational participation between the provinces has significantly decreased, the gap between the regencies is still wide.
- **Quality of Education.** The overall quality of education needs to be improved. Low level of learning for children in their early years at school is primarily caused by lack of proper teaching and mode of education that is tuned to the needs of children. This results from low competency levels of teachers. Moreover, examinations and testing used to measure the performance of students needs to be improved.

The following steps should be taken through a wide range of policy actions:

- **Improving access to and extending educational opportunities to all children of school age.** The principal targets should be poor regions, and communities living in remote areas. In this regard, the government has set up a one Roof Primary School/Junior High School (SD/SMP), and One-Roof Islamic Schools (MI-MTs).
- **Improving the quality and relevance of basic education.** This will ensure that every single student leaves the school with at least a basic level of competence needed to function in a modern society or continue studying at a higher level.
- **Improving managerial capacity and making effective use of educational resources.** This will entail building capacities in the institutions to carry out their functions more efficiently and effectively.

The following is needed to address the above challenges:

- a. Strengthening the implementing of existing programs to improve access to education. This involves evaluation to prioritize future programs. Additional resources will be needed to increase the completion of compulsory schooling.
- b. Providing greater opportunities to private schools and community based educational institutions, and to enable them to have a greater role in providing basic education.

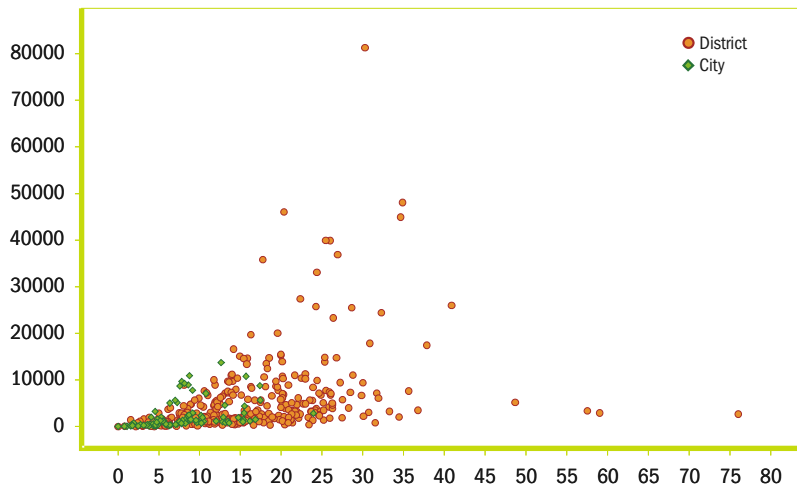


Figure 2.13
Regional distribution of
population aged 13-15 who are
not enrolled (by number and
percentage)

Source:
National Socio-Economic Survey
(BPS, 2006)

- c. Targeting groups who are not being reached (communities who are poor, or living in remote areas) through alternative approaches and education programs. On supply side, this needs to be strengthened by providing basic education facilities through formal or non-formal channels, including providing facilities, infrastructure as well as covering operational expenses. Strengthening demand through Conditional Cash Transfer Programmes (CCT).
- d. Improving the administration and implementation by creating synergy between the central, provincial, and municipal, governments.
- e. Involving the participation of all: parents, social figures, non-government organizations, entrepreneurs so that the realization of nine-year of compulsory schooling turns into a social movement.

The actions described above can be financed through a variety of funding sources, including the central government, both in the form of grants, loans, as well as overseas grants (PHLN or Overseas Loans/Grants, but not including grant sources that are self managed by donor institutions or off-budget grants), as well as regional government funding through APBD. Education receives the largest portion of the central government's budget with an allocation that has increased significantly over the years. Between 2004 and 2006, budgetary allocations have increased by an average of 25.6% per year which translates into an increase from 2.4% of GDP in 2004 to 2.7 % GDP in 2006.

Box 2.2

FREE SCHOOLING: CONCERNS FOR FELLOW CITY RESIDENTS

Economic problems are often cited as being the reason for the inability of poor families to send their children to school. Further lack of employment opportunities are restricting poor families from obtaining a steady income.



An Ibu Pertiwi Teaching and Study Activity Place in Pancoran, South Jakarta for junior high school students.

It should be noted that it is extremely important to fulfil the educational needs of the children of poor families so that their children can become productive in a society. A non-government organization in Jakarta has organized a Free Junior High School in the format of a "Special Self-supporting Study Activity Place" for students from less well off families. This school is located in the South Jakarta area of Pancoran, and is an effort by residents who are deeply concerned about their fellow neighbours. This should become a model for others.



2.3. GOAL 3. PROMOTING GENDER EQUALITY AND THE EMPOWERMENT OF WOMEN

TARGET 4:

ELIMINATE GENDER DISPARITY IN PRIMARY AND SECONDARY EDUCATION, PREFERABLY BY 2005, AND AT ALL LEVELS OF EDUCATION BY NO LATER THAN YEAR 2015

3.1.1. INDICATORS

The progress in eliminating gender disparity in primary and secondary education by 2005, and at all levels of education by no later than 2015 is monitored using the following indicators:

1. The ratio of female to male children in primary, secondary and tertiary education, which is measured through the net enrolment ratio (NER) of females to males.
2. The literacy ratio of females as compared to males in the 15-24 year age group, which is measured through the literacy rate of females to males (gender literacy parity index).
3. Female work force participation rate.
4. Level of female unemployment.
5. Female participation in wage employment.
6. Purchasing power (Purchasing Power Parity, PPP) of women.
7. The proportion of women in public institutions (legislative, executive and judicial).

3.1.2. SITUATION AND TRENDS

One of the human development goals in Indonesia is to achieve gender equality by building human resources without differentiating between males and females. Although a great deal of progress has already been made, results indicate that there are still disparities based on gender in a number of areas. Many efforts have been undertaken to improve the quality of life and the role of women in society so that they do not fall behind their male counterparts.

In the area of education, the overall progress in terms of gender equality has been quite significant. This is primarily indicated by the ratio of female to male students in primary, secondary and tertiary education, which is measured through the net enrolment ratio of female to male students. Progress can also be seen from the literacy of females in the 15-24 age group, measured by the literacy ratio of females to males (gender literacy parity index).

In general, the net enrolment ratio of female to male students shows improvement, particularly in terms of the net enrolment ratio of women in secondary high school (SHS) and the ratio of women in tertiary education over the last five years (2002-2006). The increase in this ratio indicates that the number of women participating at a given education level has progressively increased compared with the number of men participating at the same level of education. On average the net enrolment ratio of women for the 1992-2002 period was 98.8%, while this ratio in the 2002-2006 period increased to 99.1%.

Similar trends are noticed in the net enrolment ratio of women in tertiary education, which between 1992-2002, averaged at 85.7% per year and have continued to increase over the 2003-2006 period, reaching an average of 97.2 percent per year. This data informs us that more women have access and are using these opportunities to study in senior high school and tertiary education. The improvement can be partially attributed to an increase in senior high school facilities and a reduction in the distance that pupils have to travel to reach schools as a result of improvements in transportation and infrastructure. Women are also becoming more assertive and there is greater understanding attached to the importance of education in the last five years.

The trend in the net enrolment ratio of female students in primary school (PS) and female/male junior high school (JHS), however, is different. The average primary school net enrolment ratio of females per year over the 2003-2006 period declined to 99.4% compared with the average of 100.3% for the 1992-2000 period. A similar trend was seen in the net enrolment ratio for junior high school, which declined from 104.2% to 100%.

Overall, the data for 2002-2006 period indicates that there was a decline in the participation rate of female students in both primary and junior high school.

This is assumed to have happened because of an increase in the number of female students in primary and junior high school who continued on to higher education levels. Another assumption that can be made here is that it is a result of demographic changes: the female population in this age group has declined compared to males over the last five years.

Nevertheless, at primary and junior high school levels, and in the Islamic religious schools *madrasah ibtidaiyah* (MI) and *madrasah tsanawiyah* (MTs), the female net enrolment ratio has remained fixed at over 100%. Thus, gender equality at the primary school/MI and junior high school/MTs level is quite good.

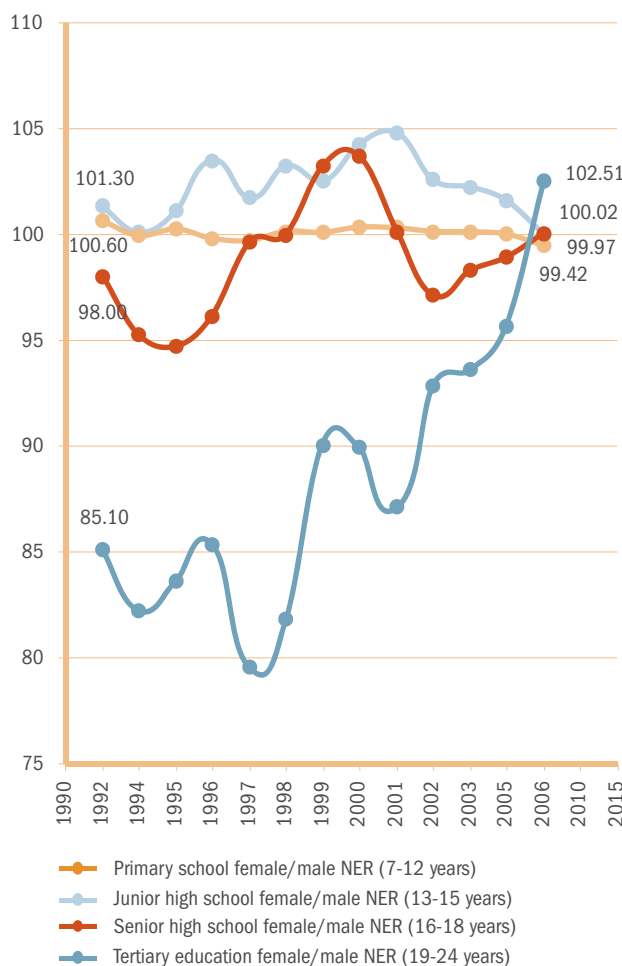


Figure 3.1
National net enrolment ratio (NER) of female students against male students according to education level, 1992-2006 (in percent)
Source: National Socio-Economic Survey (BPS)

The female to male literacy rate (gender literacy parity index). This is shown by the literacy ratio between female and male population in the 15-24 age group. The female literacy ratio between 1992 and 1998 shows a consistently upward trend. In 1990-1992 the ratio was 97.9%, while in 1998 the figure had already reached 99.5%. The impact of the economic crisis of 1999 resulted in lost opportunities for a number of women to gain access to education and as a result this ratio declined to 99.4%. Since 2002 this ratio has again started to improve reaching 99.9% in 2006. Overall, the disparity in literacy between females and males has declined from the 1990s.

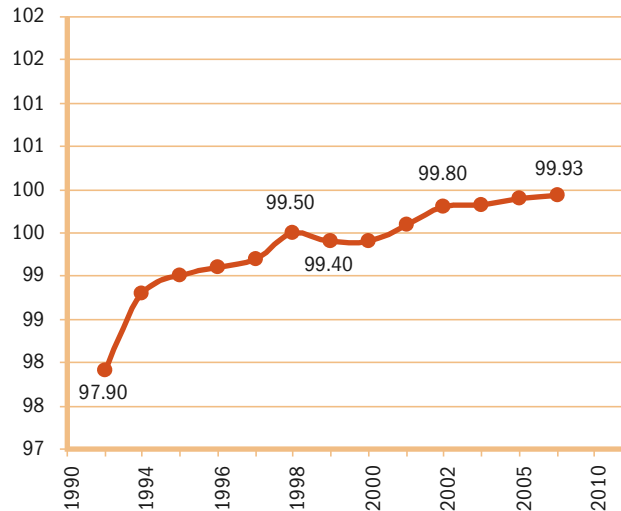


Figure 3.2
National female to male literacy rate (gender literacy parity index) for the 15-24 year age group for the years 1992-2006 (in percent)

Source:
National Socio-Economic Survey (BPS)

However, disparities as between females and males in the higher age groups and also observed. In 2006, the literacy ratio between females and males in the 25-44 year age group was 97.4% and for those who are 45 years and above the ratio was 81.4%. It is imperative that improving access to education for the 25 and above age group needs to be considered as a major priority in the national educational system.

Gender inequality in work also requires careful consideration by looking at the **female work force participation rate**, and the **female open unemployment rate** in the country. Based on data gathered from the National Work Force Survey (Sakernas), the female work force participation rate was 51.78% in August 2001 and it declined to 49.2% by August 2004, then rose again to 50.6% in February 2005, and then dropped slightly to 49.5% in February 2007. These figures for the participation of females in the work force are far lower than for the male population. The Sakernas data indicates that between August 2001 and February 2007 female participation in the work force was around half of that of males.

The rate of open female unemployment also shows a less encouraging picture. Open female unemployment is relatively high compared to male unemployment. In August 2001, open female unemployment was 10.6 percent, increasing to 13.6 percent in February 2005, which seemed to have reached a peak at 14.7 percent in November 2005, and then declined to 11.8 percent in February 2007.

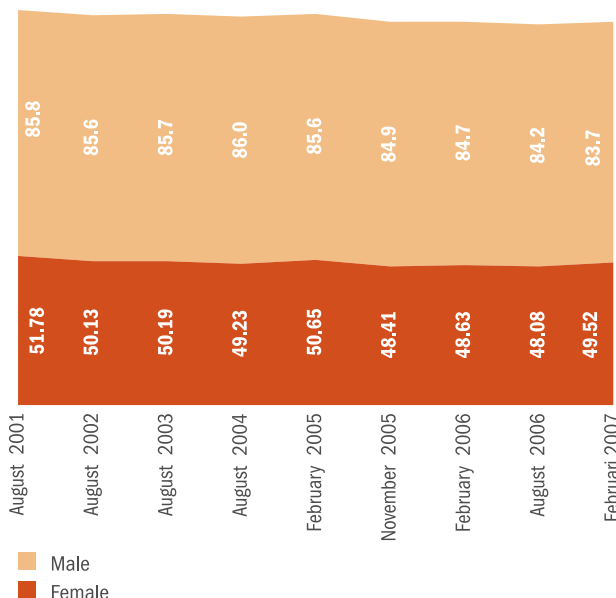
Another indicator for measuring gender parity is the share of women in wage employment. The parameters used here are employment status, average wage, and level of education. Results from Sakernas indicate that in February 2005 the total number of female workers categorised as labourers, white-collar workers, or civil servants was 8.2 million. The number of casual labourers in the agricultural sector was 1.9 million, 0.6 million of whom were employed as casual labourers in the non-agricultural sector. In February 2007 these numbers increased to 8.6 million, 2.3 million and 0.7 million respectively.

Although the average wage of women workers remains lower than the average wage of men, female wage levels have increased. The largest wage imbalance is among casual labourers in the non-agricultural sector, with an average wage of women workers being only 46% of the wage of male workers in February 2005. That increased to around 60% in February 2007. Over the same period, the average wage of female workers categorised as labourers, white collar workers or civil servants, rose from around 72% to 75% of the wage of their male counterparts. The average wage of female casual labourers in the agricultural sector compared with their male counterparts rose from 55% to 69%.

If we refer to the education level of female workers, data for February 2005 indicates that 14% of female workers have never attended school or have not completed primary school. Only 27% of female workers have completed primary school. This figure did not change in the following two years.

Figure 3.3
National work force participation rate for 2001-2007 (in percent)

Source: National Work Force Survey (Sakernas), 2001-2007 (BPS)



Disparity also exists between the average wage received by female workers compared with the average wage of male workers at the provincial level. The largest discrepancy is found in the province of East Kalimantan where a female worker receives an average wage of Rp 1,059,813 per month, while their male counterparts receive an average wage of Rp1,879,585 per month. The highest average monthly wage for women workers in Indonesia was found in Papua province: Rp 1,375,636 per month, while the lowest is in Central Java: Rp 582,267 per month. As many as 13 provinces pay a monthly wage to women workers which is below the average national wage.

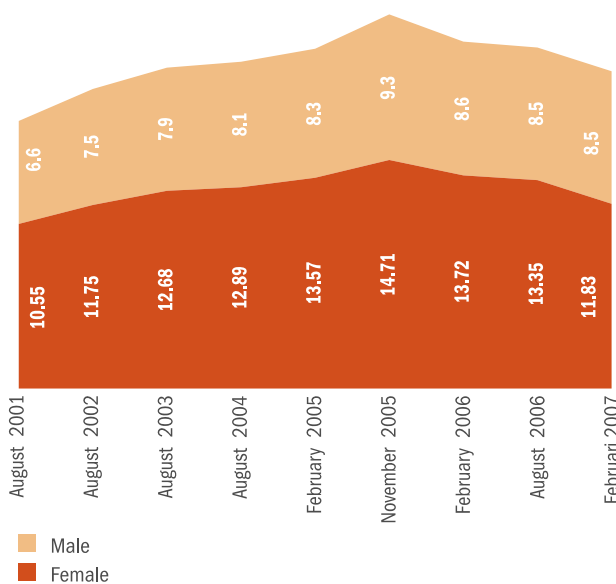
When the national ratio is compared with the provincial ratio, 10 provinces are found to have the highest wage disparity: East Kalimantan (56.39), Central Java (66.00), West Nusa Tenggara (68.14), Bali (69.58), Bangka-Belitung (69.81), South Sumatra (70.74), Banten (72.39), West Irian Jaya (72.43), Riau (73.37) and East Java (74.11). The average monthly wage ratios for the provinces of East Nusa Tenggara, North Sulawesi and Gorontalo are the highest in Indonesia. Nonetheless, the average nominal wage per month that is received by female workers in these three provinces- Rp 857,922 per month in Gorontalo, Rp 1,183,397 in North Sulawesi and Rp 1,118,499 East Nusa Tenggara- is still far lower than the national average nominal wage.

Gender disparity in labour, as discussed above, is also marked by lack of a social security for workers in the informal sector, the majority of who are women. The current social security system covers only workers in the formal sector. Moreover, there are many other problems that migrant workers face. There is considerable room for improving protection of women, including compliance with international labour agreements and effective monitoring of labour practices in the regions. Labour policies should also entail equal employment opportunities to create gender equality in job opportunities and businesses.

In terms of purchasing power, the *Human Development Report* shows that between 2001 and 2006, the female purchasing power has not shown any significant improvement. The figure has remained somewhat constant- US\$2,000 per year. On the other hand the male purchasing power shows a significant increase with a value now that is two times higher than the purchasing power of women.

Figure 3.4
National open unemployment rate for 2001-2007 (in percent)

Source: National Work Force Survey (Sakernas), 2001-2007 (BPS)



Gender equality and the empowerment of women is also measured by the proportion of women in public institutions (legislative, executive and judicial). In 2002, Law No. 31 on Political Parties was enacted followed by Law No. 12/2003 on the Election of Members to the House of Representatives, the Regional Representative Council and the Regional House of Representatives. Both laws clearly mandate a quota of 30 for women in political parties. In addition to this, political education for women

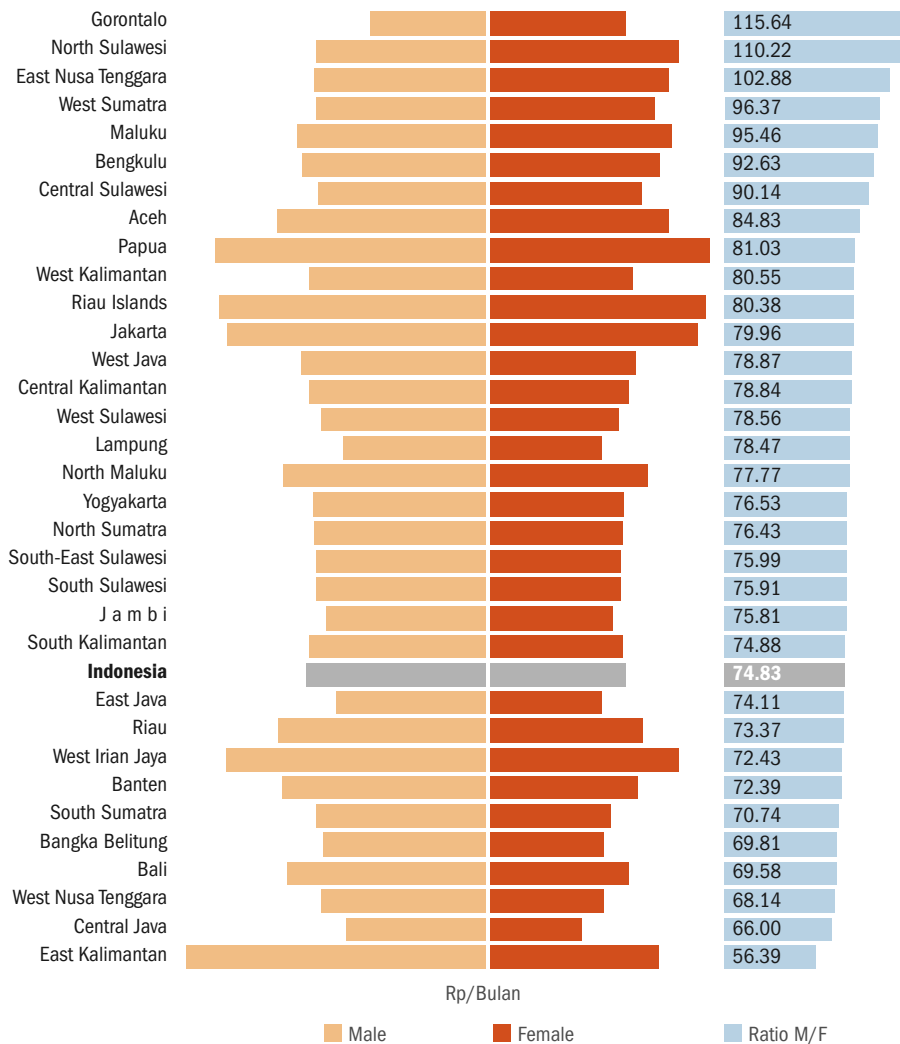


Figure 3.5 National comparison of the average wage of female workers against male workers in waged employment for the year 2007 (in rupiah per month) and the average wage ratio of female workers against male worker for the year 2007

Source: National Labor Survey (BPS, February 2007)

continues to be upgraded. Nevertheless, female participation in public institutions at various levels (national, provincial and regency/city) is still quite low.

Data from the General Elections Commission (2005) shows that from 1999 to 2004 the female participation in legislative institutions was only around 8.8%. This figure has in fact declined if we compare it to the period from 1992-1997 when it was 12.5%. The rate has since increased to 11.3%. A higher proportion of women parliamentarians (more than 15%) is found in only five provinces, South Sumatra (15.4%), Lampung (15.65), Central Kalimantan (15.6%), North Sulawesi (17.8%) and Central Sulawesi (16.3%).

A similar situation exists in executive institutions. Female participation in the civil services is no better than that in legislative institutions. Out of the total number of state civil servants, the proportion of women is only 42%. In 2006, the majority of female public servants, number 15.28% of the total number of state civil servants (3.6 million), had senior high school degrees. The proportion of male civil servants with a senior high school degree was much larger at 21.16%. The proportion of female public servants who had completed a doctorate program was only 0.05%. It is only in the case of female public servants who had completed one-year and two-year diploma programs that the ratio was higher.

As to the educational structure of state civil servants, it appears that the education level of female civil servants tends to be higher than that of the male officials (Figure 3.8.). Nonetheless, Figure 3.9 indicates that from year to year male civil servants are dominant almost at all Echelon levels, except the Echelon V.

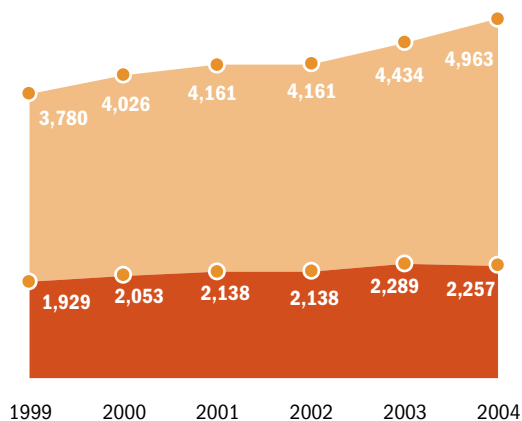


Figure 3.6
National estimation of the purchasing power of females compared to males for 1999-2004 (in USD)

Source:
Human Development Report
(UNDP, 2001-2006)

Male
Female

In terms of female participation as decision-makers in executive institutions, data for 2003-2006 indicates that the situation has remained relatively fixed. This has happened at all levels, from Echelon I down to the lower Echelon levels.

In 2006, the proportion of female civil servants holding public positions in the executive institutions was still far lower than men at all echelon levels (I to V). The highest disparity is seen at Echelon I and II levels.

The low level of female participation is also seen in judicial institutions. In 2006, male professionals dominated this sector. Just 2% of judges and 23% prosecutors were women.

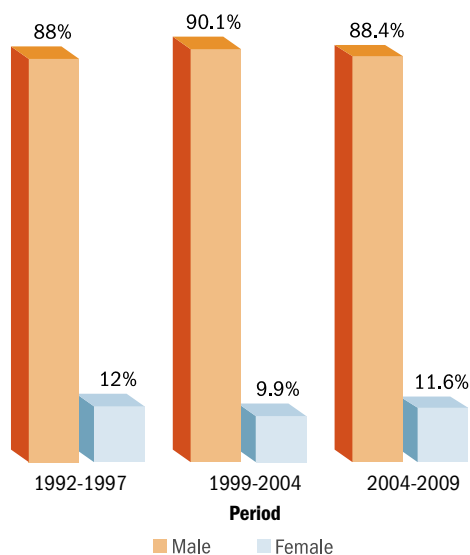
3.1.3. CHALLENGES AND EFFORTS REQUIRED

Promoting gender equality must ensure female participation across all walks of life and encompassing the whole development spectrum. The main challenges that lie ahead are:

- a. Guaranteeing gender equality in legislation, policies, programs and all development activities including education, health care, labour, economics, law and politics. This needs to be implemented starting from the national level, and progressively on to provincial, regency/municipal level.
- b. Improving the quality of life and the role of women in society through affirmative action in order to enable them to catch up in those areas where they lag behind. In this era of decentralisation, these efforts will primarily need to be carried out at the regency and municipal level.

- c. Improving institutional capacity and gender mainstreaming networks, including the availability of gender related data and statistics.
- d. Improving the role of social institutions in the empowerment of women, particularly that of women's organisations at the grass roots level.
- e. Revising legislation and policies that have a gender bias and/or discriminate against women.

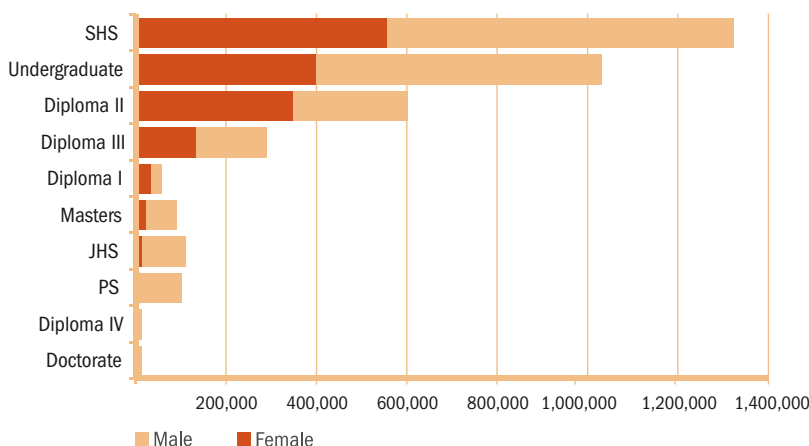
Figure 3.7
Proportion of women in public institutions (legislative institutions at the national, provincial and regency/city level) in three periods from 1992 and 2009 (in percent).



Source:
National Election Commission
(2005)

Male Female

Figure 3.8
Numbers of female civil servants compared with male civil servants according to educational level for 2006 (people)



Source:
State Civil Service Agency (2006)

Male Female

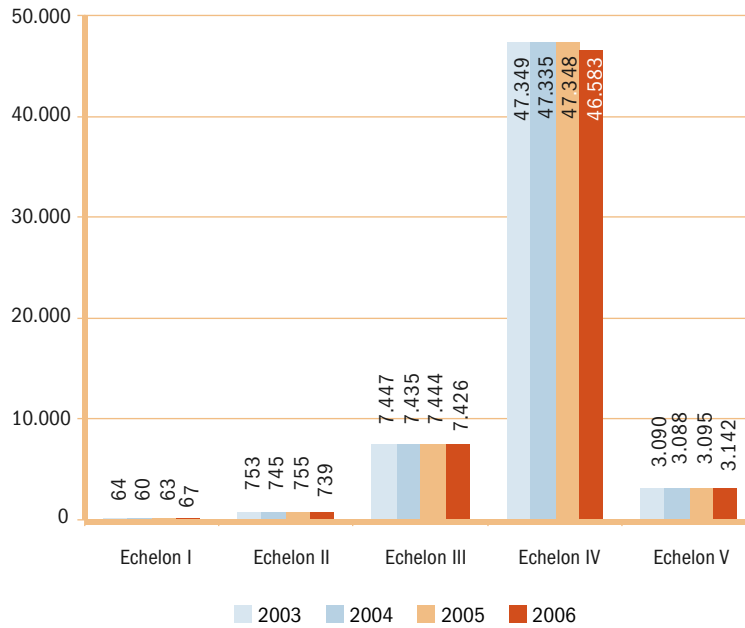


Figure 3.9
Number of female civil servants according to echelon level for 2003-2006

Source:
State Civil Service Agency (2006)

At the moment what is required is a focused affirmative action to reduce gender disparity that puts greater emphasis on problems faced by women, whether cultural or structural in nature.

Consequently, a number of tasks need to be undertaken including:

- Increasing the involvement of women in the political process and in public positions.
- Increasing the education standards of women and their access to education along with improving the quality of health care available to them.
- Strengthening the institutionalisation and coordination of gender mainstreaming networks by providing support in planning, implementation, monitoring and evaluation of policies and programs. It is also essential to work towards conforming to international commitments. Additionally, it is important to make certain that gender related data and statistics are made available.

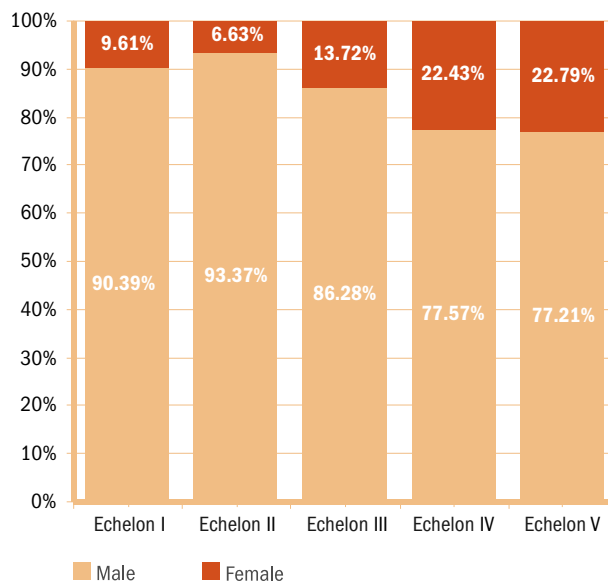


Figure 3.10
National proportion of female public servants occupying public positions in executive institutions according to echelon level for the year 2006 (in percent)

Source:
State Civil Service Agency (2006)





2.4. GOAL 4. REDUCING THE INFANT MORTALITY RATE



TARGET 5:

REDUCING THE MORTALITY RATE OF CHILDREN UNDER FIVE BY TWO THIRDS BETWEEN THE PERIOD 1990 AND 2015.

4.1.1. INDICATORS

The indicators that are used to evaluate the target of reducing the mortality rate of children under five by as much as two thirds between 1990 and 2015 are:

1. Infant mortality rate per 1,000 live births.
2. Child mortality rate per 1,000 live births.
3. Percentage of children aged between 12-23 months immunised against measles.

4.1.2. SITUATION AND TRENDS

The infant and child mortality rate. In 1960, the infant mortality rate (IMR), at 216 deaths per 1,000 live births, was extremely high. Over time the IMR has decreased as a response to improved health care programs. In 1992 the IMR was 68 deaths per 1,000 live births which had declined to 35 per 1,000 live births by 2002 (Indonesian Health and Demography Survey 2002-2003).

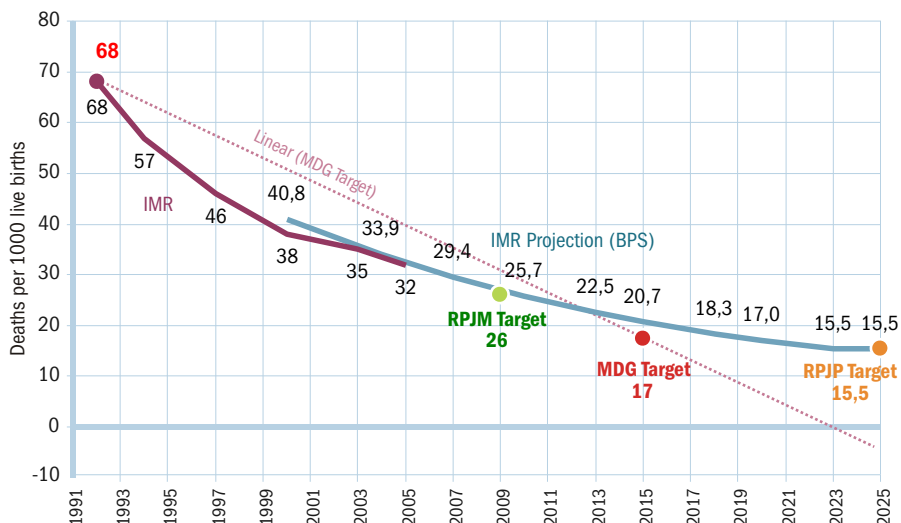
According to projections by the National Statistics Agency (BPS-UNDP-Bappenas, 2005), in 2003 the infant mortality dropped to 33.9 deaths per 1,000 live births. As such, Indonesia is expected to achieve the MDG target for 2015 by 2013.

However, the infant mortality rate in Indonesia is still considered high compared with other ASEAN member states; 4.6 times higher than that of Malaysia, 1.3 times higher than that of the Philippines and 1.8 times higher than that of Thailand. Indonesia occupies the sixth highest ranking after Singapore (3 per 1,000), Brunei (8 per 1,000), Malaysia (10 per 1,000), Vietnam (18 per 1,000) and Thailand (20 per 1,000).

The child mortality rate (children under five) has also shown an improvement. In 1992 the child mortality rate was 97 deaths per 1,000 live births, and by 1994 this figure had dropped to 81 deaths per 1,000 live births. In 2002-2003 the child mortality rate had declined to 46 and in 2005 had gone down to 40 per 1,000 per live births. This means that in the nineties on an average the rate decreased by 7% per year, higher than the previous decade which saw a decrease of only 4% per year. In 2000 Indonesia had reached and overtaken the target set by the World Summit for Children of 65 deaths per 1,000 live births.

Figure 4.1
National trends in the infant mortality rate between the years 1989-2005 and projections until the year 2025.

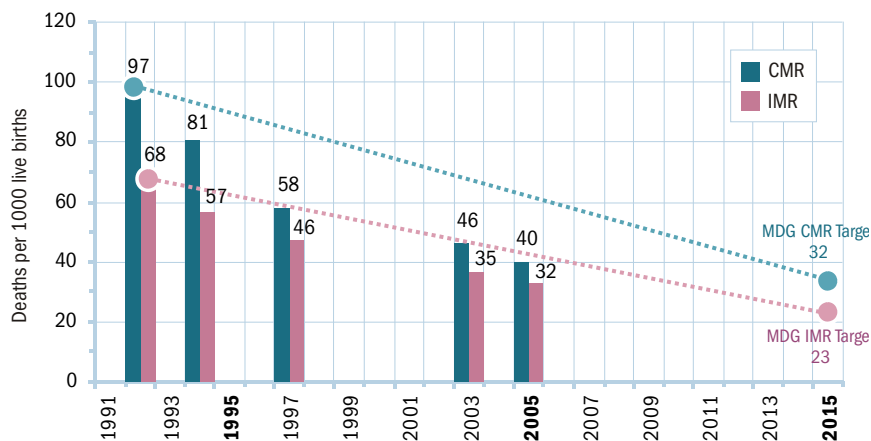
Source:
Indonesian Health and Demography Survey (SDKI) (1994, 1997, 2002-2003); Household Health Survey (SKRT) (1992); Intercensus Population Survey (Supas) (2005)



The rate of decline in the child mortality rate from 1992 (SDKI) to 2005 (Supas) was faster than the decline in the infant mortality rate for the same period. The child mortality rate declined by 57 deaths per 1,000 live births, while the decline in infant mortality was only 35 deaths per 1,000 live births (see Figure 4.2). This indicates that the risk of death for newborn babies is greater than the risk of death for children under the age of five. In 2004, the BPS estimated that the infant mortality rate will reach 33.9 deaths per 1,000 live births, while the child mortality rate may reach 40.9 deaths per 1,000 live births.

Figure 4.2
National trends in infant and child mortality rates from 1989-2005

Source:
SDKI 1991, 1994, 1997, 2002-3, Supas 2005



The disparity in the infant mortality rate between provinces in 2005 was still quite high. The highest infant mortality rates were in West Nusa Tenggara (66), followed by Gorontalo (50), East Nusa Tenggara (46) and Central Sulawesi (42). By contrast, the provinces with the lowest infant mortality rates were Bali (18), Jakarta (19), North Sulawesi (19) and the Riau Islands (19). The provinces with the best infant mortality rates had an infant mortality rate of almost four times lower than that those provinces with the worst infant mortality rate. This indicates that the disparity between regions is caused by a variety of reasons that are unique to each region.

The immunisation rate against measles has also improved over time. The coverage in rural areas, however, has fallen behind though. The variation in coverage between provinces is also high, with the highest coverage in Yogyakarta (91.1%). This figure is two times higher than that in Banten (44.0%) which is in fact the province with the lowest coverage. According to Ministry of Health (2005 Health Profile), in 2005 the coverage of immunisation against measles has reached 86.7%, and the dropout figure was down to 1.5%.

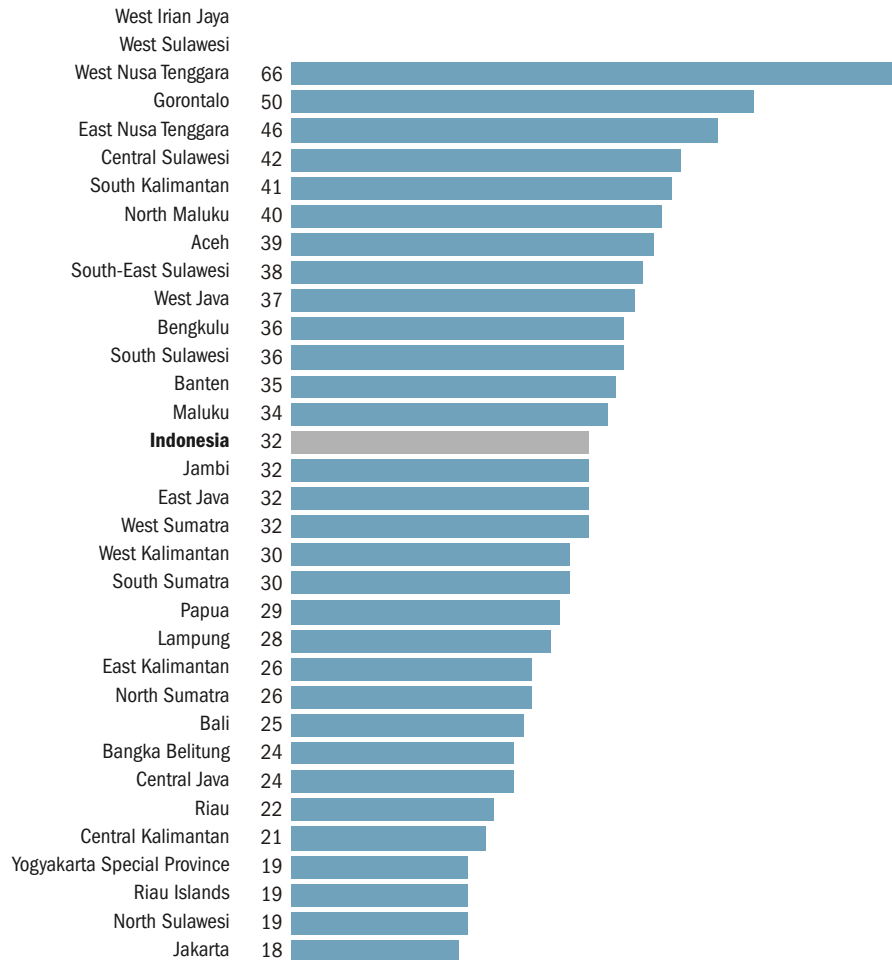


Figure 4.3
Infant mortality rate distribution according to province for the year 2005

Source:
Intercensus Population Survey (2005), not including the provinces of West Sulawesi and West Irian Jaya

4.1.3. CHALLENGES AND EFFORTS REQUIRED

The Cause of Child Deaths. There are three main causes for infant deaths. They are acute respiratory infection, prenatal complications and diarrhea. The combination of these three factors contributes to 75% of infant mortality. Factors for the death in children under five is almost identical, i.e. acute respiratory infection, diarrhea and neurological illnesses—including meningitis and encephalitis—and typhus.

Maternal and Neonatal Healthcare. The high infant mortality rate is a result of poor health status of mothers and newborns. Inadequate quality of health care and the lack of access to health services, and the behaviour patterns of pregnant mothers, families as well as society in general, are contributing factors to this high mortality rate. Two third of the total deaths are neonatal deaths (deaths at the age of 0-28 days). Efforts to lower neonatal death are therefore key for reducing infant mortality.

Healthcare services for Poor and Vulnerable Groups in Rural and Remote Regions. Along with pockets of poverty in urban areas, rural and remote areas should become main targets for reducing child mortality rate. The child mortality rate for the poorest segment of the population is 61 deaths per 1,000 live births, far higher

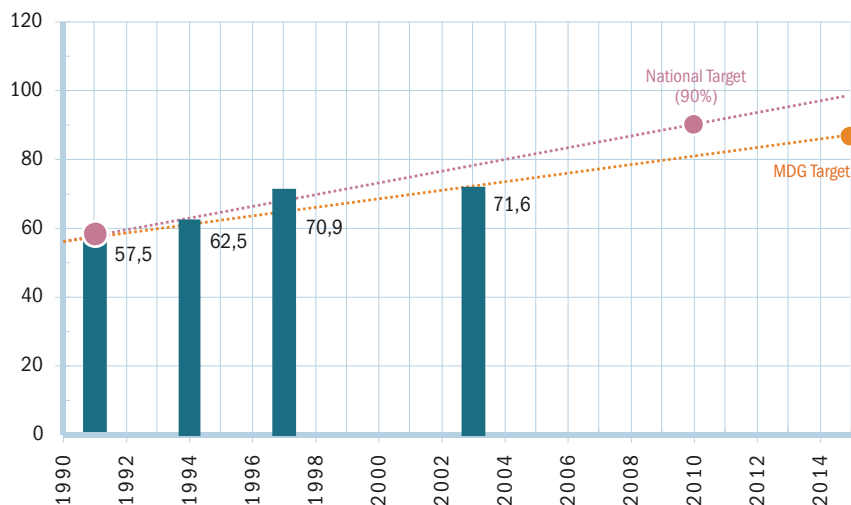


Figure 4.4
National percentage of children aged between 12-23 months that have received measles immunization from 1990-2003

Source:
Indonesian Health and Demography Survey (1994, 1997, 2002-2003)

than the child mortality rate in the richest group, which is only 17 deaths per 1,000 live births. Infectious diseases which are the main causes of child and infant deaths—such as acute respiratory infection, diarrhoea and tetanus—occur more frequently among poor communities. The poor level of health among the poor is a result of limited access to health care due to unaffordable costs, geography, and transportation.

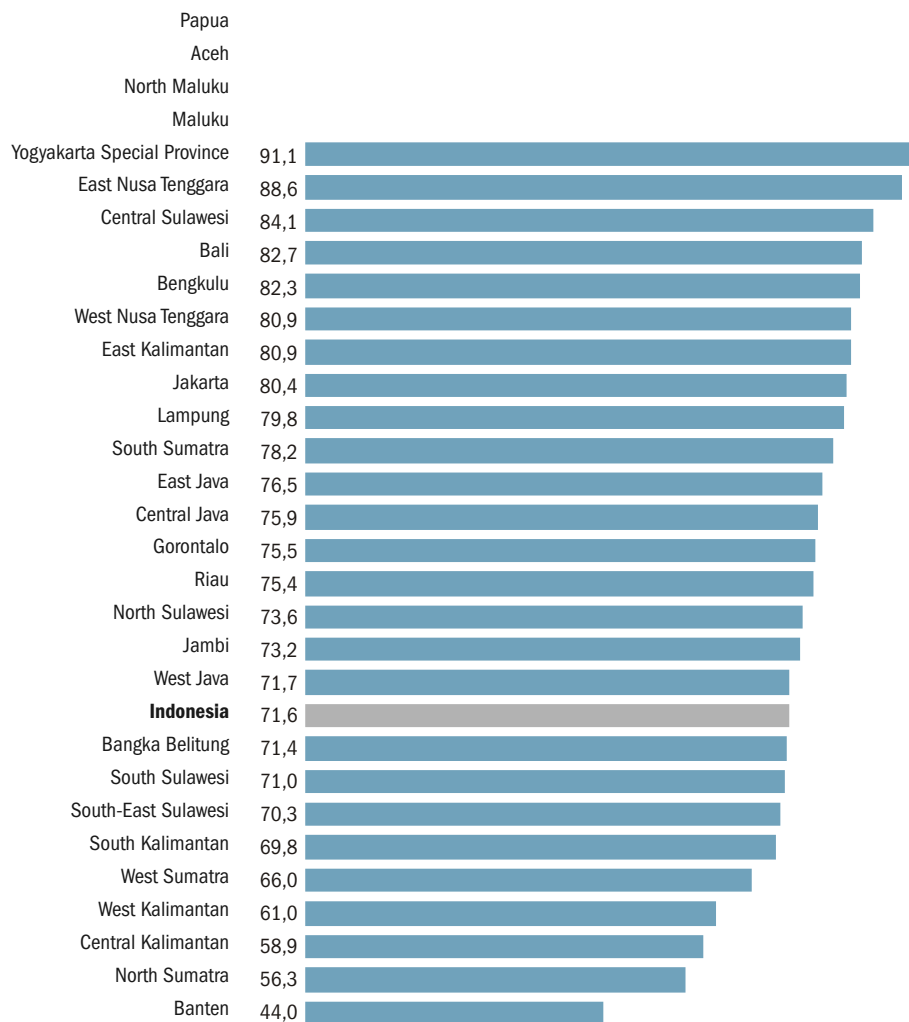


Figure 4.5
Percentage of children between 12-23 months who have received immunisation against measles by province from 2002-2003

Source:
Indonesian Health and Demography Survey (2002-2003), not including the provinces of Papua, Aceh, North Maluku and Maluku.



Map 4.1
Distribution of infant mortality rates per 1,000 live births according to province for the year 2005

Source:
Inter-census Population Survey (2005)

Decentralization of Healthcare. This has proved to be quite a challenge for health care services in general. The division of mother and child health care between the central, provincial, and regional governments, as set out in the government regulations has not yet been clearly interpreted. Further guideline that clearly regulate tasks between different administrative tiers of the government is needed. Also, there is need for cost-effective interventions, and cross sectoral cooperation which will play an important role in improving health of mothers and children in general.

Reducing infant and child mortality rates are one of the main health priorities in the 2004-2009 National Medium-Term Development Plan (RPJMN). Efforts at reducing child mortality were carried out through the Social Safety Net program and the cash transfer programs that provided access to free health care to the poor. This covers basic services, services from a midwife, nutritional improvement, revitalisation of integrated health service posts (posyandu), elimination of infectious diseases, and the revitalisation of food and nutrition alert programs.

In 2005, the Indonesian government established the Health Insurance Service program, better known as Askeskin (Health Insurance for Poor Families). In its essence, this program allows the poor to obtain basic health care services and certain referral services for free. Through this program, the poor can undergo examinations at health facilities, as well have checks during pregnancy checks, and bring infants for regular checkups. This program is expected to help in reducing infant and child mortality rates, particularly among the poorest households.



Map 4.2
Distribution of child mortality rate (under 5 years) per 1,000 live births according to province for the year 2005

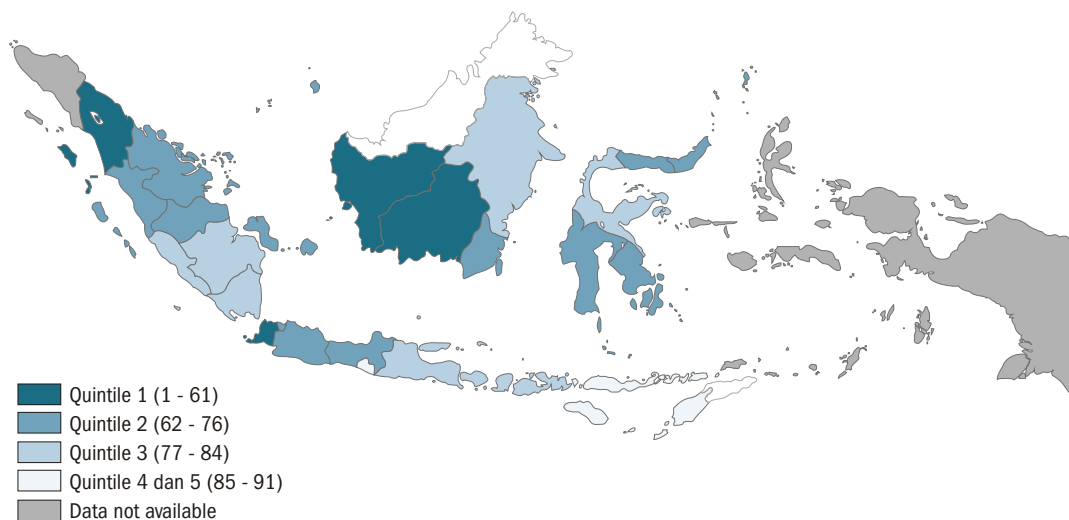
Source:
Inter-Census Population Survey (Supas) (2005)

In order to improve access to health facilities, health care policies in the 2004-2009 RPJMN are primarily directed towards increasing the total number, network and quality of community health centres (puskesmas), improving the capacity and number of health staff (particularly doctors and midwives), as well as further developing the health insurance system in the country

Furthermore, infant deaths can be further reduced through community based health programs such as integrated health service posts, addressing protein deficiencies, educating people on nutrition, provision of clean water and basic sanitation facilities, and prevention and treatment of disease through improved surveillance and immunisation programs.

Map 4.3
 Distribution of children between the ages of 12-23 months immunized against measles (percent), according to province for the years 2002 and 2003

Source:
 Indonesian Health and Demography Survey (SDKI) (2002-2003).





2.5. GOAL 5. IMPROVING MATERNAL HEALTH

TARGET 6:

REDUCE BY THREE-QUARTERS, BETWEEN 1990 AND 2015, THE MATERNAL MORTALITY RATE

5.1.1. INDICATORS

The following indicators are used to measure the reduction in the maternal mortality rate by as much as three-quarters for the 1990-2015:

1. Maternal mortality rate per 100,000 live births
2. The proportion of births assisted by trained birth attendants (in percent)
3. The proportion of married women between the ages of 15-49 using contraceptives (in percent).

5.1.2. SITUATION AND TRENDS

The maternal mortality rate (MMR). In Indonesia, the MMR had declined to 307 per 100,000 live births in 2002-2003 compared 390 deaths per 100,000 live births in 1990. As a result of complications during pregnancy and during birth some 20,000 mothers die each year. Considering these numbers, reaching the maternal mortality target will be indeed quite difficult. The BPS projects a maternal mortality rate of 163 deaths per 100,000 live births may be reached by 2015. The MDGs target however is 102.

Needless to say, achieving this target can only be realized if efforts are further intensified. The risk of a mother dying in childbirth in Indonesia is 1 out of 65, far higher if compared with Thailand where the risk is 1 out of 1,000. In addition to this, the disparity in maternal mortality rates between regions (provinces) remains quite wide.

Births attended by skilled health personnel. The rate had increased to 72,4% in 2006 (Susenas). Birth attended by skilled health workers can significantly influence maternal and infant mortality rates. The direct causes of maternal mortality are haemorrhaging (30%), eclampsia (25%), previous abortion (5%),



complication resulting from abortion (8%), and infection (12%). The risk increases if mothers suffer from anaemia, chronic energy deficiency, and contagious diseases. Unsafe abortions contribute 11% to maternal mortality in Indonesia. Unsafe abortions normally occur as a result of unwanted pregnancies.

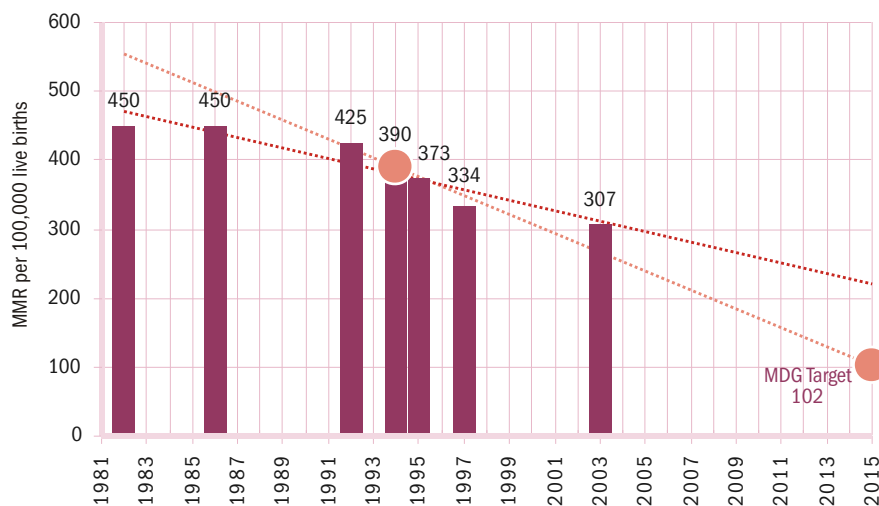


Figure 5.1
National trends maternal mortality rate from 1982-2003 (per 100,000 live births)

Source:
SDKI 1994, 1997, 2002-2003

Modern contraception plays an important role in reducing unwanted pregnancies. In 1997, the level of contraceptive use by married women in the age group 15-49 years was only 55.3% which increased to 57.9% in 2002-2003 (SDKI 2002-2003). Meanwhile the unmet need for contraception during 2002-2003 was still around 8.6%. The use of contraceptives in the age group of 15-49 years does not indicate any significant increase. Data gathered from Susenas (1996-2002) on the use of contraceptives by women for over a thirteen year period shows an increase of only 7% (see figure 5.3)

The risk of maternal death is even greater for mothers suffering from anaemia, chronic energy deficiency and infectious diseases such as malaria, tuberculosis, hepatitis and HIV/AIDS. In 1995, for example, the prevalence of anaemia in pregnant women was as high as 51%, and for women who had recently given birth to a child, 45%. Meanwhile, in 2002 it was found that 17.6% of women of reproductive age were suffering from chronic energy deficiency. Low socio-economic levels, poor education, cultural factors, poor access to healthcare facilities, transportation and the uneven distribution of trained healthcare workers—particularly midwives—also contributed indirectly to the maternal death rate.

Furthermore, although in Regulation No.1 Year 1974, Marriage Affairs, sets the minimum age for women to get married at 16 years and men at 19 years, data gathered by Susenas in 2006 indicates that 12.6% of women aged 10 years or above got married for the first time at age 15 or below. While those who got married

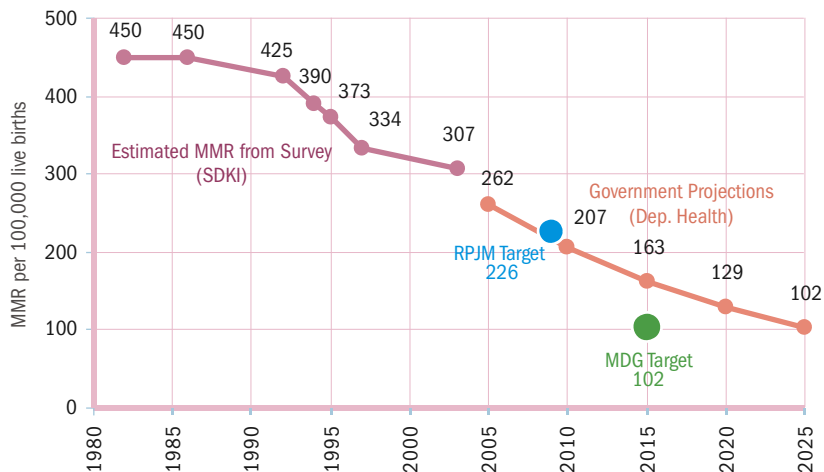


Figure 5.2
National projections for maternal mortality rate from 2005-2025 (per 100,000 live births)

Source:
BPS, SDKI (1994 -2003), SKRT (1986 - 1995)

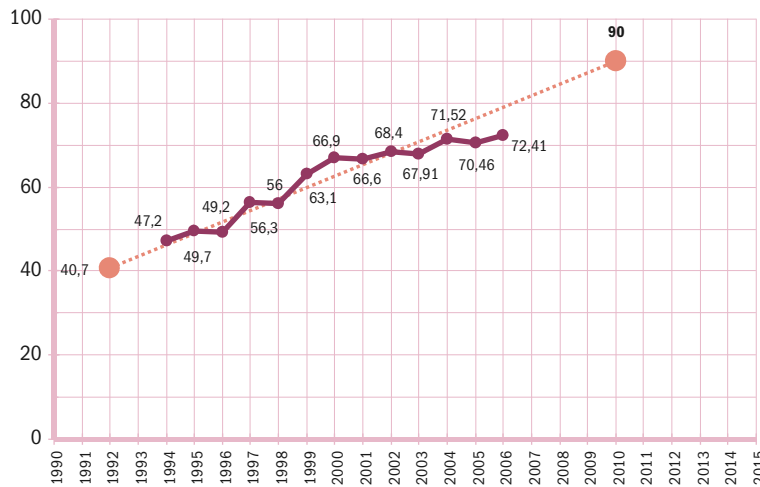


Figure 5.3
National percentage of births assisted by healthcare workers for the years 1990-2006

Source:
National Socio-Economic Survey (BPS)

for the first time at age 16 years (which is legally minimum age to get married) is only 9.8%. Such premature marriages have implications to increase mothers giving birth at a very young age, and eventually raising the risk of maternal mortality. Premature marriages also cause women to drop out of schools, as they are required to take care of their families.

5.1.3. CHALLENGES AND EFFORTS NEEDED

A reduction in the maternal mortality rate is very much determined by factors that are not all directly related to the health sector. The health of an individual is not only influenced by the health care sector, but also by physical environment, socio-economic conditions, as well as cultural and political environment. Other factors that can contribute include genetics, behaviour and life style. Thus, to confront these challenges, systematic and integrated approaches are needed.

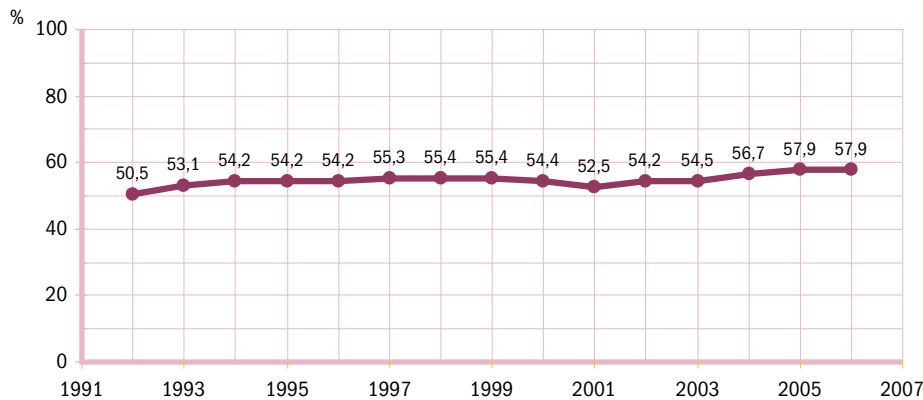


Figure 5.4
National proportion of married women between 15-49 years using birth control devices (in percent) for the years 1992-2006

Source:
National Socio-Economic Survey (BPS)

The three types of most effective interventions are antenatal services, assistance by health personnel during birth, and good facilities for emergency obstetric treatment. In the case of antenatal services, aside from increasing the frequency of visits, improving the quality of services is also necessary including pregnancy examinations and provision of iron tablets and vitamin A capsules.

Efforts to increase the number of childbirths assisted by midwives are still far from satisfactory, both in terms of numbers as well as distribution. In relatively remote and backward areas, communities experience difficulties finding midwives, and are dependent upon traditional birth attendants. Due to their limited expertise, their role should be more to assist pregnant mothers to access services from trained midwives.

The use of contraceptives by married women in the age group of 15-49 years suggests a rather slow progress. The family planning service rendered by the government need to be enhanced, not simply as an attempt to

control the growth of population, but as part of an overall family planning approach that helps to decrease maternal mortality rate.

Another related issue is the availability of data. In Indonesia, the system for recording the causes of maternal deaths is not robust. Currently, the Household Health Survey (SKRT) and the Indonesian Health and Demography Survey (SDKI) are the most important sources to estimate maternal mortality rate on a broad scale. However, these two surveys are not able to fully represent the MMR at the provincial or regency level. These rates are usually obtained from maternal deaths that occur in the hospitals. Ideally, data on maternal deaths should be compiled through a registration system or through population census.

Year	Scenario I	Scenario II	Scenario III	Scenario IV
	SDKI Trends for 94 and 02-03 (sisterhood)	MMR Reduction (4.7% per year)	MMR Reduction (6.3% per year)	MMR Reduction (9.5% per year)
2005	262	262	262	262
2010	226	207	191	163
2015	195	163	140	102
2020	168	129	102	64
2025	145	102	74	40

Figure 5.5

Accelerated scenarios for the reduction in maternal mortality rates

Source:

Suharsono Soemantri (2006).

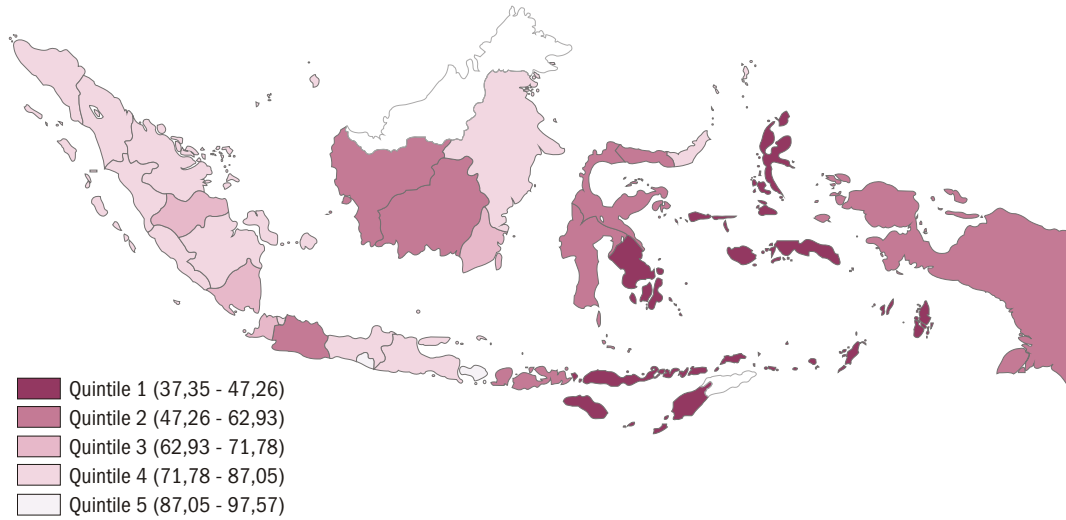
National Priorities. Reducing MMR is one of the main health priorities in the 2004-2009 RPJMN. In order to achieve this target, health policies should aim to improve the number, network, and quality of community health care centres, accompanied by improving the number and capacity of health workers. Also, health services have to be brought closer to the communities to make them more accessible, paying due attention to reproductive health services, including family planning.

Improving the safety of mothers during childbirth remains a major challenge. If the current MMR trend continues, the MDGs target will not be achieved. Renewed efforts should be made to address MMR. In order to reach the MMR target by 2015, the rate has to come down by as much as 9.5% every year. Likewise, to achieve the target set in the National Long-term Development Plan (RPJPN: 2025) the MMR should decrease 4.7% annually.

The Government has announced that it will launch the *Health Indonesia 2010: Making Pregnancy Safer (MPS)* program which focuses on a systematic and integrated planning approach in medical interventions, as well as placing emphasis on partnerships. The MPS program will be carried out by improving the access to and the coverage of health services for mothers and infants, developing effective partnerships through inter-sectoral programs, promoting empowerment of women and their families, and stimulating public involvement.

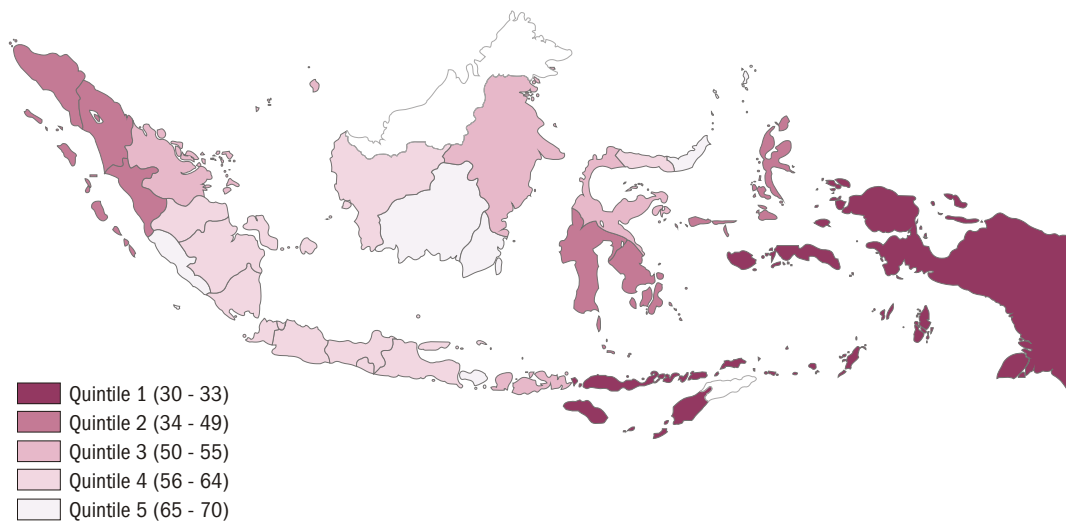
Improving health services for poor communities. In order to improve access for poor communities, efforts need to focus on developing the health insurance system. Free health care is being provided to poor families through the Social Safety Net Program since the 1998 economic crisis. This program needs to be continued and complemented through health insurance system with the government paying or subsidising the payment of premiums. People from the poorest sections of the population can get health services in health centre, class III hospital services, and free checks for women during pregnancy. In order to make services more accessible to the population, a program will be carried out for the recruitment and placement of health workers in hospitals and community health centres.

In 2007, the government launched the PKH program which is a *Conditional Cash Transfer* system for the poor. The program provides conditional cash assistance to poor families with one of the conditions being that pregnant mothers undergo an examination four times during their pregnancy, and that the birth is assisted by a trained health personnel. Although an evaluation of this program and its impact on maternal health has not been conducted maternal, experiences from other countries show that programs of this kind are indeed able to improve maternal health. Through this program it is hoped that pregnant mothers will be able to carry their pregnancy to term and deliver their babies safely, as the risk of death during birth is greatly reduced.



Map 5.1
Distribution of the proportion of births assisted by healthcare workers (in percent) by province, 2006

Source:
Data for the Riau Islands is included in Riau province, West Sulawesi is included in South Sulawesi and West Papua is included in Papua



Map 5.2
Distribution of married women between the ages of 15-49 years using contraceptives (in percent) by province, 2006

Source:
National Socio-Economic Survey (BPS, 2006).

Clarification:
Data for the Riau Islands is included in Riau province, West Sulawesi is included in South Sulawesi and West Papua is included in Papua.





2.6. GOAL 6. COMBATING HIV/AIDS, MALARIA, AND OTHER INFECTIOUS DISEASES

**TARGET 7:
HAVE HALTED BY 2015 AND BEGUN TO REVERSE THE SPREAD OF HIV/AIDS.**

6.1.1. INDICATORS

Achievements regarding this target are evaluated by the following indicators (%):

1. HIV/AIDS prevalence.
2. Condom use during sexual intercourse among high-risk groups.
3. Condom use among contraceptive users.
4. Percentage of the population in the 15-24 year age group that has a comprehensive knowledge of HIV/AIDS.

6.1.2. SITUATION AND TRENDS

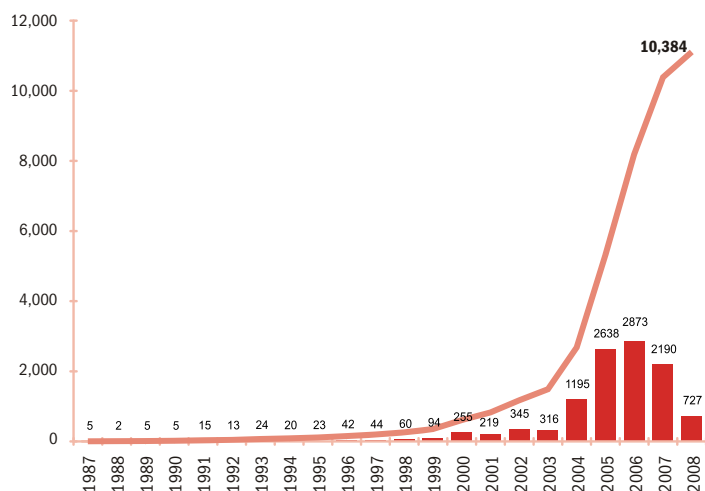
The prevalence of HIV/AIDS in the 15-29 age group is estimated to be less than 0.1%. However the prevalence among the high-risk groups exceeds 5%. Moreover in Papua, HIV/AIDS prevalence among the general population (15-49 years age group) is as high as 2.4%.

The AIDS epidemic now affects almost all parts of Indonesia, as can be seen from reports on AIDS cases from every province. In 2004 only 16 provinces reported AIDS cases, but in 2007 AIDS cases were being reported in 32 provinces. The number of reported cumulative AIDS cases has risen quite sharply from 2,682 cases in 2004 to 10,384 by the end of September 2007.



Figure 6.1
Number of new and cumulative AIDS cases reported in Indonesia between 1987 and September 2007

Source:
Department of Health (2007)



The rate of increase in HIV positive cases as reported in the last 10 years has also increased, and by 30 September 2007 the number had reached 5,904 (Figure 6.3). In 2006, the Ministry of Health estimated that the number of people who may be infected by HIV is around 193,070 with many of them living in DKI Jakarta, Papua, West Java, and East Java.

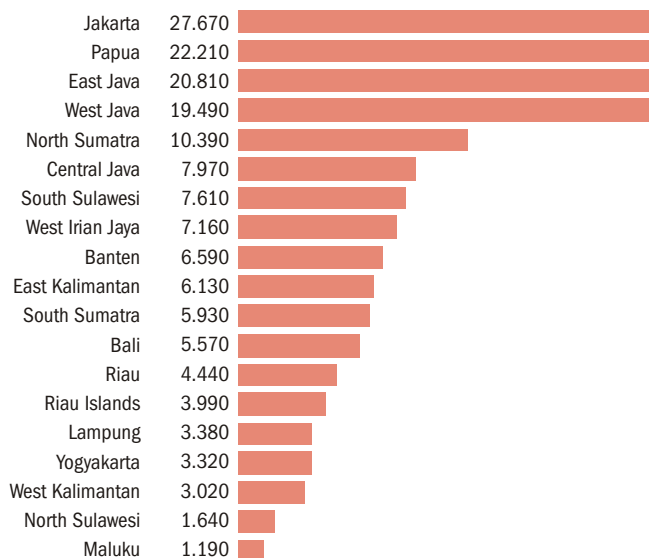
In 2004, the percentage of people who used condoms with commercial sex workers had increased from 41% to 59.7%. Nevertheless, in a separate survey conducted in three cities it was found that only 10% out of 7-10 million men use condoms on a regular basis with commercial sex workers. A survey conducted in Papua in 2006 showed the use of condoms for commercial sex workers was only 14.1%.

Meanwhile the rate of condom use as birth control (contraceptive prevalence rate) among married women of reproductive age (15-49 years) is extremely low: only 0.7% in 1997, although this increased to 0.9% in 2002-2003 (Indonesian Health and Demography Survey/SDKI 2002-2003).

Knowledge about HIV/AIDS. Survey findings show that as many as 65.8% percent of women and 79.4% of men, in the 15-24 year age group, had heard about HIV/AIDS. Among women of reproductive age (15-49), the majority (62.4%) had heard about HIV/AIDS, but only 20.7% knew that use of condom during sex can prevent the spread of HIV/AIDS.(SDKI 2002-2003)

Figure 6.2
Number of people with HIV/AIDS by province (2007)

Source:
National AIDS Commission (2007)



6.1.3. CHALLENGES AND EFFORTS NEEDED

The threat of HIV/AIDS can be clearly seen from the data on HIV infection rates which are climbing, particularly among high-risk groups. It is estimated that between 169,000 and 219,000 people were infected with HIV in 2006. An Indonesian epidemiologist projected that if treatments are not made available widely, by 2010 the number of AIDS patients will reach 400,000 with a mortality rate of 100,000. By 2015 this figure will rise to 1,000,000 people with a mortality rate of 350,000. The transmission of HIV can quickly pass from infected people. For instance a man who is HIV positive can infect his wife. By the end of 2015 it is estimated that 38,500 babies will be HIV positive. This data indicates that HIV/AIDS already poses a very serious threat to Indonesia.

Therefore, unless an extraordinary effort is made, there is a risk that the number of HIV/AIDS cases will spread rapidly. Currently efforts to deal with the problem are still concentrated on high-risk groups such as intravenous drug users, commercial sex workers, and their customers. Prevention efforts need to be broadened to prevent HIV/AIDS from spreading further into the general population.

The main obstacle facing these efforts is the issue of funding. Until now, the main budgetary source for combating HIV/AIDS has been through ODA (around 70%). A strong political will is required to reduce this dependency on overseas assistance to combat HIV/AIDS. In order to achieve this MDGs target, what is required is an appropriate scaling up of activities that are already being undertaken.

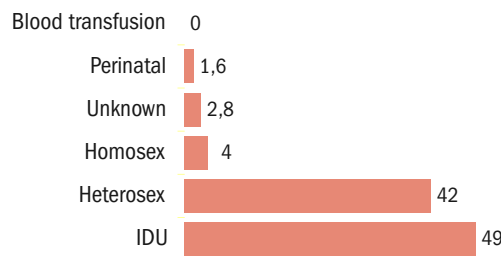
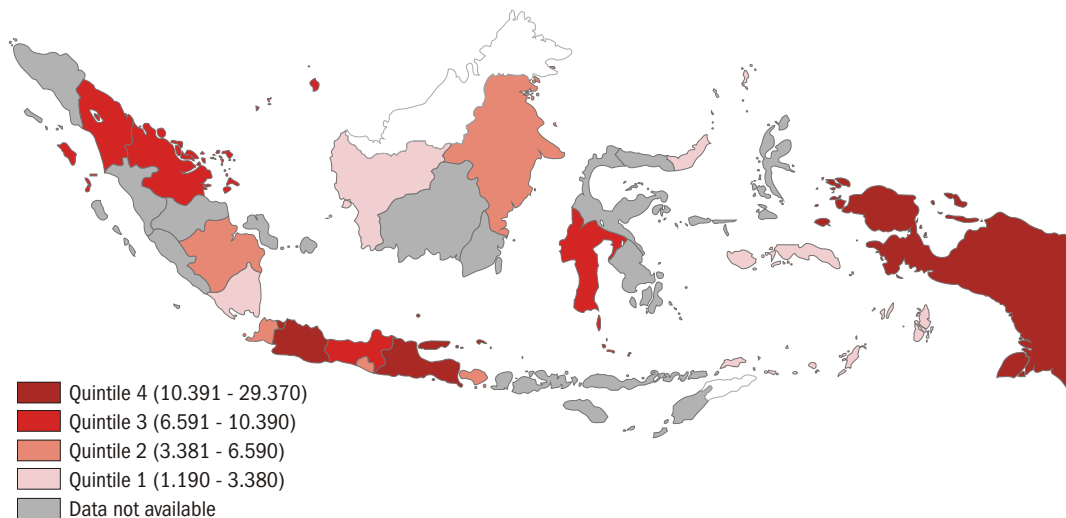


Figure 6.4
Proportion of AIDS by mode of transfer (until September 2007)

Source:
Department of Health (2007)

A National Action Plan (RAN) to Combat HIV/AIDS for the period of 2007-2010 has already been formulated to respond to growth of the HIV/AIDS. The principles contained in the RAN are universal access in eight key target areas: selection of priority programs, targets and areas; provision of comprehensive services that are easily accessible; enhancing the role of regional governments and the KPA; as well as creating partnerships between the central and regional governments, donor institutions and civil society.

Combating the spread of HIV/AIDS, particularly among high-risk groups, has received the most attention from the government. Combating HIV/AIDS in Indonesia includes 1) prevention, including improving the quality and access of reproductive health services and understanding reproductive rights; 2) providing medication, support and treatment for people living with HIV/AIDS; and 3) monitoring or surveillance, 4) research, 5) creating a conducive environment, 6) coordination and harmonization, and 7) treatment. Prevention efforts are also aimed at high-risk population such as commercial sex workers and their clients, people who have already



Map 6.1
Distribution of AIDS cases (in cumulative) until September 2007

Source:
Department of Health (2007)

been infected by their partners, intravenous drug users as well as health workers who are exposed to HIV/AIDS infection.

Until November 2007 there were 296 Centres for HIV Voluntary Testing and Counselling, 153 referral hospitals for Antiretroviral (ARV) medicines, 20 Communities Health Centres (PUSKESMAS) serving IMAI (Integrated Management of Adult Illness), and 19 referral centres for Preventing Mother to Child Transmission. In addition, 10 hospitals were designated as rehabilitation centres for intravenous drug users. In the regencies/ municipalities with HIV/AIDS prevalence of 5 percent or more, collaborative efforts together with the eradication of tuberculosis are being carried out on ongoing basis. The government is also fully subsidising the cost of Anti Retroviral (ARE) medication, anti-tuberculosis drugs, and HIV tests, as well as diagnosis and treatment through referral hospitals.

TARGET 8: HAVE HALTED BY 2015 AND BEGUN TO REVERSE THE INCIDENCE OF MALARIA AND OTHER MAJOR DISEASES

6.2.1. INDICATORS

The target to halt and reverse malaria and other infectious diseases is measured by the following indicators:

1. Prevalence of malaria per 1,000 of the population
2. Prevalence of tuberculosis per 100,000 of the population
3. Detection rate of new BTA positive tuberculosis cases (%)
4. Recovery rate of tuberculosis patients (%)

6.2.2. SITUATION AND TRENDS

Malaria prevalence rates. In 2001, the malaria prevalence rate was estimated to be as high as 850 per 100,000 of the population. The mortality rate from malaria was as high as 11 per 100,000 for males and 8 per 100,000 for females. More than 110 million people in Indonesia live in malaria endemic areas. It is estimated that out of the 15 million or so cases of malaria each year, only 10 percent of patients receive medical treatment at a healthcare facility. Eastern Indonesia has to bear the brunt of malaria which has concentration of malaria endemic areas. In fact, in a number of areas, malaria is recurring.

The number of malaria cases in Indonesia is declining. In 1989, the malaria prevalence in Java and Bali (*Annual Malaria Incidence* or AMI per 1,000 people) was 28.06. By 1997 this figure had dropped to 16.06.

Starting 1998 there was an increase in the prevalence of malaria reaching a peak of 31.09 in 2000. Since 2001, however this figure has started to go down again reaching 18.94 in 2005. Based on provinces, the largest number of malaria cases were found to be in East Nusa Tenggara: 173 cases per 1,000 people. In 1989, in areas outside Java and Bali the Annual Parasite Incidence or API, per 1,000 people was 0.21, which rose to 0.81 by 2000, but has since declined to 0.15 in 2005.

Among children under five with clinical symptoms of malaria, only around 4.4% received anti-malaria drugs. While 67.7% children under five suffering from malaria in general only received medicine against fever. Around half of the reported cases are estimated to be diagnosed based on clinical symptoms without the support of laboratory confirmation.

The provinces with the highest number of malaria cases are East Nusa Tenggara (70,390 cases), Papua (38,449 cases), Maluku (10,824 cases), and West Nusa Tenggara (10,535 cases). In Java and Bali, the worst affected province was Central Java (1.966 cases). East Nusa Tenggara, Papua, West Papua are provinces that need special attention due to a large number of cases. Nearly 60% of malaria cases in Indonesia were reported in these provinces.

Tuberculosis prevalence rates. In 2005, the national prevalence rate of tuberculosis was 262 per 100,000 people. The national Sputum Smear Positive (SS+) incidence in 2005 was 108 per 100,000. The prevalence, based on province is: Sumatera 160 per 100,000 people; Java 107 per 100,000 people; Yogyakarta and Bali 64 per 100,000 people, and East Indonesia 210 per 100,000 people.

Indonesia has the third largest number of tuberculosis cases in the world. The number of cases has continuously increased, and by 2006 it had reached 76% (*Global Tuberculosis Control, WHO Report 2007, Report as per 2005*)

Recovery rate. In 2003, as many as 87% patients underwent medical treatment (full treatment and recovery). This figure has already reached the global and national target of 85% in 2000. The recovery rate in 2005 increased to 91%.

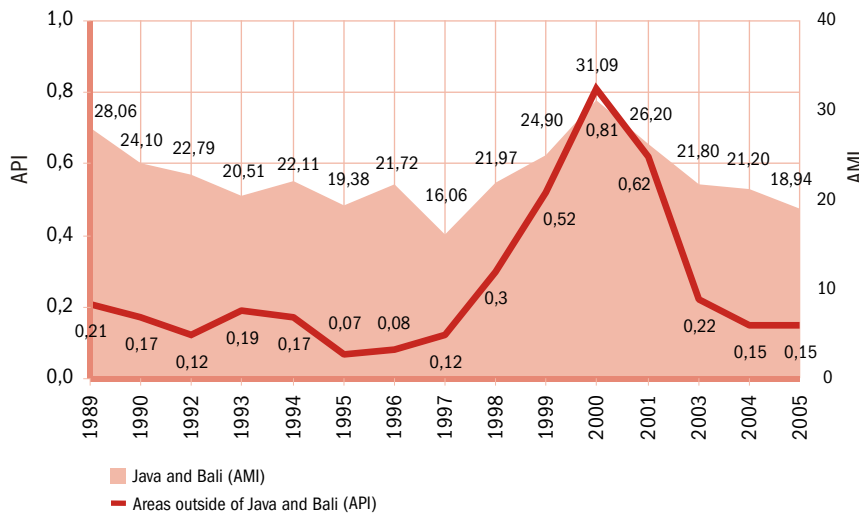


Figure 6.5
Malaria detection rate nationally for the year 2005 (in percent)

API = Annual Parasite Incidence (per 1.000 people)
AMI = Annual Malaria Incidence (per 1.000 people)

Source:
Department of Health (2005)

6.2.3. CHALLENGES AND EFFORTS NEEDED

MALARIA

Relationship to poverty. The high prevalence rate of malaria reflects the financial and social problems faced by communities. Malaria is closely link with poverty. Prevention efforts have focused on minimising human contact with mosquitoes through use of bed nets and house fumigation. But data indicates that only one out of three children under five sleep use a net because the families cannot afford to buy mosquito nets. Other factors that contribute to the worsening of malaria is natural disasters and the high mobility of population.

Human resources. Since the 1997 economic crisis, a large numbers of health workers have been retired including village malaria inspectors in Java and Bali who can play an important role in early detection and treatment.

Resistance to drugs and insecticides. What is worrying is that this is being reported in all the provinces. Drug resistance can be caused by non-compliance to prescribed medical treatment along with the frequent use of inappropriate medication.

Malaria prevention efforts have been intensified since 2000 through an approach called the Role Back Malaria campaign which is being implemented as part of the Malaria Re-eradication Movement (Gebrak). The program focuses on early detection and appropriate treatment, active participation of communities in preventing malaria, and improving the capacity of relevant health care personnel. Other important initiative in this regard is the integrated malaria eradication approach though the Sick Children (under five) Integrated Management program and health care promotion.

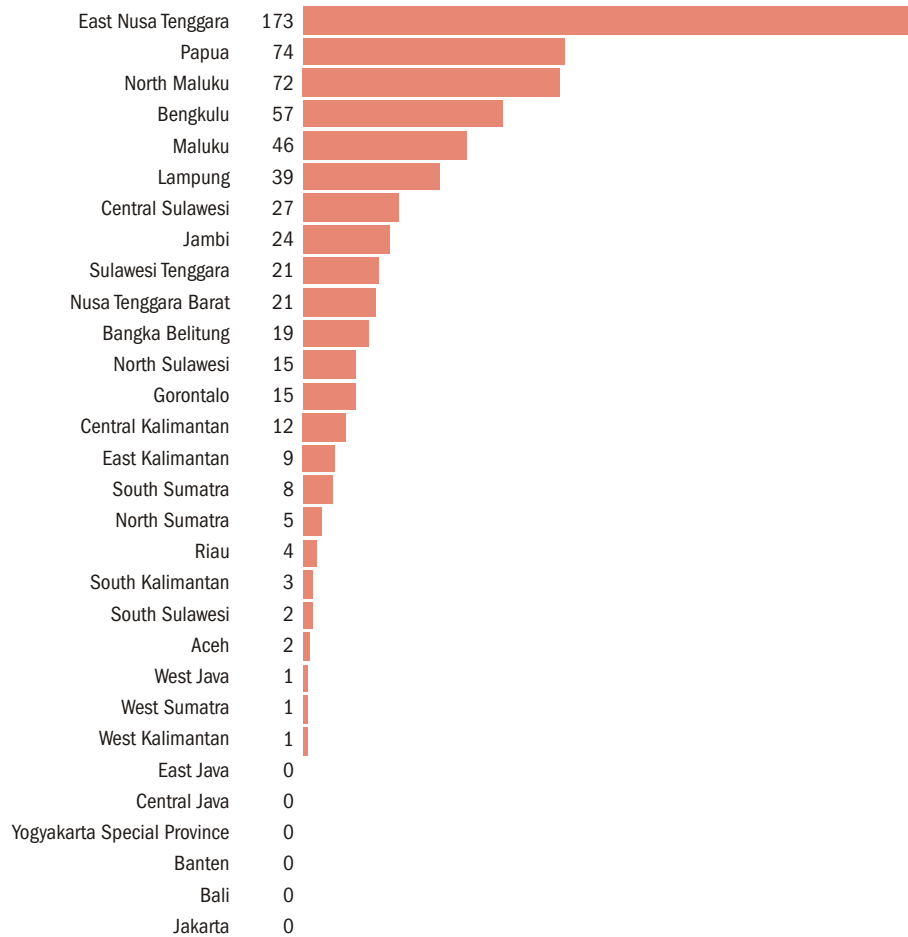


Figure 6.6
Malaria rates by provinces, 2004

Source:
Department of Health (2004)

Responses to eradicate malaria in Indonesia are made up of eight activities which are: early diagnosis and appropriate treatment; the use of bed nets and insecticides; fumigation; active and passive surveillance; fever surveys and migrant surveillance; epidemic control and detection; as well as other measures such as *larvaciding* and capacity building. In order to deal with strains of malaria that are resistant to chloroquine, malaria control by the central and regional governments are using a combination of new anti-malaria drugs called *artemisin* to improve treatment.

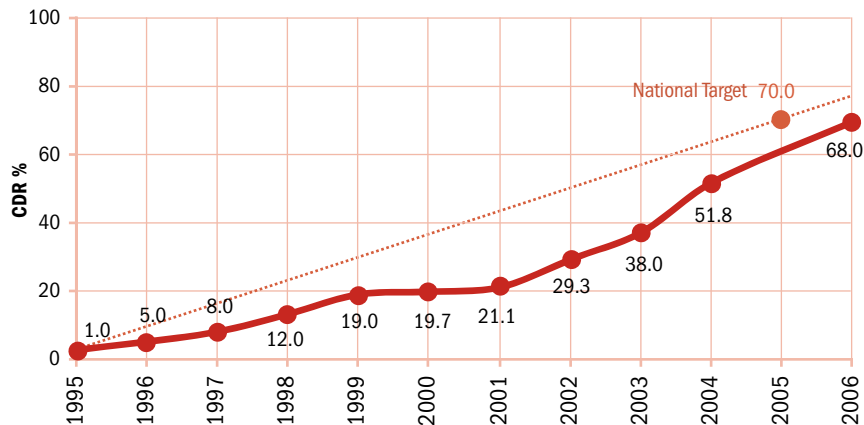


Figure 6.7
National detection rate of tuberculosis (CDR) from 1996-2006

Source:
Department of Health

TUBERCULOSIS (TB)

Lack of commitment, inaccurate diagnosis and microscopic examination, non compliance with Directly Observed Treatment Success Rate (DOTS), an uninterrupted supply of drugs, and robust system for reporting are the main challenges to address TB in the country. The Indonesian government has designated the control of tuberculosis as a national health priority. In 1999, the National Integrated Tuberculosis Eradication Movement (Gerdunas) was launched to accelerate a program to eliminate tuberculosis through an integrative approach, covering hospitals, private sector, patients and the general public. In 2001, all the provinces and regencies launched this movement.

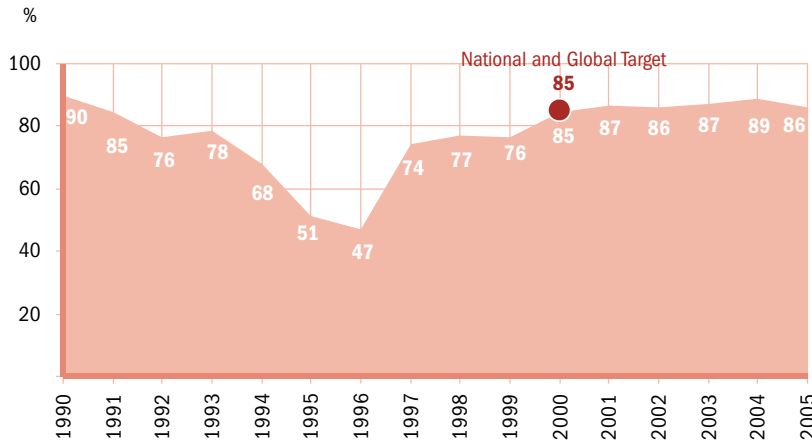


Figure 6.8
National tuberculosis recovery rate, 1991-2001

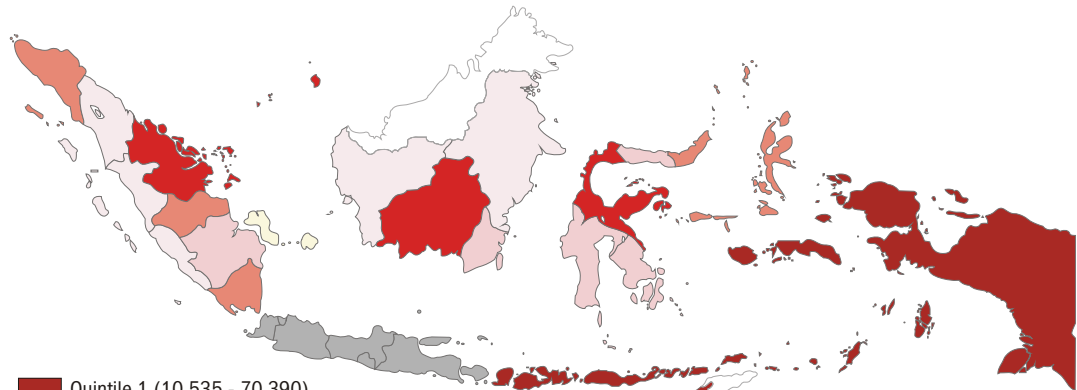
Source:
Department of Health (2006)

In order to develop a sustainable solution for the eradication of tuberculosis, the government has enacted the 2002-2006 Tuberculosis Combat Strategic Planning Program. The government is also providing large amount of funding for the control of tuberculosis. Beginning in 2005, these efforts were supported by the provision of free health care services including medical examinations, drugs and free medical treatment for poor.



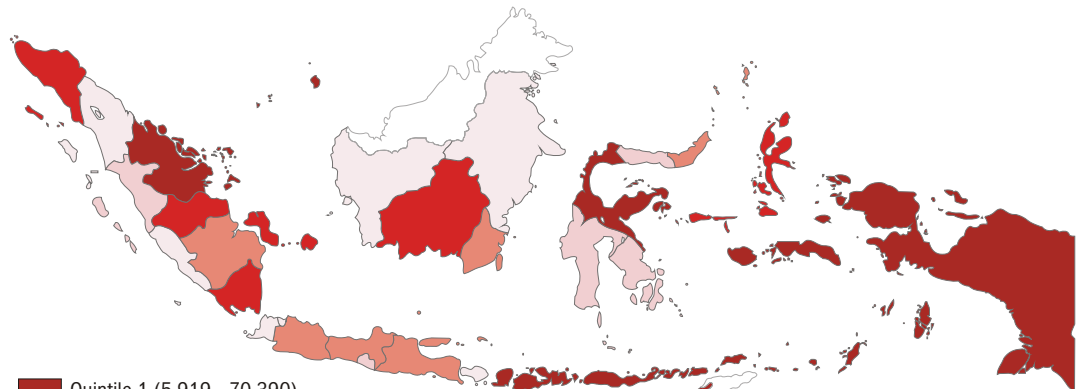
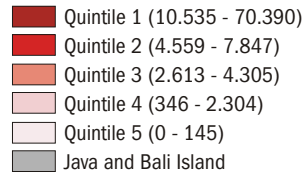
Map 6.2
Annual Parasite Incidence distribution (Java and Bali islands), 2005

Source:
Department of Health (2006)



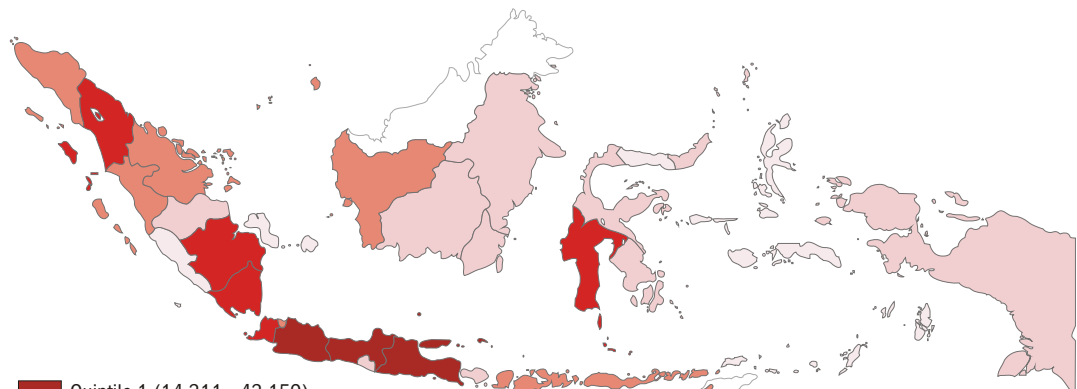
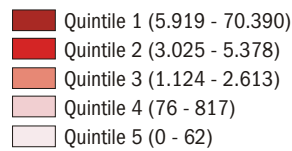
Map 6.3
Annual Parasite Incidence distribution outside Java and Bali, 2005 (data for Bengkulu Province not available)

Source:
Department of Health (2006)



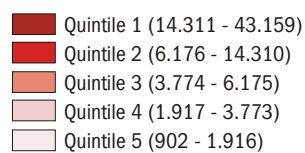
Map 6.4
Distribution of people with malaria by provinces, 2005

Source:
Department of Health (2006)



Map 6.5
Distribution of people with TB by provinces, 2005

Source:
Department of Health (2006)



Box 6.1

GASTROENTERITIS HEALTH EMERGENCY IN TANGERANG REGENCY

On July 15, 2007, a team from the National Development Planning Board (Bappenas) conducted a field visit to the site of a gastroenteritis health emergency in the sub-districts of Sepatan, East Sepatan and Pakuhaji, Tangerang regency. The communities who live in these three sub-districts are relatively well off. Nevertheless, on July 2007, a gastroenteritis health emergency was declared in the area. On July 12, 38 patients were treated at the community healthcare centres (*puskesmas*) and on the following day this number rose to 148. On the third day, 221 new cases were recorded and on the fourth day (as of 3pm) there were an additional 62 victims. Out of this total (469 people), one person died. The number of patients may have been larger bearing in mind that some did not seek treatment at the *puskesmas* but rather from midwives, polyclinics and private hospitals.

The gastroenteritis health emergency spread to five sub-districts, Sepatan (eight villages with 80 sufferers), East Sepatan (eight villages with 184 sufferers), Pakuhaji (10 villages with 192 sufferers), Sukadiri (five villages with 11 sufferers) and Rajeg (two villages with 2 sufferers). Three of the sub-districts (Sepatan, East Sepatan and Pakuhaji), with the addition of Mauk, also experienced a gastroenteritis outbreak in 2005 with the number of victims at the time reaching 1,315 people (19 people died).

This illness was allegedly caused by ice cream snack that was sold by street vendors, which contained E-coli bacteria and or cholera. The other factors that may have contributed were drinking water and sanitation facilities that did not meet adequate health standards. From the data available, it appears that only 42.7 percent of households in the three sub-districts that were worse hit by the gastroenteritis outbreak had drinking water that meet health standards, while only 29.9 percent of households had adequate toilet facilities. Many of the residents use wells that are unsuitable, and they defecate in gardens, rice fields, water drains and rivers. The local government has already attempted to promote behavioural change, but so far the results have not been very encouraging. Local people do not utilize many of the toilet facilities that have been built by the local government.

In the long-term, the efforts needed are: (1) promoting changes in social behaviour through community-led total sanitation (CLTS) approach so that through self-awareness communities build toilet facilities without subsidies from another party; (2) carrying out public education campaigns by local governments, cooperating with tertiary education institutions and social organizations; and (3) providing guidance to the producers of ice cream snacks and food vendors so that they make food which is hygienically clean.





2.7. GOAL 7. ENSURING THE CONSERVATION OF THE ENVIRONMENT

TARGET 9:

INTEGRATING THE PRINCIPLES OF SUSTAINABLE DEVELOPMENT IN NATIONAL POLICIES AND PROGRAMS AS WELL AS REVERSING THE LOSS OF ENVIRONMENTAL RESOURCES.

7.1.1. INDICATORS

The target of integrating the principles of sustainable development in national policies and programs as well as reversing the loss of environmental resources is measured using “Green” and “Brown” Indicators.

GREEN INDICATOR

- Forest cover ratio based on the results of Landsat Satellite land area photographic survey (%).
- Tree cover ratio of forests, protected and conservation areas including plantations, and people’s plantations to total land area (%).
- Ratio of protected areas to total land area (%).
- Ratio of aquatic protected areas to total land area (%).

BROWN INDICATOR

- Total carbon dioxide (CO₂) emission in metric tons.
- Total consumption of ozone depleting substances (ODS) in metric tons.
- Ratio of carbon dioxide emission to total population (%).



- Total energy usage of various types (barrels of oil equivalent, BOE).
 - Fossil fuels
 - Non-fossil fuels
- Ratios of total energy usage of various types to gross domestic product (%).
- Absolute energy use from various sources in metric tons.

7.1.2. SITUATION AND TRENDS

GREEN INDICATOR

Ratio of forest cover based on the results of the Landsat Satellite photographic survey to total land area (%)¹. In general terms, this information portrays the proportion of covered land against total land area. The extent of covered land compared with total land area, based on an interpretation of Landsat 7 ETM satellite images, is 49.98%, and this has been increasing from year to year. The reason for this increase is unclear. It may be because of forest rehabilitation resulting in the extent of forested area growing, or because there has been an improvement in the data from the results of the satellite images that were previously unable to verify the full extent of land coverage. In the past it is possible that the data which was processed was incomplete, since some of the areas of land were obscured by clouds when the images were taken.

The percentage itself is quite high. In 2005 for example, areas that were unable to be verified covered as much as 10.7 million hectares or 5.69% of the total land area. Hence, the increase in covered land may even show further improvements with better satellite image data. The percentage of covered land comprises of forest cover and non-forest cover including underbrush, dry land agriculture, rice paddy fields, transmigration land, plantations, settlements, mining areas, fishponds, swampland, airports and so forth.

The small amount of wooded land in forest areas indicates a high a level of forest degradation. This also illustrates that not all government designated forest areas have forest cover over their entire area. In these cases forest areas can be in the form of forests and non-forest land.

Total forest area as designated by the Government². Based on the government's designation, Indonesia's forest area in 2005 covered 126.98 million hectares, comprising of land and marine conservation area of 23.69 million hectares, protected forests of 31.78 million hectares, and production forests and limited production forests, permanent production forest and production forest that can be converted covering 71.58 million hectares, along with forest with specialised functions covering 7.27 million hectares.

The amount of designated forest area has increased. In 2002 the government designated 109.96 million hectares, which increased in 2005 to 126.98 million hectares. The designated areas for forests may further increase bearing in mind that based on the results of Consensus Forest Land Use Plans (Paduserasi) and forest management agreements forest areas in Indonesia should cover 136.72 million hectares.

Ratio of protected areas against total land area. Protected areas are made up of protected forest and conservation areas. Protected forests are primarily aimed at water conservation for irrigation purposes, while conservation areas are aimed at protecting the diversity of flora and fauna and the ecosystem. Conservation areas in Indonesia include nature reserve areas, natural forest conservation areas, game and nature preserves, wildlife reserve areas, national park areas, national recreation parks, and grand forest parks.

In 2005 Indonesia had protected forest areas covering 31.78 million hectares, land conservation areas of 20.08 million hectares, and marine conservation areas of 3.52 million hectares. Thus, the ratio of protected land areas to the total land areas is as high as 27.59%. If marine conservation areas are included in the calculation, then the ratio of land and marine conservation areas increases to 29.47%. The ratio of protected

¹ Data taken from extent of tree covered areas based on the results of Landsat Satellite photographic survey (stated in square kilometers).

² Data taken from extent of tree covered areas based on forest, protected and conservation areas, including plantation areas and people's plantations determined according to a decree issued by the forestry ministry (stated in square kilometres).

areas against total land area has been increasing. This is because the designation of conservation areas only began in 2005 with the designation of the Bantimurung-Bulusaraung National Park (South Sulawesi), Aketajawe-Lolobata (North Maluku), Togeian Islands (Central Sulawesi), Sebangau (Central Kalimantan), as well as Mt. Ciremai (West Java), Mt. Merbabu (Central Java), Mt. Merapi (Yogyakarta Special Province), Tesso Nilo (Riau) and Batang Gadis (North Sumatra).

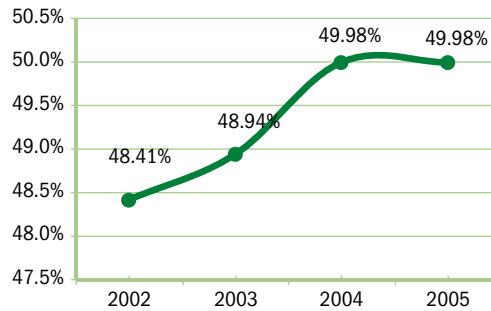


Figure 7.1
Ratio of forest covered land against total land area (in percent) according to Landsat satellite images

Source:
Department of Forestry (2006).

The ratio of protected areas against total land area looks at the total extent of the area and does not provide a picture of the conservation of the environment. This means that while there has been an expansion in protected areas, if this is not accompanied by an increase in the supporting the ecosystem then the expansion of these protected areas becomes meaningless. This has occurred at Tesso Nilo and Batang Gadis.

Ratio of aquatic protected areas against total land area (%). Marine protected areas are forest areas located around the coast. Marine protected areas maintain the conservation function of coastal area ecosystems, including the bio-diversity of the surrounding area. In 2002 Indonesia had protected marine areas covering as much as 5.07 million hectares. This increased in 2005 to 20.08 million hectares. Thus the ratio of marine protected areas to the total land area between the years 2002 and 2005 increased from 2.7% to 10.69%.

The issue of deforestation. The issue of deforestation came to the fore when data on a number of forested land areas indicated that there had been a decline in the ratio of forested land to the land area over the period of 1990-2002. The World Bank in its analysis entitled *Sustaining Economic Growth, Rural Livelihoods, and Environmental Benefits: Strategic Options for Forest Assistance in Indonesia* (World Bank, 2006) reported that there had been acceleration in the rate of deforestation between 1990-2000 which was as much as 8.2%. Serious conservation and restoration efforts that began to be carried out in 2002 have succeeded in re-greening forested land. The ratio of forest cover to the total land area in 2005 was recorded as having reached 49.98%. By 2005 the extent of forest-covered land had reached 126.98 million hectares with the largest distribution being in Sulawesi and Kalimantan.

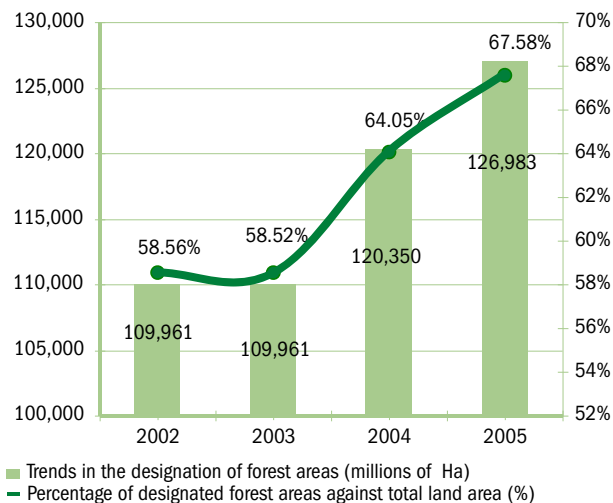


Figure 7.2
Trends in the designation of forest areas (in million of hectares) and the percentage of designated forest areas against total land area (%)

Source:
Department of Forestry (2006)

BROWN INDICATOR

Total carbon dioxide emissions (CO₂, in metric tons). Carbon dioxide concentration levels provide information on climate change. Green House Gasses (GHG) include, among others, carbon dioxide, methane, and chlorofluorocarbons (CFCs) that are produced by human activity (anthropogenic). Excessive concentrations of these chemicals in the biosphere trigger global warming and climate change. Green house gas emissions are measured in terms of CO₂ or CO₂ gas equivalent concentration levels.

Efforts at reducing greenhouse gas emissions have been agreed internationally through the Kyoto Protocol. Indonesia ratified this through Law No. 17/2004 on the Ratification of the Kyoto Protocol. Although not among the countries that are obliged to reduce the level of their greenhouse gas emissions, Indonesia has an interest in reducing such emissions. This is because of the potential role Indonesia's forests can play in the absorption

Figure 7.3
Trends in protected areas (in millions of hectares) and the ratio of protected areas against total land area (in percent)

Source:
Department of Forestry (2006)

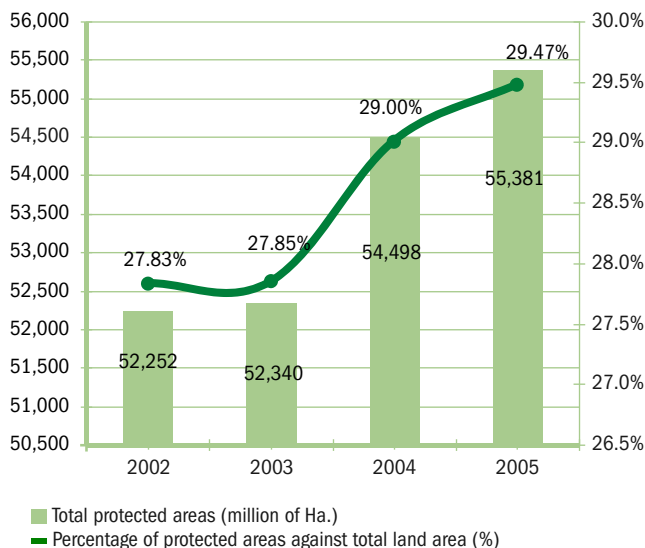
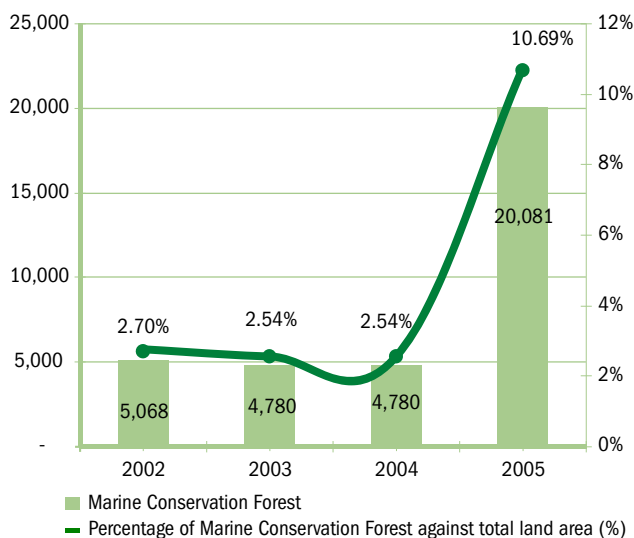


Figure 7.4
Trends in protected marine areas (in millions of hectares) and the ratio of marine protected areas against total land area (in percent)

Source:
Department of Forestry (2006)



of carbons (carbon sink), but at the same time Indonesia also contributes to carbon emissions through forest fires. In addition to this, due to a growing economy and a process of industrialisation Indonesia produces more greenhouse gasses.

An inventory of greenhouse gasses in Indonesia was conducted in 1999 and reported in the First Indonesian National Communication on Climate Change, which inventoried all significant greenhouse gasses including CO₂, CH₄, N₂O, NO_x and CO. Actual emission inventories were carried out in 1990, 1991, 1992, 1993 and 1994 followed by emission predictions for 1995, 2000, 2005, 2010, 2015 and 2020. Indonesia's first report on MDGs achievements used data resulting from this first communication. Based on this report, Indonesia's CO₂ emissions in 1994 were as high as 548,353 Giga-Grams (Gg, 10 billion grams), while total emissions for CH₄, N₂O, CO and NO_x were as high as 4,687, 61, 3,545 and 110 Gg respectively. The sectors with the largest contribution to CO₂ emissions are the forestry and energy sectors, which contribute as much as 98% of total CO₂ emissions.

Calculations on carbon dioxide emissions were also conducted by the Department of Energy and Mineral Resources, through an inventory of carbon dioxide emissions from final energy consumption

for combustion. These calculations were made using the Intergovernmental Panel on Climate Change (IPCC) 1996 greenhouse gas inventory approach. Based on this inventory, in 1990 carbon dioxide emissions reached 113.72 metric tons, increasing more than two fold in 2000 to as high as 236.36 metric tons, and reaching 293.27 metric tons in 2005. These emissions have risen by an average growth rate of 6.58% per year.

Ratio of carbon dioxide emissions against total population (%). Over a period of 15 years, from 1990 to 2005, carbon dioxide emissions per capita have consistently experienced an average growth of 5.72% per year.

Ozone depleting substances. This is one of the indicators that is monitored in the achievement of MDGs. It measures international agreements to eliminate the consumption of ozone depleting substances by the year 1987 through the Montreal Protocol. The Indonesian government ratified the Montreal Protocol through Presidential Decree No. 23/1992 on the Elimination of the Consumption of Ozone Depleting Substances. The definition of consumption that is applied to Indonesia is the total imports of ozone depleting substances since Indonesia itself does not produce or export ozone depleting substances. The consumption of ozone depleting substances is stated in metric tons (Ozone Depleting Potential or ODP).

To date, a variety of efforts have been undertaken to reduce the amount of imported ozone depleting substances, through various regulations and decrees. The regulation on monitoring the importation of ozone depleting

substances, for example, was enacted in 1998 and revised in 2006 by the Department of Trade.

Efforts have also been undertaken to prevent the emission of ozone depleting substances (ODS) –which is particularly CFCs– into the atmosphere that most commonly occurs during the service and repair of cooling systems. Prevention is done through the obligatory competency certification for cooling system retrofit and reuse technicians, which is regulated by the Environment Ministry. In addition, monitoring of ODS use is also carried out by the Department of Industry through prohibitions on the production of ODS and goods that use ozone-depleting substances.

Aside from the import and regulations, efforts to eliminate the consumption of ODS have also been carried out through raising awareness of the issue of protecting the ozone in the society. Broadening the scope of awareness has been done through increasing the capacity of local government agencies to play a role as social motivators in the regions. In the case of ozone depleting substances- chlorofluorocarbon type- that are no longer being utilized, facilities for their disposal have already began to be developed by utilising the PT. Holcim cement kiln in the form of a high-temperature combustion systems.

By 2006, Indonesian had already succeeded in reducing the use of ozone depleting substances in various sectors of activity by as much as 6,000 metric tons. Specifically in the case of chlorofluorocarbons, the government has set the final import limit on various types of chlorofluorocarbons on December 31, 2007. Figure 7.7 shows that although the consumption of ozone depleting substances has fluctuated widely, the ozone depleting potential has tended to decline. This indicates that there has been a gradual replacement of ozone depleting substances with a high ozone depleting potential with the temporary use of ozone depleting substance substitutes with a smaller ozone depleting potential, such as hydrochlorofluorocarbon (HCFC) compounds and/or substances that are non-ozone depleting.

It needs to be realised, however, that the data used for this assessment is based on total imports of legal ozone depleting substances reported to the Ministry of the Environment. Although the import and use of ozone depleting substances has been significantly restricted, the reality is that continuing demand for these substances suggests that the illegal importation of ozone depleting substances (chlorofluorocarbons) is still taking place. The fact that Indonesia is a vast archipelago, it has been difficult to control the illegal importation and use of ozone depleting substances.

In accordance with the agreements contained in the Montreal Protocol, Indonesia is already committed to eliminating the import of ozone depleting substances of the chlorofluorocarbon type by the end of 2007, or three years earlier than the schedule set for countries with an ozone depleting substance consumption such as Indonesia (the year 2010). Meanwhile the elimination of other ozone depleting substances such as methyl bromide will also be undertaken in late 2007 (with the exception of quarantine or pre-shipment needs). The elimination of hydrochlorofluorocarbons is expected to be implemented by the year 2040.

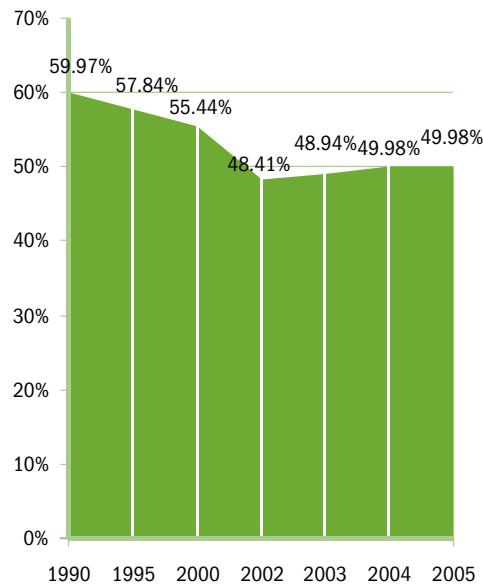


Figure 7.5
Ratio of forest covered land against total land area (in percent)

Source:
Department of Forestry (2006)

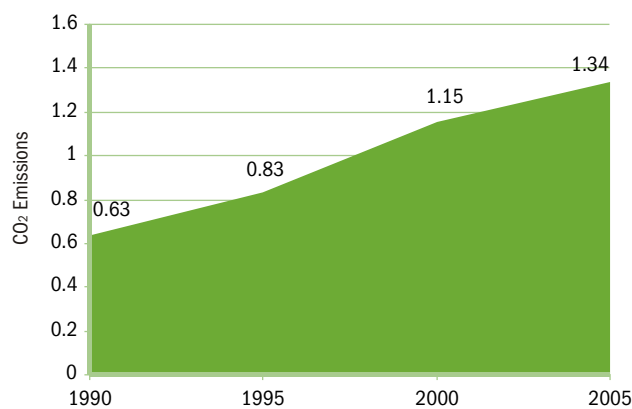


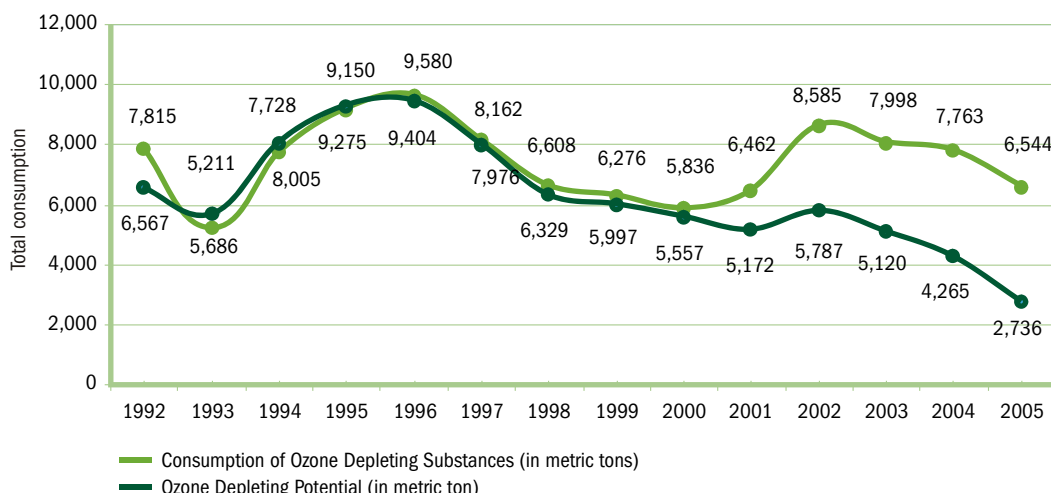
Figure 7.6
CO₂ emissions per capita (in metric tons/millions).

Source:
Processed from data on CO₂ emissions in the 2006 Energy and Economic Handbook, Department of Energy and Mineral Resources; data on Indonesia's population levels for 1990 and 1995 from BPS at [www.bps.go.id]; and Indonesia's population levels for 2000 and 2005 in Indonesian Statistics 2005/2006, BPS.

Figure 7.7

Total consumption of ozone depleting substances (in metric tons)

Source: 1992-1998 data from Indonesia Country Programme Update (State Ministry for the Environment, 2000); 1999-2005 data from Asdep Atmospheric and Climate Change (State Ministry for the Environment, 2007)



Total energy use of various types (equivalent to one barrel of oil). Depending on its form, energy is divided into non-fossil and fossil fuels. Non-fossil fuels are energy sources that do not originate from fossil deposits, and include all renewable energy sources such as hydro-energy, solar power, wind power, geo-thermal energy biomass and bio-gas. Fossil fuels, on the other hand, include petroleum, natural gas and coal.

Depending on processing, there are two categories of energy. The first is primary energy, that is, energy from nature that can be utilised directly without undergoing further processing such as coal. The second type is final energy, that is energy that can only be utilised after undergoing further processing such as oil-based fuels (OBF), liquid petroleum gas (LPG) and electrical power.

Total energy usage in 1990 reached 479,489,781 BOE and increased by as much as 20.3% in 1995 to 601,647,280 BOE. Energy use continued to rise by as much as 20.34% in 2000 to 755,275,333 BOE and reached 863,750,390 BOE in 2005. This translates into an increase of as much as 12.56%.

Oil-based fuels represent the most commonly used fossil fuel energy group. In 1990 oil-based fuel use reached 173.16 million BOE, while by the year 2005 this had grown to 347.29 million BOE. The largest contributor to fossil fuel use, after oil-based fuels, is natural gas with as much as 43.94 million BOE being used in 1990, and rising to 99.06 million BOE in 2005.

Biomass is the most commonly used non-fossil fuel energy. In 1990 as much as 231.51 million BOE of biomass were used and by 2005 this had reached 270.12 million BOE.

Indonesia still has a high dependency on oil-based fuels, as can be seen from the still small proportion of other types of energy use, particularly electricity, LPG and coal. The extensive use of coal as an alternative energy source in the 1990s resulted in coal use rising sharply compared to other types of energy. Between 1990 and 2005, coal use increased by 87.04%, followed by electricity (71.38%) and LPG (69.92%).

Ratio of energy use of various types to gross domestic product (GDP)(%). Energy use and economic growth, almost invariably, influence on each other. There is a high level of correlation between the consumption of energy (particularly energy that is converted into electricity) and a country's economic growth rate, which has implications on the need for prudence in applying energy policies if a country's economic growth is to be maintained (R. Ferguson et al., 2000). The relationship between energy needs and generated output can be transcribed in the form of the size of final energy consumption against a country's GDP, which indicates the amount of energy consumption required to produce one unit of GDP. This value also indicates a country's capacity to manage its energy use effectively for each unit of GDP produced.

Total commercial final energy usage (without biomass) in 1990 was as high as 33,725,013,984 kilograms of its equivalent in oil, increasing to 66,127,677,528 kilograms in 2000, and 80,733,494,360 kilograms in

2005. This figure has grown at an average rate of 6.06% per year. Over the same period, GDP has fluctuated from its highest growth rate of 15.21% in 1993 to its lowest rate of -13.13% in 1998 (GDP according to 2000 constant prices).

Between 1990 and 2005 fluctuations occurred in the comparative figures for final commercial energy usage and GDP according to analysis using the purchasing power parity (PPP) conversion for 2000. The lowest point occurred in 1996, while the highest point occurred in 2001. Although, fundamentally, the progressively smaller size of this figure indicates an increasingly efficient use of energy, so far there has been no optimal size measurement available for this comparative figure.

Ratio of energy use of various types to population (%).

One of the most popular types of energy sources is solid biomass (plant matter), which is most commonly used for cooking. Information on the proportion of the population using solid biomass for cooking is important in measuring the population's dependency on solid biomass. At the same time it provides a picture of estimated emission effect occurring as a result of solid biomass usage. Biomass is defined as fuel that comes from renewable organic sources.

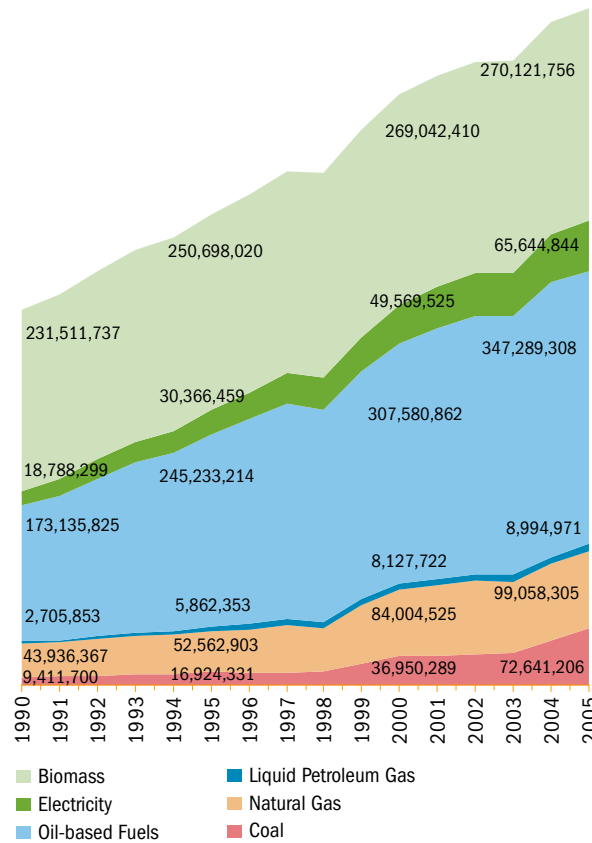


Figure 7.8 Total energy use of various types (equivalent to one barrel of oil) for the years 1990-2005

Source: Department of Energy and Mineral Resources (2006)

In Indonesia, the Department of Energy and Mineral Resources separates biomass fuels into two groups, firewood (wood and wood waste) and agricultural waste (husk, rice stalks, palm oil bunches, coconut shells and so forth). Household fuel use for various types of needs such cooking and lighting can have an effect on the quality of health. The use of these fuels frequently results in incomplete combustion giving rise to the combustion residue, which can influence environmental health, endangering women and children in particular. The most commonly used biomass fuel is firewood and charcoal.

Over time, the type of fuel used by households for cooking has undergone a shift to fuels that are safer in terms of the emissions produced during combustion. The proportion of the population that uses firewood and charcoal for cooking in both urban and rural areas has on average declined from 87.4% in 1971 to 70.2% in 1989. Meanwhile, the use of electricity, gas and kerosene has increased from 0.1-11.7% in 1971 to 0.7-26.85 in 1989.

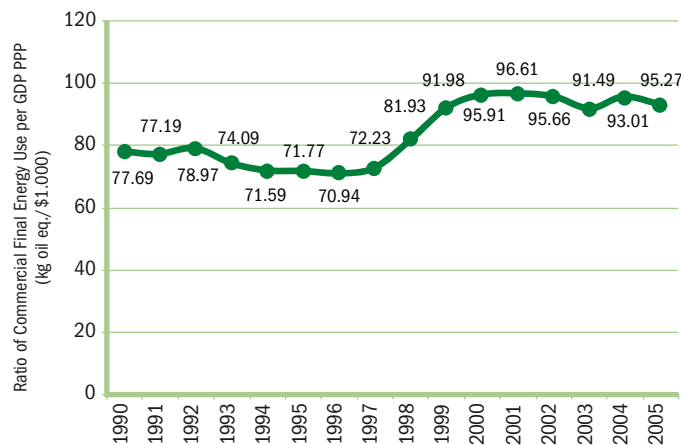


Figure 7.9 Ratio of commercial final energy use per GDP (kilogram oil equivalent per \$1,000 Purchasing Power Party GDP)

Source: Processed from data on final commercial energy consumption and GDP in the 2006 Energy Economy Statistic Handbook, Department of Energy and Mineral Resources.

The reduction in the use of firewood and charcoal for cooking continued until 2001 when it dropped to 44.1%. Nevertheless, the percentage of the population using firewood and charcoal for non-cooking purposes is still quite significant. Based on the 2004 National Economic Census (Susenas) data, the percentage of the population using these types of fuel for cooking, lighting, and transportation is still as high as 47.5%.

7.1.3. CHALLENGES AND EFFORTS NEEDED

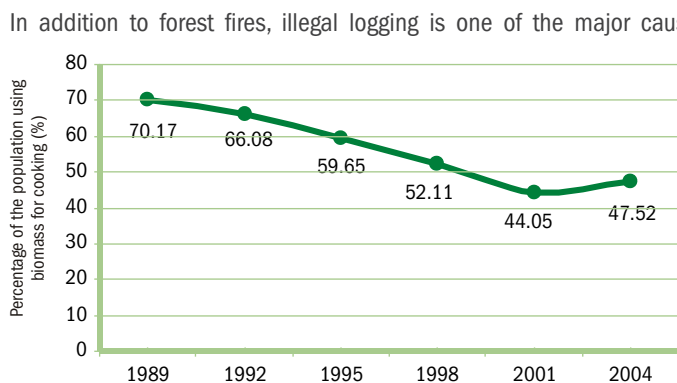
GREEN ENVIRONMENT

There are various factors that have resulted in the reduction of forest cover in Indonesia, including: forest fires, the clearing of forests, illegal logging, forest conversion, and unsustainable forest management. Forest fires are a serious problem and the main cause of forest destruction in Indonesia at present. The forest fires in 2006 were some of the largest since the fires that had occurred in 1997/1998. These fires not only affected forest areas but plantation areas owned by communities and companies. Forest fires and the burning of land for clearing not only result in the depletion of potential forest resources, but also impacts national economic development. Forest fires and land clearing also have an impact on declining air quality as a result of the smoke produced and thus diminishes the people's quality of life.

Figure 7.10

Percentage of the population using biomass for cooking (in percent)

Source: Data processed from Susenas 1989, 1992, 1995, 1998 and 2001 and Indonesian Statistics 2004, year on year, National Statistics Agency; 2004 data represents the percentage of the population using wood for cooking, lighting and transport (not just for cooking)



In addition to forest fires, illegal logging is one of the major causes for depletion of forest resources in Indonesia. The depletion of natural timber and forest potential appears to be a continuing trend due to the high level of demand for logs in Indonesia. This can be seen from the large disparity between the amount of firewood required by the timber industry and the capacity of forests to supply logs for these industries. It is this timber supply disparity that is resulting in the widespread practice of illegal logging in Indonesia. The government is experiencing more and more difficulties in controlling illegal logging practices, bearing in mind the complexity of the problems such as poor law enforcement in tackling forest related crimes and the socio-economic conditions of people living in forest areas.

In 2003, there were around 10 million people in and around forest areas living in poverty. This issue is actually more to do with the differences in the interests of the poor and the rich with regard to forests. The question of the poor damaging forests or being the perpetrators of illegal logging is still a matter of debate, particularly when linked with the rich individuals who finance them. Therefore, the poor cannot automatically be blamed for illegal logging. Firm legal action is needed against those who finance illegal logging, their agents and their protectors.

Deforestation also occurs as a consequence of forest clearing, which in the majority of cases, is done to meet the demand for land for housing, agriculture and dry field cultivation. People living in and around forest areas also clear forests to fulfil their basic needs.

Forest conversion is one of the ways to meet the demand for land for the development of the non-forestry sector, especially the agricultural and plantation sectors. Forest conversion represents a change in the function of forest areas or the release of forest areas to other functions such as plantations and settlements. Forest conversion represents one of the causes for the decline in forest resources that is difficult to control in Indonesia.

Forestry development, as part of the national development program has consistently been directed towards achieving maximum ecological, economic, and social benefits. Therefore, forests need to be maintained in order to ensure sustainable forest development through the application of renewable forest management. Sustainable forest management is forest management that takes into account maintaining equilibrium between production levels and the carrying capacity of the environment. The government continues to encourage all forest management units in Indonesia to apply sustainable forest management practices. Sustainable forest management is one of the government's priority activities.

The rehabilitation of forests and land must be carried out to reduce degradation rates in order to maintain the carrying capacity of forests and land. Efforts to rehabilitate forests and land are being undertaken through forest and land rehabilitation activities. In order to accelerate the implementation of these activities, in 2003 the government established the Forest and Land National Rehabilitation Movement. Through this movement, the government is targeting the rehabilitation of forest and land covering of some 3 million hectares over a period of four years.

The government is also pursuing law enforcement efforts against the perpetrators of forest crimes, particularly illegal logging. One such effort has been conducted through the issue of Presidential Decree No. 4/2005 on Efforts to Eliminate Illegal Logging in Forest Areas and Logs Circulation in the Republic of Indonesia. The government is making a serious effort to stem the rate of forest and land degradation through assertive law enforcement efforts. Between the years 1997 and 2000, the government succeeded in reducing the rate of forest degradation to 2.83 million hectares per year. Between the years 2000 and 2005, the rate of forest degradation was reduced to 1.18 million hectares per year.

BROWN ENVIRONMENT

One of the causes of climate change is the high-level of carbon dioxide levels released into the atmosphere. The use of alternative energy sources that produce lower levels of carbon dioxide or that do not give rise to carbon dioxide emissions is one of the ways to mitigate climate change. Indonesia with its rich and abundant natural resources, has a huge potential to develop alternative energy sources.

In terms of energy consumption, energy saving policies can contribute significantly to overcoming the problem of limited energy. Indonesia is currently in the midst of confronting a major problem in maintaining energy security, so it is appropriate that it formulates policies and introduces tighter monitoring in its implementation.

The utilisation of Clean Development Mechanisms (CDM) is an opportunity that needs to be maximised further. CDMs are a flexible mechanism to support efforts at reducing carbon emissions in accordance with the framework of the Kyoto Protocol. A number of obstacles remain, however, including the lack of regulations in implementing CDMs in Indonesia as well as the unfavourable investment climate, resulting in Indonesia still trailing far behind other “Non-Annex I” developing countries in taking advantage of this mechanism.

On the other hand, using HCFCs as a temporary substitute for CFCs also has a negative impact on the ozone layer, even though its ozone depleting potential is far smaller. The use of HCFCs is of a temporary nature until the year 2040 when its use will have to begin to be restricted. The same applies to the ozone depleting substance, methyl bromide. Efforts are already being undertaken to end its use with the exception of quarantine and pre-shipment needs, as several importer countries still require fumigation with methyl bromide before shipment.

Improving cooperation between all parties, including local governments and civil society is absolutely essential in monitoring the import, distribution and use of BPOs. It is because of this, therefore, that efforts directed at the broader public need to be continued.

Developing alternative energy, regardless of the source, requires exhaustive regulations and policies so that they do not give rise to associated impacts that result in ineffective development. There are a number alternative energy sources already available for extensive use including geothermal energy, biofuel (with an effective fuel selection policy) and hydro-energy.

Cost-saving programs and the diversification of energy use, as an effort to confront the issue of energy security, need to be strengthened through the specification of more measured targets. An evaluation addressing quantitative issues should also be made so that successes in energy saving programs are more measurable.

ENERGY PROBLEMS

National energy usage that is still inefficient and dependent on fossil fuels, particularly petroleum, creates two core sets of problems that have to be resolved. Until now, the utilization of various kinds of non-fossil energy resources that are relatively abundant proportionally is still extremely low. The challenge is to ensure

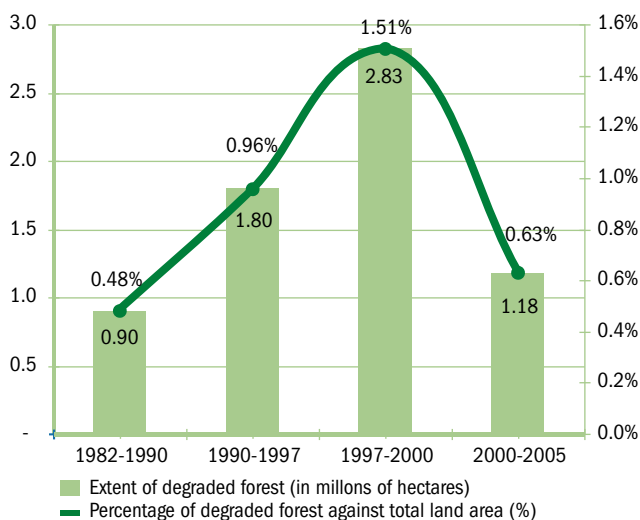


Figure 7.11
Rate of forest degradation in Indonesia (in millions of hectares)
Source: Department of Forestry (2006)

the expansion of the proportional use of these non-fossil fuels in meeting national energy needs. Particularly with regard to tackling energy wastage, efforts to get the public to realise that the energy being consumed is not cheap is one of the challenges that has to be confronted as the low cost of various types of energy sources in use is also one of the reasons for energy wastage.

The sector that uses the largest amount of oil-based fuel is the transportation sector. Because of this, cost saving in the transport sector needs to be implemented more intensively through improving the transportation system. One of the means

by which to do this is by providing incentives and regional government assistance to develop efficient mass transportation, particularly in those cities that are already starting to become congested with traffic. Effective spatial use management will also significantly economize energy usage for transportation. So, explicit and comprehensive policies are needed in the structuring and utilization of urban space. Another effort that needs to be undertaken is promoting the use of private transportation that is more economic in energy terms such as energy efficient cars or by limiting the engine capacity of private vehicles.

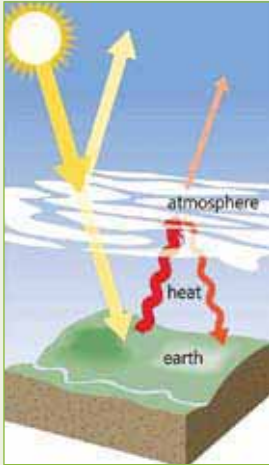
The other largest energy user is industry. In this regard, providing facilities to assist in the rejuvenation of old industrial machinery can also make savings. In addition to this, energy audits need to be carried out to determine the most economical form of alternative energy use.

The replacement of energy efficient machinery in industry needs to be introduced through policies to ease the procurement of such machinery. Where possible, these policies could be in the form of import tax concessions along with tariff and non-tariff policy incentives.

Energy diversification efforts can be carried out through formulating policy incentives in the form of tax relief to increase the utilization and fabrication of domestic equipment using renewable energy (micro-hydro energy, solar power and wind power). Obstacles in the form of pricing policy, licensing, policies on taxation and fees for the use of public facilities, land management, spatial planning and land use conflicts that hinder the use of renewable energy must be quickly resolved.

The production of bio- fuel, as an alternative renewable energy, must be implemented on a massive scale in order to make it economically viable. The determination type, location, land areas as well as production and distribution mechanisms to utilize biofuels must be carried out immediately on a national scale and be mutually agreed. Institutional obstacles, power sharing, and inter-government agency coordination must be resolved quickly in order that biofuels can be utilized in an optimal manner.

Box 7.1

GLOBAL WARMING AND CLIMATE CHANGESummarised from Kompas, June 23, 2007 and <http://www.answer.com>

Various kinds of human economic activities, especially those related to the production and consumption of energy, produce exhaust gasses that pollute the earth's atmosphere. These exhaust gasses, which are sometimes referred to as greenhouse gasses, include methane (CH₄), nitrogen oxide (NO) and carbon dioxide (CO₂), which make up the largest component. These greenhouse gasses then form an atmospheric "blanket" that obstructs the release of heat out of the atmosphere. Radiation from the sun is converted into heat when it hits the earth's atmosphere. The earth then absorbs some of this heat, while the rest is reflected back into space in the form of infrared light or heat. Because of the presence of this greenhouse gas blanket, some of the heat reflected from the earth's surface is unable to penetrate the atmosphere and is reflected back to the surface. As a consequence, the earth's temperature rises and produces what is known as the greenhouse effect. Global temperatures are predicted to rise by between 1.8°C to 4°C by the year

2100 and have the potential to produced extreme changes in climate and weather. According to former environment minister Prof. Emil Salim, the life span of one kilogram of these gasses is between 50-200 years for carbon dioxide, 12 years for methane and 114 years for nitrogen oxide.

According to research by Wetlands International, Indonesia is the third largest producer of carbon dioxide emissions after the United States and China, with the largest contribution being from the forestry sector. The impact of global warming in Indonesia has already begun to be felt, including among other things by: (1) air temperature increases of around 0.3°C since 1990; (2) changes in seasonal patterns that are manifested in irregular rain fall, floods and landslides, while other areas suffer from drought; (3) sea levels rising resulting in the potential loss of small islands, coast lines retreating more than 60cm inland, fisherman losing their homes, sea water intrusion extending further inland, damage to mangrove forests ecosystems, biophysical and biochemical changes in coastal areas, changes in high and low-tide levels in watershed areas; (4) the bleaching of coral, a decline in the number of tidal coral reefs and changes to the composition of seawater fish, disruption to the living patters of certain species of fish, the migration of fish colder areas, the extinction of various kinds of marine species; (5) the extinction of various species of flora and fauna because their inability to adapt and more frequent forest fires because of rising temperatures; (6) delays in planting and harvests to the extent that food security will be threatened; and (7) an increase in the frequency of tropical diseases such as malaria and dengue fever.

The problems confronting Indonesia in relation to climate change are far more complex than just deforestation and carbon emissions. Up until now however, the ecological and sociological issues appear not to have been touched upon. Aside from responding to the consequences of climate change by preventing forest denudation and "seeking small changes", the urgent problems related to social crisis arising out of an ecological crisis have not yet been addressed at all. Indonesia as an archipelago state is extremely vulnerable to climate change so mutual learning in order to understand the social and ecological conditions of an archipelago nation is important. If island areas are inundated as a result of sea levels rising by 1 meter, it will result in the evacuation of some 60-70 millions people. The other issue that has to be considered is limited natural resources and the need to conserve energy. At the same time, global capitalism supported by international mechanisms is pushing Indonesia to broaden the exploration of natural resources. This situation is a denial of the complexity of the issue of global climate change.

Discussions at the negotiating table cannot be separated from who is taking the lead. By way of example, during the United Nations Framework Convention on Climate Change (UNFCCC), in negotiations on carbon trading for example, countries such as Indonesia were “coerced” into calculating how many dollars can be obtained from the clean development mechanisms (CDM) that are undertaken. Whereas the problem is not as simple as this. Change will not take place if business then continues as usual, without changes to institutional attitudes, as well as changes related to how the people interact with the ecosystem around them. In addition to this, is the huge discrepancy between government policy and societal needs in this context, Australian assistance for carbon turnover in Papua that sets as a condition a prohibition on deforestation should be taken back to the context of local communities in ecological terms, a prohibition on deforestation in Papua may perhaps be correct because topsoil will be lost as a consequence of high rainfall levels. On the other hand however, this prohibition should not cause financial losses to local communities.

What needs to be done is to provide an understanding to communities that they can still utilize forestry products but at the same time maintain its conservation function. Conflicts occur as a consequence of misunderstandings and miscomprehension that are not straightened out.

In reality, direct social education is actually very difficult. The principle obstacle is that there are not many people who are willing to “hang out” in rural areas and provide guidance to social groups in a diligent manner. Effective methods of social education are absolutely necessary in order that this model of approach is successful. Social education programs that have been provided with funding so far have largely been to address forest fires.

Programs with a social and ecological approach such as this have been carried out by formulating three maxims, which must be met simultaneously. The first maxim is the fulfillment of social security so that conflicts do not occur over land utilization as happened in Lembata, which was to be turned into a copper exploration field. Second, redefining productivity as productivity that meets the prerequisites for a good quality of life. Third, the sustainability of natural services that is the foundation of economies based on the environment. It becomes meaningless if Indonesia continues the exploration of oil and natural gas—which has already generated revenue of 300 million US dollars—but then does nothing to develop cheap energy sources and non-fossil fuels, such as wind power. A similar problem will occur if Indonesia is unable to use adaptation funds to improve forestry management and the sustainable management of forests.

The imbalance in the approach to climate change issues must begin to be overcome through genuine collaboration between sectors and between society and the government. These measures represent preparations for the upcoming 13th UNFCCC Conference of Parties. Indonesia’s strategy must be community based with a regional scope. If not, everything that is discussed at the global level will be isolated from the social situation that exists in society.

The step that needs to be undertaken immediately is accommodating currently existing climate change models with local and indigenous factors, by paying attention to the position of communities in ecological and social systems with ecological benefits to society. It needs to be realized that social and ecological changes will bring with it long-term economic changes. Thereafter it will be necessary to look at Indonesia’s participation up until now in international conventions and protocols. In addition to this, a joint study matrix is required to administer the fulfillment of social and ecological conditions in island areas as a form of crisis management to confront the impact of climate change. This joint study matrix also needs to be broadened to cover the entire region of South-East Asia.

If ecological and sociological factors are ignored, whatever measures are taken to deal with the impact of climate change could become comparable to building on sand.



Figure 7.12

Media Indonesia newspaper clip, Wednesday September 1, 2007 featuring a report on global warming that has become an issue of international concern. Debt for Nature Swaps or the conversion of foreign debt for environmental projects is one of the alternatives to overcome climate change in the framework of affirmative global cooperation and as part of the Kyoto Protocols.

TARGET 10: REDUCING BY HALF THE PROPORTION OF THE POPULATION WITHOUT ACCESS TO SAFE AND SUSTAINABLE DRINKING WATER SOURCES AND BASIC SANITATION FACILITIES BY THE YEAR 2015

7.2.1. INDICATORS

The target of reducing the proportion of the population without access to safe and sustainable drinking water sources and basic sanitation facilities by as much as half between 1990 and 2015 is part of the overall goal to protect environment. Following indicators (%) are used to measure progress.

1. proportion of households according to various water source criteria (total)
2. proportion of households according to various water source criteria (rural) proportion of households against population according to various water source criteria (urban) (in percent)
3. coverage of regional drinking water service companies (households)
4. proportion of households with access to adequate sanitation facilities (total) (in percent)
5. proportion of households with access to adequate sanitation facilities (rural)
6. proportion of households with access to adequate sanitation facilities (urban)

7.2.2. SITUATION AND TRENDS

DRINKING WATER

Drinking water is a basic necessity for all. There are various definitions of save drinking water. Access to safe drinking water can be considered by using the following five indicators: quality, quantity, continuity, reliability of available drinking water systems and affordability, both in terms of price and distance.

The 2004 Report on Achievement of Indonesia's Millennium Development Goals (Bappenas and the United Nations, 2004) refers to three definitions of drinking water proximity. These definitions more particularly apply to water sources that are protected (improved water sources). These definitions, however, cannot be used as a reference for water sources used for drinking.

Protected water sources include: firstly, piped water, which is more reliable and healthier than other water sources, and secondly, water from protected sources. The latter being water from quality water sources that take into account the building construction of the water source as well as the distance of the source from the nearest excreta disposal site. The appropriate distance between a water source and an excreta disposal site is 10 meters or more. Thus, protected water sources can include piped water, pumped water, wells or protected spring water and rainwater.

The third type of source is unprotected water source, which means the distance between the water source and excreta disposal site is less than 10 meters. Waste excreta may have, most likely, contaminated these water sources according to this definition.

Proportion of households according to various water sources (total %). Available data on piped drinking water is showing a steady improvement. In 1992, piped drinking water reached 14.7% of households. In 2000 it had increased to 19.2% but In 2006, the number of households with access to piped drinking water had declined to 18.4%.

The households that have access to protected non-piped drinking water increased consistently. The number of households that had access to protected non-piped drinking water in 1994 was 38.2%, but by 2000 this figure had risen to around 43.4%, and then rose to 57.2% in 2006.

The proportion of households against population according to various water source criteria in rural areas and the proportion of households against population according to various water sources in urban areas.

Access of households in urban areas to piped drinking water has been consistently higher compared to the access of households in rural areas. In 1992, only 5.5% of households in rural areas had access to piped drinking water, while access for households in urban areas was 35.3%. Nevertheless, access to households in rural areas to piped drinking water has increased in the last five years from 6.9% in 2000 to 9% in 2006. Conversely, access for households in urban areas to piped drinking water has in fact declined over the last five years from 36.2% in 2000 to only 30.8% in 2006.

The percentage of urban households that have access to non-piped protected drinking water services has been consistently higher than households in rural areas. In 1994, 52.1% of urban households had access to non-piped protected drinking water services, while for households in rural areas this figure was only 30.9%. The figure for 2000 shows 55.5% in urban areas, and 35.6% in rural areas respectively. Between 2003 and 2005, the number of urban households with access to non-piped drinking water services declined, although this improved again in 2006 rising to 87.6%. The access of households in rural areas, meanwhile, rose sharply to 52.1% in 2006. Based on this, the MDGs target set for 2015 for urban areas has already been exceeded, particularly in terms of the target in reducing the proportion of the population without access to non-piped protected safe and sustainable drinking water sources.

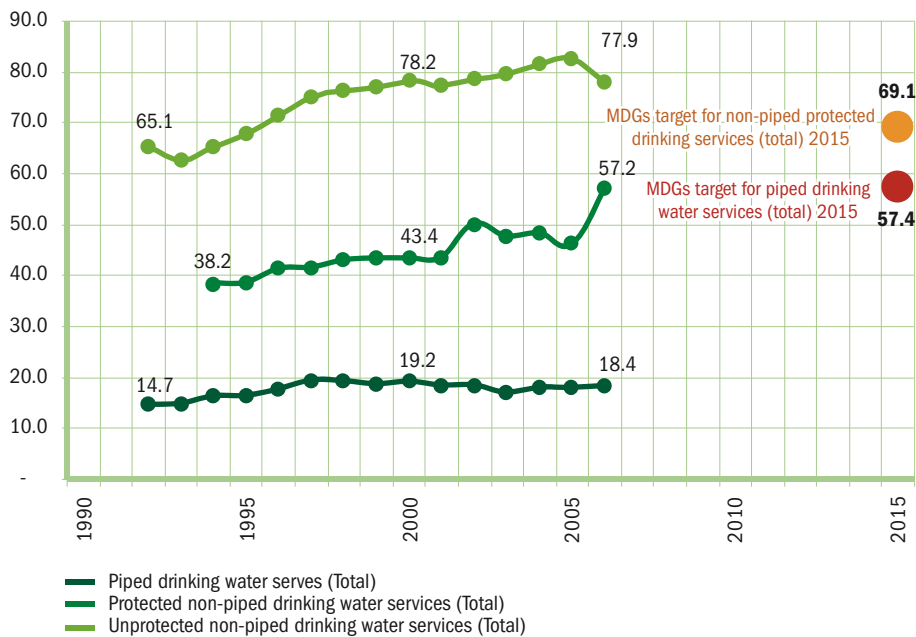


Figure 7.13
Protected piped and non-piped drinking water services (total) for the years 1992-2006 (in percent)

Source:
National Socio-Economic Survey (BPS)

A further analysis of access to drinking water, particularly non-piped protected drinking water, monitored in terms of regional achievements indicates that there are still many regions where the targets are lower than the national figure. The regions with the lowest figures successively are the provinces of Bangka Belitung (33.9), Bengkulu (36.5), Papua (38.7), Nanggroe Aceh Darussalam (41.4), Central Kalimantan (41.6), Lampung (43.9), West Sulawesi (45.5), West Papua (46.5), Riau (46.6) and Jambi (46.9).

Several of these provinces appear to represent areas where a high proportion of the population is living in poverty, in particular Papua, West Papua, Gorontalo, Nanggroe Aceh Darussalam, Central Sulawesi, West Nusa Tenggara, Bengkulu, West Sulawesi and South Sumatra. The issue of poverty in these regions is assumed to have a close relationship with the low levels of access by households to non-piped protected drinking water. It is important that the provinces of Papua, Aceh, Lampung and Bengkulu receive attention in improving adequate drinking water services, bearing in mind that these provinces represent areas with the highest levels of poverty.

BASIC SANITATION

The proportion of households in rural and urban areas with access to adequate sanitation facilities. This has consistently improved from 30.9% in 1992 to 69.3% in 2006. The tentative target for 2015 meanwhile is 65.5%. Thus the target of reducing the proportion of the population without access to basic sanitation facilities by half by the year 2015 has already exceeded the targets set for 2006.

The proportion of rural households with access to adequate sanitation facilities. In 1992 the proportion of households with access to adequate sanitation facilities was only 19.1%, increasing to 52.3% in 2000 and by 2006 the proportion of households has reached 60%. By 2006 the target for rural areas had already exceeded the MDGs target. The situation is similar for rural households.

Figure 7.14
Piped drinking water services, according to rural and urban areas for the years 1992-2006 (in percent)

Source:
National Socio-Economic Survey (BPS)

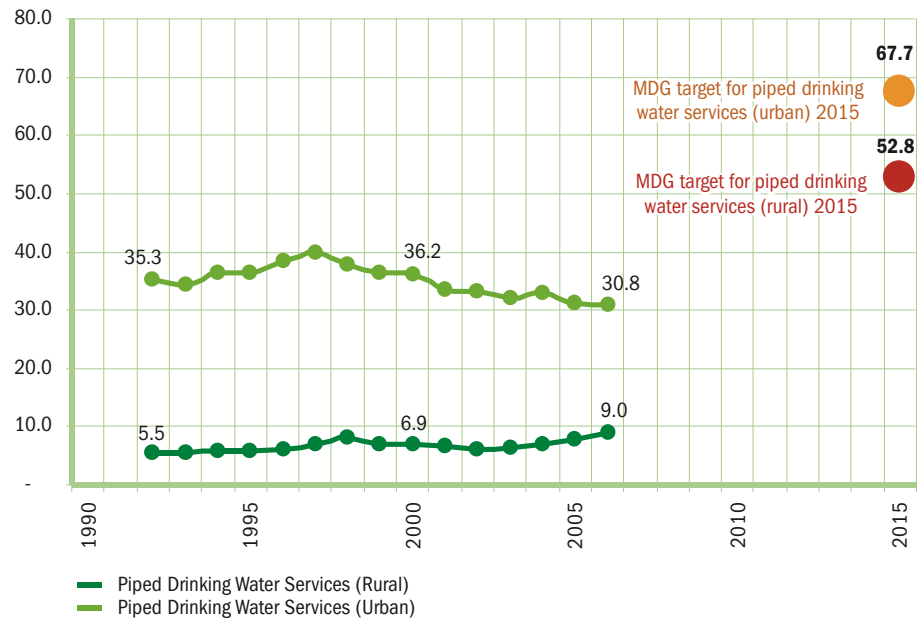
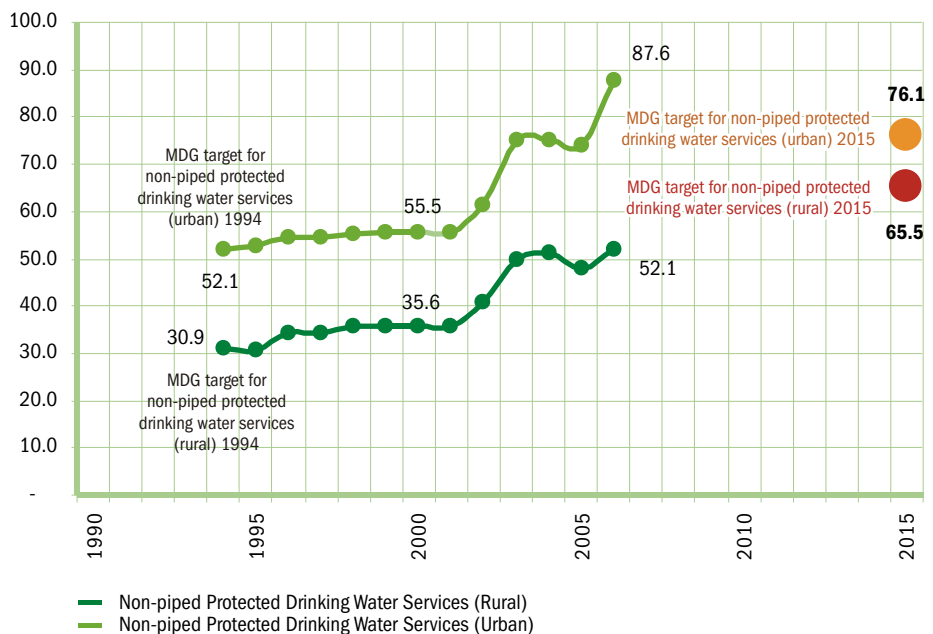


Figure 7.15
Non-piped protected drinking water services according to rural and urban areas 1992-2006 (in percent)

Source:
National Socio-Economic Survey (BPS, year on year), processed



The proportion of rural households with access to adequate sanitation facilities This rose from 57.5% in 1992 to 80.5% in 2004. By 2006 the proportion of rural households with access to adequate sanitation facilities had reached 81.8%. This indicates that the target for basic sanitation facilities was achieved in 2006.

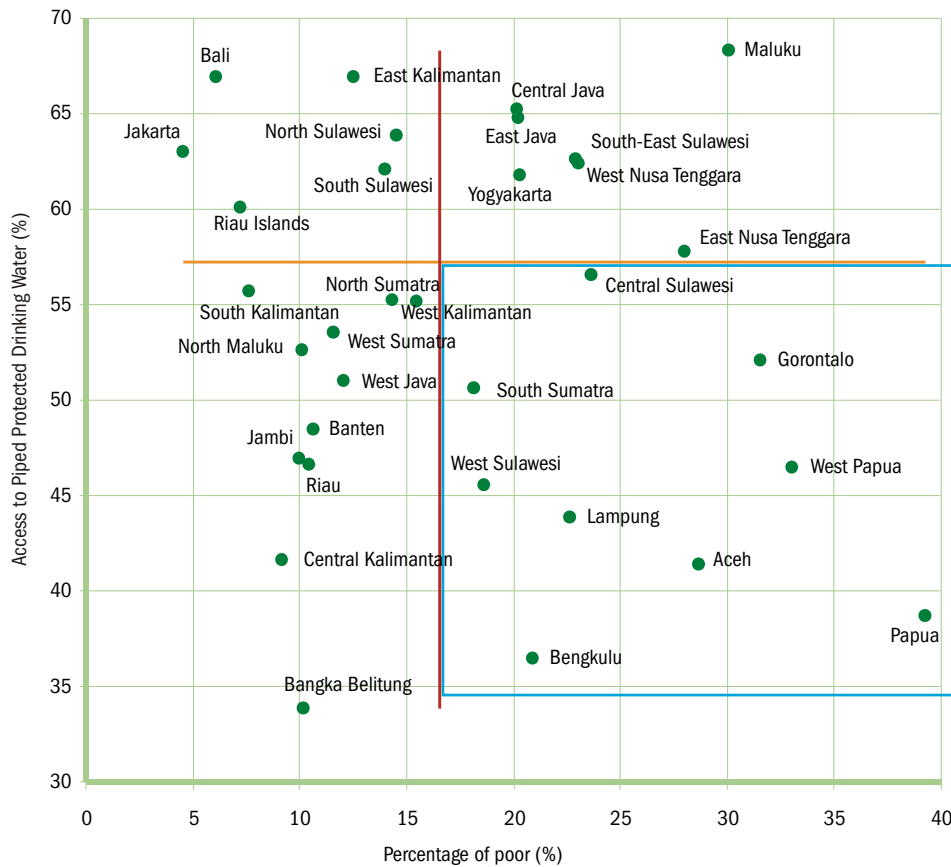


Figure 7.16 Percentage of the population living in poverty (%) vs access to non-piped protected drinking water (%) according to province for the year 2006

Source: National Socio-Economic Survey (BPS, 2006), processed

The success in increasing the number of rural households with access to adequate sanitation cannot be separated from the outcome of basic infrastructure development programs such as the Infrastructure Development Program for Least Developed Villages (1994-1998), the Water and Sanitation Support Program (1996-2002), and the Sub-District Development Program (1998-2005). Other programs such as the Water and Sanitation Support Program for Low Income Communities, the Urban Poverty Alleviation Program (P2KP), the Water Supply and Sanitation Formulation and Action Planning Project (Waspola) and the Community Based Drinking Water Supply and Sanitation (Pamsimas) programs aimed at providing adequate sanitation facilities are still urgently needed in urban areas. These programs are required to improve the quality of basic infrastructure and are related to MDGs targets such as access to sanitation and drinking water.

Access to sanitation also differs in each province. Provinces where the percentage of the population living in poverty is low actually turn out to have poor levels of access to adequate sanitation. These are the provinces of West Sumatra, Central Kalimantan, North Maluku, Jambi, West Java, West Kalimantan, South Kalimantan, Bangka Belitung and Banten.

Conversely, there are also provinces with a high percentage of the population living in poverty but have extremely good access to adequate sanitation. These are the provinces of Yogyakarta, Lampung, East and Central Java. In these provinces the majority of households have better access to adequate sanitation facilities than other provinces. These achievements exceed the national figure for the proportion of households in rural and urban areas with access to adequate sanitation facilities. Most of regions that have a high percentage of the population living in poverty also face problems in terms of access to adequate sanitation. The provinces of West Sulawesi and West Nusa Tenggara in particular need attention.

7.2.3. CHALLENGES AND EFFORTS REQUIRED

AIR MINUM

- Scope for development.** Uneven population distribution along with the diversity of Indonesia's regions (which cover coastal areas, mountain ranges, hinterland, river flood plains, urban and rural areas), makes this a difficult challenge. It requires a flexible strategy and the effort must accommodate local potential. This also has implications on funding. Moreover the funding burden is even greater if the definition of drinking water quality is upgraded from non-piped protected water to piped drinking water systems. Almost all provinces with a high percentage of the population living in poverty have problems accessing drinking water. The problem of drinking water access is spread evenly across almost all regions.

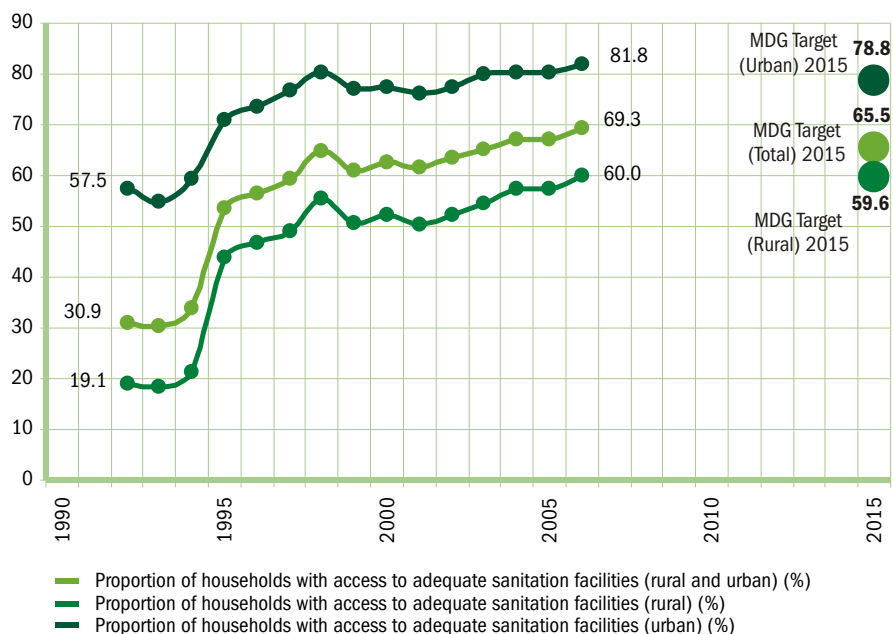


Figure 7.17
Population with access to adequate sanitation facilities according to rural and urban areas, and totals for rural and urban areas for the year 2006 (in percent)

Source:
National Socio-Economic Survey (BPS), processed

- Limited funding sources.** Funding from the government is limited. This requires therefore the involvement of the private sector in funding the development of adequate drinking water and sanitation facilities. Unfortunately, up until 2006, private business involvement has been low, particularly with regard to supplying adequate drinking water facilities in rural areas and marginal urban communities.
- Decline in the quality and quantity of basic water source supplies.** This has been caused by changes to land utilization that has reduced the amount of covered land area. The other factors are contamination by factory, industrial, and household waste, and solid refuse and septic tanks in households that fail to meet construction standards. Currently, the inadequacy of water supplies in Java and Bali is already approaching a critical point, particularly during the dry season. Illegal logging activities also contribute to pollution and a decline in water quality in various parts of Indonesia. Global climate change meanwhile is expected to have a significant impact over the next few decades, particularly on the availability of water supplies throughout the year.
- High population density in urban areas.** Increases in population numbers and density in urban areas is caused by the process of urbanization. Increases are also caused by changes in the status of rural areas that become semi-urban and finally urban. This in itself becomes a challenge bearing in mind that these changes are not automatically followed by changes in the behaviour of the rural populations or communities as they are transformed from villages into cities. Among other things, this behaviour includes the careless disposal of refuse, using rivers as a source of drinking water along with unregulated construction of housing areas. This behaviour also influences the quality and quantity of drinking water in urban areas.

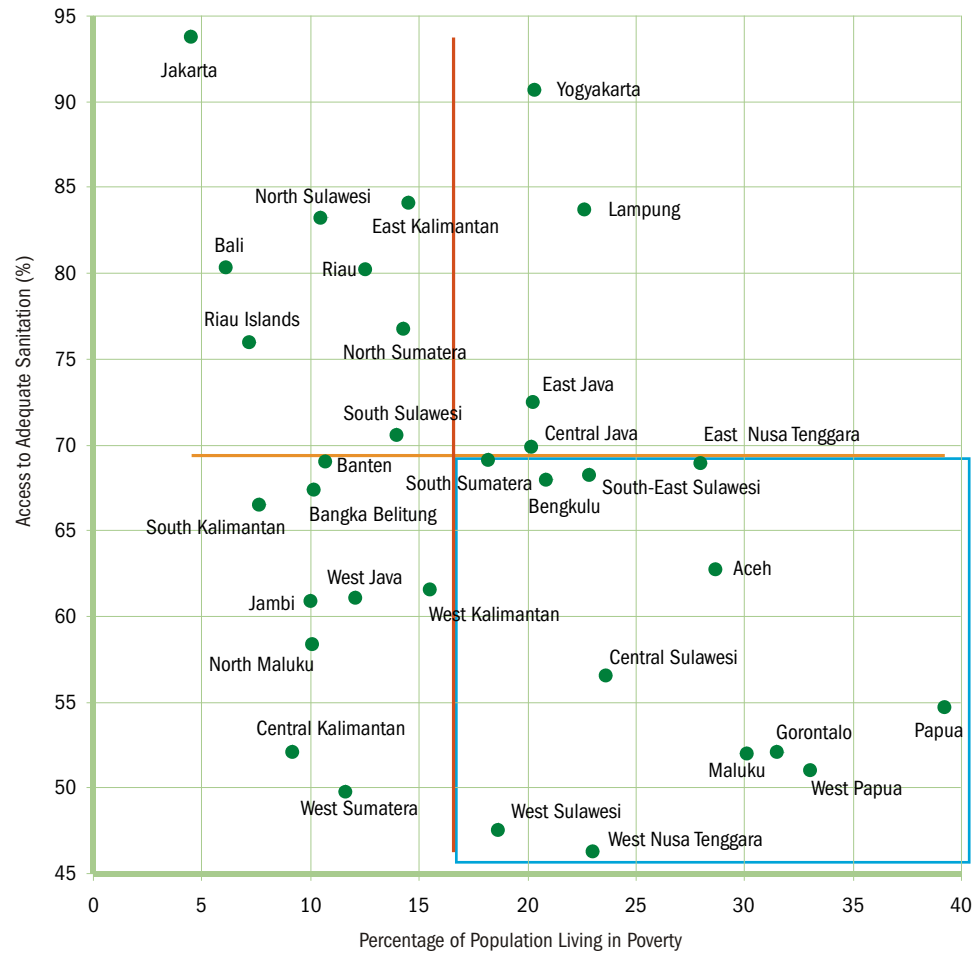


Figure 7.18
Percentage of the population living in poverty vs adequate sanitation facilities by province for the year 2006

Source:
National Socio-Economic Survey
(BPS, 2006), processed

- **Prevalence of poverty.** Limited availability of drinking water results in the poor having to pay dearly for water. The poor spend up to 20 percent of their income in order to obtain adequate drinking water (Waspola Study, 2006).
- **Bad management by drinking water companies.** This has had the impact of a stagnation in the production of piped drinking water between 1992 and 2002, with a high rate of leakage as well as the quality, quantity and continuity of services remaining below healthy drinking water standards.

The problems associated with drinking water and its related challenges are becoming critical. Water consumption is vital for life, but production levels and facilities are still not on par with demand. Given that achievement of the MDGs targets specifically in the field of drinking water remain stagnant, serious efforts have to be undertaken. The efforts needed are to improve knowledge about the supply of drinking water, cooperation with stakeholders, developing the capacity of local communities in the provision of drinking water and the conservation of water source supplies.

Strengthening drinking water related legislation and policies. Three years ago, Law No. 7/2004 on Water Resources was enacted. This law regulates water resources from end to end. As a derivative of this law, Government Regulation No. 16/2005 on Drinking Water Supply Systems was also enacted. Thereafter, the implementation of these laws was formulated through the National Development Policy on Drinking Water and Environmental Recovery, which has a social basis of a strategic reference in the effective and uninterrupted supply of drinking water. It is hoped that through a mechanism of incentives and disincentives contained in this legislation, it will stimulate the achievement of the MDGs goals and that the rate at which water resources are being damaged will progressively decline.

Institutional strengthening of drinking water supply operators. This is intended to improve the quality of the management of drinking water operators so that their operations are more effective and efficient as well as being able to target poor communities in accordance with the mandate of the MDGs.

Cooperation with stakeholders. In terms of administration, there are many institutions involved in supplying drinking water to the public. In addition to this, the inter-regional character of water means that its regulation becomes the responsibility of many different regional governments, both at the provincial as well as regency or municipal level. Therefore, mutual coordination and cooperation with stakeholders is essential. Following on from this, the role of the private sector in supplying drinking water also needs to be upgraded, both in urban and rural areas, as covered in Corporate Social Responsibility (CSR) as well as Public Private Partnership.

Strengthening management information systems. This includes data collection. This is something that cannot be separated from planning activities through to monitoring and evaluation programs. In addition to this, competent data collection will reduce overlapping between programs as well as assisting in the identification of the areas and population groups that have inadequate access to drinking water.

Advocacy on healthy drinking water usage. This includes methods of storage, boiling, serving as well as preparation for other domestic activities. Advocacy is important because water-borne diseases do not just come from the drinking water sources but also because of the treatment of water at the household level itself. Because of this, advocacy is primarily directed towards improving public knowledge about drinking water and its patterns of use. In addition to this, advocacy on drinking water also needs to be carried out with regard to all stakeholders as a form of joint responsibility. In this way it is hoped that emphasis will be placed on priority programs and funding.

Social capacity development in the supply of drinking water both in terms of supply and funding. This is in accordance with the principle that it is the public that best understand its own needs and its capacity. Aside from easing the funding burden on the government, experience up until now has shown that the supply of drinking water by society creates a high level of sustainability. The keyword here is a high sense of ownership among the public.

Conservation of water sources. This also includes the management of industrial and domestic waste. These efforts cover regulations on land utilization in the form of restoring the function of land as a rainfall catchment area along with the replanting of denuded forests. In addition to this, there is the need to restore water bodies, (rivers, lakes, swampland and traditional rain reservoirs), through close monitoring of industrial waste disposal. At the domestic level this needs to be followed up by improving sanitation facilities such as septic tanks, means of washing and kitchen waste disposal, drains and solid refuse disposal. This needs to be carried out in order to protect 40% or more of the population that uses drinking water from non-piped protected sources.

BASIC SANITATION

Related to the issue of basic sanitation, a number of challenges exist in terms of achieving the target of reducing the proportion of the population without access to adequate basic sanitation facilities by the year 2015:

- **Lack of knowledge about the environment.** Members of the general public, particularly in rural areas, do not adequately understand the important role sanitation plays in their health. One of the reasons for this is their low level of knowledge. This situation results in many excreta disposal sites not being used properly. Low levels of awareness also result in the sanitation facilities that are constructed being unsustainable. Many of the public bathing, washing, and toilet facilities (MCK) that are constructed are not utilized properly, and even neglected. Knowledge and awareness among the public, the executive and legislative bodies and the business community must be improved. If the public is aware of the importance of sanitation, especially in relation to health and productivity, then demand for sanitation infrastructure and facilities will grow.
- **The perception of basic sanitation as an unimportant issue by politicians, the government and even the business community.** This is the failure to understand the importance of adequate and healthy basic sanitation. The issue of environmental health appears to be viewed as a “strange issue” to be taken up at decision making levels. The low level of attention to basic and healthy sanitation is

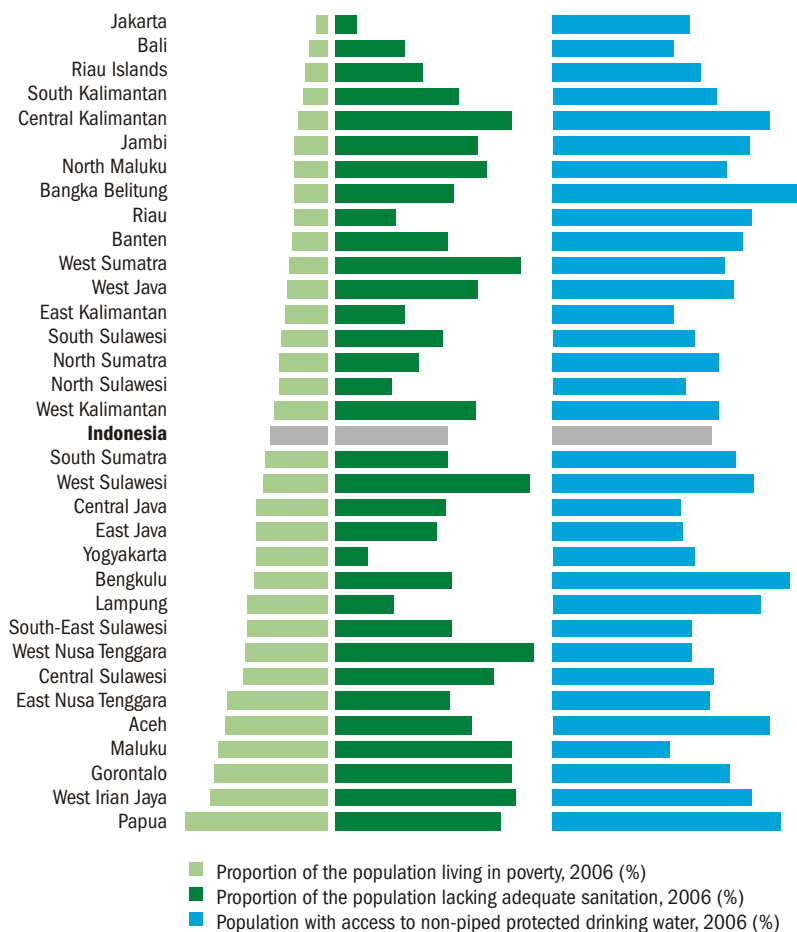
illustrated by the small budget allocated to developing basic sanitation. Higher levels of concern and sensitivity within decision making circles about the close relationship between sanitation and public health, particularly among the poor in rural and urban areas, is absolutely necessary in the future.

- **Lack of comprehensive inter-sector policies to provide basic and healthy sanitation facilities, and inadequate attention paid to the problem.** In the future, serious attention must be given to efforts to upgrade the quality of sanitation facilities. This attention needs to be in the form of providing funds and assistance for the development of facilities that fulfil established technical criteria and health standards, and that are easy for the public to operate and maintain.
- **The poor quality of septic tank construction in urban areas.** Limited land in urban areas makes it more difficult to build individual excreta management systems using septic tanks that meet health regulations. Poorly built septic tanks result in leakage and add to the pollution of drinking water in wells and groundwater pumps.
- **The small number of people in urban areas that have access to wastewater disposal systems (sewerage systems).** This is a result of population growth rates in urban areas outstripping the rate at which infrastructure and wastewater disposal systems can be provided. In general, the low rate of development of waste disposal systems in large metropolitan cities is due to the increasingly high construction costs and the limited amount of land that can be utilized for service networks. On the other hand, the public's willingness to pay for domestic wastewater services is very low and inadequate to cover the cost of these services.
- **The impact of the lack of adequate sanitation services on the quality of health.** The results of a 1998 Asia Development Bank study entitled Strengthening of Urban Waste Management Policies and Strategies (TA Number 2805-INO) indicated that the poor quality of sanitation is resulting in economic losses of around 423 trillion IDR per year or 2% of the GDP.

The efforts needed to improve the quality of sanitation are:

- **Developing the policy and institutional framework.** Certainty in the division of roles between involved institutions, including determining which institutions will play a major role in the development of wastewater disposal services is absolutely essential in order to improve the quality of sanitation. This includes agreements on the division of roles between the central, provincial and regency/municipal governments. Advocacy and promoting policies to improve the quality of basic sanitation are needed to make basic sanitation a priority development program at the national as well as the regional level.
- **Changing hygiene and health behaviours.** This should be undertaken through the method of the Community Led Total Sanitation, which encourages the public to change excreta disposal habits to the use of closed facilities. In addition to this, activities such as public campaigns, mediation and providing information to the public about the need for hygienic and healthy behaviour needs to be encouraged. Changes in public behaviour are also needed to develop a culture of reward and punishment with regard to public participation in improving the quality of the environment.
- **Improving social capacity.** This is achieved by focusing on approaches that are demand responsive or demand driven, participatory in nature, and provide informed choices. Policies should also be pro-poor, gender responsive, educational and self-financing.
- **Developing basic sanitation provision models in cities:** an example of this is the Community Based Sanitation program. This can provide a solution in densely populated urban areas through the provision of communal excreta disposal management systems. Aside from economising on land use, this system is more environmentally friendly. The involvement of the public is carried out from the initial planning stage through design, construction, and to operation and maintenance. With the involvement of the public, it is hoped that this system will be more sustainable and less expensive to fund.
- **Developing a database and information system on basic sanitation.** This is to assist in the planning, supervision, and program evaluation, as well as to provide material for advocacy and public campaigns. A quality database system will provide benefits in terms of the optimal allocation of funding sources for basic sanitation for the public.

Figure 7.19
 Distribution of the population living in poverty (%) compared with the distribution of the population without access to adequate sanitation facilities (%) and the distribution of the population without access to non-piped protected drinking water according to province for the year 2006.



Source:
 National Socio-Economic
 Survey (BPS, 2006)

TARGET 11:

ACHIEVING SIGNIFICANT IMPROVEMENTS IN THE LIVES OF THE POOR LIVING IN SLUMS BY THE YEAR 2020.

7.3.1. INDICATORS

This target is monitored using the following indicators:

1. The proportion of households who own or lease a house (%).

7.3.2. SITUATION AND TRENDS

Secure tenure: According to the global MDG indicator guidelines¹, secure tenure is defined as households who own or lease a house, either as individuals or a group. According to the National Statistics Agency (BPS), in 2005 around 85% of households in Indonesia owned or rented the homes they occupy (82% with ownership rights and 3% leases).

The number of households who still do not yet have access to decent housing. According to the Department of Health, a house is categorised as decent if the floor-space of the dwelling being occupied has a minimum of 8 square meters per person, while according to the World Health Organization a house is said to be decent or fit to occupy if the floor-space per capita is a minimum of 10 meters square. In 2006 there were still people in Indonesia living in houses that were not fit for habitation. In 2006 around 4.98% households were found to be living in houses with a floor space of less than or equivalent to 19 square meters, while 16.35% of households were still living in houses with earth floors. According to the 2006 data for urban areas, 1.98% of the population was living under a roof made from wooden shingles or palm fibres, while 5.11% had walls made from bamboo.

In addition, there are many households living in slum areas. The Statistics on Village Potential 2005 (PODES), shows that there were some 6,190 villages (out of 69,957 villages) with slum areas spread over 15,739 locations and occupied by some 854,906 families. This has resulted due to: (1) the inability of middle to lower social groups to own and/or occupy decent housing; (2) a decline in the quality of the environment (environment degradation); (3) lack of human resources and weakening of social cohesion; (4) the failure of housing supply to anticipate housing needs; and (5) the failure of the central and regional governments in maintaining allocation levels for the provision of and maintenance of infrastructure and urban services.

Low level of legal land ownership. BPS data for 2004, shows that the percentage of households in urban areas who have National Land Agency (BPN) certificates for the land that has been built on was as low as 40.91%, while in rural areas it was only 19.15%. These figures have declined in comparison with the situation in 2001 when it was 50.78% in urban areas, and 21.63% rural areas. In spite of this, in 2004, 18% of the public in rural areas and 25.55% in rural areas had provisional or ancestral property, and held land titles (girik)² as evidence of the right to cultivate or manage an area of land, which through a more detailed set of procedures can be converted into a land ownership certificate by BPN.

7.3.3. CHALLENGES AND EFFORTS NEEDED

The MDGs target of achieving significant improvements in the lives of the poor living in slums by the year 2020 faces the following challenges:

- **Mismatches in home financing.** Financing sources for housing loans generally originate from short-term funds (deposits and savings), while the nature of housing loans is generally long-term in tenure. The lack of financing sources for long-term housing has long been an obstacle in the development of a healthy housing market. Over the long-term, this mismatch has resulted in the housing market

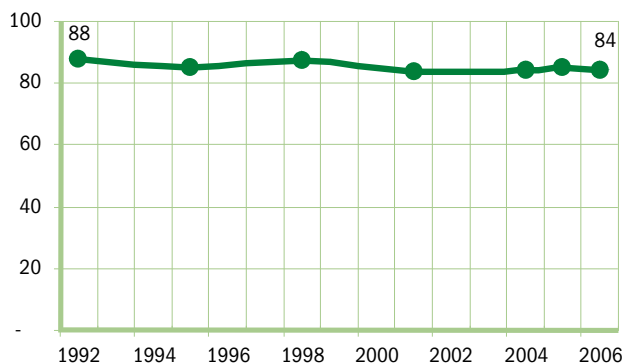
¹ United Nations (2003), Indicators for Monitoring the Millennium Developments.

² A girik is a land ownership document that has not yet been officially registered, that is actually in the form of land tax document.

Figure 7.20
Proportion of households with access to permanent housing (%), 1992-2006

Source:
National Socio-Economic Survey (BPS)

Clarification:
The proportion of households means the households that own or lease housing.



becoming unhealthy due to instability in the availability of financing sources. In addition to this, the housing market is strongly influenced by macro-economic changes, liquidation risks and fluctuations in interest rates. The lack of financing sources for long-term housing or secondary financing institutions is also one of the reasons for the burgeoning of pre-sale housing sale systems. Under this system, consumers do not purchase a house directly but rather buy a map of

what will be constructed if and when the consumer has settled the advance payment. This situation indirectly hurts consumers and results in an unhealthy market because mortgages on a house or land are based only on a single document until the house is built, so disclosure is difficult if a breach of contract or default occurs.

- **Continuing low efficiency in housing construction.** The high administrative costs in the issuance of licenses in the construction of housing represent one of the problems that are constantly being faced in the construction of houses. Licensing fees for housing construction are currently as high as 20% of the value of a given house. This gives rise to market inefficiencies in housing because these costs are passed on to consumers making housing increasingly unaffordable.
- **Restricted home financing and subsidy mechanisms that often do not reach their targets.** Existing housing assistance programs are not only poorly coordinated, but also, ineffective. Community self-help and group assistance for the housing construction and improvements remains project orientated and fails to reach the target groups. Low-rental high-rise apartments for target groups who are unable to purchase a house still rely on government grants and state capital participation through the state budget funding.

The provision of adequate, safe and affordable housing needs to prioritise the poor and low-income groups. Measures already undertaken include the provision of subsidized home ownership loans for low income groups who intend to purchase homes, the construction of low-rental high-rise apartments for low income groups who are unable to own homes, facilities for the construction of low-cost high-rise apartments (tenant owned) to promote private investment, facilities for self-supporting housing construction and improvement, as well as improving infrastructure and basic facilities for low-cost housing areas. In the framework of developing home financing sources (secondary mortgage facilities), the government has established PT. Sarana Multigriya Financial as a vehicle to finance housing construction.

In order to provide services to those social groups who make use of home ownership loans as a means to purchase a house, the general target for housing construction is to meet the housing needs of society. This will be achieved through the creation of a primary market that is healthy, efficient, accountable, non-discriminatory and affordable for all layers of society, which is supported by a system of long-term home financing that is market friendly, efficient, and accountable.

For low-income groups who have limited means, subsidies should reach them, but at the same do not distort the market, are accountable and have certainty in terms of availability each year. The other target that would be desirable to achieve is the formation of financing mechanisms for the improvements and the construction of new housing based on community self-help programs.

Box 7.2

A VIEW FROM CIVIL SOCIETY: WHAT IS LACKING IN GOVERNMENT POLICIES IN HOUSING AND RESIDENTIAL AREAS?

Currently, around 7 millions people are in need of housing and this number is expected to increase with the increasing demand from new households. Housing construction has been unable to meet demands moreover private sector housing construction tends to prioritize real estate and apartments that are unaffordable for the poor. It is not surprising therefore that in urban areas there has been a growth in dwellings and housing that is unfit to live in or slums.

Slums are found in almost all urban areas of Indonesia. There is no accurate data available on the number of slum areas throughout Indonesia. However, almost all urban areas in Indonesia have a large number of slums. These represent the poorest groups that are never calculated in statistical data in Indonesia. They have no access to education, are highly vulnerable to various health problems, and constantly face the threat of being evicted to make way for investment projects. This is a result of the prevailing stigma in society: that slum dwellings are occupied by illegal residents so local governments feel no obligation to make any effort to improve these areas. Local governments instead carry out evictions based on the grounds that these communities are an annoyance, damage the city's beauty or that the land is to be developed for other needs.

The government has in fact issued a number of policies to develop people's housing. However the requirements to obtain access to housing assistance remains out of reach for the poorest groups in society. First, there are the difficulties associated with obtaining an identity card. Without an identity card people cannot apply for assistance to obtain or improve a home. Second, assistance to obtain micro-credit requires collateral (in the form of goods or assets), but the poor do not have assets that can be used as collateral. Third, the acceptance or rejection of a credit application is always based on income level and employment stability. There are doubts therefore about the ability of the poor—who have very low incomes and irregular employment—to meet loan instalments and their loan applications are often rejected. Thus, government policies have not been fully able to resolve the problems related to efforts to improve slum areas.

The government has failed to touch upon the rental housing issues. This area is mostly managed by individuals and very much restricted to the private sector. As a consequence, it is extremely difficult to obtain information and data on the issue. Whereas there are huge opportunities in this area to reduce the number of slum areas.





2.8. GOAL 8. BUILDING GLOBAL PARTNERSHIPS FOR DEVELOPMENT

TARGET 12

DEVELOPING AN OPEN, RULE-BASED, PREDICTABLE, AND NON-DISCRIMINATIVE TRADE AND FINANCIAL SYSTEMS

8.1.1. INDICATORS

Target 12 mandates that each country develops open trade and financial systems that are rule-based, predictable, and non-discriminative. This includes a commitment to implement the principles of good governance. The following indicators are used to measure progress at the national level:

1. Ratio of total exports and imports to GDP. This ratio indicates the openness of a country's economy (%).
2. Ratio of credit to savings (loan to deposit ratio, LDR) of commercial banks (%).
3. Ratio of credit to savings (LDR) of rural credit banks (BPR).

8.1.2. SITUATION AND TRENDS

Starting with the installation of the New Order Government in 1965, Indonesia opened up its economy to attract foreign investment. Indonesia has been one of the beneficiaries of free market economy and globalization. However, it also had to share its shortcomings resulting from integration into the global economy that, at times, has gone through major swings. Indonesia was the worst affected country from the financial crisis that hit the region in 1997. The crisis resulted in economic turmoil, political instability, and triggered a process of capital flight which in its turn resulted in a huge devaluation of the Rupiah. Between 1997 and 2006, the economy has recovered, but has not yet reached the pre-crisis level of growth.



Indonesia's economic recovery is primarily led by private expenditure and commodity exports that have grown both in terms of their monetary value as well as volume, but exports from the manufacturing sector that would normally create greater employment have not reached pre-crisis level. In recent years Indonesia's exports have benefited from high commodity prices. Prices of rubber, coal, crude palm oil etc. continue to increase, thus creating a greater demand for exports and bringing a lot of foreign exchange into the country.

In 2004 Indonesia became a net importer of oil, but through a combination of price increase to discourage consumption and exploring alternative sources of energy, it is likely that in the short-term oil exports will remain more or less equal to oil imports. It can be therefore assumed that future increase in global oil prices that rose appreciably in 2005 and 2006 may not affect the country that much. In October 2005 with the elimination of subsidies, the fuel prices increased by 114% and in the process the price of kerosene that is mostly used by poor households for cooking tripled. According to some analysts there was limited impact for poor from the hike in the price of fuel, but what affected poor more was higher price of rice. Between February 2005 and March 2006, the price of rice rose by 33%. It is however difficult to be absolutely certain how much the price of fuel may have contributed to the increase in the poverty figures in 2006. It still remains a topic that is being hotly debated in the country. As rice constitutes almost 25% of the food basket of the poor, one can conclude though that poverty rates that are primarily computed on expenditure basis will be sensitive to changes in the price of rice.

The state of the national banking industry has shown improvement. Loan approvals increased by an average of 18.7% per year between 2000 and 2006. And public third-party bank deposits rates grew by an average of 10.7% per year over the same period. The loan to deposit ratio (LDR) also increased to 61.6% by late 2006. Similarly, the performance of rural credit banks (BPR) has shown improvements. BPR loans grew by an average of 29.3% per year between 2000 and 2006. While BPR public third-party deposits grew by 27.5% over the same period. By 2006, the BPR LDR had increased to 87.4%, thereby showing a far higher growth rate than the commercial banking sector. It appears that micro-financial institutions such as BPRs are more successful than commercial banks in extending credit.

Total loans channelled through BPRs have also increased. In March 2000, new credit reached 2.6 trillion rupiah, while by March 2007 this figure had increased to 15.4 trillion rupiah. The increase is quite encouraging, although the aggregate amounts compared with the loans from the commercial banks is quite small. By March 2007, commercial loans had reached almost 800 trillion rupiah.

8.1.3. CHALLENGES AND EFFORTS NEEDED

International trading regimes and practices are commonly characterized by protection of the agricultural sector. Indonesia, like many other countries including USA, EU, and Japan has tried to protect key agricultural products. In Indonesia this protection has been offered by raising tariff on key commodities such as rice. On the other hand, countries such as USA and EU provide large subsidies to their farmers thereby making it difficult for farmers from poorer countries to access these markets and putting them at a great disadvantage. Trade is a double edged sword. It is not only the exports that are affected by barriers, but imports including agreements over patents, copyrights, and intellectual property are also subjected to such constraints. A prime example of this is that many poor countries cannot produce or buy life saving cheap generic drugs for HIV and other diseases because they are bound by international agreements. It is generally assumed though that in the longer-term if these barriers to trade are removed everyone will benefit from open trade. However, it is understood that poor and developing countries need more time and capacity development to overcome any negative implications arising out of free trade agreements. Trade itself is not a means to end, but should be seen in the broader context of employment and human development. Unfortunately, the latest round of negotiations at the World Trade Organization (WTO), called the 'Doha round', which was to focus on development, broke down with disagreement between the rich and the developing countries.

Indonesia can play an important role at the global level to get favourable outcomes for itself and other developing countries. In order for Indonesia to fully benefit from international trade, it has not only to negotiate for fairer access for export of its goods and services, the country needs to improve some of the so-called supply side constraints affecting trade. Among others, Indonesia needs to stimulate investments in the manufacturing

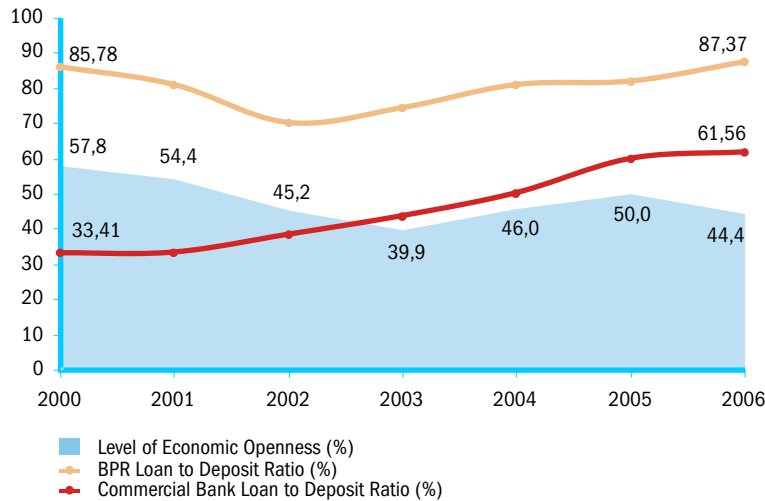


Figure 8.1
Level of economic openness, loan to deposit ratio of commercial and rural credit banks (%)

Source:
Indonesian Banking Statistics
(Bank Indonesia)

sector that seems to be lagging behind, which in turn could absorb more labour. The GoI has recently launched a national investment policy package to improve the business environment in the country and to attract more foreign direct investment (FDI) that still hasn't reached the pre-crisis level. Also, new areas in the country are being developed as free economic zones (FEZ) to stimulate investments. Furthermore, in the context of decentralization, regional governments need to proactively formulate and implement policies to promote local economic development and support business to tap into domestic and international markets.

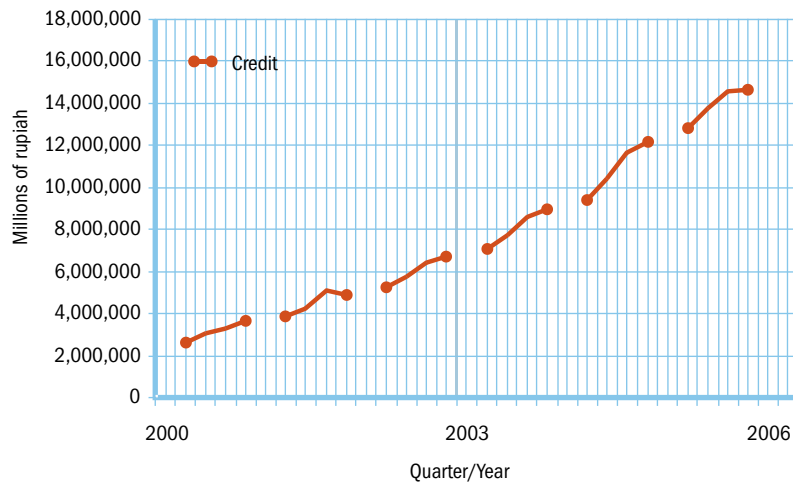


Figure 8.2
Loan disbursement trends for rural credit banks

Source:
Bank Indonesia Annual Report
(Bank Indonesia)

TARGET 15

ADDRESSING DEVELOPING COUNTRIES DEBTS THROUGH NATIONAL AND INTERNATIONAL EFFORTS AND DEVELOPING SUSTAINABLE LONG-TERM DEBT MANAGEMENT

8.2.1. INDICATORS

The following indicators are used in addressing developing countries' debts through national and international efforts:

1. Ratio of foreign debt against gross domestic product
2. Debt-to-service ratio (DSR)

8.2.2. SITUATION AND TRENDS

Official Development Assistance (ODA) is provided to poor and developing countries in the form of soft-loans or grants. The Indonesian government uses foreign loans and grants as an alternative source of funding for development. Foreign loans and grants are used to support economic development and to improve the welfare of people by meeting their basic needs, reducing poverty, and improving infrastructure.

Foreign loans and grants have been available since 1960s. In 1966 the total government foreign debt stood at US\$2.015 million which had grown to US\$ 53,865 million by 1997. The economic crisis of 1997/1998 caused the ratio of foreign loans to GDP to rise sharply as a result of the drop in the exchange rate of the rupiah. This was also the case for the proportion of foreign loans against exports, which rose significantly from 254.64 in 1997 to around 304.32 in 1999. The ratio of foreign loans against exports also rose significantly because of an increase in total government debt and a decline in exports from US\$53,443.10 million in 1997 to US\$48,665.50 million in 1999.

However, the economy's dependence on external funding has seen a relative decline. The burden of foreign debt repayments, calculated by debt-to-service ratio, has also declined, although it rose in 2006 as a result of the repayments amounting to US 7.6 billion to the International Monetary Fund.

8.2.3. CHALLENGES AND EFFORTS NEEDED

The management of foreign debt on the macro-level cannot be divorced from measures to make effective use of loans. Currently, the implementation of projects funded by foreign loans still face problem of low absorption rate which is caused by delays in project implementation due to problems in the procurement of goods and services, lack of coordination, and provision of counterpart funding. These delays are extremely costly because they increase the accumulated commitment fee and minimize expected benefits from the projects because they are not completed on time and in accordance to the planned schedule. As of now, the country lacks a coherent strategy and regulations on borrowing.

Another constrain that the government face is the size of annual repayments on loan principal and interest rate, which amount to 6.5 billion US dollars or around 25% of the total government budget. On the other hand, the government is no longer able to take advantage of rescheduling that was available to it previously through the Paris Club. It is imperative that the burden of future loan repayments needs to be minimized.

As discussed in this report, it is likely that some of the MDG targets would be difficult to achieve, particularly in the remote and backward areas of the country. Larger volumes of funding would be needed. The case for additional funding is also being made for many poor and developing countries, particularly those in Africa. Without the support of funding from developed countries, it will be very difficult to achieve the MDGs targets. It is critical that advocacy efforts to ensure that developed countries abide by their commitments to provide 0.7 of their GNI as ODA. Indonesia will have to play an active role, regionally and globally, to promote global partnerships and cooperation to assist counties in the achievement of the MDGs.

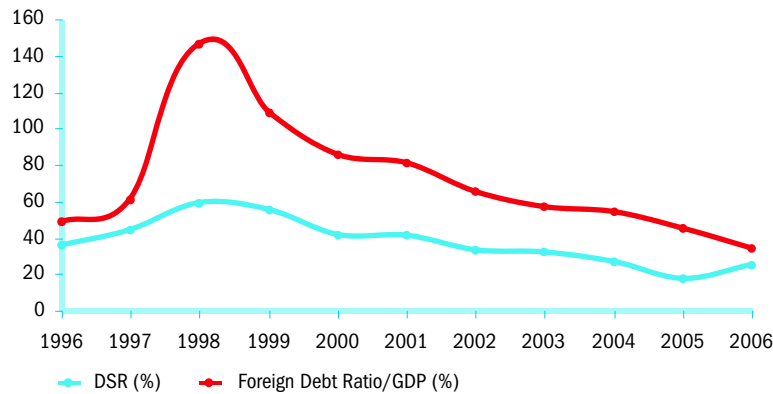


Figure 8.3
Debt-to-service ratio and ratio of
foreign debt to GDP, 1990-2006

Source:
Bank Indonesia

The general policy on foreign loans and overseas grants is governed by the 2005 Paris Declaration of 2 March 2005. The Declaration was signed by 91 countries, and 26 multilateral and bilateral agreements were made based on the Declaration. Signatories have affirmed their commitment to work towards effective utilization of foreign loans and grants, through the following steps:

1. Increasing the capacity of developing countries in outlining a strategy and operational framework for national development (in terms of planning, financing, and assessment),
2. Increasing compliance to the aid and priority system and procedure,
3. Increasing the accountability in terms of aid policy, strategy, and performance, both in donor and beneficiary countries.
4. Eliminating duplication of donor activities so that aid can be effectively used.
5. Simplification of donors' policies and procedures to enhance collaboration.
6. Establishing standards and measurements for performance, and creating a system of accountability of the beneficiary countries in public financial management, and procurement of commodities and services.

In Indonesia, the management of foreign loans and grants has always been tied with macro economic policy and management. Foreign loans are sought after careful consideration of the government's capacity to make future repayments.

Policy direction on the management of foreign loans and grants is provided in the 2004-2009 RPJMN or National Medium Term Development Plan, which is:

1. Reducing, in stages, the ratio of foreign government debt to GDP from 54.3 % in 2004 to 31.8% in 2007,
2. Increasing transparency, efficiency, and effectiveness of foreign loan utilization,
3. Enhancing human resources for the implementation of activities funded by foreign loans.

The National Medium Term Development Plan (RPJMN 2004-2009) also mandates several government policies in the management of foreign loans and grants. These are aimed at reducing the portion of foreign loan in the financing of APBN (State Budget Revenue and Expenditure).

The government regulates foreign funding through Government Stipulation or PP No. 2/year 2006 on the Procedure of Loan Procurements and/or Grants Acceptance as well as the continuation of Foreign Loan/Grants. In this regard, BAPPENAS has outlined a regulation under the State Minister for National Development Planning/Head of BAPPENAS (National Development Planning Board) PER.005/M.PPN/0-6/2006 for "Procedure for the Planning and Proposal Submission and the Evaluation of Activities Funded by Foreign Loans/Grants". Two further regulations were then issued by the Minister of Finance, namely: Permenkeu No. 52/PMK 010/2006 governing the Procedure of Grants Award to the Regions, and Permenkeu No. 53/PMK 01/2006 which applies to the Procedure of Regional Borrowing.

The policy principles as stated in the Government Stipulation (PP No/2 y2006) are following:

1. The need for PHLN is based on RPJM program, or country-driven where the program is of government interest;
2. The authority for loan implementation is undertaken by the Minister of Finance,
3. The Ministry and the regional governments are prohibited to do any binding that may obligate the government,
4. The establishment of one-gate policy within one institution whereas proposal for any activity can only be carried out by the highest ranking executive (Minister/Head of Institution/Regional Head/Board of Directors of BUMN (State Owned Enterprise),
5. A clear terms of reference in the planning and preparation process coordinated by BAPPENAS (proposals for an activity is conveyed through BAPPENAS), and negotiation with the incumbent of PHLN provider, and coordinated with the Ministry of Finance.

In the context of implementing these policy directions, the government is in the process of carrying out the following steps:

1. Formulating a strategy for the utilization of loans as part of the 2004-2009 RPJMN;
2. Formulating a draft Law on Foreign Loans and Grants as well as setting out the technical stipulations that are required before this law can be ratified;
3. Strengthening the foreign loan and grant planning system and improving the quality of project preparation;
4. Improving risk management in terms of refinancing risk (the capacity to pay off loans when they fall due), exchange rate risk as well as interest rate risk (for loans with a floating interest rate)
5. Improving human resource capacity in the management and use of foreign loans and grants; and
6. Improving the foreign loans and grants database system.

The government will continue its efforts to improve use of foreign loans and grants as mandated under the Paris Declaration of 2005 on aid effectiveness. Increasing a sense of ownership and bringing it into conformity with national priorities will promote harmonisation in the utilization of foreign loans and grants. In early 2007 the government dissolved the Consultative Group in Indonesia so that the process for requesting external funding is country driven, and do to that, consultations will be held bilaterally with the respective creditor/donor countries to discuss more specific matters and modalities.

In addition to this, the government also aims to pursue schemes that will help to reduce the debt burden such as debt swaps and optimal use of grants. The government will also try to seek more funding from grants, particularly for those areas related to environment, poverty alleviation, and democratisation.

TARGET 16

COOPERATING WITH OTHER COUNTRIES TO DEVELOP AND APPLY STRATEGIES TO CREATE MEANINGFUL AND PRODUCTIVE JOB OPPORTUNITIES FOR THE YOUNG POPULATION

8.3.1. INDICATORS

The following indicators are used to assess Target 16:

1. Youth unemployment rate (15-24 years);
2. Youth unemployment rate (15-24 years) according to sex;
3. Youth unemployment rate (15-24 years) according to province.

8.3.2. SITUATION AND TRENDS

The open unemployment rate in Indonesia, especially youth unemployment, has been steadily climbing since the 1997 economic crisis. In February 2007, the level of youth unemployment stood as high as 29.53% for females and 22.86% for males. Moreover the youth unemployment rate between provinces shows a striking variation. Nationally, the number of unemployed young people is as high as 54.87% of total open unemployment in Indonesia.

Looking beyond the figures for open unemployment, many young people work in the informal economic activities with low levels of productivity, low incomes, and unsatisfactory working conditions. Many young adults who are unemployed or semi-employed, do not have an opportunity to improve their potential and thereby negate the prospects of obtaining a decent job. As a whole, the large number of unemployed youth results in a loss of potential productivity among the younger age group. Among other things, the high youth unemployment rate is a consequence of economic growth that has failed to create enough employment opportunities. Although economic growth reached 26% between 2000 and 2005, the number of new jobs grew by only 6%.

8.3.3. CHALLENGES AND EFFORTS NEEDED

Unemployment and underemployment remain one of the major concerns of the government. The economy is now showing signs of recovery and there is optimism that growth rates of above 6% are possible, but even with that growth, not enough jobs will be created to absorb the growing number of job seekers in the country which is increasing by 2 million annually.

Limited job opportunities together with a lack of skills result in young people being unable to find jobs and thus are being trapped in a vicious cycle of unemployment and poverty—one that is extremely difficult to break out

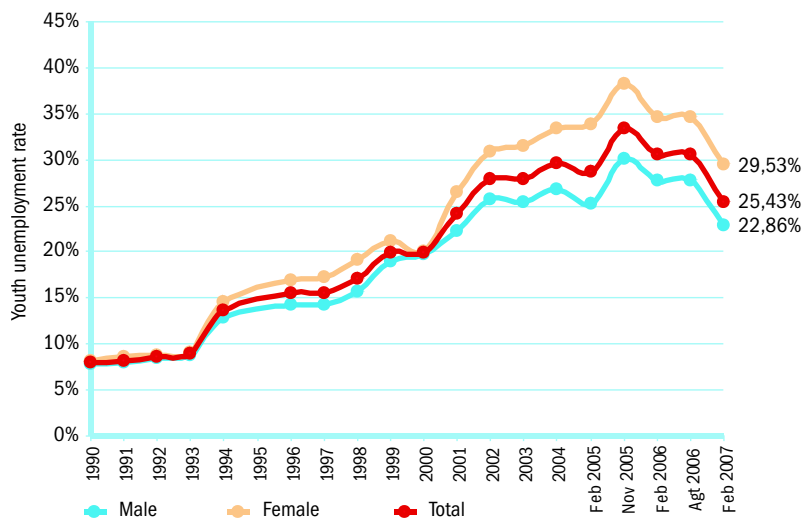


Figure 8.4
National youth unemployment rate (15-24 years), 1990-2007 (in percent)

Source:
National Workforce Survey
(BPS, February 2007)

of. Furthermore, although the participation of young women in the workforce has grown, many young women are only able to get work in the informal sector such as domestic work, which is unpredictable and low paid.

International experience shows that economic growth alone is not sufficient to create greater employment opportunities. In order to strengthen the relationship between growth and job opportunities, the creation of meaningful and productive employment must become the primary aim. The government on its own cannot do it. Trade unions, employer associations, the chamber of commerce, civil society organisations and the private sector must participate with the government in this effort.

Indonesia was one of the first countries to voluntarily become a “leader” in the Youth Employment Network (YEN), which was launched by the Secretary General of the United Nations. The YEN is result of cooperation between the International Labour Organisation, the United Nations and the World Bank. The network provides a starting point from which Indonesia can develop cooperation with other countries in the framework of sharing experiences and mutual efforts to provide job opportunities for the youth.

In 2004, the government formed the Indonesian Youth Employment Network and the Indonesian Youth Employment Action Plan (IYEAP). The IYEAP states that Indonesia must ensure that its youth are better prepared for work. Focus areas include providing basic education and quality vocational skill training, encouraging the development of a spirit of entrepreneurship, providing same opportunities to women and men, and creating a favourable climate for employment generation.

The government has recently announced that it is going to re-allocate 3.3 billion USD from routine budget (2008) for capital expenditure to finance infrastructure development that is expected to spur growth and support employment. The government has also unrolled a nation wide community-driven development project

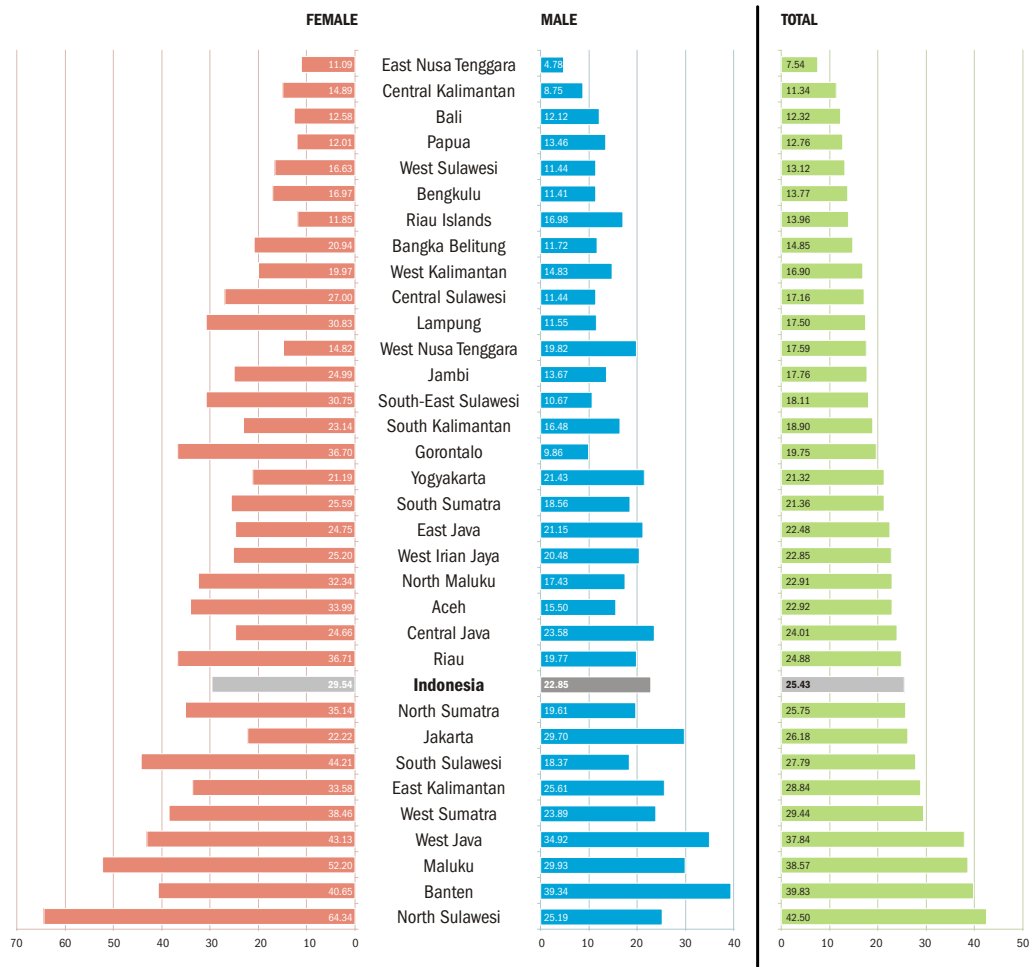


Figure 8.5
Rate of open youth unemployment (15-24 years) based on sex and by provinces, February 2007

Source:
National Workforce Survey
(BPS, February 2007)

(Program Nasional Peremberdayaan Masyarakat: PNPM) which is expected to create short-term employment through labour intensive activities. While programs like PNPM can stimulate rural economies, policy reform accompanied by investments are clearly needed to create avenues for sustainable employment.

Indonesia has also launched a number of policy packages including a new investment law to improve the business climate in the country to attract foreign direct investment. These are steps in the right direction, but the momentum has to be maintained and followed by necessary passing of regulations and by-laws that presently are making it harder for the businesses. Also, due attention should be paid to small and medium enterprises (SMEs) that are primary source of employment in the country. Unfortunately, SMEs are the ones that usually confront challenges in accessing services that are essential for their growth. The government should aim to create an inclusive business development sector including provision of financial services without getting in the position of service provision, but providing the framework and incentives for the private sector to target those who are underserved.

In addition to this, Indonesia needs to develop its human resources in order to better prepare them in future for the job market, both domestically and internationally. Investments in education may not bear fruit in the short-term, but it will help consolidate Indonesia's position in the long-term in face of tough competition from within the region and globally as well. The government also needs to re-assess industries and sectors where it has and will continue to have a comparative advantage, and examine these in the broader context of growth, markets, trade, poverty reduction, social policies, and accordingly develop a "policy mix" as an employment strategy for future.

TARGET 18

COOPERATING WITH THE PRIVATE SECTOR IN UNITIZING NEW TECHNOLOGIES, PARTICULARLY INFORMATION TECHNOLOGY AND COMMUNICATION

8.4.1. INDICATORS

Target 18, is assessed using the following indicators:

1. The percentage of households with fixed-line and cellular telephones;
2. The percentage of households that own personal computers and have access to the internet through a computer;

8.4.2. SITUATION AND TRENDS

A large population in Indonesia do not have access to information, communication, and technology (ICT) and thus are not able to fully benefit from globalization. Unless this digital divide is not removed, positive impacts from globalization will be limited to only rich countries, and few urban centres in the developing countries. New technologies have created unimaginable opportunities, but a disproportionate number of poor still lack access to such technologies. These barriers are manifested in higher prices, often a symptom of monopolies, inappropriate products that are normally designed for people in the higher income bracket.

The Gol Indonesia is committed to making progress on MDG Targets for ICT and reaching the goals agreed at the World Summit for Information Society. These goals include (1) basic voice telephone service for all population (Universal Service) and (2) 50% of the population with access to the Internet by 2015.

According to figures available from the 2006 National Socio-Economic survey (SUSENAS), the percentage of households with fixed phone line is 11.20% and internet access is 4.2%. These figures suggest that Indonesia has still a lot of ground to cover to reach its targets by 2015. The growth in mobile phones is however rapidly growing: about 25% of households in Indonesia have mobile phones now. In terms of total access (household and shared access at warnets or cyber cafés), the percentage of population with access to the internet is about 9% (estimates

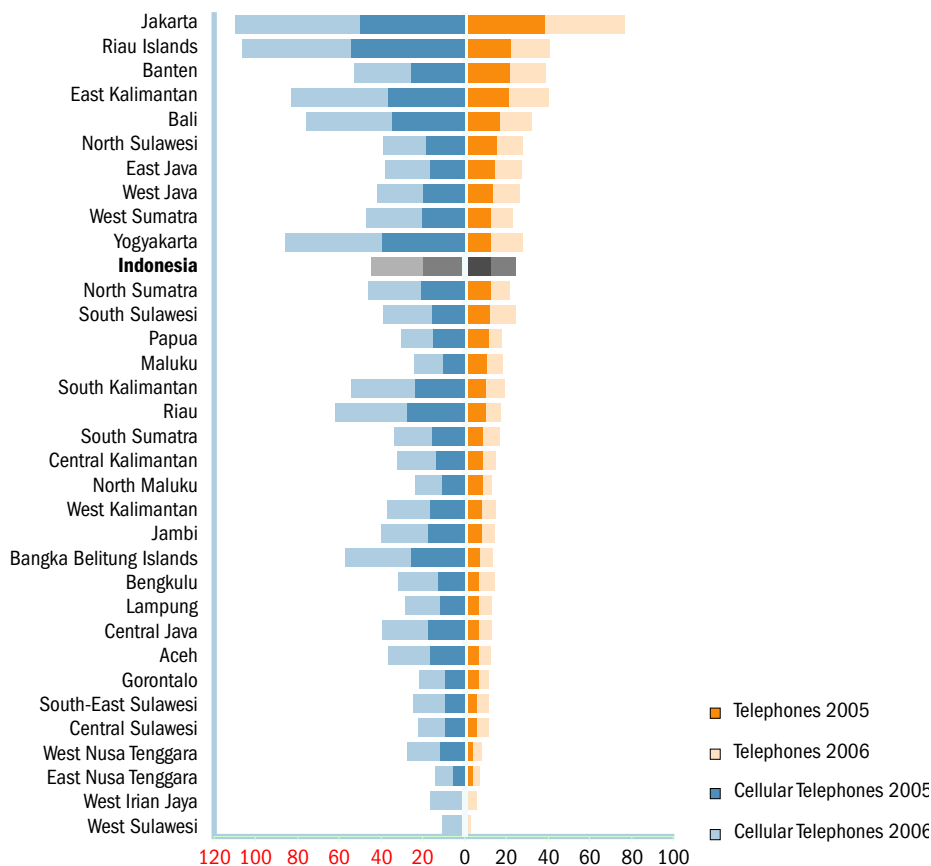


Figure 8.6

Percentage of households owning fixed-line telephones or cellular phones by provinces, 2005 and 2006

Source:

National Socio-Economic Survey (BPS, 2005-2006)

from the Indonesian Association of ISPs: APJII). Compared to less than 1% in 2001, this is indeed a remarkable growth in the number of users. Nonetheless, this growth rate is still below average of the Asia Pacific region that saw an increase of 8.6% in 2004.

8.4.3. CHALLENGES AND EFFORTS NEEDED

The figures across the country reveal a strong correlation between availability and use of technologies with urban areas and infrastructure. All the provinces that are above national averages have more urban centres, better infrastructure, and also the population is more concentrated thereby making it more attractive for the private sector to provide these services. Also, on the “demand side” there is lack of awareness among people about technologies in the provinces on the outer islands.

Indonesia’s sheer size and geography (13,000+ islands) makes provision of infrastructure a major impediment to growth. However, with technological innovation and the use of satellite communication, where Indonesia has a long history, it can be overcome. The daunting challenge of providing connectivity services to more than 220 million people greatly depends on the regulatory reform to bring more competition in the sector. When the 2.4 GHz bandwidth was deregulated, there was a surge in the number of cyber cafés to utilize low-cost Internet access. The current industry structure in Indonesia doesn’t allow optimal competition in basic telecommunication market. A case in point is that even fixed phone penetration decreased from 14.32% of households in 2005 to 11.20% in 2006. Also, the regulation to restrict only domestic ISPs to own international bandwidth makes internet costs one of the highest in the region. In Indonesia it is estimated that internet access for 20 hours per month cost 37.6% of GNI per capita, while it is 4.2% in Thailand, 13% in China, and 21.9% in India (ITU, 2004)

The government has already launched a number of initiatives to stimulate demand and private sector investment in the IT sector. It is implementing the Universal Service Obligation Program utilizing USO funds, equivalent to 0.75% of telecommunication revenue every year, to provide one telephone to every village in Indonesia. Currently, there are about 70,000 villages that do not have access to even voice telephony. In 2006, Indonesia also initiated the

“Indonesia Goes Open Source (IGOS)” program to provide open source software to all government agencies and eventually to schools and other public institutions.

The Ministry of Communication and Information has started a “Community Access Point (CAP)/ Warung Masyarakat Informasi (Warmasif) program that allows access to internet at post offices. Also, the Ministry of Research and Technology is supporting “Warintek” (Warung Informasi Teknologi), an internet based public libraries and other public facilities. The Ministry for Education is supporting ICT Centers targeting 500 vocational schools with internet facility and through Jardiknas (Jaringan Pendidikan Nasional) it is providing 6,500 schools with computer laboratories and internet access. There are also local government initiatives including tele-centers and internet outlets for schools in East Java, Bali etc.

In addition this, international development agencies and private sector are supporting ICT initiatives in the country to improve accessibility. Among others, these include tele-centers (Pe-PP, UNDP), BIM (World Bank), CMC- (UNESCO), and CTLC (Microsoft).

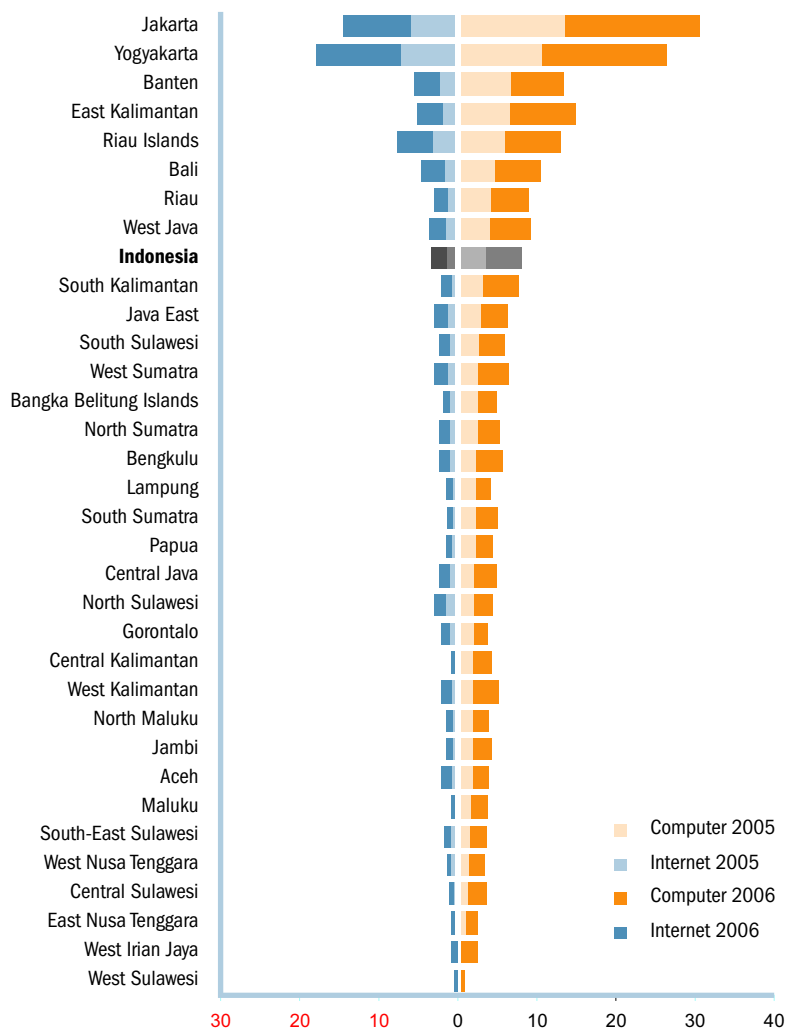


Figure 8.7
Percentage of households owning personal computers and having access to the internet through a computer according to province for the years 2005 and 2006

Source:
National Socio-Economic Survey (BPS, 2005-2006)



3. ACHIEVEMENT OF MDGs: A REGIONAL PERSPECTIVE

3.1. GENERAL ACHIEVEMENTS

This section that looks at the progress on the achievement of MDGs in the regions is intended to complement the discussion at the national level. Based on the analysis, as discussed in the previous chapters, we can see that there are wide disparities between provinces. These disparities have resulted from a number of factors including level of economic growth, availability of resources, capacity of the regions, infrastructure, and in some cases lack of awareness about the MDGs.

This discussion on the MDGs in the regions is aimed at ensuring that all parties involved in regional development realise that the MDGs can only be attained with cooperation and division of roles among the central government, regional governments, and the communities in the respective regions.

The following report on progress on MDGs in the regions is based on the reports of Level I Regional Governments or provinces, including those provinces that were formed as a result of the breaking up into new provinces. The total number of provinces discussed in this section is 33 including the following six new provinces.

- North Maluku Province which broke off Maluku in 1999;
- West Irian Jaya/West Papua Province which broke of Papua in 1999;
- Bangka Belitung Province which broke off South Sumatra in 2000;
- Banten Province which broke off West Java in 2000;
- BRiau Island Province which broke off Riau in 2002; and
- West Sulawesi Province which broke off South Sulawesi in 2004.

The fact that many provinces were divided presents a problem in terms of data and analysis for MDGs as it is difficult to track back the progress to 1990.

1. NANGGROE ACEH DARUSSALAM



In this respect, it is encouraging to see progress in Aceh. The poverty rate (Po) for Aceh in 1993 was 13.5%, equivalent to 496,700 people. The rate was below the national poverty rate of 13.7% and also below the average provincial rate of 14.7%. By 2000, however, the proportion of the population living in poverty in Aceh had grown significantly to 29.8%. In 2006 the poverty rate was 28.7%. The prolonged armed conflict that has been going on since the 1990s, and the resultant economic decline are the main reasons behind the increase in the poverty. In 1989, undernourishment among children under five in Aceh was 48.4%, which was the second highest rate in Indonesia. However, incidence of undernourishment declined between 1989 and 2000, dropping to 39.3% and 38.6% respectively.

The net enrolment ratio (NER) for primary school (PS) and its equivalents in Islamic Religious school madrasah ibtidaiyah (MI) shows a positive trend. Although the primary school net enrolment ratio for 1992 was among the lowest in the country, it was still above the national rate of 88.7%, as well as the average for each province (87.2%). Improving education services in the province has resulted in a steady increase in primary school participation rates as shown by the primary school net enrolment ratio which had reached 95.5 % in 2006.

In Aceh the gender parity in the education has deteriorated. In 1992 the net enrolment ratio of females in primary school was 99.9 but that rate had since declined to 96.4 (2006). The net enrolment ratio of females to males in junior high school and Islamic religious schools (madrassa tsanawiyah) declined from 111.4 in 1992 to 99.3 in 2006. The rate is below the national average of 100. As far as gender parity for average monthly wages is concerned, Aceh seems to be doing better than other provinces. In 2006, the ratio in Aceh was 84.8, while the national average was 74.8.

The infant mortality rate per 1,000 live births in 2005 was 7.0, which was lower than the national rate of 8.0. The child mortality rate in the same year was 46.0 per 1000 live births, compared with the national rate of 40.0.

Only one case of AIDS was reported in 2005 while the 2,170 cases of malaria were reported for that year. The 2000 ETM 7 Satellite images suggest that the forest area in Aceh has remained unchanged between 2001 and 2005. Moreover, the number of households with access to non-piped protected drinking water has increased from 24.1% in 1994 to 41.4% in 2006. Also, access of households to adequate sanitation facilities has improved considerably from 25.1% in 1992 to 62.7% in 2006.

It appears that men have had better employment opportunities (in the age group 15-24 years). As of February 2007 the youth unemployment rate for men was 15.50 percent, while for females it was 33.9 percent. In accumulative terms, the total incidence of youth unemployed, as of February 2007, was 22.9 percent. The total rate is slightly better than the national average.

2. NORTH SUMATERA



In North Sumatra the poverty rate in 1993 was 12.3%, while the national poverty rate at that time was 13.7%. By 2000, the poverty rate had increased to 13.0%, but it was still below the national poverty rate. It seems that policy action in the last five years is not having any impact on poverty which had further increased to 14.3 % in 2006.

The malnutrition rate in the province has fluctuated from 1989 and 2006. In 1989, there were 37.3% children under five who suffered from malnutrition. The rate is slightly better than the national average rate of 37.5%. In 1992, severe malnourishment rate was 35.4% which had decreased to 26.5% in 2000. Although there were improvements between 1992 and 2000, the rate in 2000 was worse than the national rate of 24.7%. In 2006, the percentage of malnourished children had risen to 28.7%. This figure is slightly higher than the national average of 28.1%.

The net enrolment rate for primary schools/MI in North Sumatra in 1992 reached 89.9%, higher than the national average of 88.7%. In 2002 the net enrolment ratio for primary schools/MI was 94.2% which declined slightly in 2007 to 94.0%. This figure is below the national net enrolment ratio for primary school/MI (94.7%). The net enrolment ratio for junior high school/MT in North Sumatra is better than the national average: 56.4% in 1992, 67.2% in 2000, and 73.1% in 2006. The rate for 2006 is the third highest in Indonesia.

Gender equality in education sector is measured by net enrolment ratio of females to males in primary school/MI, and junior high school/MT. The net enrolment ratio of females to males in primary school/MI between 1992 and 2006 showed little change from 99.5 in 1992 to 99.5 in 2000 and 98.5 in 2006. The net enrolment ratio of females to males in junior high school/MT between 1992 and 2006 increased from 99.4 in 1992 to 102.3 (2000) and then to 103.3 in 2002, and then slightly decreased to 101.3 in 2006. The progress –particularly at the junior high school/MT level—illustrates that measures to address gender equality is enabling women greater access to educational. The average monthly salary ratio between women and men, at 76.4, is slightly better than the national rate of 74.8.

In terms of reducing child mortality rate as indicated by the infant mortality rate and the mortality rate of children under five, the progress is quite good. The 1994-2003 data for infant mortality shows 42 deaths

per 1,000 live births while the national figure for that period shows 35 deaths per 1,000 live births. In 2005, mortality rate had declined to 26 deaths per 1,000 live births, while the national figure which had also decreased was 32 deaths per 1,000 live births. The mortality rate of children under five also decreased from 57 between 1994-2003, and by 2005 had reached 32.

North Sumatra is one of the provinces with the highest number of HIV/AIDS cases: 416 people in 2007. In 2005, a total of 5,340 cases of malaria were reported in the province.

Ensuring conservation of the environment remains a very challenging task for North Sumatra. The designated forest area had decreased from 53.7% to 52.2% in 2005. The access of households to non-piped protected drinking water between 1994 to 2006 rose from 39.6% (1994) to 55.2% (2006). The access of households to adequate sanitation between 1992 and 2006 also improved from 41.1% in 1992 to 76.7% in 2006. The rate in 2006 was better than the national average of 69.3 %.

The youth unemployment rate in this province (25.75%) is higher than the national average. Youth unemployment for the women is much higher than men (35.14 to 19.61)

3. WEST SUMATERA



The percentage of the population living in poverty declined between 1993 and 2006. In 1993, the rate was 14.5% that had decreased to 11.4% in 2000, but experienced a slight increase in 2006 (11.6%).

In 1989, 37.2% children under five in this province were malnourished. The rate had decreased to 30.9% in 1992, further decreasing unto 2000 (21.8%), but had increased to 30.4% in 2006. This is higher than the national rate of 28.0%.

Consistent improvements were achieved in ensuring universal basic education from 1992 to 2006, both for primary school/MI and for junior high school/MT. These improvements are shown by the net enrolment ratio for primary school/MI, which was 90.2% in 1999. This increased to 92.7% in 2000 and reached 94.2% in 2006. The net enrolment ratio for junior high school/MT also rose from 53.2% (1992) to 63.0% (2000) and further increased to 67.8% (2006). The improvements in the net enrolment ratio for both primary school/MI and junior high school/MI are better than the national average.

Gender equality in education shows a decline as could be seen from the net enrolment ratio of female to male students in the primary school/MI. This ratio was 102.4 in 1992. It declined to 99.6 in 2000 and declined again to 99.2 in 2006. The net enrolment ratio of female in primary school/MI students in 2006 was below the national average of 99.4. This is also the case in the net enrolment ratio of female to male junior high school/MT students in West Sumatra; from 125.0 in 1992 to 112.0 in 2000, and to 108.7 in 2006. The net enrolment ratio of female in high school/MT students in 2006 is better than the national average for the same year which was 100.

Gains were made in the health sector in the context of reducing the child mortality rates. Between 1994 and 2003 the infant mortality rate was 48 deaths per 1,000 live births, which had decreased to 32 by 2005. The infant mortality rate in 2005 was same as the national average. In 2007, 131 cases of AIDS were reported in the province.

The ratio of forested land rose slightly from 60.5% in 2001 to 61.5% in 2005. In addition to this, access to non-piped protected drinking water improved from 33.2% in 1994 to 47.0% in 2002 and further improved to 53.6% in 2006. Similar achievements were registered in terms of households who have access to adequate sanitation. For 1992, this figure was 19.8%, which increased to 41.3% in 2000 and then increased to 49.8% in 2006. Although there is progress for both access to drinking water and adequate sanitation, the rates are still below the national average.

The youth unemployment rate for men in February 2007 stood at 23.89 %, which is better than the national average. For females the youth unemployment rate was 38.46%.

4. RIAU AND RIAU ISLANDS



In 2006 the percentage of people in Riau who lived below the poverty line was 10.48%. Following the break up, the poverty rate in Riau Islands is even lower (7.2%). Both are below the national average. In 1993, the percentage of poor was 11.2%. Due to its location, it is assumed poor households in Riau Islands have limited access to services compared to Riau Province.

The net enrolment ratio of females in junior high school/MT from 1992 to 2002 (including both provinces) was 82.5% and 100.8% respectively. In 2006, this rate in Riau had increased to 130.0%, while the rate in Riau Islands was 129.3%. One can see that at the junior high school/MT level, gender parity has already been achieved. In 2007 the ratio of female and male wages in Riau was 73.4% which is below the national average of 74.8%.

With regards to access to drinking water, measured by non-piped protected drinking water, one can notice that situation in Riau and Riau Islands had deteriorated in 2006. In 1992, the number of households with access to non-piped protected drinking water in Riau, including Riau Islands was 60.5%. In 2006, this had decreased in Riau to 46.6%, while in Riau Islands, the rate was 60.1%.

In terms HIV/AIDS and malaria, in 2007 the data shows that the total number of people living with HIV/AIDS were 401 people, while 3,680 cases of malaria were also reported.

Data for 2007 shows that youth unemployment rate in Riau was 24.88% while for Riau islands the rate was only 13.96%. The latter is almost half of the national average.

5. JAMBI



The percentage of the poor people in Jambi was 10.0% in 2006. Between 1993 and 2006, the number of poor people in this province fluctuated. This fluctuation in the number of poor people is very apparent if we compare the data for 2000 with the data prior to this (1993) and the data after this (2006). The percentage of the poor people in 1993 was recorded as 13.4% of the population. This rate had increased to 21.0% in 2000. The national rate for the same year was 18.95%. Unlike Riau where most people live on Riau Islands, the poor people in Jambi live in hinterlands, at the foot of Kerinci Mountain, in forest conservation areas, and along river banks and tributaries.

The primary school/MI net enrolment ratio for Jambi province in 2006 was 94.4%. This shows a steady improvement if seen from the results of previous years. In 1992 the primary school/MI net enrolment ratio was still as low as 85.9% and by 2000 it had increased to 92.8%. The national rate for the same year was 92.3%.

The net enrolment ratio of female pupils in elementary schools/MI in Jambi Province in 2006 was 98.8%, and the province is in the category of regions with the worst results outside Java. The situation in the province deteriorated compared to the previous years. In 2000 for example, the net enrolment ratio of female pupils in elementary schools/MI (APM P/L SD/MI) in Jambi was 100.6%, while the ratio in 1992 was 101.5%. Based on results from 1992, Jambi province was categorized as a region with a ratio above the national average (100.6%). It seems that cultural factors also play a role here. In Jambi the education of male children is usually prioritized, and there is a custom of early marriages of females.

Jambi is one of the provinces that over the last 16 years has seen an increase in the number of households with access to non-piped protected drinking water: that is from 39.6% in 1994 to 46.9% in 2006. Data for 2002 meanwhile indicates that as many as 50.3% of households had access to non-piped protected drinking water placing Jambi above the national average of 50.0%. In terms of access to adequate sanitation, in 2006 Jambi province ranked eleventh (60.9%). The rate is however an improvement on the 2000 (55.1%) as well as the 1992 (25%) rate.

In terms of HIV/AIDS and other infectious diseases, as of 2007, it was recorded that there were 96 people suffering from HIV/AIDS while 4,305 cases of malaria also reported.

6. SOUTH SUMATRA AND BANGKA-BELITUNG



In 2006 the total number of people living in poverty in South Sumatra was 18.2%, which is higher than the national average. In 1993, the poverty rate in South Sumatra (including Bangka Belitung) was 14.9% or around 1,023,900 people. In 2000 the rate was 17.6%, while national average in 2000 was 18.9%. Infrastructure problems, such as

the condition of the eastern Sumatra road that divides the province—which has been reported on extensively in the media—represents one of the obstacles that has worsened the situation for the poor households.

In 2006 the primary school/MI net enrolment ratio was 91.5%. Data for the primary school/MI as well as the junior high school/MT net enrolment ratio in 1992 and 2000 is not available because Bangka Belitung at that time was still a part of its “parent” province of South Sumatra. For South Sumatra, the primary school/MI net enrolment ratio in 1992 stood at 87%, slightly lower than the attainment at the national level, which was 88.7%. South Sumatra has shown improvements with the rate increasing from 92.3% (2000) to 93.0% (2006). The rate for junior high school/MT net enrolment ratio in Bangka Belitung was also 93.0% in 2006.

The gender parity rates for Bangka Belitung are also showing encouraging results. The ratio of females to male primary school/MI in 2006 was 99.0%, which is above this above the rate in Jakarta (96.5%) as well as other large cities such as Yogyakarta (97.9%), Central Java (98.2%), and East Java (99.0%).

The net enrolment ratio of female to male junior high school/MT students in South Sumatra in 1992 was 40.2%, while it had grown appreciably by 2000 to 59.6%. Although there were improvements in 2000, but compared with the national average of 60.3%, South Sumatra was lagging behind. However, by 2006 the ratio had already increased to 68.0%, which was above the national average of 66.5%.

The ratio of female to male in Bangka Belitung and South Sumatra in 2007 is below the national average reflecting continuing discrimination against women. The monthly wage of young female workers in South Sumatra was 70.7% of what men are paid. In Bangka Belitung, the ratio was 69.8% percent. Thus, the monthly wage ratio of females to males in these two provinces is still below the national level of 74.8% in 2007.

In relation to HIV/AIDS and other infectious diseases, in 2005, there were 124 people suffering from HIV/AIDS while 2,246 cases of malaria were also reported. In 2007, there were 64 HIV/AIDS patients, and 5,378 cases of malaria. The number of households with access to non-piped protected drinking water in 1994 in South Sumatra, including Bangka Belitung, was 32.1%. The national figure at that time was 16.2%. In 2006, access to non-piped protected drinking water in Bangka Belitung province had reached 33.9%. This level is still below the national figure of 57.2%. The availability of non-piped protected drinking water sources in South Sumatra in 2006 stood at 50.6%, a level that still places the province below the national figure, but far better if viewed from the situation in 2000 when the rate was 41.3%.

In terms of access to adequate sanitation, the data for 2006 shows that the both provinces were below the national average of 69.3%. The rates in Bangka Belitung (67.4%) and South Sumatra (69.1%) are ranked 21 in the country. The rates in 1994 and 2000 before the province was split were 29.30% and 62.10% respectively.

The youth unemployment rate in Bangka Belitung is 14.85% which is much lower than the national average of 24.43%. However, females receive a much smaller monthly wage than men.

7. BENGKULU



In 1993, there were 13.11% of population or 173,000 people living in poverty. This was below the national average of 13.67%. In 2000, however, the number of poor grew to 17.72% or around 372,400 people, and this number had increased further to 20.90%.

The rates between 1993 and 2000, although increasing were still below the national figure for the same period viz. 13.11% in 1993 and 17.72% in 2000. What is of concern though is that in 2007 the poverty rate was even higher than the national average. We can thus conclude that efforts of the local government in Bengkulu haven't had the desired impact on poverty.

The child mortality (mortality rates for infants and children under five) rates in the province shows a positive trend, particularly for the infant mortality rate that in 2003 was 53 deaths per 1,000 live births, which drastically dropped in 2005 to 10 deaths per 1,000 live births. This is the same also for child mortality rates. Although still below the national average, the child mortality rate dropped from 68 deaths per 1,000 live births in 2003 to 45 people deaths per 1,000 live births in 2006.

The access to safe drinking water and adequate sanitation is still of concern as the following indicators show. The percentage of households who had access to non-piped protected drinking water in 2006 was 36.5%. This rate has remained stagnant since 2000 when the rate was 36.3%. The changes are only visible if this is compared with the data from 1994 when the figure was 24.4%.

The number of HIV/AIDS patients in Bengkulu province is low with a total of 23 people living with HIV and AIDS in 2007. There is no available data for incidence of malaria in Bengkulu.

8. LAMPUNG



The proportion of the population living in poverty in Lampung province in 2006 was 22.64%. This indicates a decline if we compare it to 2000 when the poverty rate was 30.32% or approximately 1,650,700 people. The data from 2000 shows a spike in poverty rate. In 1993 the proportion of the population living in poverty in Lampung was still only 11.70%. One can see that the monetary crisis that hit Indonesia in 1997/1998 had an extraordinary impact on poverty in the province.

The net enrolment ratio of females in primary school/MI students in 2006 was 98.9% and is thus one of the provinces with the worst rate outside Java. The province actually experienced a decline in enrolment rates if compared with previous years. In 2000 for example, the net enrolment ratio of females in primary schools/MI was 99.2%, while in fact in 1992 the rate was 101.8% which was higher than the national average. One of the factors in the decline of the net enrolment ratio of females in primary school/MI is that children are still viewed as "productive labour assets" who can contribute to household income from an early age.

The gains in Lampung province, in terms of the net enrolment ratio of female to male junior high school/MT students, are slightly different from the net enrolment ratio of female to male primary school/MI students as described above. Over the period 1992-2007 it can be seen that gains as a whole have been consistently above the national average. The following data reflects this, with the net enrolment rate in 1992 standing at 106.4 against the national rate at that time being 101.3, rising in 2000 to 108.5 against a national average of 104.2, rising again in 2006 to 106.2 against a national average of 100, and finally in February 2007 dropping to 78.5, which is still higher than the national average of 74.8.

Lampung has also experienced an increase in the use of non-piped protected drinking water. In 1994 the rate was 18.9%, 39.6% in 2002, and 43.9% in 2006. Although access to non-piped protected drinking water in Lampung province shows a positive trend, the overall rate is below the national average.

Until 2007, there were relatively few HIV/AIDS cases (123 people). On the other hand, the malaria rate was high with 3,025 cases reporting and thereby placing the province in sixth place for the highest incidence of malaria in Indonesia.

Bearing in mind that Lampung province is an area known as a habitat for elephants, it is rather surprising that the ratio of forest to land area in the region is relatively low compared to the national average. Data for 2001, 2003 and 2005 shows little change with the ratio between 28.1%-28.4%. The national average was between 54.6%-64.3%.

9. JAKARTA



The poverty rate in Jakarta, the capital city of Indonesia, is 4.52%. The poverty rate in the city has remained relatively same in the last thirteen years. In 1993, the rate was 5.65% that decreased to 4.96% in 2000. Poor in Jakarta mostly found in slum areas and along the river. Some of the poorest are fishermen who are live in the coastal areas along the

northern part of Jakarta.

If you compare the poverty rate with the national average, the rate appears to be quite impressive, but this is not the case for other MDGs. Jakarta is lagging behind in gender parity in education. In 2006, the primary school/MI net enrolment ratio for Jakarta was 90.8%. The rate has in fact gone down from 2000 when it was 91.4%. The best primary school/MI net enrolment ratio for Jakarta was in 1992 when it reached 94.2%, which was above the national figure of 88.7% for that year. Thus, the primary school/MI net enrolment ratio over a period of 14 years has deteriorated, while national net enrolment rates improved from 88.7% in 1992, to 92.3% in 2000 and 94.7% in 2006.

It is important to note here that although the enrolment rates for 1992 and 2006 have been increasing, only three out of 33 provinces have rates that are above the national average. These provinces are Banten, Nanggroe Aceh Darussalam, and Central Kalimantan.

It is assumed that primary school/MI net enrolment ratio in those provinces where the rates are low have also been affected by diminished purchasing power which was further undermined by increase in fuel prices. The government has tried to minimise the impact through cash transfers to the poorest households.

In the case of gender equality in education, Jakarta is one of the provinces where the net enrolment ratio of females in primary school/MI students over this period was also below the national rate. The rates were- Jakarta: 99% in 1992, national: 100.6%, Jakarta: 100.4% in 2000, national: 100.3%, and Jakarta: 96.5% in 2006, national: 99.4%. These rates are all the more surprising considering the rates in West Irian Jaya, which is one of the most poorest provinces in the country had a net enrolment rate of 99.3% in 2006.

This is also the case in the net enrolment ratio of female pupils to male pupils in Junior High School (NER F/M SLTP/MTs) in DKI Jakarta since 1992- it has always been below the national average. In 1992, for example, the national ratio was 101.3 while in DKI Jakarta it was 100.2%. In 2000, the figure in DKI Jakarta dropped to 94.4%. The national figure at that time was 104.2%. Until 2006, the ratio of the NER F/M SLTP/MTs in DKI Jakarta remained the same which is still below the national average, with a 10% difference. This low attainment for NER F/M SLTP/MTs in DKI Jakarta is quite surprising as less developed provinces with limited revenues have been progressing.

However, in terms of the ratio of female pupils to male pupils in Elementary School/MI, Jakarta is almost free of gender bias. Nevertheless, the wage structure based on the monthly wage ratio of females to males shows that there

is still a gap (80%) - although this is somewhat smaller than other provinces is interesting to note that the youth unemployment rate (26.18%) is in fact higher than the national average. Out of it, the total number of unemployed, the percentage of unemployed females is higher than men: women 29.70%, men 22.22% (February 2007).

Jakarta is also the province with the highest number of HIV/AIDS cases totalling 2,849 by 2007. This illustrates the reality of lifestyles in the big cities in Indonesia with problems of commercial sex and high drug use. The sharing of needles by drug users in Jakarta is considered to be the main factor for spread of this disease.

10. WEST JAVA AND BANTEN



Prior to 1999, West Java province also covered the area that has now become Banten province. The data from the 1990s includes both provinces.

Both the provinces have poverty rates that are slightly better than the national average. In 1993 the rate in West Java was 12.20% while the national rate 13.67%. In 2006, the poverty rates in these two provinces (West Java: 12.05% and Banten 10.67%) were again below the national average (16.58%).

In terms of providing universal basic education, West Java is the only province in Java with a rate below the national average of 65.2%, with the net enrolment ratio for junior high school/MT being 62.1% in 2006. This was also the case in 1992 as well as 2000 when the rate was below the national average: West Java: 35.3% in 1992 and 57.7% in 2000; national rate: 41.9% and 60.3% respectively. The rate in Banten is slightly better than national average.

The infant mortality rates in West Java as well Banten are both above the national average. In 2003, the infant mortality rate in West Java and Banten was 44 deaths and 38 deaths per 1,000 live births respectively, while the national average was 35. In 2005, the infant mortality rates were slightly lower: West Java 37 deaths, Banten 35 deaths, and national average was 32 deaths. The child mortality rate in West Java and Banten also shows slight improvements but the rates are still above the national average: West Java 50 deaths in 2003 and 47 deaths in 2005; Banten 56 in 2003 and 45 deaths in 2005.

The rates for safe drinking water and adequate sanitation in Banten are still below the national average. Households in the province with access to non-piped protected drinking water in 2006 was 48.5%, while 69% of households had access to adequate sanitation. In West Java in 1992 the percentage of households using non-piped protected drinking water was 68.6% while in 2006 the figure had dropped to 51.0%. The percentage of households having adequate sanitation was 61.1%.

The number of people with HIV/AIDS is relatively high. In West Java there were 1,445 people infected with HIV/AIDS in 2007, while the 1,124 cases of malaria were recorded same year. In Banten in 2007 43 cases of HIV/AIDS and 21 cases of malaria were reported.

The unemployment rate in West Java is quite high. With a rate of 37.84 % the province has a very high incidence of youth unemployment. The female youth unemployment rate was 43.13%, while male youth unemployment rate was 34.92%. The wage ratio of females to males was 78.9%. In Banten the youth unemployment rate is even higher at 39.83%. Like West Java, the female wage ratio in Banten is lower than the ratio for male workers (72.4%).

11. CENTRAL JAVA

In 1993 the percentage of the population living in poverty in Central Java province was 15.8% or 4,618,700 people. In 2000 this figure had risen to 21.11% or 7,308,300 people. The rate had dropped slightly to 20.17% in 2006. As a whole, more effort is needed to bring down the poverty rate which is currently higher than the national average.



Progress in narrowing the female to male parity in primary schools/MI in 2006 appears to have reversed in 2000: from 99.8% to 98.2%. The rate is slightly different from the rate in 1993 100.9, which is above the national rate of 100.6%. Lower gender parity rates for females reflects some of the problems including child labour, early marriage of girls, and

giving more priority to education for male children.

It is different however in the case of the ratio of female to male students in junior high school/MT, where Central Java shows a high level of gender equality with gains that are above the national average. Particularly in 1992 and 2000, the figures were 101.7% and 106.6% respectively. Although the ratio in the province had decline in 2006, dropping to 103.1%, the rate was, nevertheless, above the national ratio of 100%.

In wage terms, the monthly wage ratio of female to male workers is only around 66% meaning that females only receive 66% of the wages received by male workers. Discrimination in wages is clearly a reflection of the real sector, particularly in relation to widespread labour practices of subcontracting and outsourcing, which weakens the position of workers, especially women.

In terms of Central Java's efforts combating HIV/AIDS and malaria, continued vigilance is still needed because in 2007 there were 369 people infected with HIV/AIDS 369. In the same year 1,966 cases of malaria were reported as well.

The youth employment rate in Central Java is slightly below the national average. In 2007 the unemployment rate stood at 24.01%.

12. YOGYAKARTA



In terms of quality of life, the situation for the population of Yogyakarta is relatively good, and Yogyakarta is the province with the highest life expectancy in the country. Despite this, the percentage of the population living in poverty in 1993 stood at 11.77%, and continued to rise until 2000 increasing to 33.32%. And it was only

in 2006 that the province experienced a decline to 20.32%, although this is still above the national average (17.5% in 2006). The decline in the number of the poor in 2006 may well have been because of intervention through the cash transfer programme that targeted the poor, to help maintain the purchasing power of the poor to counteract the increase in fuel prices that was followed by an increase in the price of basic commodities.

As noted at the start, the province's net enrolment ratio of primary school/MI students has declined when compared with the gains in both 1992 and 2002. In 1992 the ratio stood at 101.3%, in 2002 it dropped to 99.6% and in 2006 declined again to 97.9%. This means that there has been a consistent decline in net enrolment ratio of primary school/MI students.

The net enrolment ratio of female to male junior high school/MT students in 2006 was 94.4%, worse than the figure for 1992 which stood at 95.2%, but slightly better in comparison with the figure for 2000 (94.3%). Although the 2006 gain indicates progress, the rate is actually still below the national average and the achievements in previous years (1992 as well as 2000). Indeed, as a whole, and as mentioned earlier, almost all of the provinces in Indonesia experienced a decline in primary school/MI net enrolment ratio. There were only three areas that experienced gains above the national figure.

In terms of reducing the number of people suffering from HIV/AIDS and malaria, until 2007, it was recorded that there were 102 cases of AIDS in Yogyakarta. Bearing in mind that Yogyakarta is a big center and a tourist

area, the said number of people suffering from AIDS indicates that the cases of HIV/AIDS in this province is relatively under control. In the same year, it was recorded that there were 175 cases of malaria in Yogyakarta.

13. EAST JAVA



In 2006, the proportion of the population living in poverty was 20.23%. In percentage terms this is indeed relatively small, however, in terms of absolute numbers- considering the large population in East Java- this would mean a lot of people. In 2000 the proportion of the population living in poverty in the province was 22.72% or a total of more than 7.7 million people. Meanwhile in 1993 the figure was 13.25%. When we compare the number of poor in 1993 to the number of poor in 2006, the number has almost doubled, largely attributed to the 1997/1998 economic crisis.

The figure for the net enrolment ratio of females to males in primary school/MI in 2006 was 99.4%. It has declined in comparison with the ratio in 2000 when the rate was 100.2% while the ratio in 1992 was 101%. The ratio for the net enrolment ratio of females to males in primary school/MI at the national level in 2006, 2000, and 1992 are 99.4%, 100.2%, and 101% respectively. The steady decline in the net enrolment ratio of females to males in primary school/MI means the participation of female students has steadily declined in comparison with male children.

The net enrolment ratio of female to male junior high school/MT in East Java province has continued to climb from 97.1% in 1992 to 104.2 percent in 2000, which places in on par with the national average. In 2006 this rate declined to 101.4% but was still above the national figure of 100.0%.

The monthly wage ratio of females to males in 2007 was only 74.1%, which is below the national ratio of 74.8%. There are also less female workers employed in the real sector than men. This situation is a reflection of the presence of women working in the informal sector who receive a smaller monthly wage than their male counterparts, more of whom work in the formal sector.

Reducing the cases of HIV/AIDS and other infectious diseases in East Java is still a major challenge. This is because, the number of people suffering from HIV/AIDS is still high, which was, 1,043 people in 2007. In the same year, the number of malaria cases reported was 1,822.

14. BALI



On the whole Bali has done relatively well on MDGs. The province is consistently above the national average with the exception of three indicators: primary school/MI net enrolment ratio, the net enrolment ratio of females to males in primary school/MI with a respective ranking of 17 and 11 out of 33 provinces. Bali also has the fifth largest number of HIV/AIDS cases in the country.

With just 6.10% percent of the population poor in 2006, Bali ranks next only to DKI Jakarta. In 1993, what was the highest in the last 13 years, the poverty rate was 9.46%. As Bali is a major tourist destination, economy benefits from tourism and other related industries.

Since 2002 Bali has had a primary school/MI net enrolment ratio lower than the national average with a figure of 92.2%, although this rose in 2006 to 93.3%. This is different from the case in 1992 when although the total percentage was smaller standing at 91.1%, it was still above the national average.

Bali is one of the provinces where the gains in the net enrolment ratio of females to males in primary school/MI is slightly lower than the national figure, standing at 99.0%. Unlike some of the other provinces where the ratio has improved, in Bali the rate has declined slightly: 97.7% in 1992 and 97.5% in 2002.

While in the education sector the achievements in gender equality have been good, this is not the case in the non-agricultural productive sector, as can be seen from the average monthly wage ratio of females to males, which in February 2007 was 69.6%, or one level below West Nusa Tenggara, and ranked as the fourth worst. The average monthly wage disparity between females and males in the province is still quite wide.

The number of people suffering from HIV/AIDS in Bali is relatively high. Until 2007, 628 cases of HIV/AIDS were recorded in Bali, occupying the fifth worst ranking at the national level. This reality is largely influenced by Bali's position as a tourist destination, which can also contribute in spreading HIV/AIDS.

15. WEST NUSA TENGGARA



East Nusa Tenggara is a province that is very much dependant on rain, and it does not have a river. The majority of the population are farmers, but their land is considered to be marginal. As a result, it is difficult for them to improve their welfare. Poverty rates therefore have remained high as slow compared to other provinces.

In 1993, the number of poor people in this province was approximately 756,400 people or 21.84% of the population. This percentage increased in 2000 to 36.29% of the population or 1,206,500 people. In 2006, the number of poor people in East Nusa Tenggara decreased to 27.99%, which is higher than the national figure. If we compare these rates in 1993, 2000, and 2006, it would appear that they have always been higher than the national average.

One of the impacts from the poverty in East Nusa Tenggara is poor health of children under the age of five. In 1989, 45.41% of the children under the age of five were underweight or malnourished. This figure decreased to 33.60% in 2000, but then increased to 41.07% in 2006. This figure exceeded the national average, which was 28.05%.

The MDGs target, and the Nine Years Compulsory Education Program (Program Wajib Belajar Sembilan Tahun) on universal basic education in East Nusa Tenggara is still confronted face serious obstacles. The Net Enrolment Ratio in Elementary School/Madrasah Ibtidaiyah (NER SD/MI) in this province occupies the eighth position among the provinces with the lowest (NER SD/MI), while the Net Enrolment Ratio in Junior High School/MTs (NER SLTP/MTs) is the lowest in the country.

The Net Enrolment Ratio in Elementary School/Madrasah Ibtidaiyah (NER SD/MI) in East Nusa Tenggara Province in 2006 was 91.6%. This means that 91.0% of the children of school age attended Elementary School/Madrasah Ibtidaiyah (SD/MI) while approximately 8.4% of the children of school age did not attend school. The net enrolment ratio in 2006 was better than 2000, which was 88.9%, and it is even better than the figure for 1992 which was only 82.3%.

East Nusa Tenggara is the province that occupies the lowest rank in terms of Net Enrolment Ratio in Junior High Schools/MTs (NER SLTP/MTs). In 2006, the Net Enrolment Ratio in Junior High Schools/MTs (NER SLTP/MTs) was 47.2%. In other words, there was a 19.3 percentage difference with the national rate which was 66.5%. This figure indicates that, 52.8% of the population between the ages of 13 and 15 years did not attend junior high school (SLTP/MTs). This is despite the fact that the enrolment ratio for 2006 was already good compared with the attainment of the previous years: 34.2% in 2000 and 20.9% in 1992.

The mortality rate of children and pregnant women is also high in East Nusa Tenggara. Many of the children do not reach their fifth birthday, and the risk of pregnant women dying during childbirth is also high. In 2005, the infant mortality rate in East Nusa Tenggara was 15 deaths per 1,000 live births. This number has decreased compared with the number in 2003, which was 59 deaths per 1,000 live births.

In terms of reducing the mortality rate of infants and children under the age of five, East Nusa Tenggara has succeeded in reducing the infant mortality rate to a certain extent, but the figure is still high compared with the national figure. This is not the same with the mortality rate of children under the age of five. As of 2005, East

Nusa Tenggara was still the third province with the highest mortality rate of children under the age of five, which was 60 deaths per 1,000 live births. In 2003 the rate was 73 deaths per 1,000 live births. The factors that contribute in high mortality rates for children in West Nusa Tenggara and East Nusa Tenggara are almost the same, viz.: poverty, hunger, and poor climate. Aside from this, public services need to be improved to address these high mortality rates for children.

Reducing the spread of communicable diseases in East Nusa Tenggara requires special attention. For several years, this province was not able prevent the spread of malaria. At present, East Nusa Tenggara is still beset with KLB malaria, and the number of people infected with malaria is the highest in Indonesia. As many as 70,390 people in 2005 had malaria. The province occupies the 14th position at the national level with 74 persons infected with AIDS.

In terms proper sanitation, in 2006, East Nusa Tenggara was able to attain a rate of 68.9%. At the national level, East Nusa Tenggara is ranked 19th. Access to sanitation in East Nusa Tenggara started to improve during the 1990's, increasing from 21.90% in 1992 to 63.20% in 2000.

16. EAST NUSA TENGGARA



East Nusa Tenggara is a province that is very much dependant on rain, and it does not have a river. The majority of the population dependent are farmers, but their land is considered to be marginal. As a result, it is difficult for them to improve their welfare. Poverty rates therefore have remained high as slow compared to other provinces.

In 1993, the number of poor people in this province was approximately 756,400 people or 21.84% of the population. This percentage increased in 2000 to 36.29% of the population or 1,206,500 people. In 2006, the number of poor people in East Nusa Tenggara decreased to 27.99%, which is higher than the national figure. If we compare these rates in 1993, 2000, and 2006, it would appear that they have always been higher than the national average.

One of the impacts from the poverty in East Nusa Tenggara is poor health of children under the age of five (Balita). In 1989, 45.41% of the children under the age of five were underweight or malnourished. This figure decreased to 33.60% in 2000, but then increased to 41.07% in 2006. This figure exceeded the national average, which was 28.05%.

The MDGs target, and the Nine Years Compulsory Education Program (Program Wajib Belajar Sembilan Tahun) on universal basic education in East Nusa Tenggara is still confronted face serious obstacles. The Net Enrolment Ratio in Elementary School/Madrasah Ibtidaiyah (NER SD/MI) in this province occupies the eighth position among the provinces with the lowest (NER SD/MI), while the Net Enrolment Ratio in Junior High School/MTs (NER SLTP/MTs) is the lowest in the country.

The Net Enrolment Ratio in Elementary School/Madrasah Ibtidaiyah (NER SD/MI) in East Nusa Tenggara Province in 2006 was 91.6%. This means that 91.0% of the children of school age attended Elementary School/Madrasah Ibtidaiyah (SD/MI) while approximately 8.4% of the children of school age did not attend school. The net enrolment ratio in 2006 was better than 2000, which was 88.9%, and it is even better than the figure for 1992 which was only 82.3%.

East Nusa Tenggara is the province that occupies the lowest rank in terms of Net Enrolment Ratio in Junior High Schools/MTs (NER SLTP/MTs). In 2006, the Net Enrolment Ratio in Junior High Schools/MTs (NER SLTP/MTs) was 47.2%. In other words, there was a 19.3 percentage difference with the national rate which was 66.5%. This figure indicates that, 52.8% of the population between the ages of 13 and 15 years did not attend SLTP/MT. This is despite the fact that the enrolment ratio for 2006 was already good compared with the attainment of the previous years: 34.2% in 2000 and 20.9% in 1992.

The mortality rate of children and pregnant women is also high in East Nusa Tenggara. Most of the children do not reach their fifth birthday, and the risk of pregnant women dying during childbirth is also high. In 2005, the infant mortality rate in East Nusa Tenggara was 15 deaths per 1,000 live births. This number has decreased compared with the number in 2003, which was 59 deaths per 1,000 live births.

In terms of reducing the mortality rate of infants and children under the age of five, East Nusa Tenggara has succeeded in reducing the infant mortality rate to a certain extent, but the figure is still high compared with the national figure. This is not the same with the mortality rate of children under the age of five. As of 2005, East Nusa Tenggara was still the third province with the highest mortality rate of children under the age of five, which was 60 deaths per 1,000 live births. In 2003 the rate was 73 deaths per 1,000 live births. The factors that contribute in high mortality rates for children in West Nusa Tenggara and East Nusa Tenggara are almost the same, viz.: poverty, hunger, and poor climate. Aside from this, public services need to be improved to address these high mortality rates for children.

Reducing the spread of communicable diseases in East Nusa Tenggara requires special attention. For several years, this province was not able prevent the spread of malaria. At present, East Nusa Tenggara is still beset with high incidence malaria, and the number of people infected with malaria is the highest in Indonesia. As many as 70,390 people in 2005 had malaria. The province occupies the 14th position at the national level with 74 persons infected with AIDS.

In terms proper sanitation, in 2006, East Nusa Tenggara was able to attain a rate of 68.9%. At the national level, East Nusa Tenggara is ranked 19th. Access to sanitation in East Nusa Tenggara started to improve during the 1990's, increasing from 21.90% in 1992 to 63.20% in 2000.

17. WEST KALIMANTAN



Good progress has been made in poverty reduction in West Kalimantan. In 1993, 25.05% of the population was poor; this increased to 29.28% in 2000 and then decreased to 15.50% in 2006. The percentage of poor people in this province in 1993 and 2000 was high compared to the national average. However, in 2006, these figures were lower than

the average figure at the national level (16.58%). This indicates that, the efforts to reduce poverty have had a positive impact.

Progress has also been made in reducing hunger that is manifested in the percentage of the children under the age of five suffering from malnutrition. In 1992, 47.42% of children under the age of five were suffering from malnutrition. This figure decreased to 29.17% in 2000, but increased to 32.71% in 2006. The figure in 2006 is worse than the figure at the national level (28.05%), despite the fact that the percentage of the poor people in this province in 2006 is below the national average.

With regard to provision of universal basic education, West Kalimantan has also shown good progress. In 1992, NER SD/MI in West Kalimantan was only 71.6%. This is below the national average of 88.7%. In 2000, the figure increased to 89.5%, and then further increased to 93.8% in 2006. Nevertheless, this percentage is still below the national figure. This is also the same with NER SLTP/MTs where the figure has increased from 22.1% in 1992 to 60.9% in 2006. Nevertheless, these figures are still below the national average.

Promoting gender equality and women empowerment is measured by the ratio of NER of female pupils to male pupils in SD/MI and SLTP/MTs. The ratio of NER of female pupils to male pupils in SD/MI in 1992 was 95.9. This figure increased to 100.6 in 2006 and it is higher than the national average of 99.4. Meanwhile, in 1992, the ratio of NER of female pupils to male pupils in SLTP/MTs in West Kalimantan is 92.0 and it increased to 99.1 in 2006. This figure is below the national average of 100.0. This data indicates that the number of girls attending elementary education in West Kalimantan is showing good progress at the SD/MI level, but not at the SLTP/MTs levels. Besides this, progress on gender equality can also be seen in the ratio of the average monthly salary of female workers to male workers. As of February 2007, the ratio was 80.5 and this is higher than

the national figure of 74.8. So far, the contribution of women in paid jobs in this province can be considered relatively good.

In terms of the attainment of the MDG goal 4 which is to reduce the mortality rate of children the IMR in 2005 was 30 deaths per 1,000 live births. This figure is lower than the national figure which was 32 deaths per 1,000 live births. Meanwhile, the IMR in West Kalimantan in 2005 was 37 deaths per 1,000 live births. This is also better compared with the average national figure in the same year of 40 deaths per 1,000 live births. In terms of the number of people infected with AIDS and the cases of malaria the number of people infected with AIDS in 2007 was quite high (553 people), while the number of reported malaria were 990.

In West Kalimantan, the land covered with forest, the area has remained from 2001 until 2005. The designated forest areas in West Kalimantan in 2005 was 8.9 million hectares. Based on ETM 7+ Landsat Satellite images, 5.665 million hectares are forest areas, and 3.257 million hectares are non-forest areas. Approximately 20 thousand hectares are not recorded. These land areas are small if compared with the size of the land area that should be transformed into forests as agreed by the Government.

In 2006, 55.1% of the total number of households in this province had access to non-piped protected drinking water. This increased if compared with the figure for 1994 and 2002, which is only 48.3% and 51.8% respectively. However, the percentage for 2006 is lower than the national figure (57.2%). In terms of access to proper sanitation, 61.5% of the total number of households had access in 2006. This is a very sharp increase because it was only 21.30% in 1992.

18. CENTRAL KALIMANTAN



The progress in reducing poverty in Central Kalimantan has been fairly very good. In 1993, 20.85% of the population in Central Kalimantan was poor. This figure decreased to 11.86% in 2000 and then further decreased to 9.17% in 2006. However, if we relate this to the target in reducing hunger, there is hardly any change. In 1989, 35.02% of children under the age of five were malnourished, but this figure decreased to 27.38% in 2006, which is higher than the average national average of 28.05%.

The performance of Central Kalimantan Province in attaining universal basic education is quite good. In 1992, the NER SD/MI was 93.3% of the total number of children of school age. This figure increased to 94.3% in 2000 and 96.0% in 2006. The NER SD/MI in Central Kalimantan during those years was above the national figure. Meanwhile, the NER SLTP/MTs also increased to 39.75% in 1992 until it reached 67.7% in 2006. This figure is above the national average of 66.5%.

The ratio of the NER of female pupils to male pupils in Central Kalimantan, which is one of the indicators used to measure gender equality is satisfactory, although the figures tend to decrease from 2000-2006. The Net Enrolment Ratio of female pupils to male pupils in Elementary School/MI (NER F/M SD/MI) was 98.5 in 1992; this increased to 101.1 in 2000 and decreased again to 99.9 in 2006. Although it experienced a decrease, the figures are still higher than the national figure of 99.4%. The Net Enrolment Ratio of female pupils to male pupils in Junior High Schools/MTs (NER F/M SLTP/MTs), increased to 104.2 in 2000 and declined again to 102.4 in 2006. The ratio in 2006 is still above the national figure (100.0). The participation rate of women in paid jobs is relatively good in Central Kalimantan. This is indicated by the average monthly salary ratio of women to men to which was 78.8. This figure is a little higher than the average national figure (74.8).

With regards to reducing child mortality, the progress is quite satisfactory. The infant mortality rate (IMR) in 2005 was 21 deaths per 1,000 live births while the mortality rate of children under the age of five (CMR) was 25 deaths per 1,000 live births. The IMR and CMR rates in Central Kalimantan are slightly smaller than the national figure, which is 32 for IMR and 40 for CMR. The decline in the number of deaths of infants and children under the age of five is a reflection of improvements in the health services in this province that have prioritised the health of infants and children under the age of five.

Central Kalimantan has also been successful in reducing the spread of HIV/AIDS. In 2007, only 3 persons were reported to be infected with AIDS, while 4,559 people had malaria. The government needs to take urgent steps to control the vector that transmits malaria.

Based on government's designation, total forest area in Central Kalimantan in 2003 and 2005 remain the same, which is 69.9%. Based on the interpretation of 7 ETM+ Landsat Satellite images, until 2005, land area that was transformed into forest areas in Central Kalimantan was 15.155 million hectares. Out of this, 8.897 million hectares are forest areas, 6.252 million hectares are non-forest areas, and the remaining 5,500 hectares are unrecorded. The result of the satellite image is small if compared with the extent of the land that should be transformed into forest areas that was agreed by the Government according to RTRWP-TGHK.

Meanwhile, the number of households that have access to non-piped protected drinking water has increased: from 30.2% in 1994, to 41.6% in 2006. The rate in 2006 is still below the national figure of 57.2%.

The number of households that have access to decent sanitation in Central Kalimantan showed a significant increase. In 1992, only 16.70% of the total number of households had access to proper sanitation. The rate has significantly increased to 52.0% in 2006. Nevertheless, this figure in 2006 is still low compared with the national figure of 69.3%.

19. EAST KALIMANTAN



East Kalimantan is the largest province in Indonesia with a total land area of approximately one half of the island of Java and Madura, or 11% of the total land area of Indonesia. This area has abundant natural resources in the form of minerals, such as gold, coal, oil and natural gas.

Despite this, the percentage of poor people in this province is relatively high. In 1993, 13.75% of the population was poor, slightly above the national figure of 13.67%. This figure increased to 16.15% in 2000, and has since decreased to 12.55% in 2006. Even though the figure in 2006 was below the national poverty figure (16.68%), in terms of rankings, East Kalimantan is placed 13th position, next only to South Kalimantan, Central Kalimantan, Jambi, and North Maluku.

In terms of reducing hunger, the total number of children under the age of five, who are suffering from malnutrition has improved. From 1989-2006, the percentage of children under five who were suffering from malnutrition in East Kalimantan was smaller than the national figure. However, it increased from 22.88% in 2002 to 25.92% in 2006.

Progress made towards providing universal education is measured by using the Net Enrolment Ratio for Elementary School/MI (NER SD/MI), and for Junior High School/MTs (SLTP/MTs). In East Kalimantan the NER SD/MI in 2000 was recorded at 91.4%, this is below the national figure of 92.3%. Prior to this, in 1992, the NER SD/MI in this province was higher than the national figure. In 2006, the rate of NER SD/MI in East Kalimantan was 92.9%, which is below the national figure of 94.7%. Meanwhile, the NER SLTP/MTs in East Kalimantan followed the pattern of the NER SD/MI. In 1992, the NER SLTP/MTs in this province was recorded at 51.6%, which increased to 60.4% in 2000, and continued to increase to 64.0% in 2006. The NER SLTP/MTs in East Kalimantan for 1992 was far greater than the national average. This was the same in 2000 when the figure was slightly above the national average. However, by 2006, the figure had dropped below the national figure. From 1992-2006, the NER SLTP/MTs in East Kalimantan actually showed a very high increase. However, the pace of the increase is slower if compared with the pace of the increase of the NER SLTP/MTs at the national level.

Progress towards gender equality is reflected by the Net Enrolment Ratio of Female Student to Male Pupils in Elementary Schools/MI (NER F/M SD/MI) needs to be improved. In 1992, the ratio of the NER F/M SD/MI in East Kalimantan was 95.5%; it rose to 101.5% in 2000, but went down to 98.4% in 2006. East Kalimantan with a ratio for the NER F/M SD/MI ranks sixth from the bottom in the same category with Papua. The ratio

for NER F/M SLTP/MT is also quite poor. In 1992, the figure was 107.2% that declined to 94.3% in 2000. The ratio grew again to 100.2% in 2006, one level lower than the national figure of 100.0%.

Meanwhile, the participation of women in paid jobs in East Kalimantan is the lowest in the whole country. In February 2007, the ratio of salary of women workers to male workers is only 56.4, which means that for the same job, women workers only receive a salary that is approximately half of the salary received by men. For this indicator, East Kalimantan occupies the lowest rank among all the provinces in Indonesia. The ratio in the province that is placed above East Kalimantan is 9.6% higher, and in terms of gap with the national average (74.8), it is quite wide (18.4). In conclusion, we can say that the gender equality in terms of the NER of women in education and the participation of women in paid jobs province is still quite low.

In terms of reducing the infant mortality rate (IMR) and the mortality rate of children under the age of five (CMR), the IMR in East Kalimantan in 2005 was 26 deaths per 1,000 live births. This figure is below the national figure of 32 deaths per 1,000 live births. Meanwhile, the CMR in East Kalimantan in 2005 was 32 per 1,000 live births which is below the national figure of 40 per 1,000 live births.

On the other hand, in terms communicable diseases, by 2007 12 persons were reported to be infected with AIDS, while 62 people are had malaria. This is quite low when compared to the other provinces on Kalimantan island.

According to 7 ETM+ Landsat satellite image, land area that was transformed into forests until 2005 was 14.726 million hectares. Out of this total, it was recorded that 9.896 million hectares had forest, while areas that had no longer had forests was 2.990 million hectares. However, the data on 1.840 million hectares of land is unclassified. The land area, according to the Landsat satellite images, is not very far from the total land that needs be converted into forest areas as agreed by the Government.

In terms of the total number of households who have access to non-piped protected drinking water, East Kalimantan has made progress. In 1994, 53.2% of the total number of households had access to non-piped protected drinking water. This increased to 64.6% in 2002, and increased again to 66.9% in 2006. All of these figures are above the national average. Thus, more and more households are using clean water in this province. In 1992, only 43.3% of the total number of households had proper sanitation, this swelled to 68.4% in 2000, and continued to increase to 80.2% in 2006. For 14 years, the percentage of the households that have proper sanitation in East Kalimantan remained above the national figure.

20. SOUTH KALIMANTAN



The poverty rate in South Kalimantan shows a very significant decline. In 1993, the percentage of the poor people was 18.61% of the population, and this was above the national figure of 13.67%. In 2000, this figure decreased to 12.97% while the national figure was 18.95%. This figure declined again to 7.66% in 2006, compared to the national figure that reached 16.58%. This shows that efforts in reducing poverty in South Kalimantan have had a positive impact on poverty.

Nonetheless, this success in reducing the poverty rate is not yet accompanied by a decrease in the number of malnourished children under the age of five. The percentage of malnourished children under the age of five in 1992 was 38.75%. This declined to 35.78% in 2006. This figure is still high compared with the national figure of 28.05%. In 2006, South Kalimantan had the third highest number of malnourished children under the age in the country.

In terms of universal basic education, the Net Enrolment Ratio in Elementary Schools/MI (NER SD/MI) of South Kalimantan is above the national average. In 1992, the NER SD/MI in this province was 90.4%, and it increased to 92.4% in 2000. This achievement is slightly better than the national figure of 92.3%. In 2006, the NER SD/MI in South Kalimantan rose to 93.3%. Meanwhile, the NER SLTP/MTs in South Kalimantan showed

an increase that was quite high, although in general, the figure is below the national average. In 1992, the NER SLTP/MTs was 33.3% that increased to 51.8% in 2000, and increased further to 62.1% in 2006.

The Net Enrolment Ratio (NER) of female pupils to male pupils (F/M) in Elementary School/MI (SD/MI) and Junior High School/ MT (SLTP/MT) is one of the indicators of gender equality. In South Kalimantan, the ratio of NER F/M SD/MI in 2000 was 100.7, and it reached 100.2 in 2006. This ratio indicates that, the participation of women in education is equal to the participation of men. Nevertheless, unlike the ratio of NER F/M SD/MI, the ratio of NER F/M SLTP/MTs can be categorized as low. In 2006, the ratio was 97.6 which puts it in the 10th place in Indonesia.

Another indicator that can reflect gender equality is the ratio of the monthly salary of women to the salary of men. As of February 2007, the ratio was 74.9 and it is slightly higher than the national figure of 74.8. This ratio indicates that, there is still a huge gap between the salary of women and the salary of men. The salary of women workers is only about 75% of the salary of men workers.

The Infant mortality rate (IMR) and the mortality rate of the children under the age of five (CMR) in South Kalimantan is high. In 2005, the IMR had reached 41 deaths per 1,000 live births, while the CMR was 53 deaths per 1,000 live births. Both are far from the average national figure for IMR, which is 8 deaths per 1,000 live births, and 40 deaths per 1,000 live births for CMR respectively.

In terms of fighting communicable diseases, until 2007 in South Kalimantan, it was recorded that 15 persons were infected with AIDS, while there were 2,780 cases of malaria which is below the average malaria cases recorded in other provinces.

In terms of forest areas, the 7 ETM+ Landsat satellite images, show that until 2005 the designated area for forests was 1.793 million hectares. Out of this, 986 thousand hectares is forest area, 806 thousand hectares is non-forest areas, and 890 hectares is unclassified. The forest areas is smaller than designated by the Government which is 1.839 million hectares.

In terms of the access of households to non-piped protected drinking water and proper sanitation, in 1994, 41.5% of the total number of households had access to non-piped protected drinking water in South Kalimantan. This figure increased to 55.7% in 2006, which is still below the national figure of 57.2%. Likewise, the total number of households that have proper sanitation is also below the national figure. In 1992, only 28% of the total number of households had proper sanitation. This swelled to 66.4% in 2006. Although this is lower than the national figure, it is clear that the proportion of household with access to proper sanitation in South Kalimantan has significantly increased.

21. NORTH SULAWESI AND GORONTALO



In 2000, North Sulawesi was divided into North Sulawesi Province and Gorontalo Province. In 1993, the percentage of the poor people in North Sulawesi was 11.79% of the population, which is lower than the average national figure of 13.67%. After the division of this province in 2000, the poverty rate in North Sulawesi decreased to 8.28% (third place among the best). On the other hand, the number of poor people in Gorontalo increased to 24.04% of the population. This figure exceeded the national figure of 18.95%. In 2006, the poverty rate in North Sulawesi increased to 14.51%, while the national figure reached 16.58%. In Gorontalo, the number of poor people increased to 31.54% in 2006, occupying third position in terms of the provinces with the most number of poor people.

In North Sulawesi, the effort in reducing the number of malnourished children under the age of five, showed good improvements from 1989-2000. After the division of this province, the data in 2006 showed that 23.11% of the total number of children under the age of five suffered from malnutrition in North Sulawesi. Meanwhile, the national figure in the same year was 28.05%. In the meantime, in 2006, Gorontalo became a province with the highest proportion of children under the age of five who are malnourished (41.48%)

The Net Enrolment Ratio in Elementary School/MI (NER SD/MI) and the Net Enrolment Ratio in Junior High School/MTs (NER SLTP/MTs), showed an increase in North Sulawesi and Gorontalo unlike the previous years. In 2006, the NER SD/MI in North Sulawesi and Gorontalo was not very different at 90.4% and 90.5% respectively. Both of these figures are below the national average, which means that the development of the NER SD/MI in these two provinces is slower the average of other provinces in the country. The NER SLTP/MTs in North Sulawesi in 2006 was 66.0%, slightly below the national average which was 66.5%. Meanwhile, the NER SLTP/MTs of Gorontalo occupies third position from the bottom at 52.3%.

The Net Enrolment Ratio of female pupils to male pupils in Elementary School/MI (NER F/M SD/MI) and Junior High School/MT (SLTP/MT) in North Sulawesi, declined between 1992- 2006. The NER F/M SD/MI was recorded at 105.6 in 1992; this decreased to 100.8 in 2000, and decreased again to 99.5 in 2006. Despite this, these figures are still better than the national figure. The NER F/M SD/MI in Gorontalo in 2006 is higher than North Sulawesi, which is 101.4. This is also the same with the NER F/M SLTP/MT in North Sulawesi, which showed a decline, but it is still better than the national figure. The NER F/M SLTP/MT in North Sulawesi in 2006 is only 109.5 but prior to this, it had reached 123.8 in 1992.

The participation of women in paid jobs in these two provinces is very good. We can even say that the salary of women workers for the same job is higher than the salary of men workers. As of February 2007, the ratio of the salary of women workers to men workers in North Sulawesi reached 110.2 while it was 115.6 in Gorontalo. In terms of this indicator, these two provinces occupy the highest position in the whole country.

The infant mortality rate (IMR) in North Sulawesi in 2005 was very low at only 19 deaths per 1,000 live births. This figure has placed North Sulawesi in the rank of the best IMR among the provinces and equal to three other provinces, namely; Riau Island, DKI Jakarta, and DI Yogyakarta. On the other hand, the IMR in Gorontalo was 17 deaths per 1,000 live births in 2005, and it occupied the second position, next to West Nusa Tenggara, among the provinces with the highest IMR. The mortality rate of children under the age of five (CMR) in North Sulawesi in 2005 was also very low compared with the other provinces at 22 deaths per 1,000 live births, the same as the attainment of Riau Island and DI Yogyakarta, and it occupied second place among the provinces with the best CMR, second only to DKI Jakarta. With regards to Gorontalo, its CMR, which was 67 deaths per 1,000 live births is still considered to be high and it occupied second position among the provinces with the highest number of CMR.

In terms of communicable diseases, the progress in these two provinces is different. In North Sulawesi, it was recorded that 124 people were infected with AIDS in 2007 while only 3 persons were infected with AIDS in Gorontalo. Meanwhile, the number of malaria cases in North Sulawesi and Gorontalo are 2,613 and 817 respectively.

In terms of designated forest area, the 7 ETM+ Landsat Satellite image shows forest areas in these two provinces until 2005 was 1.570 million hectares. This land area is not very different from the government target, which is, 1.526 million hectares. The extent of the forest areas in North Sulawesi is approximately 731 thousand hectares while the extent of the forest areas in Gorontalo is 840 thousand hectares (including forest areas categorized as non-forest areas and unclassified areas. Out of these 1.570 million hectares of land, 310 thousand hectares are forest areas that are categorized as non-forest areas and 113 thousand hectares are unclassified.

The percentage of households who have access to non-piped protected drinking water in North Sulawesi continuously increased from 1994-2006 with figures that are above the national figure. In 1994, this figure reached 46.5%, which increased to 57.8% in 2002, and then further increased to 63.8% in 2006. Meanwhile, access to drinking water in Gorontalo is not as good as its parent province, from which it split. In 2002, it was recorded that only 30.5% of the total number of households had access to non-piped protected drinking water, thus making it a province with the lowest percentage in terms of access to non-piped protected drinking water. In 2006, this percentage improved to 52.1%, but the rate is still below the national figure of 53.9%.

The performance of North Sulawesi in terms of access to proper sanitation is also good. In 1992, it was recorded that only 33.5% of the total number of households had proper sanitation; this increased to 73.2% in 2000, and further increased to 84.1% percent in 2006. This has placed North Sulawesi in number three

position among those provinces with the best percentage in terms of access to proper sanitation, second only to DKI Jakarta Province and DI Yogyakarta. In terms of Gorontalo, in 2006, 52.0% of the total number of households has access to proper sanitation. This is lower than the national figure of 69.3%. Gorontalo occupies seventh position among the provinces with the lowest percentage of access to proper sanitation.

22. CENTRAL SULAWESI



The poverty rate in Central Sulawesi in 1993 was just 10.5%. In 2000, this figure increased to 24.4%, and declined slightly to 23.7% in 2006. It was assumed that the significant increase in the poverty rate in 2000 (compared with 1993) was triggered by the national economic crisis as well as the social conflict in Central Sulawesi, particularly in Poso, that reached its peak in 2000. In relation to reducing hunger, the percentage of the children under the age of five who were suffering from malnutrition in Central Sulawesi from 1989-2006 decreased by a small percentage. In 1989, it was recorded that 39.0% of the total number of children under the age of five were suffering from malnutrition in Central Sulawesi. This declined in 2002 to 25.4%, and slightly in 2005 to 25.7%, and rose sharply to 31.3% in 2006. In general, every year, the percentage of the children under the age of five who suffer from malnutrition in this province has been higher than the national figure, except in 1992. It is assumed that the high poverty rate, the poor basic health services, and the conflict in Poso are the factors that brought about this condition.

In terms of providing universal basic education, the Net Enrolment Ratio in Elementary School/MI (NER SD/MI) in Central Sulawesi was 89.8% in 1992. This increased to 91.1% in 2000 and has continued to improve reaching 92.9% in 2006. Except in 1992, in general, these figures have remained below the national average. The Net Enrolment Ratio in Junior High School/MT/MTS (NER SLTP/MTs), the rate increased between 1992-2006. Just like the NER SD/MI, although there was an increase, the NER SLTP/MTs in Central Sulawesi in 2000 and 2006 were still below the national average.

The Net Enrolment Ratio of female pupils to male pupils in Elementary School/MI (NER F/M SD/MI) in 1992 was 100.0 and this increased to 101.1 in 2000. This ratio increased to 100.5 in 2006. The Net Enrolment Ratio in Junior High School/MTs (NER SLTP/MTs) in Central Sulawesi also has shown good results. In 1992, the ratio of the NER SLTP/MT/MTs in Central Sulawesi was 103.9; this declined to 99.4 in 2000 and increased again to 104.7 in 2006. The ratio in 2006 was above the national average (100.0), and this placed Central Sulawesi in the eighth position among the provinces with the best NER SLTP/MTs.

In terms of gender equality in the work place, as of February 2007, the salary ratio of female workers to their male counterparts in Central Sulawesi was 90.1. Although this is above the national average (74.8), the figure still indicates a disparity in the participation of women in paid jobs.

In 2006, the infant mortality rate (IMR) in Central Sulawesi Province was 42 deaths per 1,000 live births. This figure is above the national figure of 32 deaths per 1,000 live births. Meanwhile, the mortality rate of children under the age of five (CMR) in Central Sulawesi in 2005 was 55 deaths per 1,000 live births; this increased to 71 deaths per 1,000 live births in 2003. The CMR in Central Sulawesi is above the average national figure. This indicates that the quality of the basic health service for infants and children under the age of five is very poor.

With regards to fighting communicable diseases, in 2007, it was recorded that only 2 persons were suffering from AIDS in Central Sulawesi Province. In the same year, the malaria cases reported were high at 5,919 cases. As per the 7 ETM+ Landsat Satellite images, until 2005, 4.105 million hectares were designated forests. Out of this, 3.346 million hectares is forest area, 391 thousand hectares is non-forest area, and 368 thousand hectares is unclassified. The extent of the forest areas is not very different from the Government target of 4.395 million hectares.

In 1994, 27.3% of the total number of households in Central Sulawesi had access to non-piped protected drinking water. This increased to 56.6% in 2006. This percentage is slightly below the national figure of 57.2%. Meanwhile, the percentage of the households that had proper sanitation in Central Sulawesi was still below the

national figure and compared with the other provinces. In 1992 for example, only 21.1% of the total number of households had proper sanitation (4th position from the bottom). In 2006, this figure increased to 56.5% (9th position from the lowest). Although the above figures are lower than the national figure, the proportion of the households with proper sanitation in Central Sulawesi shows a significant increase.

23. SOUTH SULAWESI AND WEST SULAWESI



In 2006, 18.64% of the total population in West Sulawesi was poor. This figure is slightly above the national average. In 2006, 30.16% of the total number of children under the age of five was suffering from malnutrition. This increased compared to 2002 when the rate was 29.50%. Nevertheless, these figures are still better showing improvement over the rate in 1989 which was 37.90% percent.

In regards to the Net Enrolment Ratio in Elementary Schools/MI (NER SD/MI) and the Net Enrolment Ratio in Junior High Schools/MT (NER SLTP/MT) in 2006, the NER SD/MI in South Sulawesi Province was 91.1%. In 1992, the NER SD/MI in South Sulawesi province was only 80.8%. This percentage is below the national average. The attainment in NER SD/MI of above 90 percent is satisfactory. What still requires attention is NER SLTP/MT because many who are of Junior High School age do not attend school. This is apparent in the Net Enrolment Ratio in Junior High School/MT (NER SLTP/MT) in South Sulawesi for 1992, which was just 33.3%. This increased to 55.9% in 2002 and then further increased to 60.3% in 2006.

Like South Sulawesi, the NER SD/MI in West Sulawesi Province has also exceeded 90%, the figure is 92.7% for 2006. This figure is even better than that of its parent province. However, the NER SMP/MT of West Sulawesi is still low. In 2006, the NER SMP/MT in West Sulawesi was 55.2% or 11.3% below the national figure. This means that, almost half of the population in this province who are of Junior High School age do not go to school.

The number of children under the age of five who suffer from malnutrition in South Sulawesi is still quite high so the target in reducing the mortality rate of children under the age of five still requires more effort. Nonetheless, there has been an improvement in terms of reducing the infant mortality rate. In 2005, the infant mortality rate (IMR) in South Sulawesi Province was recorded at 36 deaths per 1,000 live births; this is a sharp decline compared with the IMR in 2003 of 47 deaths per 1,000 live births. The success in reducing infant mortality rate also is seen in terms of the mortality rate of children under the age of five (CMR) in South Sulawesi. From 2003-2005, the CMR in South Sulawesi declined from 72 deaths per 1,000 live births to 46 deaths per 1,000 live births.

In terms of reducing the number of people inflicted with AIDS and other communicable and critical diseases, South Sulawesi and West Sulawesi still face a major challenge. In South Sulawesi in 2007, it was recorded that 143 people were infected with AIDS while 601 people were infected with malaria. Meanwhile, in West Sulawesi there were no recorded cases of people suffering from AIDS.

In terms of providing safe drinking water to the population, it is difficult to refer to the indicator access to non-piped protected drinking water because the number of people in this province who are still using unprotected drinking water is quite high. In 2006, 45.5% of the total number of households was using non-piped protected drinking water which is below the national figure of 57.2%.

This is also the case in terms of the access to proper sanitation in West Sulawesi, less than half of the population in this province has access to proper sanitation. In 2006, only 47.5% of the population had proper sanitation while in the parent province, South Sulawesi, the figure in 2006 had exceeded the average national figure of 70.5%.

24. SOUTHEAST SULAWESI



The target in reducing the poverty rate in Southeast Sulawesi remains a huge challenge. In 1993, the total number of poor people in this province was 162,300 people or 10.8% of the total population this is below the average national figure of that time. Nevertheless, in 2002, after the economic crisis, the number of poor people increased to 24.2% of the population, it then decreased to 22.89% in 2006.

This is also the case in the case of the effort to eradicate hunger. In 1989, in Southeast Sulawesi the percentage of the children under the age of five who were suffering from malnutrition was 31.06% compared with the national figure of 37.47%. In 2002, this percentage did not change significantly, declining to 27.9%, and was higher than the national figure. This means that, in the last three years, the number of children under the age of five suffering from malnutrition in this province has increased.

The provision of universal basic education in Southeast Sulawesi is relatively good at the Elementary School/MI (SD/MI) level as it has exceeded 90%, even though it is still below the national figure. Since 1992, the Net Enrolment Ratio in Elementary School/MI (NER SD/MI) in Southeast Sulawesi Province was below the average national figure of 84.2% in 1992, 89.7% in 2002, and 92.3% in 2006. In terms of the participation of school age children in the Nine Years Compulsory Education Program (Program Wajib Belajar Sembilan Tahun), the situation is getting better. Meanwhile, the Net Enrolment Ratio in Junior High School/MT (NER SLTP/MT), is already above the national figure at 70%.

In terms of promoting gender equality, there is a satisfying development although it is still very limited because many children cannot acquire the nine years basic education. The Net Enrolment Ratio of female pupils to male pupils in Junior High School/MT (NER F/M SLTP/MT) has exceeded 100%, however, this ratio is still below the national average. In 1992, the ratio of the NER F/M SLTP/MT in Southeast Sulawesi Province was 101.2. This decreased to 97.3% in 2002. This decline indicates that female pupils were left behind. In 2006, this ratio increased again to 122.9% which indicates a good level of improvement in gender equality.

Box 9.1

CREATIVE SOLUTIONS: **FLOATING BOAT SERVES AS SCHOOL IN COASTAL AREAS**

The completion of the Nine Years of Compulsory Education Program (Wajib Belajar Sembilan Tahun) in Southeast Sulawesi is still facing an obstacles, especially for children who live in coastal areas. The Head of the Education Department in Southeast Sulawesi, Zalili Sailan, in Kendari, Friday (28/9), stated that the completion of the Nine Years Compulsory Education Program in Southeast Sulawesi is facing challenges, primarily because the people are scattered or isolated. As such, geographically, it is difficult to reach them. Until this year, the Gross Net Enrolment Ratio (APK) was still 84.65% or less than 10.35% of the minimum target of the Nine Years Compulsory Education Program that was determined by the government.

During the Ramadan celebrations, the Minister for National Education, Bambang Sudibyo, went to Kendari to inaugurate a floating boat school that will serve children living in coastal areas, and particularly those from the Bajo ethnic group. This boat for the Bajo ethnic group stops at each island in order to provide equal education to children in coastal areas who drop out of school before reaching Junior High School.

The Minister of National Education said that, as Indonesia is composed of many islands and different ethnic groups required a special approach in providing education. The objective here is to reach the population, and make them understand the importance of education. The Minister stated: “ the Bajo people are used to living on water. They feel dizzy if they stay on land for a long time. A similar approach should also be conducted for the other ethnic groups”. The lesson that we can learn from this is that, the Regions need to be more creative in solving problems specific in their regions to ensure that completion of the Nine Years of Compulsory Education is achieved. (Source: Kompas, Monday, 1 October 2007).

The target in reducing child mortality in Southeast Sulawesi showed a significant improvement in terms of the infant mortality rate (IMR) and mortality rate of children under the age of five (CMR) although it was still below the national average. In 2005, the infant mortality rate in Southeast Sulawesi was 38 deaths per 1,000 live births. This is a very drastic decline compared with 2003 when it reached 67 deaths per 1,000 live births. This progress is almost the same with the decrease in the mortality rate of children under the age of five, although the level is lower. In 2005, the mortality rate of children under the age of five in Southeast Sulawesi was 49 deaths per 1,000 live births.

The target in reducing the number of people suffering from HIV/AIDS and other critical diseases in Southeast Sulawesi Province is still relatively under control. It was recorded that there were only 7 cases of people suffering from AIDS until 2007. Meanwhile, there were 346 malaria cases in the same year.

In terms of the access to proper sanitation in Southeast Sulawesi in 2005, it was recorded that 68.2% of the total number of households had access to proper sanitation. This is well below the national figure. In 1992 and 2000, the level of access to proper sanitation was 37.1% and 64.2% respectively. Although, these two figures are smaller than the figure for 2005, both figures are above the average national figure.

25. MALUKU AND NORTH MALUKU



people in Maluku decreased to 30.1%.

The poverty rate in Maluku is still quite high, almost twice the average national figure. In 1993, 23.93% of the population, or approximately 478,900 people were poor. In 2000, this increased to 34.8% or 418,000 people. In 2002, Maluku Province was divided and a new province, North Maluku, was created. In 2006, the number of poor

Regarding the effort to eradicate hunger, the number of malnourished or underweight children under the age of five in Maluku Province is lower than the average national figure. In 1989, it was recorded at 34.0%, which declined to 26.0% in 2000, but increased again to 33.7% in 2006. This increase is believed to be due to the 1997 crisis.

In terms of the target in providing universal basic education, both the achievements of Maluku Province and North Maluku are below the average national figure. In 2006, the Net Enrolment Ratio in Elementary School/MI (NER SD/MI), in Maluku was even lower than North Maluku, which was, 92.2% compared to 93.1%.

However, according to the Net Enrolment Ratio in Junior High School/MT (NER SLTP/MT), North Maluku is left behind by Maluku. In 2006, the NER SLTP/MT of Maluku was 76.9% while the NER SLTP/MT of North Maluku was 65.3%. In 1992, the NER SLTP/MT of Maluku was 41.4%.

In terms of gender equality, and according to the Net Enrolment Ratio of female pupils to male pupils in Elementary School/MI (NER F/M SD/MI) and Junior High School/MT (SLTP/MT), the attainment of these two provinces are different. At the SD/MI level, the figure for North Maluku Province is below the national figure of 97.5 in 2006.

The Net Enrolment Ratio in Junior High School/MT (NER SLTP/MT) is below the national figure, even though it has exceeded 100%. The Net Enrolment Ratio of female pupils to male pupils in Junior High School/MT (NER F/M SLTP/MT) in Maluku indicates a good level of gender equality and this is reflected by the ratio for 1992 that reached 110.1%. In 2002, this ratio decreased to 104.6 %, and increased again to 122.9% in 2006. This indicates that, the number of female pupils who acquired education according to their age group is larger compared to male pupils.

More is needed to reduce child mortality rate in Maluku and North Maluku, as the rates in these provinces is still high compared with average national average. The mortality rate of children under the age of five in Maluku was high at 43 deaths per 1,000 live births in 2005. A satisfactory decline in the infant mortality rate has been achieved in the region. In 2005, the infant mortality rate in Maluku was 34 deaths

per 1,000 live births while the national figure was 32 deaths per 1,000 live births. The same achievement in the infant mortality was also made in Maluku Province, which is, 40 deaths per 1,000 live births in 2005. The mortality rate of the children under the age of five is still high in North Maluku at 53 deaths per 1,000 live births in 2005.

The performance of Maluku in terms of reducing the number of people suffering from HIV/AIDS and other critical and communicable diseases still requires improvement. In 2007, it was recorded that 154 people were infected with AIDS in Maluku while 10,824 people were infected with malaria. Meanwhile, in North Maluku Province, it was recorded that 7 people were inflicted with AIDS, while 4,140 people were infected with malaria. Thus the province occupies third position at the national level in terms of malaria cases.

In terms of increasing access to non-piped protected drinking water, the performance of North Maluku is good. More than half of the population has access to non-piped protected drinking water. In 2006, North Maluku Province had recorded that 52.6% of the total number of households had access to non-piped protected drinking water.

This is not the case in the attainment of the target in increasing the access to proper sanitation. Maluku and North Maluku until 2006 had achieved rates of 52% percent and 58.3%, but both were below national average. However, these figures do show improvement from 1992 when the rate was only 24%.

26. PAPUA AND WEST PAPUA



West Papua (formerly West Irian Jaya Barat) is a province that was created as a result of the division of Papua in 1999. As such, some of the data on West Papua until 2005 is included in the data of Papua Province.

The poverty rate in Papua in 1993 was 24.2%. The national rate at 13.7% was way below than Papua. In 2000, the rate for Papua had reached 46.0%, while the national figure was 19.0%. In 2006 that number decreased to 39.3% (excluding West Papua). Meanwhile, in West Papua Province, the percentage of the poor was 33.0% of the population in 2006. This figure is nearly double the national figure of 16.6%.

The number of children under the age of five who were suffering from malnutrition in Papua Province after the break up of Papua in 2006 was 31.2%. Prior to the break up in 1989, the figure was 45.8%. This decreased to 29.58% in 1992 and increased again to 30.18% in 2000. Although the available data indicates that malnutrition rate has declined, cases of famine in the hinterlands such as the famine in Yahukimo have become a national issue. The assumption is that, one of the primary causes of this is the shift made by the local population from tubers to rice as its primary source of food. The availability of rice in this area is very limited.

Given the geographical setting of this province that is composed of mountains and dense forests and scattered population, it is not surprising that the Net Enrolment Ratio in Elementary Schools/MI (NER SD/MI) in Papua in 2006 was 81.1%, occupying the lowest position in the country. In 2000, the figure actually reached 81.8%. This was an increase compared to the figure for 1992, which was only 71.6%. It is assumed that the Net Enrolment Ratio in Elementary Schools/MI (NER SD/MI) in this province is an indirect result of the breaking up of this province. In West Papua the rate was 88.2% in 2006.

In 1992, the Net Enrolment Ratio in Junior High School/MTs (NER SLTP/MTs) in Papua Province was 42.7%, slightly higher than the national figure. In 2000, this figure decreased to 35.1%. However, in 2006, the NER SLTP/MT in Papua increased again to 47.4%. On the other hand, the NER SLTP/MT in West Papua was 53.9%, which surpassed the attainment of its mother province with an approximately 12%. Nonetheless, data indicates that many of the children of school age do not yet participate in the Nine Years Compulsory Education Program.

In 2006, the Net Enrolment Ratio of Female pupils to Male pupils in Elementary Schools/MI (NER F/M SD/MI) in Papua was 98.4. This ratio declined compared to the previous years. In 2000, the ratio was 102.2 and 99.5 in 1992. This decreasing tendency does not specifically apply to Papua alone; rather, it generally applies to the other provinces. In 2007, the ratio of the monthly salary of female workers to male workers in West Papua was

Box 9.2

MANAGEMENT OF THE FORESTS IN PAPUA

The new policy of the Governor of Papua, Barnabas Suebu, on the management of the forests in Papua, such as, the total cessation of the export of logs is considered by TIME Magazine as a new breakthrough in protecting the environment. Governor Barnabas Suebu was nominated, together with other famous personalities, such as, Michael Gorbachev, Al Gore (Recipient of the Nobel Prize for Peace in 2007), Prince Charles, Angela Merkel (Chancellor of Germany), Robert Redford, etc., in the Inauguration of the "Heroes of the Environment (HE) 2007" that was held in 25 October 2007 in the Royal Court of Justice London. The following is an excerpt of the report by TIME Magazine, edition 29 October 2007.

*"... **Barnabas Suebu comes as a welcome relief.** The new Governor of Papua, which comprises the western half of New Guinea island, wants to protect the province's forests, home to fully half of Indonesia's native species. That means standing up to the deeply entrenched business and military interests that have richly profited from Papuan timber. "We have to save the forests before it is too late," says Suebu, 61. "If we do that, we can help save the planet and alleviate poverty at the same time."*

Since taking office in July 2006, Suebu has made plans to declare a moratorium on log exports and recommended that no new logging concessions be granted to timber companies. The Papua native has also begun talks on trading carbon credits to help protect the province's forests, which extend over an area estimated at 77 million acres (31 million hectares). If a deal with the Australia-based company Carbon Conservation goes through, Suebu says Papua can generate far more revenue by trading credits on the Chicago Climate Exchange than it currently gets from logging. "Why would we cut down trees if people are going to pay us to protect them?" he asks. "We can prevent deforestation and also use the money to reforest the areas in critical condition." More money in public coffers would help improve education, health and sanitation for the province's 2 million people, 80% of whom live in poverty. Suebu, Papua's first directly elected Governor, has made easing their plight the main focus of his five-year term.

The Indonesian government in Jakarta, however, is keen to promote biofuel production, and it could require Papua to set aside 5 million acres (2 million hectares) of forest for palm-oil plantations. Suebu says that the legal autonomy the province has when it comes to resource management will help him take on Jakarta. "Pressure on our forests is coming from the forestry department because they are still operating with an old mindset," he explains. "They need to realize that there is a new paradigm now and we are not going to repeat the mistakes of the past." The challenges are endless, but so is the Governor's optimism — a commodity that until now has been in short supply in this corner of the globe.

recorded at 72.4. This is below the average national ratio and occupies the eighth position, and its difference from the national figure is 0.4 percent.

In terms of reducing the mortality rate of pregnant women (MMR), Papua Province is the worse province. In 2005, the mortality rate of pregnant women in Papua was 647 deaths per 100,000 births (Department of Health, 2006). The primary factor that brought about this high number is the absence of the means and infrastructure of health services, which makes it difficult for pregnant women to obtain medical assistance and other basic health services during pregnancy. The geographical setting of Papua composed of mountains and forests, and the scattered places of residence are the main obstacles in establishing health infrastructures and providing medical staff.

The attainment of the target in reducing the number of people infected with HIV/AIDS and other communicable and critical diseases in this province is also worrying. Until 2007, it was recorded that 1,268 people were infected with AIDS in Papua and this number is the second highest number of AIDS victims at the national level. Meanwhile, in 2007, it was recorded that 58 people were infected with AIDS in West Papua. In terms of the number of people infected with malaria, Papua occupies had the second highest cases of malaria: 38,449.

In 2006, 38.7% of households in Papua Province were using non-piped protected drinking water. This figure is 18.5% lower than the national figure. What is interesting is that, in 1994, when Papua and West Papua were still united, 30.1% of households were using non-piped protected drinking water, which is much higher than the national figure of 16.2%.

In terms of increasing the number of households that have proper sanitation, the figure in West Papua is lower than that of Papua. In West Papua, 51% of the total number of households had proper sanitation. Meanwhile, in Papua Province, 54.7% of the total number of households had proper sanitation. Actually, this figure is better than the figure for 1992 which was only 27.6%.

CONCLUSIONS

1. POVERTY

The target is to reduce poverty by half in every province in the period 1990-2015 using the national poverty line. Based on above, there are 16 provinces with poverty rates above the national average. These provinces are Papua, West Papua, Gorontalo, Maluku, Nanggroe Aceh Darussalam, East Nusa Tenggara, Central Sulawesi, and South Sumatera. In 2006, these regions had the concentration of poor households in Indonesia.

The poverty dynamics in these regions is influenced by the situation, potential, and enabling environment. Poverty in these regions is also a reflection of national political and economic crisis. Natural disaster such as the tsunami has also taken its toll while rise in fuel prices have also exacerbated the situation. These factors together are making poverty reduction even more challenging.

The inter-province poverty rates vary with marked difference in the incidence and absolute number of poor. It is important to note that high incidence of poverty may not necessarily mean that it mirrors the absolute number of poor. In eastern Indonesia, for example, a high percentage of poor, is relatively smaller compared to absolute number of poor living in a province on Java Island. As mentioned above, the poverty is very much affected by the situation, potential in a region, and the enabling environment. Some regions suffered more from the economic crisis and political situation, while some had to bear a smaller brunt from these external forces. Many regions were affected calamities such as natural disaster and tsunami, or as a result of rise in the price of fuel. Cumulatively, these factors have constrained poverty reduction efforts in the country.

Within the MDGs framework, the central government can consider interventions directly supporting those regions that are lagging behind or where the poverty rates are still high. These interventions can be made through a clear affirmative action which prioritizes regions which until now have been left behind on MDGs, and score less than half on related indicators if compared with the national rate.

2. MALNOURISHMENT

Nationally, the number of malnourished children under five remains relatively high, despite reductions in the last two decades. In some regions the rate of malnourished children remains very high such as East Nusa Tenggara and Gorontalo. On the hand, DI Yogyakarta and Bali have a rate less than half of these two provinces.

From the data on malnourished children under five, as well as the percentage of poor population, it appears that economic crisis directly affected the condition of children under five. This can be seen from data on the percentage of children under five suffering from malnourishment at national scale: in 2002 reaching 27.30 percent and slowly increasing in 2005 to 28.05 percent. The problem of malnutrition is a major challenge – other than poverty – in achieving the MDGs.

3. NER SD/MI (PRIMARY SCHOOL)

The participation rate of primary school age children who go to school in line with their level nationally has been quite satisfying, reaching 93.5 percent. It means that there are only 6.5 percent children who have not entered primary schools. However, if we look at inter-provincial rates we find inconsistencies, especially between Papua which has rate of 78.1 percent rate while in Nanggroe Aceh Darussalam the rate is 95.5 percent. The Net Participation Rate (NPR) in primary school has exceeded 90 percent but it will be harder to reach 100 percent. To achieve such rate, adequate infrastructure, facilities and human resources are needed. In addition, special treatment must be given to people who are disabled, indigenous communities (adapt), and other vulnerable groups such as internally displaced people who are uprooted as a result of conflict, riots, and natural disasters.

4. **NER JUNIOR HIGH SCHOOL (SLTP/MTS)**

In disadvantaged regions, the net enrollment rate (NER) for SLTP/MTs in junior high schools is closely linked with availability of facilities, infrastructure, and other geographic issue such as remoteness of schools. However, for a place like Jakarta the problem apparently is low household income that greatly affects the education of children. Therefore, special attention should be paid in Jakarta to ensure that children can continue their education providing support to low income households. Another group of community who need attention – based on low enrollment rates in junior high schools – are disabled people.

5. **THE RATIO OF APM BOYS/GIRLS AT PRIMARY SCHOOL (7-12 Y.O)**

What is interesting to note is that enrollment rates in 2006 (NER) boys/girls at primary school that are behind the national rate. In the past (1992) some of the regions were above the national average but are behind now. These provinces are DI Yogyakarta, Central Java, Jambi, Lampung, East Java, and West Sumatera. The decreasing level of achievement in the ratio of APM boys/girls at primary school seems to be in line with the decreasing achievement at national level. The following data indicates that in 1992 the national rate was 100.6 percent which declined in 2000 to be 100.3 percent then further declined in 2006 to be 99.4 percent. The declining rate of APM ratio for boys/girls in primary school in the above areas is in line with trends at the national level which carry an explicit message that the educational policy at national level will also impact on progress at regional level.

Data also indicates that there are provinces, such as D.I. Jogjakarta where the NER ratio for boys/girls in primary school had reached 100.9 percent in 2000 and it remains above the national rate. Such regions have succeeded in reaching a rate which has been achieved through local efforts and is not merely dependent on the center.

6. **RATIO OF BOYS/GIRLS AT JUNIOR HIGH SCHOOL (13-15)**

The Net Enrollment Ratio (NER) of girls/boys at junior high school in 2006 indicates relatively good progress. This is due to the fact that poorer provinces apparently have achieved more than 100 percent ratio. It means that girls' participation is better than men. Nevertheless, this rate does not depict actuality, as the national average of NER for Junior High School in 2000 and 2006 was 60.3 %, and 66.5 % respectively. It shows that there are almost one-third of school age children who do not attend school and therefore unable to complete the 9 year compulsory study.

7. **RATIO OF WOMEN/MEN FOR MONTHLY WAGES**

The current national average of wage ratio is 74.8%. It means a significant wage distinction between sexes still persists. This suggests that gender equality has yet to be fully achieved, although education-related data suggests otherwise. However, there are also provinces – such as East Nusa Tenggara, North Sulawesi, and Gorontalo, which registered a Men/Women Wage Ratio of above 100%. Nevertheless this data should be carefully examined as these provinces/ regions are known for their conservative values, which by many are regarded as obstacles in achieving gender equity.

8. **IMR AND CMR**

Indonesia has been progressing relatively well in regards to reducing infant and child mortality rate, as well as maternal health. However, a huge disparity in infant-children mortality rates and maternal mortality rate between provinces. This is primarily caused by the limitation of supply/provision and the coverage of primary health care. The major causes of maternal mortality are haemorrhaging/ bleeding (30%) eclampsia (25%), infection (12%), and 5 percent due to abortion whilst the rest caused by miscellaneous aspects.

The IMR of Indonesia in 2003 was 35 people per 1,000 live births, while Child Mortality Rate was 40 per 1,000 live births. As for Maternal Mortality Rate, the latest survey conducted in 2002-2003 showed that 307 mother dies for every 100,000 births. Although it is an improvement over 1994 when the rate was 390 per 100,000 live births, it is still quite high.

An interesting trend emerges in the aspect of infant's health. Before 2005, the IMR had contributed essentially in the total mortality rate of children under 5. However in 2005, the trend suggested the opposite. Although both

Children and Infant Mortality Rate had declined, the data suggested that infant mortality rate declined faster than the other. In the same period the CMR declined from 46 people per 1,000 child birth, whereas IMR declines from 35 to 8.

Again, huge discrepancy between regions/ provinces persists. For instance, the Children Mortality Rate in West Nusa Tenggara (93), Gorontalo (67) and East Nusa Tenggara (60) are quite high. In the same period, other provinces the rate was 20 to 32 people per 1,000 live births, while the national rate is 40 people per 1,000 live births.

9. HIV /AIDS

Nationally, the cumulative AIDS cases reported until 30 September 2007 were 10,384 with cases reported from 32 provinces and 186 regencies/cities. It is obvious that HIV/AIDS is spreading and is a problem affecting throughout Indonesia. Provinces with the highest number of AIDS cases are DKI Jakarta, West Java, Papua, and East Java. In most provinces the spread of HIV is concentrated among high risk groups. But in Papua and West Papua it has also started spreading in common population. Overall, the number of population vulnerable to the spread of HIV is 193,070 people and 27,470 of them are common population.

Efforts are in place to enhance an effective health and social system to provide services and improve access for the community, especially people with HIV and AIDS who have shown improvements as a result of programs for prevention, treatment, support, and medication in the hospitals, and puskesmas (health integrated centre). These efforts against HIV and AIDS are being prioritized in 19 provinces and is expected to be able to reverse the spread of HIV, while in other provinces programs should also be carried out depending on the magnitude of problem. In the attempt of controlling the spread of HIV in future, reducing new cases by year 2015 and enhancing the quality of life of PLWHA, and effective measures that are scientifically proven in responding to HIV and AIDS epidemic, targeting high risk groups or common population are still needed.

10. MALARIA AND OTHER INFECTIOUS DISEASES

In Indonesia there are 310 regencies/cities that are malaria endemic. However, between 2006-2007 only in 7 provinces there were abnormal cases of malaria. Based on data, as of 2005, there are 651,690 malaria cases in Indonesia. East Nusa Tenggara had the highest cases (172,770), followed by Papua (73,690), North Maluku (72,440), and Bengkulu (56,910). Provinces where the incidence of malaria is between 25,000 to 50,000 cases are Maluku (46,430), Lampung (38,520), and Central Sulawesi (27,280).

11. ACCESS TO IMPROVED NON-PIPED DRINKING WATER

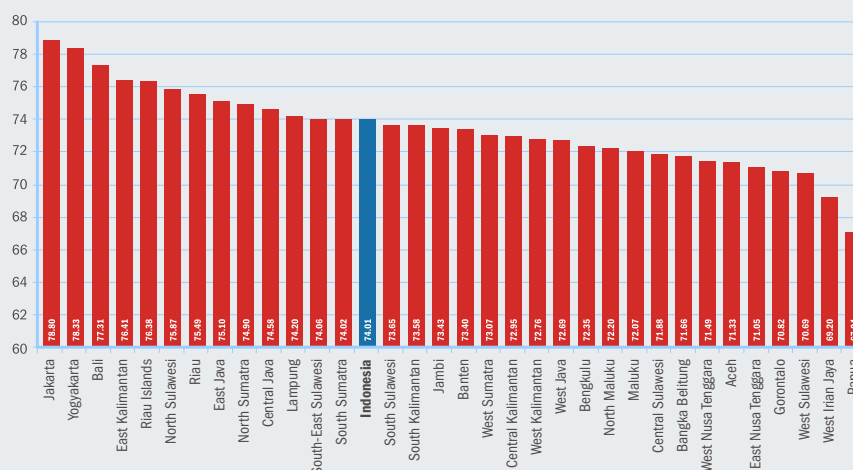
The indicators that measure access to the source of improved protected non-piped drinking water cannot accurately describe water and sanitation condition in Indonesia. This is due to the fact that people get access to piped water, bottled water and other protected water sources which may be fit for drinking. Therefore, a declining trend in access from improved non-piped drinking does not always suggest a failure to improve water and sanitation condition in Indonesia but it might be the case that the current MDG indicators cannot fully capture the local behaviour and trends.

Data in 2006 indicates that people in big cities in Java Island, including Jakarta, have better access to non-piped drinking water in comparison to other regions in Indonesia. Rather surprisingly, regions that are traditionally known to have difficulty to access drinking water, for example East Nusa Tenggara and West Nusa Tenggara are generally getting better. People in these regions now have relatively same situation in terms of access to above-mentioned cities, as their rate of access is well above the national average.

12. ACCESS TO SANITATION

In just 14 years (from 1992 to 2006), Indonesia has substantially improved the general sanitation condition across the country. In 1992, access to proper sanitation was merely 30.9% but it increased to 69.3% in 2006. However, again the situation at regional level is highly diverse and Jakarta is registered as the province with best access to proper sanitation – where 93.8% people have access to proper sanitation. Meanwhile other regions

**BOX 9.3
MDG INDEX**



The calculation of the MDG Index by provinces follows a somewhat similar methodology as the construction of the Human Development Index. Firstly, fixed minimum and maximum values for each indicator were assigned: 0-minimum and 100 for maximum. The current status of an indicator was then simply measured on this scale e.g. 90% enrolment in primary schools would yield a value of 90. To ensure consistency, for indicators where higher percentage represents worse condition the values were reversed, e.g. if 20% of the people are poor, the value used in this formula is 80% people who are not poor. Also, considering that many provinces had already exceeded gender parity, the maximum value for this indicator was raised to 148, which is the highest ratio of females and male in junior high school, SMP in Gorontalo.

In total 17 indicators for which data was available were used to compute the MDG Index, which were grouped into 7 indices (by sector) including 1: poverty and hunger, 2: education, 3: gender, 4: child mortality, 5: HIV/AIDS & Malaria, 6: water and sanitation, 7: youth unemployment, access to information, communication and technology (ICT). Each index was given an equal weight. The general formula used for calculating all the indices is:

$$\text{Index for each sector} = \frac{[\text{Actual Value} - \text{Minimum Value}]}{[\text{Maximum Value} - \text{Minimum Value}]}$$

$$\text{MDG Index} = \text{Average of all Indices}$$

In future it is hoped that when additional data from the provinces becomes available a more robust analysis can be done comparing the position of the provinces. At the moment the index should be treated as indicative only.

outside Java Island have not been performed sufficiently well, as their access to proper sanitation is still below national average. It is not surprising if these provinces, such as West Nusa Tenggara, Papua, Maluku, East Nusa Tenggara, Jambi, West Java and Nanggroe Aceh Darussalam are malaria endemic.

13. YOUTH UNEMPLOYMENT

Youth unemployment can be seen as a deprivation for those who are forced to discontinue their education to search for work and also generally a lack of opportunity for those seeking jobs. In 2007, the youth unemployment rate at the national level had already reached 25.43%. North Sulawesi had the highest incidence of youth unemployment in the country while Banten (39.83%) is not that far behind.

3.2. MAINSTREAMING MDGs IN REGIONAL DEVELOPMENT

Since decentralization in Indonesia in 1999, local governments regulate and manage the affairs of their regions according to the principles of regional autonomy and shared tasks with central government. This is authorised under the Law of the Republic of Indonesia No. 32/2004 (Article 2) concerning regional governments. This autonomy is implemented in the broadest sense, with the objective of enhancing the welfare of the people and improving public services.

The rights and obligations of the regions are set out in the Regional Government Work Plan (RKPD) and are expressed in the form of the activities, spending plans, and financing that is managed regionally for a period of one year. The RKPD will include the proposed framework for the regional economy, priorities for regional development, as well as the work plan and funding. The RPJMD for a period of 5 (five) years includes the vision, mission, and program of the head of the region based on the RPJPD for a period of 20 years and by taking into consideration the National Mid-Term Development Planning (RPJM). With this mechanism, regional development planning is integrated in the national development planning system.

In relation to the implementation of the regional government, the MDGs need to be given serious attention. The regional governments are required to include the MDGs in the regional planning and budgeting document as the main priority in RPJPD, RPJMD, RKPD, and the Local Budgets.

The achievement of MDGs will be very difficult if we will only rely on the commitment of the Central Government and regional governments. A joint commitment among the regional governments, Regional House of Representatives (DPRD), communities, civil society organizations, the mass media, and other stakeholders will be vital in attaining the MDGs. This is imperative because the process of planning and budgeting in the regions requires the participation of these stakeholders. For example, three months after being elected as Head of the Region and Deputy Head of the Region, it is the obligation of the Head of the Region and Deputy Head of the Region to submit the Regional Mid-term Development Plan (RPJMD) to the plenary meeting of DPRD to obtain the approval of DPRD in the form of a Regional Regulation. The endorsement of RKPD and the Local Budget also needs to be obtained by all the concerned stakeholders in a region, including various organs of the regional government. All the concerned stakeholders in the region and those at the national level can play a role in making the MDGs as the main priority of regional development.

FUTURE STEPS

The discussion on MDGs in the previous chapters shows disparities across provinces in Indonesia. In some cases provinces are behind the national average and also there are wide gaps between provinces. Disparities between different provinces can be seen in the indicators for poverty, number of children suffering from malnutrition, net enrolment ratio in Junior High School, mortality rate of infants and children under the age of five, and the number of malaria cases.

If the achievement of MDGs by provinces is categorised according to quintiles, then some provinces will be placed in the lowest quintile for almost all of the indicators. These provinces are: Papua, West Irian Jaya (now West Papua), Gorontalo, Central Sulawesi, Maluku (except for Net Enrolment Ratio in Junior High School/MTs for Maluku West Kalimantan, West Nusa Tenggara (NTB), and East Nusa Tenggara (NTT). These provinces can be considered as the provinces that are left behind in terms of MDGs.

According to the above grouping, NTT has the highest number of poor which is almost three times bigger than the proportion of poor in North Maluku, while, the proportion of poor in Papua, which is the poorest province is almost nine times bigger than the proportion of the poor in DKI Jakarta which is the province with the lowest proportion of poor.

Although nationally the level of poverty decreased (it increased again in 2005), the level of poverty in some provinces actually increased. The level of poverty of the provinces in the lowest quintile shows a decrease that is not very big though (See Picture 9.1).

Box 9.4

PRACTICES AND CHALLENGES IN THE REGIONS TO ACHIEVE THE MDGS

This was taken from the field visits that were conducted by the Bappenas-ADB joint project titled "Perencanaan dan Penganggaran yang Berpihak pada Kaum Miskin" (TA 4762-INO) ("Pro-Poor Planning and Budgeting). The areas visited were: Sumba Barat District, Sumba Timur District, Manggarai District, Kupang District, Wonosobo District, Purbalingga District, Banjarnegara District, Semarang City, Palembang City, Ogan Komering Ilir (OKI) District, and Ogan Ilir (OI) District.

INTERESTING PRACTICES FOR ACHIEVING THE MDGS

All of the regions that were visited were already aware about MDGs. In general, the regional governments are aware that the attainment of MDGs was an international commitment that needed to be fulfilled by the year 2015. However, this knowledge was still limited to head of agencies, academicians, and the local media. For the members of the DPRD, CSOs, and public in general, the MDGs were a new concept.

The MDG indicators such as the poverty rate, the net enrolment ratio in Elementary Schools/MI and Junior High Schools, the number of illiterate people of ages 15 to 24, the mortality rate of infants and children under the age of five and that of pregnant women, the percentage of childbirth with medical assistance, and access to clean drinking water and proper sanitation are already included in the Regional Mid-term Development Planning (RPJMD) of most of the Districts/Cities that were mentioned above, although the term MDGs per se is not yet explicitly mentioned.

In the 2008 fiscal year, almost all of the said provinces stated that some of the goals of the MDGs, such as, reduction of poverty and hunger and increasing the access to education and health services will be their main priority and their commitment is to attain these during the 2007 and 2008 fiscal year. For example, OKI District has already directed the process of the development planning deliberation (musrenbang) by appealing to the society to make poverty eradication, reducing unemployment, and resolving the isolation of the region as their development theme. In 2007, RKP of OKI District, Wonosobo District, Semarang City, and Manggarai District even the term 'MDGs' was used.

In the 2003-2006 local budget of the provinces mentioned above, approximately 26.63% of the budget was allocated for education, 18.6% for infrastructure, 6.91% for the health sector, 3.28% for agriculture and the remaining budget was divided for the other sectors. Based on these budget allocations, we can conclude that the said Districts/Cities have directed their development towards the attainment of the MDGs. However, in order to measure the level of success on the target beneficiaries, further analysis is required.

CHALLENGES IN THE ATTAINMENT OF THE MDGS

- Limited knowledge of the regional government about the MDGs. This also true for most of the members of DPRD, civil society organizations, and the general public.
- The ignorance of the region of their obligation to adopt the MDGs – an international commitment – as the commitment of the region. This requires serious attention of the Central Government. Among others, the Central Government can provide an example to the Regions how to include the MDGs in the RPJM, RKP, and State Budget.
- In general, the proposals made by the community in Musrenbang at the village level focus on construction of bridges, village halls, and revolving credit. These development proposals are not necessarily enough to help reach all the MDGs.
- According to existing regulations, the indicators for planning and budgeting only require outputs as the target. It does not require inputs, process, outcome, and impact as the indicators of the target. This will make the monitoring and evaluation of the regional development difficult, including measuring efforts in achieving the MDGs.
- There were proposals from the Musrenbang at the village level, sub-district level, and from the SKPD that are unclear in terms of target beneficiaries. As a result, it would be difficult to ensure that development programs target MDGs in the regions. For instance, the proposal in RKPD, KUA/PPAS, and Local Budget only mention that the beneficiaries are located in 18 sub-districts; it does not include the names of the sub-districts and the amount of the budget allocation for the sub-districts as target beneficiaries.
- In general, the regions only explain the qualitative targets without including any quantitative targets. For example, they only say improving learning and teaching without including the total number of pupils and teachers who have increased their learning and teaching respectively.
- The weak transparency of the process and result of development in the previous years, and the limited dissemination of the problems of the region to the public does not help to inform the development of proposals and budgeting for the regions.
- The minimum success in the implementation of Government Regulation No. 39/2006 concerning the Method of Control and Evaluation for the Implementation of the Development Plan. This will make it difficult for the provincial government – in this case the provincial Bappeda – to monitor and evaluate the flow of de-concentration and special assistance funds. Aside from this, it would also be difficult to know if one district/city has obtained more, sufficient, or less budget allocations for certain sectors from the State Budget (de-concentration and special assistance fund) that is integrated in the Local Budget of the said district/city. As a consequence, the integration of the planning and budgeting of the central government, provincial government, and district/city government is not carried out and this would make it difficult to attain the MDGs.
- The weak integration of the program/activities of the SKPD. Every SKPD tends to promote the interest of their sector alone and this will make it difficult to attain the MDGs.
- Limited knowledge of DPRD about the MDGs is a challenge to the regions in their effort to integrate the planning and budgeting. As a result, it is difficult for the regional government to obtain the approval of DPRD in allocating the Local Budget for mainstreaming the MDGs.
- The limited supporting data/information and the lack of understanding about the indicators that are used for the MDGs is a serious challenge to the regions, especially in mapping-out the condition for achieving the MDGs, such as the indicator for the spread of malaria and tuberculosis, mortality rate of pregnant women, proper sanitation and clean drinking water, etc. The indicators used by BPS are not applicable to the indicators at the local level. For example, the house without a concrete floor is categorized by BPS as the houses owned by poor people, however, in reality, this may be the opposite.
- Unclear definition of the participation of the people in the process of planning and budgeting of the regions obscures the objective of development. Beneficiaries will rely on elites in the region who will not prioritise mainstreaming of the MDGs. For instance, some regions invited the mass media and

CSOs to attend the Musrenbang at the district level, However, they were not allowed to give their opinions or inputs on the proposals that were discussed in the Musrenbang.

- Most of these districts/cities are experiencing difficulties in the budgeting of several plans that do not have an estimated number (nomenclature) according to Regulation of the Minister of Home Affairs No. 13/2006 concerning the Administration of Regional Finances. In order to obtain this estimated number, the district/city government should propose it to the provincial government. However, in reality, the reply to such a proposal will only be provided by the provincial government in 3 to 5 months. This gives the impression that good planning does not guarantee proper allocation of the budget.
- Poverty eradication and the others targets of the MDGs are still perceived as “partial projects”. As such, there is no continuity. This is manifested in the relatively few indicators of MDGs that are included in the RPJMD.
- The program for the community is automatically considered as a program for poverty eradication without specifying the target beneficiaries. This is manifested in some of the planning and budgeting documents.
- The minimum frequency of field visits is also a challenge in the mainstreaming of the MDGs in development planning at all levels of Musrenbang.
- Weak capacity of the planning in the regions in terms of the knowledge on MDGs will also make the attainment of the MDGs difficult.

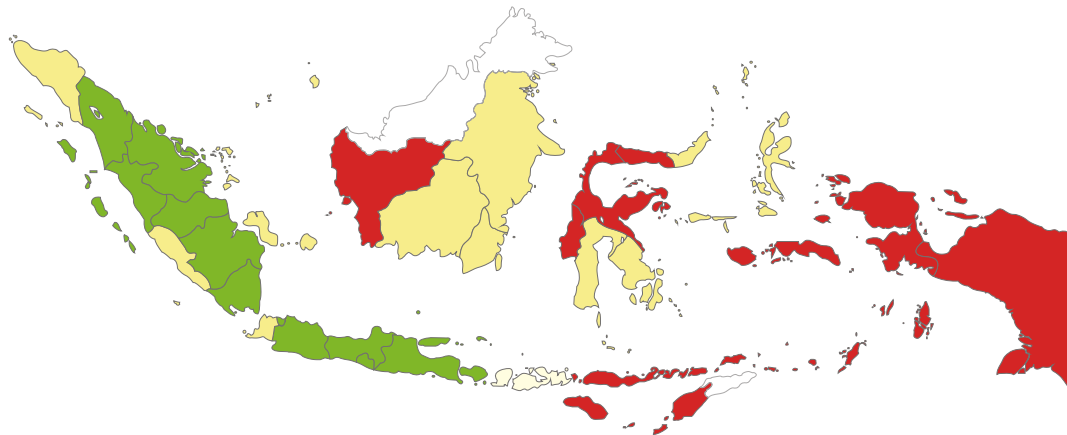
In order to address the above challenges, the following are some recommendations for mainstreaming MDGs at the district/city level:

- There is a need to increase awareness about MDGs in all districts/cities and to all the stakeholders in Indonesia to seek commitments for reaching the MDGs.
- The central government must explain and provide examples that the MDGs have already been adopted in the planning and budgeting documents at the national level, in the annual, mid-term, and long-term plans.
- Previous results of development and the existing obstacles and problems should be stated in a transparent manner prior to the implementation of musrenbang at the regional level.
- The indicators of planning and budgeting should include outputs, inputs, process, results, and impacts as the indicators of the target that needs to be attained in the mechanism of planning and budgeting in the regions. This will facilitate the process of monitoring and evaluation of regional development.
- The work units of the regional development, including the SKPD that proposes activities through the Musrenbang forum at the village or sub-district level need to explain to the target beneficiaries, the specific areas, and the amount of their budgets.
- The target of the development planning should include quantitative targets and this should be accompanied by an explanation on the qualitative targets.
- Every implementer of the development plan in the region should follow Government Regulation No. 39/2006 concerning the Method of Control and Evaluation of the Implementation of the Development Plan so that the central government, provincial government, and district/city government can integrate planning and budgeting.
- A development theme with a certain focus should be determined by the district/city government. This is necessary so that SKPD and the other work units of regional development that provide proposals in the Musrenbang village/district level can prioritise the integration among the sectors in the region, reduce their sectoral ego, and accelerate the attainment of the MDGs.
- BPS should accommodate local indicators to prepare data/information based on the needs of the local community.
- A clear definition on the participation of the community is necessary in the process of planning and budgeting in the regions.

- There is a need to amend the Regulation of the Minister of Home Affairs No. 13/2006 concerning the Administration of Regional Finances to limit the time of the provincial government (example, within 10 working days) in providing a reply to the estimated number requested by the district/city government.
- There is a need to improve the capacity of planning at the district/city level. The persons involved in the district/city planning should have sufficient knowledge about the MDGs so that they can mainstream the MDGs in the regional development plans.

A study by the World Bank conducted in (2006) indicates that the elasticity of poverty to economic growth is not the same in every region. The elasticity of poverty to economic growth in the provinces that are in the lowest quintile, such as, Papua, East Nusa Tenggara, and Maluku is lower than Java and Sumatra. The implication of this is, if the poverty reduction will only rely on economic growth without other interventions, the rate of poverty reduction will be slower in the provinces mentioned above.

Another indicator that should be considered in terms of the disparities among the regions is the Net Enrolment Ratio in Junior High School/MTs. Although the Net Enrolment Ratio in Elementary Schools/MI is already above 90% in almost all of the provinces (except Papua and West Papua), the Net Enrolment Ratio in Junior High School/MTs (APM SMP/MTs) is 66.5% and it is still far from the target of the MDGs in terms of provision of universal basic education and the target of RPJM in 2009. The APM SMP/MTs of Papua and West Papua is still below 50%.



Map 9.1
Attainments of MDGs: Poverty, Health, and Education by Provinces, 2006

Source:
National Social Economy Survey (BPS, 2006), processed

Legend:
Green = Good,
Yellow = Moderate,
Red = Poor

POLICY IMPLICATIONS

Together with the implementation of decentralisation, the role of the regional government in providing public service that will directly influence the attainment of the MDGs is gaining greater importance. At the moment, the funds for regions constitute 36% of the total budget resources (Spending for Development: Making Most of Indonesia's New Opportunities, 2007). As such, local policies and budgets need to lay greater emphasis on MDGs.

Government Regulation No. 38/2007 concerning the Division of Government Affairs between the Regional Government, Provincial Government, and District/City Government provides the general framework on the role that the Regional Government should play. In the education sector, the Regulation stipulates that the implementation of the planning, the availability of funds in the implementation of education, and the procurement for basic education is the concern of the regional government. In terms of the health sector, the eradication of malnutrition and the prevention of communicable diseases also falls under the responsibility of the regional governments.

Figure 9.1
Proportion of the Poor People per Province, 2003 and 2006

Source:
National Social Economic Survey
(BPS, 2003 and 2006)

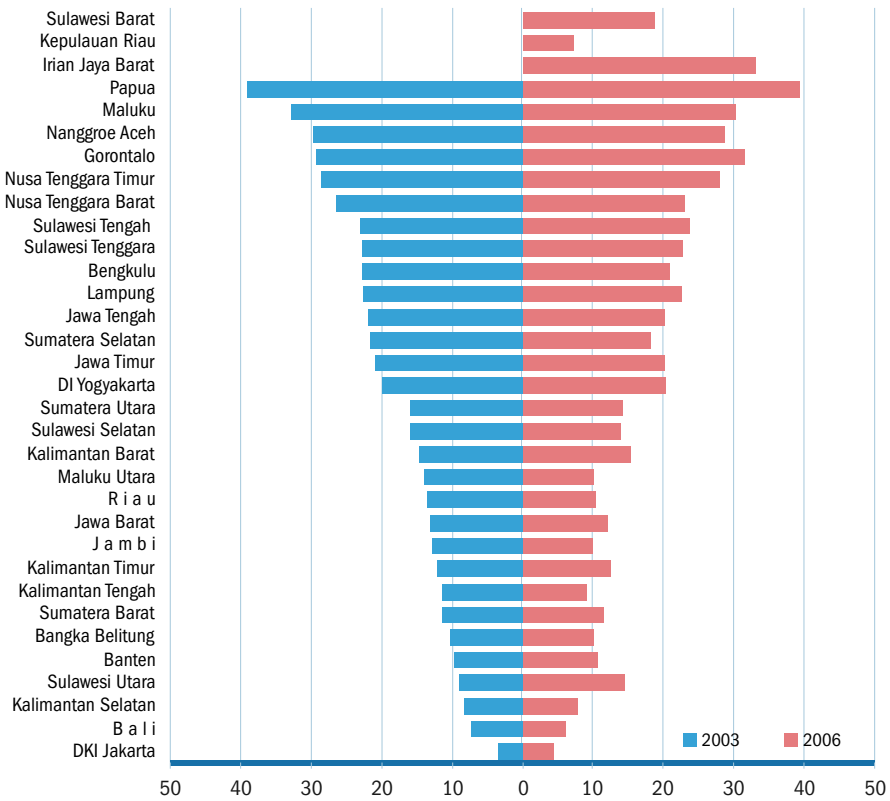
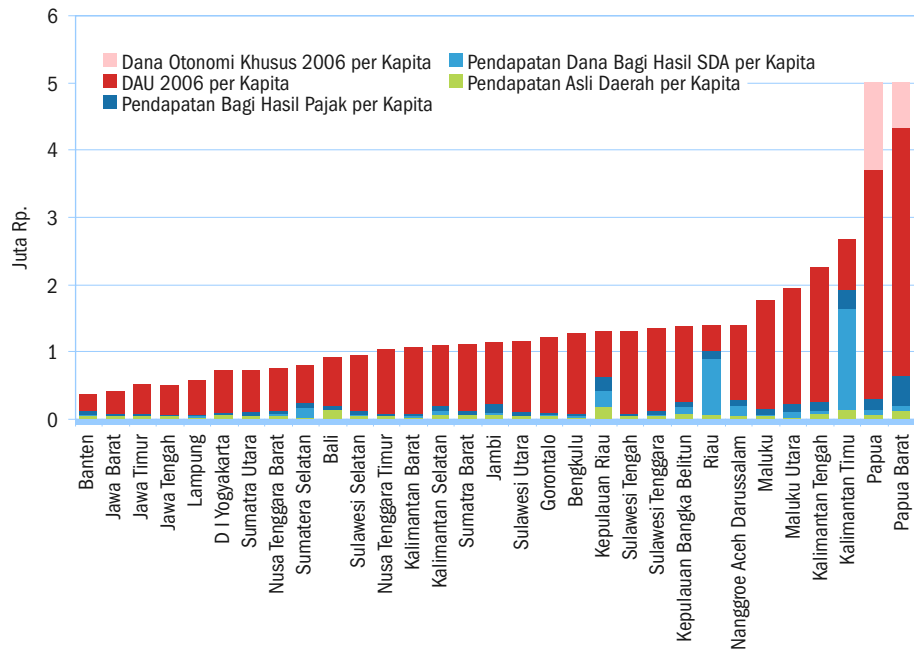


Figure 9.2
Distribution of Regional Fiscal Balance per Province, 2006
(including the distribution of the fiscal balance for districts/cities in the said provinces)

Source:
Data DAU, processed/estimated
(Ministry of Finance, 2006)



The above policies are intricately related to the attainment of MDGs, and they need to be implemented by the regional governments. Taking into consideration the importance of the role of the regional governments in the attainment MDGs, the indicators for MDGs should be integrated as part of the target, output, and outcome in the planning and budgeting process in the regions.

The policies of the regional governments in the attainment the MDGs should also be complementary to the program of the central government. For instance, in order to accelerate poverty reduction, regional government can combine the national poverty reduction program, such as, PNPB (National Programme on Community Empowerment) or Program Keluarga Harapan (PKH – Conditional Cash Transfer) with their own poverty reduction programs in the regions. Moreover, regional governments can also expand the participants of the program or conduct activities that are complementary. For example, if there is construction of irrigation facilities for agriculture or village roads in PNPB, then the regional government can play a role by broadening the network of the roads among the villages or between sub-districts so that the access of the poor people to the market can be improved.

Another policy that is important for achievement of MDGs is to provide special attention to the provinces that are lagging behind, as shown in Map 4.1. Except for Papua, these provinces have low fiscal resources (Figure 9.2). The challenge however for the government is to allocate the budget in a way that benefits these provinces, for example, this can be done by focussing on “de-concentration programs”.

ANNEXES

Annex 1. Status of MDGs

Note:

- a. Status given for only those indicators that have quantifiable future targets
- b. Additional indicators (highlighted) that are being used in Indonesia
- c. If unavailable from 1990, data closest to this year has been used

Annex 2. Status of MDGs by Provinces, 1993-2006

INDICATOR		1990	PRESENT*	TARGET	REMARKS	STATUS	
GOAL 1. COMBATING POVERTY AND HUNGER							
Target 1. Halve, between 1990 and 2015, the proportion of people whose income is less than US\$1 a day							
1	Population below \$ 1 a day	20.6%	7.5%	10%	Standard too low	Already achieved	●
1a	Poverty head count ratio (population below national poverty line)	15.1%	16.6%	7,5%	High but coming down	Needs improvement	▼
1b	Population below \$ 2 a day (%)		49.0%	(Indicator)	High	Needs improvement	
2	Poverty gap ratio (incidence x depth of poverty)	2.7%	2.99%		Stagnant		
2a	Poverty Depth Index		0.84		Stagnant		
3	Share of poorest quintile in national consumption	9.3%	9.7%		Stagnant		
Target 2: Halve, between 1990-2015, the proportion of people suffering from hunger							
4	Prevalence of underweight/undernourished children (under 5 years)						
4a	Severely underweight	6.3%	8.8%	3.3%	Increasing	Needs improvement	▼
4b	Moderate underweight	35.5%	28.0%	18%	Increasing	Needs improvement	▼
5	Proportion of population below minimum level of dietary energy consumption	9.0%	6.0%	5%	Decreasing slowly	Likely to achieve	►
GOAL 2: ACHIEVING UNIVERSAL BASIC EDUCATION							
Target 3: Ensuring that by the year 2015, all children everywhere, boys as well as girls, are able to complete basic universal education							
6	Net enrolment rate in primary education (SD)	88.7%	94.7%	100%	Increasing	Likely to achieve	►
6a	Net enrolment rate in junior high education level (SMP)	41.9%	66.5%	100%	Increasing slowly	Likely to achieve	►
7a	Proportion of pupils starting grade 1 who reach grade 5	75.6%	81.0%	100%	Increasing slowly	Likely to achieve	►
7b	Proportion of pupils starting grade one who complete primary school	62.0%	74.7%	100%	Increasing slowly	Likely to achieve	►
8	Literacy rate of the population aged 15 -24 years	96.6%	99.4%	100%	Increasing	Likely to achieve	►
GOAL 3: PROMOTING GENDER EQUALITY AND THE EMPOWERMENT OF WOMEN							
Target 4: Eliminate gender disparity in primary and secondary education, preferably by 2005, and at all levels of education by no later than year 2015							
9a	Ratio of girls to boys primary school	100.6%	100.0%	100%	Increasing	Already achieved	●
9b	Ratio of girls to boys secondary school	101.3%	99.4%	100%	Increasing	Likely to achieve	►
9c	Ratio of girls to boys tertiary school	98.0%	100.0%	100%	Increasing	Already achieved	●
9d	Ratio of girls to boys higher education	85.1%	102.5%	100%	Increasing rapidly	Already achieved	●
10	Ratio of literate women to men 15 to 24 years old	97.9%	99.9%	100%	Increasing	Likely to achieve	►
11	Share of women in wage employment in the non-agricultural sector	29.2%	33%	50%	Stagnant	Needs improvement	
12	Proportion of seats held by women in national parliament	12.5%	11.3%	(Indicator)	Decreasing		
GOAL 4: REDUCING THE INFANT MORTALITY RATE							
Target 5: Reducing the mortality rate of children under five by two thirds between the period 1990 and 2015							
13	Under-five mortality rate (per 1,000 live births)	81	40	32	Decreasing	Likely to achieve	►
14	Infant mortality rate (per 1,000 live births)	57	32	19	Decreasing	Likely to achieve	►
15	Proportion of one-year-old children immunized against measles a	44.5%	72%	(Indicator)	Increasing slowly		
15a	Proportion of children aged 12-23 months who have been immunized against measles	57.5%	82%	(Indicator)	Increasing slowly		
GOAL 5: IMPROVING MATERNAL HEALTH							
Target 6: Reduce by three-quarters, between 1990 and 2015, the maternal mortality rate							
16	Maternal mortality ratio (per 100,000 live births)	390	307	110	No updated data	Needs improvement	▼

* According to latest data available

17	Proportion of births attended by skilled health personnel	40.7%	72.4%	(Indicator)	Increasing		
17a	Contraceptive use among married women aged 15-49	50.5%	57.9%	(Indicator)	No updated data		

GOAL 6: COMBATING HIV/AIDS, MALARIA, AND OTHER INFECTIOUS DISEASES**Target 7: Have halted by 2015 and begun to reverse the spread of HIV/AIDS**

18	HIV/ AIDS prevalence		0.1%	Reverse		Needs improvement	▼
19	Condom use rate of contraceptive prevalence rate among women aged 15 - 49	1.3%	0.9%	(Indicator)	No updated data		
19a	Condom use in high risk sex groups		59.7%	(Indicator)			
19b	Percentage of 15 to 24 years old with comprehensive correct knowledge of HIV / AIDS						
	Male		79.4%	(Indicator)	No updated data		
	Female		65.8%	(Indicator)	No updated data		

Target 8: Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases

21	Prevalence of malaria (per 1,000)	8.5		(Indicator)	Decreasing, slowly		
21a	Java and Bali (per 1,000)	28.06	18.9	(Indicator)	Decreasing, slowly		
21b	Outside Java and Bali (per 1,000)	0.21	0.15	(Indicator)	Decreasing, slowly		
23	Prevalence of tuberculosis per 100,000	786	262	(Indicator)	Needs hard work		
23a	Proportion of tuberculosis cases detected under DOTS		68.0%	(Indicator)	No updated data		
24	Proportion of tuberculosis cases cured under DOTS	90.0%	91.0%	(Indicator)			

GOAL 7: ENSURING THE CONSERVATION OF THE ENVIRONMENT**Target 9: Integrating the principles of sustainable development in national policies and programs as well and reversing the loss of environmental resources**

25	Proportion of land area covered by forest	60.0%	49.9%	Maintained	Deforested		
26	Ratio of area protected to maintain biological diversity to surface area	26.4%	29.5%	Maintained	Increasing		
26a	Ratio of aquatic area protected to total aquatic area		11%	Maintained	Increasing		
27	Energy use (kilograms of oil equivalent)	1.5	95.3 kg oil-eq/ 1.000 \$	(Indicator)	Increasing		
28a	Carbon dioxide emission (per capita)	2.536 kg	1.34 metric ton	Reduce	Increasing slowly		
28b	Consumption of ozone-depleting chlorofluorocarbons (ODP tons)	7.815	2.736	Reduce	Decreasing slowly		
29	Proportion of population using solid fuels	70.2%	47.5%	(Indicator)	Decreasing slowly		

Target 10: Reducing by half, the proportion of the population having no access to safe and sustainable drinking water sources and basic sanitation facilities by 2015

30	Proportion of population with sustainable access to an improved water source, urban and rural	38.2%	52.1%	67%	Increasing	Likely to achieve	►
30a	Coverage of Pipeline water - urban		30.8%	67.7%	Decreasing	Needs improvement	▼
30b	Coverage of Pipeline water - rural		9.0%	52.8%	Progressing slowly	Needs improvement	▼
30c	Protected water source - urban		87.6%	76.1%		Already Achieved	●
30d	Protected water source - rural		52.1%	65.5%	Progressing	Likely to achieve	►
31	Proportion of population with sustainable access to basic sanitation, urban, and rural	30.9%	68.0%	65.5%		Already Achieved	●
31a	Urban		81.8%	78.8%	Lack of quality	Already Achieved	●
31b	Rural		60.0%	59.6%	Lack of quality	Already Achieved	●

Target 11: Achieving significant improvements in the lives of poor population living in slums by the year 2020

32	Proportion of households with house owner or house rent status / access to secure tenure	87.7%	84.0%	(Indicator)	Increasing slowly	Likely to achieve	►
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GOAL 8 – BUILDING GLOBAL PARTNERSHIPS FOR DEVELOPMENT							
Target 12. Developing an open, rule-based, predictable, and non-discriminative trade and financial systems							
33	Ratio of Export - Import and GDP		44.4%	(Indicator)			
34a	Ratio of Loan and Saving - in commercial bank		61.6%	(Indicator)			
34b	Ratio of Loan and Saving - Rural Banks		87.4%	(Indicator)			
Target 15. Addressing developing countries' debts through national and international effort to develop sustainable debt management in the long-term							
44	Ratio of International Debt to GDP		44.9%	(Indicator)	Decreasing		
44b	Ratio of debt to National Budget		26.0%	(Indicator)	Decreasing		
Target 16. Cooperating with other countries to develop and apply strategies to create meaningful and productive job opportunities for the young population							
45	Unemployment rate young people aged 15-24 years		25.4%	(Indicator)	Rising		
Target 18. Cooperating with the private sector in utilizing new technologies, particularly information technology and communicatio							
47a	Proportion of households with telephone lines		11.2%	(Indicator)	Increasing slowly		
47b	Proportion of households with cellular phones		24.6%	(Indicator)	Increasing slowly		
48a	Proportion of households with personal computers		4.4%	(Indicator)	Increasing slowly		
48b	Proportion of households with access to internet		4.2%	(Indicator)	Increasing slowly		

CODE	PROVINCE	PEOPLE LIVING IN POVERTY (%)			MALNUTRITION CHILDREN < 5 YEARS (%)		
		1993	2000	2006	1992	2000	2006
11	Aceh	13,46	29,83	28,70	39,34	38,63	
12	North Sumatra	12,31	13,00	14,31	35,39	26,48	28,65
13	West Sumatra	13,47	11,41	11,61	30,86	21,77	30,44
14	Riau	11,20	10,26	10,48	38,14	16,87	25,81
15	Jambi	13,38	21,03	10,00	24,65	26,66	24,27
16	South Sumatra	14,89	17,58	18,17	36,79	24,35	26,06
17	Bengkulu	13,11	17,72	20,90	26,36	15,13	26,55
18	Lampung	11,70	30,32	22,64	31,58	22,24	23,97
19	Bangka Belitung		21,55	10,16			25,74
20	Riau Islands			7,21			27,47
31	Jakarta	5,65	4,96	4,52	27,45	19,87	22,34
32	West Java	12,20	15,45	12,05	34,04	21,43	22,00
33	Central Java	15,78	21,11	20,17	34,40	21,27	23,97
34	Yogyakarta	11,77	33,32	20,32	19,76	17,57	15,05
35	East Java	13,25	22,72	20,23	33,60	23,01	23,76
36	Banten		14,57	10,67			26,17
51	Bali	9,46	5,66	6,10	28,37	14,23	20,52
52	West Nusa Tenggara	19,52	28,01	23,04	42,41	27,25	33,39
53	East Nusa Tenggara	21,84	36,29	27,99	46,41	33,60	41,07
61	West Kalimantan	25,05	29,28	15,50	47,42	29,17	32,71
62	Central Kalimantan	20,85	11,86	9,17	38,54	30,20	27,38
63	South Kalimantan	18,61	12,97	7,66	38,75	29,24	35,78
64	East Kalimantan	13,75	16,15	12,55	29,63	22,88	25,92
71	North Sulawesi	11,79	8,28	14,51	24,84	22,44	23,11
72	Central Sulawesi	10,48	24,36	23,67	25,37	25,68	31,32
73	South Sulawesi	8,97	15,38	13,99	35,63	27,89	30,16
74	South-East Sulawesi	10,84	23,65	22,89	35,51	26,87	29,38
75	Gorontalo		24,04	31,54			41,48
76	West Sulawesi			18,64			
81	Maluku	23,93	34,80	30,12	38,57	26,04	33,66
82	North Maluku		14,03	10,11			27,30
94	Papua	24,16	45,96	39,26	29,50	30,14	31,21
95	West Irian Jaya			33,01			
Indonesia		13,67	18,95	16,58	35,57	24,66	28,05

CODE	PROVINCE	NER PS/MT (7-12 YEARS) (%)			NER JHS/MTs (13-15 YEARS) (%)		
		1992	2000	2006	1992	2000	2006
11	Aceh	89,0		95,5	43,8		78,4
12	North Sumatra	89,9	94,2	94,0	56,4	67,2	73,1
13	West Sumatra	90,2	92,7	94,2	53,2	63,0	67,8
14	Riau	91,5	93,9	94,7	36,6	62,7	72,9
15	Jambi	85,9	92,8	94,4	34,6	56,5	65,3
16	South Sumatra	87,0	92,3	93,0	40,2	59,6	68,0
17	Bengkulu	88,1	91,5	93,9	43,8	57,3	66,7
18	Lampung	84,9	93,2	93,9	34,0	59,3	66,7
19	Bangka Belitung			91,5			55,3
20	Riau Islands			93,7			72,0
31	Jakarta	94,2	91,4	90,8	69,2	77,0	71,4
32	West Java	87,9	92,7	94,2	35,3	57,7	62,1
33	Central Java	92,8	93,9	94,1	38,2	62,6	67,7
34	Yogyakarta	95,2	94,3	94,4	62,9	75,4	72,3
35	East Java	91,7	92,3	94,2	44,7	63,3	70,3
36	Banten			94,8			66,6
51	Bali	91,1	93,4	93,3	59,5	70,6	70,2
52	West Nusa Tenggara	80,0	89,9	94,5	38,9	58,2	69,6
53	East Nusa Tenggara	82,3	88,9	91,6	20,9	34,2	47,2
61	West Kalimantan	71,6	89,5	93,8	22,1	47,0	60,9
62	Central Kalimantan	93,3	94,3	96,0	39,7	60,7	67,7
63	South Kalimantan	90,4	92,4	93,3	33,3	51,8	62,1
64	East Kalimantan	90,2	91,4	92,9	51,6	60,4	64,0
71	North Sulawesi	89,0	90,4	90,4	46,8	63,1	66,0
72	Central Sulawesi	89,8	91,1	92,9	47,2	48,5	63,0
73	South Sulawesi	80,8	88,6	91,1	39,8	52,4	60,3
74	South-East Sulawesi	84,2	89,5	92,3	40,5	60,6	72,4
75	Gorontalo			90,5			52,3
76	West Sulawesi			91,7			55,2
81	Maluku	85,7		92,2	41,4		76,9
82	North Maluku			93,1			65,3
94	Papua	71,6	81,8	78,1	42,7	35,1	47,4
95	West Irian Jaya			88,2			53,9
	Indonesia	88,7	92,3	94,7	41,9	60,3	66,5

CODE	PROVINCE	PS NER RATIO F/M			JHS NER RATIO F/M			MEAN RATIO F/M SALARY/Mo. (Rp)
		1992	2000	2006	1992	2000	2006	FEB 2007
11	Aceh	99,9		96,4	111,4		99,3	84,8
12	North Sumatra	99,5	99,5	98,5	99,4	102,3	101,3	76,4
13	West Sumatra	102,4	99,6	99,2	125,0	112,0	108,7	96,4
14	Riau	101,1	99,6	100,4	82,5	105,8	99,3	73,4
15	Jambi	101,5	100,6	98,8	81,0	101,6	102,7	75,8
16	South Sumatra	98,2	99,6	99,5	110,6	104,3	109,0	70,7
17	Bengkulu	101,5	99,3	99,7	89,0	105,3	97,3	92,6
18	Lampung	101,8	99,2	98,9	106,4	108,5	106,2	78,5
19	Bangka Belitung			99,0			97,6	69,8
20	Riau Islands			99,8			101,4	80,4
31	Jakarta	99,0	100,4	96,5	100,2	94,4	90,7	80,0
32	West Java	101,9	100,7	100,8	94,9	103,6	93,8	78,9
33	Central Java	100,9	99,8	98,2	101,7	106,6	103,1	66,0
34	Yogyakarta	101,3	101,9	97,9	104,0	108,9	103,6	76,5
35	East Java	101,0	100,2	99,0	97,1	104,2	101,4	74,1
36	Banten			99,5			94,7	72,4
51	Bali	97,7	99,3	99,0	87,9	87,5	89,1	69,6
52	West Nusa Tenggara	97,4	103,9	101,3	98,8	98,5	96,4	68,1
53	East Nusa Tenggara	97,4	102,3	99,6	98,7	114,3	110,7	102,9
61	West Kalimantan	95,9	98,9	100,6	92,0	91,6	99,1	80,5
62	Central Kalimantan	98,5	101,1	99,9	95,9	104,2	102,4	78,8
63	South Kalimantan	96,3	100,7	100,2	91,3	107,4	97,6	74,9
64	East Kalimantan	95,5	101,5	98,4	107,2	94,3	100,2	56,4
71	North Sulawesi	105,6	100,8	99,5	123,8	104,9	109,5	110,2
72	Central Sulawesi	100,0	101,1	100,5	103,9	99,4	104,7	90,1
73	South Sulawesi	100,5	101,1	100,4	116,4	107,2	97,9	75,9
74	South-East Sulawesi	100,3	102,1	99,0	101,2	113,6	102,1	76,0
75	Gorontalo			101,4			148,3	115,6
76	West Sulawesi			100,6			111,0	78,6
81	Maluku	98,7		100,3	110,1		95,2	95,5
82	North Maluku			97,5			88,3	77,8
94	Papua	99,5	102,2	98,4	75,4	126,5	87,9	81,0
95	West Irian Jaya			99,3			102,1	72,4
Indonesia		100,6	100,3	99,4	101,3	104,2	100,0	74,8

CODE	PROVINCE	IMR (PER 1000 LB)		CMR (PER 1000 LB)		AIDS TOTAL CASES (PEOPLE)	MALARIA TOTAL CASES (PEOPLE)	TOTAL FOREST AREA (HA)
		1994-2003	2005	1994-2003	2005	SEP 2007	2005	2005
11	Aceh		39		46	15	3.312	3.335.713
12	North Sumatra	42	26	57	32	416	11	3.742.120
13	West Sumatra	48	32	59	40	131	145	2.600.286
14	Riau	43	22	60	27	163	1.707	3.906.333
15	Jambi	41	32	51	40	96	4.305	2.179.440
16	South Sumatra	30	30	49	38	143	2.246	920.964
17	Bengkulu	53	36	68	45	23		4.399.837
18	Lampung	55	28	64	35	123	3.025	993.903
19	Bangka Belitung	43	24	47	28	65	5.378	657.510
20	Riau Islands		19		22	238	6.140	
31	Jakarta	35	18	41	21	2.849	-	430
32	West Java	44	37	50	47	1.445	1.124	816.603
33	Central Java	36	24	44	28	369	1.966	647.133
34	Yogyakarta	20	19	23	22	102	175	16.820
35	East Java	43	32	52	40	1.043	1.822	1.357.206
36	Banten	38	35	56	45	43	21	201.787
51	Bali	14	25	19	31	628	76	127.271
52	West Nusa Tenggara	74	66	103	93	74	10.535	1.010.012
53	East Nusa Tenggara	59	46	73	60	88	70.390	1.555.068
61	West Kalimantan	47	30	63	37	553	-	8.990.875
62	Central Kalimantan	40	21	47	25	3	4.559	10.735.935
63	South Kalimantan	45	41	57	53	15	2.304	1.839.475
64	East Kalimantan	42	26	50	32	12	62	14.651.553
71	North Sulawesi	25	19	33	22	124	2.613	1.526.005
72	Central Sulawesi	52	42	71	55	2	5.919	4.394.932
73	South Sulawesi	47	36	72	46	124	601	3.299.006
74	South-East Sulawesi	67	38	92	49	7	346	2.518.337
75	Gorontalo	77	50	97	67	3	817	
76	West Sulawesi					-		
81	Maluku		34		43	154	10.824	7.146.109
82	North Maluku		40		53	7	4.140	
94	Papua		29		36	1.268	38.449	40.546.360
95	West Irian Jaya					58		
Indonesia		35	32	46	40	10.384	183.102	123.459.514

CODE	PROVINCE	PIPED PROTECTED DRINKING WATER (%)			ADEQUATE SANITATION (%)		
		1994	2002	2006	1992	2000	2006
11	Aceh	24,1		41,4	25,1		62,7
12	North Sumatra	39,6	50,2	55,2	41,1	72,7	76,7
13	West Sumatra	33,2	47,0	53,6	19,8	41,3	49,8
14	Riau	44,5	51,6	46,6	32,0	76,3	83,2
15	Jambi	39,6	50,3	46,9	25,0	55,1	60,9
16	South Sumatra	32,1	41,3	50,6	29,3	62,1	69,1
17	Bengkulu	24,4	36,3	36,5	32,3	60,5	68,0
18	Lampung	18,9	39,6	43,9	34,4	84,9	83,7
19	Bangka Belitung		41,9	33,9			67,4
20	Riau Islands			60,1			75,9
31	Jakarta	54,8	70,4	63,0	82,5	92,7	93,8
32	West Java	28,9	41,2	51,0	26,4	54,0	61,1
33	Central Java	39,3	53,2	65,2	26,2	59,9	69,8
34	Yogyakarta	45,4	61,3	61,7	40,9	81,4	90,6
35	East Java	46,9	57,8	64,8	27,6	64,0	72,5
36	Banten		40,3	48,5			69,0
51	Bali	59,9	73,2	66,9	39,9	77,0	80,3
52	West Nusa Tenggara	28,4	43,5	62,4	17,0	44,2	46,2
53	East Nusa Tenggara	37,5	42,5	57,7	21,9	63,2	68,9
61	West Kalimantan	48,3	51,8	55,1	21,3	59,1	61,5
62	Central Kalimantan	30,2	34,1	41,6	16,7	40,8	52,0
63	South Kalimantan	41,5	47,7	55,7	28,0	53,8	66,4
64	East Kalimantan	53,2	64,6	66,9	43,3	68,4	80,2
71	North Sulawesi	46,5	57,8	63,8	33,5	73,2	84,1
72	Central Sulawesi	27,3	38,0	56,6	21,1	49,6	56,5
73	South Sulawesi	35,8	45,8	62,0	36,8	63,6	70,5
74	South-East Sulawesi	41,2	51,3	62,6	37,1	64,2	68,2
75	Gorontalo		30,5	52,1			52,0
76	West Sulawesi			45,5			47,5
81	Maluku	44,8		68,3	24,0		52,0
82	North Maluku			52,6			58,3
94	Papua	30,1		38,7	27,6	48,7	54,7
95	West Irian Jaya			46,5			51,0
	Indonesia	16,2	50,0	57,2	30,9	62,7	69,3

CODE	PROVINCE	YOUTH (15 - 24 YEARS) UNEMPLOYMENT RATE (%)	HOUSEHOLDS WITH FIXED-LINE (%)	HOUSEHOLDS WITH CELLULAR TELEPHONES (%)	HOUSEHOLDS WITH PERSONAL COMPUTER (%)	HOUSEHOLD WITH ACCESS TO INTERNET(%)
		FEB 2007	2006	2006	2006	2006
11	Aceh	22.92	5,43	20,75	2,01	1,26
12	North Sumatra	25.75	9,00	24,96	2,78	1,20
13	West Sumatra	29.44	10,14	27,16	3,82	1,72
14	Riau	24.88	7,29	33,95	4,70	1,68
15	Jambi	17.76	5,96	22,49	2,38	0,91
16	South Sumatra	21.36	7,75	18,30	2,81	0,65
17	Bengkulu	13.77	7,04	19,14	3,45	1,31
18	Lampung	17.50	5,68	16,79	1,80	0,86
19	Bangka Belitung	14.85	6,14	31,46	2,38	0,84
20	Riau Islands	13.96	17,89	52,79	7,05	4,43
31	Jakarta	26.18	38,34	59,90	16,99	8,53
32	West Java	37.84	12,69	22,88	5,15	2,22
33	Central Java	24.01	6,07	21,64	2,77	1,36
34	Yogyakarta	21.32	14,63	46,57	15,74	10,57
35	East Java	22.48	12,70	21,48	3,48	1,66
36	Banten	39.83	16,81	27,68	6,57	3,25
51	Bali	12.32	15,27	42,03	5,76	2,92
52	West Nusa Tenggara	17.59	4,09	16,84	2,02	0,57
53	East Nusa Tenggara	7.54	3,59	8,83	1,44	0,41
61	West Kalimantan	16.90	6,61	21,28	3,12	1,22
62	Central Kalimantan	11.34	6,68	19,02	2,27	0,41
63	South Kalimantan	18.90	8,93	30,38	4,32	1,18
64	East Kalimantan	28.84	18,97	47,06	8,38	3,33
71	North Sulawesi	42.50	12,09	20,80	2,28	1,48
72	Central Sulawesi	17.16	5,39	13,05	2,17	0,68
73	South Sulawesi	27.79	12,25	23,64	3,21	1,30
74	South-East Sulawesi	18.11	5,35	14,82	2,11	0,97
75	Gorontalo	19.75	5,29	12,06	1,63	0,95
76	West Sulawesi	13.12	3,04	10,71	0,75	0,43
81	Maluku	38.57	7,82	14,72	2,30	0,58
82	North Maluku	22.91	4,56	13,06	1,92	0,83
94	Papua	22.85	6,14	15,74	2,07	0,68
95	West Irian Jaya	12.76	5,91	16,23	2,57	0,76
Indonesia		25.43	11,20	24,60	4,36	1,95