



Government of Central Kalimantan



Government of Indonesia



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# Master Plan for the Rehabilitation and Revitalisation of the Ex-Mega Rice Project Area in Central Kalimantan



## COMMUNITY DEVELOPMENT AND VILLAGE INSTITUTIONS IN THE EX-MEGA RICE PROJECT AREA IN CENTRAL KALIMANTAN

Technical Report No. 13

OCTOBER 2008

Euroconsult Mott MacDonald and Deltares | Delft Hydraulics  
in association with  
DHV, Wageningen UR, Witteveen+Bos, PT MLD and PT INDEC

# **Master Plan for the Rehabilitation and Rehabilitation of the Ex-Mega Rice Project Area in Central Kalimantan**

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## Table of contents

<b>List of abbreviations</b> .....	<b>4</b>
<b>1 Introduction</b> .....	<b>5</b>
<b>2 Community Empowerment Component of the Presidential Instruction 2/2007</b> .....	<b>7</b>
<b>3 Strategic Plan of the Provincial Community Empowerment Board for the empowerment of communities in Central Kalimantan</b> .....	<b>9</b>
3.1 Existing Conditions .....	9
3.2 Strategy for community empowerment .....	9
<b>4 Communities in the EMRP area: Aspirations and Perspectives</b> .....	<b>11</b>
4.1 Human Aspects .....	11
4.2 Economic aspects .....	12
4.3 Social aspects .....	16
4.4 Habitat aspects .....	16
4.5 Village institutions and government social services .....	17
<b>5 Poverty</b> .....	<b>18</b>
<b>6 Program Mamangun dan Mahaga Lewu (PM2L)</b> .....	<b>22</b>
6.1 Background .....	22
6.2 Aims and Objectives .....	23
6.3 Problems .....	24
6.4 Strategy .....	24
6.5 Priority Programs .....	25
6.6 Funding .....	25
6.7 Mechanisms .....	25
6.8 Institutions involved .....	25
<b>7 Village Institutions</b> .....	<b>27</b>
7.1 Structure .....	27
7.2 Challenges .....	28
7.3 Solutions/recommendations .....	29

## List of annexes

Annex 1: Local Government Institutions Structure

Annex 2: GOI Social Programs

## List of abbreviations

Inpres	<i>Instruksi Presiden</i> , Presidential Decree
Inpres	<i>Instruksi Presiden</i> , Presidential Decree
PokJa	<i>Kelompok Kerja</i> , Working Group
Pustu	Puskesmas pembantu, supporting health clinic
Polindes	Pondok Bersalin Desa, village maternity clinic
Diklat	Pendidikan dan Latihan, education and training
Renstra	Rencana Strategis, Strategic Plan
LPMD	Lumbung Pangan Masyarakat Desa, village community food stock
BPP	<i>Badan Penyuluh Pertanian</i> , Agricultural Extension Board
HTI	<i>Hutan Tanaman Industri</i> , Plantation
UPHHT	<i>Usaha Pemanfaatan Hasil Hutan Tanaman</i> , Forest Utilization License on Plantation Forest
UPT	<i>Unit Pemukiman Transmigrasi</i> , Transmigration Settlement Unit
Kepmen	<i>Keputusan Menteri</i> , Ministerial Decree
ADD	<i>Anggaran Dana Desa</i> , Village Fund Budget
BAPPENAS	<i>Badan Perencanaan Pembangunan Nasional</i> , National Development Planning Board
BPD	<i>Badan Perwakilan Desa</i> , Village representative Board
PMD	<i>Pemberdayaan Masyarakat Desa</i> , Village Community Empowerment
LKMD	<i>Lembaga Ketahanan Masyarakat Desa</i> , Village Community Welfare Board
Posyantekdes	Pos Pelayanan teknologi desa, village technology support service desk
Wartekdes	Warung teknologi desa, village technology workshop

# 1 Introduction

Administratively the Central Kalimantan province comprises 14 districts (13 *kabupaten* and 1 *kotamadya*) with Palangka Raya as the provincial capital. The districts/cities consist of 105 sub-districts and 1,352 villages. Three out of four of these villages are categorised as less developed villages (*desa tertinggal*), spread more or less evenly over the districts.<sup>1</sup> The total population in Central Kalimantan in 2006 was 2,004,110. The Dayaks, who are the indigenous and predominant ethnic group, consist of many sub-ethnic groups, each having its own language and traditions. Among these sub-ethnic groups are the Dayak Ngaju (including the Bakumpai and Mendawai), Ot Danum, Ma'anyan, Lawangan and Siang. Other large ethnic communities in the province include Banjarese, Javanese, Madurese, Sundanese, Batak and Bugis. The 187 villages located within the area are divided among 20 sub-districts with a total population in 2005 of 352,103 persons and 88,414 households.

The region's economy is dominated by agriculture and poverty rates are relatively high compared to the provincial average, especially in the MRP transmigration areas. Rural infrastructure is poorly developed in the remote areas and although most villages have access to basic education and health facilities, improvements in service provision, transportation, clear water and sanitation are needed. The fiscal capacity of district governments has increased in recent years and the Inpres 2/2007 has real potential to make much needed improvements, especially for improving rural infrastructure, basic and agricultural services, land and water management, and strengthening village institutions. An analysis of local livelihoods shows the importance of both on-farm and off-farm income and a diversity of farm systems are found (rice-based, tree crop based and livestock-based) that vary across the area according to location and social group. The biophysical conditions place a limit on agriculture but improved infrastructure, land and water management, and support services can help farmers raise agricultural productivity and access markets. Across the area, fisheries, and to a lesser extent forestry, provide an important contribution to local livelihoods.

In order to be able to plan a sustainable pro-poor community development strategy, the master plan has applied a participatory bottom-up approach in analysing the community situation and perspectives. Community development is based on participatory village analysis by identifying problems and at the same time finding alternative solutions, aiming at increasing the quality of life of the community using their available assets. Participatory Rural Analysis (PRA) is the methodology used to help identify community problems and plan solutions with active participation of community members. The methodology provides systematic description and analysis of the community and its context; identify problems and potential solutions, and; present s options for project design and programming of activities for project implementation. The methodology facilitates identification, preparation and

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<sup>1</sup>The main criteria for '*desa tertinggal*' include: lacking basic services such as main road, area for business activities (market); access to schools, health facilities, telecommunications services, water supply, fuel supplies. (Additional criteria: housing conditions, access to electricity, proportion of people engaged in farming).



design of community programs based on the reality and criteria of the inhabitants themselves, thus enhances self-reliance and sustainable development.

This development is supported by strengthening governance through encouragement of a balanced involvement of private sector and public service, so that civil society organisations representing weak communities are able to manage the environment in such a way that will ensure sustainability and improve the quality of life of the community through strengthening of livelihood assets.

## 2 Community Empowerment Component of the Presidential Instruction 2/2007

In the framework of the rehabilitation and revitalization of the EMRP area (Inpres 2/2007), the government had established three working groups. The community empowerment working group is under the responsibility of the Department of Manpower and Transmigration. The detailed formulation of working group III activities as specified in the annex of the Inpres is as follows:

### **1. Master plan for rehabilitation and transmigration development.**

The formulation of the master plan on community empowerment is focused on providing services and infrastructure for existing transmigrants (including refill of abandoned settlement areas) and development of new settlement areas. The new settlements will include 107 villages, which are planned to be located in the new swamp reclamation area of 93,000 hectares (under responsibility of Pokja II). The planned new transmigration of 46,500 households will be spread over 107 villages, while each household will be provided with two hectares land. The location of these settlements is still under consideration. The recommended location derived from the Inpres of the new transmigration the area of Mintin (Block B, District Pulang Pisau, sub-district Kahayan Hilir) is in an advanced stage of preparation. The Jabiren Seberang area in Pulang Pisau District is seen as another potential settlement target area.

### **2. Basic infrastructure**

The basic infrastructure planning is focused on the (1) development/rehabilitation of 107 puskesmas pembantu (Pustu) and 12 Puskesmas/Pondok Bersalin Desa (Polindes); (2) the establishment of 107 units Posyandu; (3) 119 packages of health support faculties; (4) Provision of 107 packages of water supply facilities; (5) Rehabilitation of 107 primary school building; (6) development/rehabilitation of 29 units of Secondary school buildings; (7) rehabilitation of 7 units of high school buildings; (8) the establishment of 7 units sub-district markets; (9) development of 107 units cooperatives/micro finance institutions (LKM, Lembaga Keuangan Mikro); (10) provision of food and non-food subsidies for 7.100 households<sup>2</sup>; (11) Social support for 8.500 households and 3.200 children in the EMRP area; (12) increase religious facilities (214 units); and (13) build 8 units traditional 'adat' centres.

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<sup>2</sup> The provision of subsidies for 7,100 households and the social support for 8,500 households and 3,200 children is aimed for the location in Block A (District Kapuas), where the existing transmigration settlement area is located, which has been abandoned by half of the original households.



### **3. Construction and maintenance of roads and bridges**

The policy on development, road and bridge improvement and maintenance is focused on (1) the maintenance 138 kilometres of the national road; make 143 kilometres of provincial road; (3) construct 60 kilometres of district road; (4) increase district road along 137 kilometres; (5) construct/maintenance of 5.000 metres bridges.

### **4. Improvement of transmigration settlement services and infrastructure**

The policy on improvement of transmigration/community infrastructure is focused on the registration of 7.100 households of the transmigration and local population in the EMRP area; to review the land certificates of transmigrants which have abandoned their land for 7.100 households; provide assistance in the rehabilitation of houses and build new houses for 8.500 units; building 46.500 units of houses for new transmigrants; placement and empowerment of 46.500 new transmigrants households; rehabilitate public buildings for 107 packages; increase road network according to regulations for 950 kilometres; provide sanitation facilities for transmigrants for 107 units; implement operation and maintenance for irrigation and swamp networks; provide support to farmer water users associations (P3A, Perkumpulan Petani Pemakai Air) for 400 persons; provide houses for teachers and school guards for 600 units.

### **5. Capacity building**

The policy on improvement of human resources is focused on the provision of 135 support staff for 45 UPT (Unit Pemukiman Transmigrasi, Transmigration Settlement Unit); provision of 186 support staff for 62 new UPT's; provision of 45 medical staff/doctors; provision of 282 teachers/teaching staff; provision of 22 seed control staff; provision of 22 packages of pesticides/insecticides (OPT, Organisme Pengganggu Tanaman) monitoring staff; conduct 138 package of education and training (diklat) for staff to assist farmers and transmigrants; provision of 470 midwives; provision of 133 nurses; provision of 48 sanitary staff; provision of 194 cooperative management staff; provision of 7 market staff; implement 107 packages of psychological support and motivation to increase economic productivity; and provide psychological, spiritual and religious support of 107 packages.

### **6. Community support service provision**

This policy entails the provision by the local government of 119 packages of health support facilities improvement, 143 packages of education support facilities and 12 packages of social-economic support facilities.

### **7. Transportation development**

The policy on infrastructure and capital for transport is focused on the development and rehabilitation of 100 ports/jetties.

## 3 Strategic Plan of the Provincial Community Empowerment Board for the empowerment of communities in Central Kalimantan

The provincial government of Central Kalimantan has formulated a strategic plan (Renstra, Rencana Strategis) on community empowerment for the period of 2006-2010. Aim and objective of the strategic plan are: to identify strategic problems and issues in the field of community empowerment; identify internal and external conditions; formulate policy on community empowerment for the period 2006 to 2010 and; guarantee consistency in the planning and choices of priority programs according to the existing needs.

### 3.1 Existing Conditions

The challenges faced in the field of community empowerment are complicated since the poverty level in the province is as high as 41, 68% or 229,940 households (out of 551,679 households). The complexity of the challenges involves: (1) the low quality of human resources in the field of motivation, management and technology; (2) insufficient institutional support; (3) insufficient and unequal division of facilities and infrastructure especially accessibility, education, health and micro economic village development; (4) minimal capital and assets of the community; and (5) complicated procedure and regulations which are not conducive for the development of self sufficiency of the communities. These weaknesses are affected by internal and external factors, which are the cause of the difficulties faced by the poor communities to enable the existing potentials, so that these economic potentials can only be exploited by the richer segment of the community.

### 3.2 Strategy for community empowerment

According to the strategic plan the community empowerment strategy consists of the following approaches:

1. Basic needs approach
2. Bottom up approach
3. Community institutional approach
4. Rural and urban community approach
5. Prosperity approach
6. Cross sectoral and program approach
7. Appropriate technology approach

The envisaged Program and Activities for community empowerment include the following:

1. Program on social cultural security through: village competition; partnership with army village support; collective community monthly program; empowerment of cadres and community groups; empowerment of family welfare group PKK; improvement of women's role through the family health program (P2W-KSS); development of traditional social system and local culture; increase community participation in sustaining healthy and environment; improvement of PMT-AS guidance; development of motivation and self sufficiency of the community; participation of community in GN-OTA; development of community participation in family basic needs service; facilitation in the increase of community participation in the achievement of the compulsory basic education for the poor families; training in the development of democratic communities; strengthening basic data of profile and typology of the village; facilitation in increasing the number and variety of books in the libraries; establishment of pilot village libraries; introduction of system and procedure of archives.
2. Program for community economic development through: improve institutional empowerment of community food stockpile (LPMD); community participation in the prevention of child labour (PPA); community empowerment in village development (PMPD/CERD); provision of basic needs of poor families through the distribution of RASKIN/UPMP-RASKIN and UPMP PKPS-BBM; facilitation in the implementation of the work of the committee for the control of poverty (KPK); strengthening marketing institution through village market development; strengthening village micro finance through UED-SP; monitoring and guidance of village budgeting (DPD); development of family and community economy; improvement of community participation in the implementation of urban poverty alleviation program (P2KP); development of local economy.
3. Utilisation of natural resources and appropriate technology through: training in environmental sustainability for communities around forests and mining areas; technical support on sustainable mining; utilisation of critical land through pilot project LAMYAMSANG; socialisation and replication of utilisation of critical land in other areas; monitoring and evaluation of community empowerment around forests and mining areas; improvement of community participation in planning village infrastructure development (P2D); development of village technology support service desk (posyantekdes) and village technology workshop (wartekdes) as well as information dissemination of Appropriate Technology (TTG); implementation of national level TTG title; implementation and development of TTG; mapping of the needs and development of TTG; analysis of the effectivity of posyantekdes in connection with transfer of appropriate technology to communities; organise workshop on posyantekdes which are successful; community empowerment in disaster control and management of displaced people; improvement of guidance of community participation in the implementation of PPK; provision of water purification facilities and active coal processing facilities by using appropriate technology.
4. Program for improvement of coordination and improvement of program planning on community empowerment through the following activities: workshop on community empowerment; regional coordination meeting of the section on community empowerment; strengthening planning on participatory development; monitoring, evaluation and control of community empowerment program.

## 4 Communities in the EMRP Area: Aspirations and Perspectives

Through village workshops and public consultation meetings at sub-district level the aspirations and perspectives of the Central Kalimantan communities in the EMRP area have been identified and analysed. This gives a realistic insight of the problems and constraints the communities face in their respective environments. The workshops and consultation meetings focused on the following aspects of each of these communities' livelihoods:

1. Human aspects (human resources, culture);
2. Economic aspects (land use, finance, farming; market access, off-farm activities, forest resources, food security);
3. Social aspects (education, health);
4. Habitat aspects (settlements, environment);
5. Institutions (village governance, community, public services).

In order to systemise this information, where appropriate a distinction has been made between communities in different environments:

- Conservation areas
- Transmigration areas
- Limited development (adaptive management) areas

### 4.1 Human Aspects

#### 4.1.1 Conservation areas

Most of the local population, Dayaks, are living in and around the conservation areas, mainly on alluvial plains along the rivers. They still practice a shifting cultivation system using slash and burn methods. Traditional values are very strong in spite of the arrival of other ethnic groups. The multi-ethnic communities (Dayaks, Banjar and Javanese) in the villages do not significantly reduce the intensity of the traditional values of the Dayaks, including the Dayak Ngaju language and the custom of '*handep*' (collectively preparing land for rice planting)<sup>3</sup>. Customary rituals such as '*Parasih Lewu*', (for good luck) are still practiced and are led by the traditional leader.

The Dayaks know a traditional legal system called '*jipen*', a penalty applied for breaking customary laws. In the past the penalty was paid in kind, but now it is paid with money. Most of the social problems and issues are dealt with according to customary law, instead of national law. Land ownership is arranged through this customary law. Land is inherited, from parents to children, but without any written statement. This ownership status is acknowledged and respected among the communities. Landownership based on customary

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<sup>3</sup> It should be noted though that the system of '*handep*' was in the past unpaid collective work, while it has currently become a paid activity.

law is not acknowledged by the government, which leads to conflicts, especially in cases where the government issues land permits or changes the land status into conservation areas or limits the communities' access to certain areas.

#### 4.1.2 Development areas

The communities living in the transmigration settlements are mostly from Java, Madura and Bali. They have been brought to these areas which were designated to become wetland rice fields in the framework of the government's transmigration program from 1995 to 1998. Due to the cancellation of the Mega Rice Project, the transmigrants had to face an insecure future on marginal peatlands. The drainage of the area caused lowering water levels leading to unsuitable farming land and very limited yields. Livelihood alternatives are limited due to isolated locations making transportation expensive, limited purchasing power of communities and absence of extension services. Programs of the government departments are focused on the transmigration communities, which leads to social jealousy by local ethnic groups towards the transmigrants. In response to these problems transmigrants tend to adopt traditional livelihood practices.

#### 4.1.3 Limited Development Areas

The limited development (adaptive management) areas, which are found along the border of the Sebangau National Park, are mainly populated by the Banjarese, a mixture of the native Dayaks, Malay ethnicity from Sumatra and the Javanese. The Banjarese are merchants, collect forest products and are also engaged in dry land farming and fishery. Many of the people in these areas have come in an earlier stage of the transmigration program during the 80-s.

## 4.2 Economic aspects

### 4.2.1 Land

Land tenure is a major source of problems and conflicts in the conservation areas as it is in contradiction with the formal law on forest conservation. Through the traditional *ayungkuh* system land is owned by community members through inheritance. Land certificate ownership is rare. Communities from outside tend to borrow farming land from the local Dayak people on the basis of sharecropping. In some communities land ownership gives only a small elite group the power to rent out land, without consulting the community in the village in accordance with customary law. There are no clearly defined administrative boundaries between many of the villages in the conservation areas. Access to the conservation areas is limited by the government in order to curb encroachment. Additionally, the areal available for paddy cultivation is decreasing, because the farmers can use their land only three times as farm land, after which the land is planted with rubber tree, forcing the farmers to look for other plots for their paddy. Land use becomes thus a major source of problems and conflicts in the conservation areas.

In the development areas land is certified and owned by transmigrants. Due to the limited agricultural potential of the land in the settlements, more than half of the transmigrants have left the area. Several owners have sold their land, formally or informally, which resulted in multiple certificates for the same pieces of land.

In the limited development (adaptive management) areas the land is mostly uncultivated and the soil in critical condition. Villagers are therefore dependent on off-farm activities such as trading, fishery and other livelihood activities.

#### 4.2.2 Finance

Households tend to have limited financial planning skills. There are no credit unions or other financial institutions to support the communities in their savings and loans needs. People are depending on money-lenders, demanding up to 20% interest on a small short-term loan. The poorest segments of the communities are forced to rely on the *ijon*<sup>4</sup> system for farming and even collection of timber, leading to financial dependence and debts. The communities practice the *arisan*<sup>5</sup> as savings system but the money saved is usually a small amount and insufficient to be used as work capital. The village cooperatives have long ago been dissolved or not functioning anymore. Communities lack resources and ability to manage significant inflow of funds. Micro-credit programs have failed due to lack of social organisation which led to misappropriation of funds.

#### 4.2.3 Farming

In the traditional communities in and around the conservation areas, the slash-and-burn method, contributes to productivity, because it reduces the acid sulphate level in the soil and the ashes are used as fertilizer. The farmers still use traditional farming tools and have limited farming skills. The zero tolerance on burning has made farming more difficult, while production is decreasing. The ban on burning also reduces soil fertility and increases pests, sometimes leading to crop failure and reduced production. The low productivity and quality results in low farm-gate prices offered by middlemen.

The acid sulphate rich peat, the low water tables as a result of the drainage canals of the EMRP area and flood problems are only a few of the difficult farming conditions pushing farmers in development areas from wetland rice into dryland paddy cultivation (*ladang*) and tree crops. In some areas within the transmigration areas fertile soil is still available, but the land is often flooded.

Canal blocking enhances water tables and allows for fishing activities, but the communities complain about difficult access by water to the hinterland. Irrigation canals are shallow because of sedimentation or get higher acidity levels due to a lack of water circulation and canal blocks get eroded or are meeting resentment from communities who have damaged some of the dams.

Other issues the transmigrants are coping with are pests (insects, pigs, rats) destroying crops, low quality of local paddy seeds (harvests only once a year) and no capital to develop livestock or for sufficient supply of fertilizer or pesticides. Limited or no support from extension workers does not contribute to enhanced farming development through government programs. This mix of factors seems to negatively influence production and causes loss of livelihood opportunities.

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<sup>4</sup> Sale of products before harvest/collection at a fixed price determined by the middlemen.

<sup>5</sup> Saving system where the households take turn in collecting the savings.



#### 4.2.4 Market access

High transportation cost, distance to markets and limited availability of information are three major constraints for villagers in all villages. The marketing of latex in the form of rubber slabs and of rattan is done through local collectors and higher level middlemen, who all tend to keep prices low. The absorption capacity of the local collectors is limited, which makes it necessary to store rubber (leading to lower quality) or to sell at low prices to other traders, often far below the actual market price. The production of bananas and pineapples is high, with very limited marketing possibilities. Products from nurseries such as rubber, *pantung* and *belangiran* are also difficult to market. Water transportation is difficult during the dry season, due to low water levels. The processing and marketing policy is limited to the provision of a number of agro-processing machineries, and a number of small agro-processing plants. Some marketing efforts are planned for coconut and rubber. This policy will have very limited social-economic and not very sustainable impacts. As long as the value chain is not taken into account from the inputs up to the marketing and processing, the communities will not benefit from this policy.

Sustainable agricultural development plan can only lead to success if the total value chain is taken into account. Communities need to be supported by ensuring inputs at reasonable prices, extension services during planting, growing and harvesting and technical services in agro-processing and marketing. The agro-processing requires not only the establishment of processing plants or the provision of equipment, but it also will require extensive technical training, support in the use and maintenance of equipment and support in all aspects of the processing process, such as baling, storage and transport. In order to market the products, the sellers of the products must be ensured of fair farm-gate prices and transparent transactions. This means that the communities must be facilitated in the development of business networks and business partnerships. These relations must have a mutual beneficial character: the farmers and agro-processors have to understand that they have to meet standards of quality, quantity and continuity of production. The traders and big processing units (factories, etc.) should provide capacity building and awareness training for farmers. At the other hand, the business partners of the farmers should ensure fair transaction, openness about market prices, facilitate transport and support farmers with subsidies and/or credit, quality information, etc. Higher levels of quality awareness will increase trust between buyers and sellers and ensure more success for both parties. The government as well as other stakeholder should facilitate these processing by mobilizing business providers, the private sector, NGOs and research agencies.

The agricultural policy in general shows a number of social implications which should be anticipated:

1. Facilitation of problem solving and conflict on land use and multiple land allocation and land tenure in the non-cultivation area of the forest;
2. Mechanism for conflict resolution between the sectoral departments in the area, between communities and government and third parties in the field, among communities (new comers, transmigrants and local communities), in the non-development forest area.
3. The process of buffer zone for the implementation of development policy needs another process of integration and agreement on the use of land with all related sectors, such as Forestry and BPN. The review and adjustment on the status and function in the field will be crucial and should be anticipated, especially with regard to the existing multiple permits.

4. The increase of population in the area and the in-stream of new comers in the EMRP area should be anticipated, because the new comers will occupy the abandoned area (during the Mega Rice Project this area was allocated to transmigration settlers. However, the planting of rice in this area was impossible and the people left the area to find other sources of incomes elsewhere).

#### 4.2.5 Off-farm activities

In the conservation areas forest products such as *rattan*, *rumbia* and *purun* are collected to produce handicraft products. However, the marketing of these products is so difficult, that the activities are done only as side activity, not as main employment. Buyers of these products don't come regularly to the village. Farm labourers have low wages, because they are dependent on the – temporary - need of farmers. Fishers and livestock farmers and small shopkeepers have capital constraints for their ventures and have limited business and technical skills. People are still dependent on the collection of forest products for their livelihoods in addition to farming. The prices of horticulture products are low and the products are seasonal. School teachers are honorary government staff with low salaries, hence limited motivation needing extra jobs and farming activities to meet income needs. In the development areas many of the transmigrants offer themselves as labourers for rubber tapping. Efforts to make a living off soybean products (tahu and tempe) are confronted with high prices for raw materials. In the limited development (adaptive management) areas traders encounter problems in getting timber for furniture home industry.

#### 4.2.6 Forest resources

*Nipah*, *rumbia*, *purun*, *galam*, *jelutung*, *gemor*, river fish and monkeys have become rare due to expansion of the population in the area. In case of the *gemor*, the collection is done by cutting down the whole tree, instead of only slice the outside slab which is the marketable part. Wetland rice snakes have decreased, because they are caught for their skin. Communities inside and outside villages are still logging wood from the forests. Forest, land and rubber plantation fires occur every year at least once. Floods result in harvest failure. 50% of the beje (fish ponds) do not function, because the water level has changed and the fish population has decreased caused by the change of their habitat (high acidity). Communities are coping with limited or no storage facilities for the collected plant seedlings (such as *pantung* and *jelutung*)

#### 4.2.7 Food security

There is a serious insect problem in many farming cultivation areas and the limitation of farmers to buy pesticide/insecticide. Harvest of rice is only for subsistence use, not for sale, and even then the stock is not enough for one year. Food provision in the forests has decreased vastly. In the transmigration areas harvest of rice can only be done once a year. If there is yield failure, there is food shortage. Rice provision for poor households has not been distributed anymore. In the adaptive areas the ban on burning land through government regulation has resulted in a 40% drop of productivity in the area, causing food shortage. There is no food storage place, so there are no reserves.

## 4.3 Social aspects

### 4.3.1 Education

Almost all villages only have primary schools, sometimes combined with pre-school playgroups. There is a shortage of classrooms. Also, almost all schools cope with a teacher shortage and many teachers with their low salaries have no civil servant status and do not live in the villages, both factors causing regular absence and the need of having extra jobs for additional incomes. Most of the middle and high schools are far away from the village, causing high transportation costs, resulting in many children not being able to continue their education. Education cost support from the government is not monitored well by school, parents or government.

### 4.3.2 Health

Diarrhoea and malaria are recurring diseases every year during the dry season, caused among others by use of the river for sanitary purposes. There is a serious shortage of health staff, while health facilities are still marginal and often far away. Use is limited due to high transportation costs. Village midwives do not receive training and courses. Posyandu's do not have budgets and the Pustu's often have shortage of medical supplies. The quality of the medical staff and/or volunteers in the health facilities is insufficient or even absent. Traditional medicines are found in some community gardens.

## 4.4 Habitat aspects

### 4.4.1 Settlements

In spite of the importance of the canals and water management in the transmigration sites in the development areas, there is hardly any irrigation management. The irrigation system built by the government can only be used as transportation facility, claim the community members. There is lack of clean water supply, causing diarrhoea each year during the dry season. Poor households still use river or canal water as drinking water, while the high level of acidity makes it unsuitable for drinking. In the adaptive development areas the villagers opt for rain water harvesting. Waste management and sanitary facilities are almost absent. Deep wells also often contain acidic water.

### 4.4.2 Environment

The communities are coping with muddy water in the rivers and canals caused by deforestation and the construction of big irrigation systems. Another cause of water pollution is mining waste. The popular and expensive arwana fish has become an endangered species. The galam forest is the habitat of pigs and monkeys. The extinction of this tree endangers the existence of these animals, causing them to leave their habitat and disturb farm land. The acidity level in the soil and water increases in the rainy season causing harm to cultivated fish in the fish cages. The high tide only reaches the primary irrigation systems, leaving higher areas dry and unsuitable for farming.

## 4.5 Village institutions and government social services

### 4.5.1 Village Institutions

The consultation results indicate the existence of weak village government institutions, shown by limited trust and regular absence of village heads, limited capacity of village institution members, conflicts between village heads and traditional leaders. The government shows weak service delivery, including capacity building for village institutions. The Community Representative Board tend to represent village elite groups.

Farmer groups, water management groups, fire brigades and other community groups are mostly only assisted during their establishment phase, and usually in a top-down not-gender sensitive manner. Therefore, these community groups do not function well or not at all.

In the development areas the transmigration villages get insufficient support in becoming definitive villages (*desa definitif*). The transmigration villages have annually elected village heads, which hampers planning and development.

### 4.5.2 Government social services

Communities have difficulties with government services delivery (see Annex A on Gol Social Programs). Rice for the poor (RASKIN) and cash support to poor households programs (BLT) do not fully reach target, because of the inadequate information dissemination of the program and the distribution methods (through the village heads, without communities having control). The government- (and NGO-) support programs are only offered for a limited period of time, which creates unsustainable outputs. Technical interventions often do not fit with the needs of the communities: sluices are difficult to open during low tides, the quality of materials of the sluices is low and there is often sedimentation in canals. Many promises made by the government and NGOs are not implemented. Agricultural extension workers do not work closely with the farmers; they are often absent or rarely visit the farmers. This is caused by the fact that they have limited resources and have to cope with transportation expenses. Hence, government projects and services do not match the needs of the communities.

## 5 Poverty

In order to accurately assess community development needs, the Master Plan needed to identify poverty levels in the target areas.

Two measures of poverty are analysed – BKKBN and BPS. Both datasets indicate a poverty rate of 36% across the area in 2005. Poverty levels are slightly higher than the area in Kapuas and low in Barito Selatan. At the sub-district level, the highest levels of poverty are found in Kapuas Murung, Kapuas Barat, Pulau Petak and the Lamunti area (Figure 2.12). In general, BPS poverty rates are higher than BKKBN data. Within the new PLG transmigrant villages of Lamunti and Dadahup, the poverty rate is estimated at 62.3% (BKKBN) and 75.4% (BPS) and is significantly higher than the other villages in the area (33.8% BKKBN and 32.5% BPS).

A livelihood survey undertaken by CARE in December 2007 compares the livelihood standards in selected agro-economic zones (see box) with the Millennium Goals standard which put the poverty line (Garis Merah, GM) at 1 USD/capita or ca. Rp. 1,350,000 Rupiah per month per family. Livelihood standards are also compared to the UMR (Upah Minimum Regional or Regional Minimum Income) which at the time of the survey was Rp. 765,868 / month /family. The research distinguishes between Nett Cash Flow (NCF), which is the total value of financial transaction (goods and services) of a family during one month, while

### CARE Livelihoods Survey

The CARE survey divided the EMRP region into 6 different agro-ecosystem zones to express different agricultural conditions and explanations for variations. An agro-ecosystem can be defined as: 'A biological and natural resource system managed by humans for the primary purpose of producing food as well as other socially valuable nonfood goods and environmental services', (Pilot Analysis of Global Ecosystems, Agro-ecosystems, by Stanley Wood, Kate Sebastian, Sara J. Scherr, 2000, World Resources Institute). The following agro-ecosystem zones were distinguished:

1. **Block Katingan** (villages: Karuing, Tumbang Bulan, Perigi, Mendawai) represents watershed of Katingan river, Buffer zone of National Park Sebangau;
2. **Block Sebangau** (villages: Paduran Mulya, Paduran Sebangau, Sebangau Jaya, Sebangau Mulya) represents watershed of Sebangau river, Buffer zone of National Park Sebangau;
3. **Block Tumbang Nusa-Gohong** (villages: Tumbang Nusa and Gohong) represents watershed of Kahayan river and located along the Trans Kalimantan highway, Block B of EMRP;
4. **Block Mentangai** (villages: Pulau Keladan, Mentangai Hilir, Mentangai Tengah, Mentangai Hulu, Katimpun, Kalumpang, Sei Ahas, Katunjung) represents watershed of Kapuas river, peat land, acid sulphate and type B & C luapan?Block A North/B of EMRP;
5. **Block Timpah** (villages: Timpah, Lungkoh Layang, Lawang Kajang) represents watershed of Kapuas river, dry land, Block E of EMRP;
6. **Block Barito Selatan** (villages: Madara, Kalahien, Teluk Betung, Batampang) represents watershed of Barito river, dry land, Block E EMRP.

the Gross Margin (GM) reflects the NCF plus the value of their subsistence production during a month (see Table on average incomes). The survey also did a food security assessment, based on the assumption that one family member consumes food for an equivalent of 12 kg rice per month (based on necessary calorie intake). The following categories were distinguished:

- a. Food secure (at least 12 kg rice equivalents);
- b. Moderately food insecure (10-12 kg rice equivalents);
- c. Food insecure (below 10 kg rice equivalents).

Five of the six surveyed zones are part of the Master Plan target area:

In Barito Selatan one sees relatively high incomes (just below the MDG goals) compared to the other regions (except for Tumbang Nusa / Gohong which also scores relatively high). In Barito Selatan subsistence products are mainly paddy and fish. The off-farm sector dominates in terms of income source. On-farm cash income is mostly derived from rubber and paddy, while off-farm incomes are dominated by fisheries, labour (transport, workshops, plantation work, gold mining, rattan cleaning). Additional, relatively constant, income is derived from NTFP (Non-timber Forest Products). Access to land is relatively high: 4,6 ha per household, but generally only 1 ha (22%) of this land is actually in use, which means there is in fact potential for extension.

**Table 1:** Average incomes in 5 agro-ecosystem zones.

Agro-ecosystem zone	NCF	GM	GM above/ below poverty line Rp. 1,350,000	GM above/ below UMR Rp. 765,868
1. Barito Selatan	1,017,047	1,133,706	Below	Above
2. Mentangai	728,938	824,967	Below	Above
3. Sebangau	543,836	637,012	Below	Below
4. Timpah	863,273	904,331	Below	Above
5. Tumbang Nusa / Gohong	1,026,425	1,090,298	Below	Above

In Mentangai the GM and NCF are low. The GM is only slightly above the UMR and far below the MDGs standard. Most important on-farm product is rubber giving regular incomes, but paddy is also an important cash crop in the area. In Mentangai off and on-farm income are in balance. Off-farm activities include labour work, NTFP and the lesser important TFP (Timber Forest Products) labour work (collecting logs). In Mentangai land access is lower: 2.9 ha/households of which 1.9 ha or 66% is being utilized, mainly for rubber production.

Sebangau has the lowest incomes (the only area with incomes below UMR) with activities that are mostly focused on off-farm income generation, especially labour work (chainsaw labourer, collecting logs). Fishery is an important additional source of income. The on-farm activities are cultivation of paddy as main food crop on not-yet producing rubber tree land (which may cause the relatively low income levels compared to other regions). Land access per household is on average 2.2 ha of which only 0.8 ha or 36% is actually used.



In Timpah the average income is also not far from the UMR, so rather low. Off-farm activities are dominant in terms of income generation, especially fisheries and labour work. On-farm activities are mainly focused on rubber and provide only low incomes.

The level of land access is only 1.9 ha per family of which 0.6 ha or 31% is actually used, mainly for rubber and with very limited land used for food crops. This makes this village very dependent on food items they can get at the local market.

In the Tumbang Nusa/Gohong area one sees relatively higher incomes but still below MDG standards and not on a continuous basis. The high incomes are caused by the large number of rubber trees productive at this moment and a successful rice harvest. Off-farm and on-farm incomes are relatively balanced. Incomes from rubber tend to go down (the cause of which is not clear). Fishery is a major off-farm income as well as labour work. One also sees self-employment (producing rubber and jelutung seedlings). Land access is relatively high, ca. 3.7 ha on average with 1.0 ha or 28% used. In this area the people also apply mixed cropping (paddy and rubber).

In addition to this poverty data the survey assessed the level of food security in each of the zones. Food insecurity varies in accordance with the season. Therefore, the table below presents the level of food security as a range (lowest until highest level of food security during a year).

**Table 2: Percentage of people and level of food security based on food intake**

Agro-ecosystem zone	Range of % food secure (>12 kg)	Range of % moderately food insecure (10-12 kg)	Range of % severely food insecure (<10 kg)
1. Barito Selatan	0 - 45%	10 - 28%	38 – 73%
2. Mentangai	11 - 62%	4 - 26%	30 – 68%
3. Sebangau	35 - 91%	0 - 28%	7 – 44%
4. Timpah	17 - 40%	7 - 23%	40 – 67%
5. Tumbang Nusa / Gohong	4 – 57%	9 - 39%	22 - 57%

Generally, food security is relatively high in Sebangau (due to subsistence paddy cultivation). During certain periods the situation can be most serious in Barito Selatan, while Mentangai and Timpah also show high food insecurity figures.

**Table 3: Food security: high percentage 'self produced' indicates high level of food security.**

Agro-ecosystem zone	Total % purchased	Total % self-produced
1. Barito Selatan	75%	25%
2. Mentangai	64%	36%
3. Sebangau	63%	37%
4. Timpah	96%	4%
5. Tumbang Nusa / Gohong	72%	28%

This table shows that on average around 74% of the food is purchased, while 26% is produced by the households. Timpah shows an outlier (only 4% self-produced) which may be caused by high dependency on non-food crops (rubber, rattan). Sebangau shows the highest percentage of self-produced food.

## 6 Program Mamangun dan Mahaga Lewu (PM2L)

The Governor of Central Kalimantan Province has initiated a five year poverty eradication program called Program Mamangun dan Mahaga Lewu (PM2L) – Program for Development and Maintenance of Villages (2008-210). The program aims at developing less developed villages in the whole of Central Kalimantan province through a specific program. The program has acknowledged the following problems in the area: In the process of involving community in development, there are three main constraints:

1. Low capacity of human resources of village institutions;
2. Mechanism of development planning (musrenbangdes) is not functioning effectively;
3. There is no synergy in the integration of all development resources.

To overcome these challenges the program offers the following strategy:

- (a) To incorporate all related development resources in the community empowerment endeavour, in an integrated way;
- (b) Capacity building of institutions and human resources at village level;
- (c) Involvement of community from the phase of development planning, implementation and monitoring, to the sustainability of programs.

### 6.1 Background

Central Kalimantan is 1.5 times bigger than Java island, with less than two million population, consists of 14 districts/cities, of which seven (7) is categorised as less developed districts. There are 105 sub-districts and 1,351 villages/neighbourhoods/transmigrant settlements (BPS, Podes 2006).

Of all the existing villages (settlements/neighbourhoods) 977 villages are categorised as less developed villages (72.3%) and they are more or less equally spread over all the districts/cities (491 are located in less developed districts/cities and 486 are located in developed districts/cities). There are 62 cities and 1,289 villages in the province.

#### **Profile of Villages**

The average distance from villages to the sub-districts is 30 kilometres, to be reached in 95 minutes and with an average cost of Rp. 62,000,-. The average distance from villages to the districts is 66 kilometres, to be reached in 234 minutes and with an average cost of Rp. 131,000,-

The transportation facilities on land in villages are very limited, only 411 villages are using roads for transportation, 533 villages are using water and 407 villages use roads and water for transportation.

There are 108 villages which have telephone cables in their villages; 866 villages are not able to receive television; Mobile telephone signal is present in 450 villages (159 villages have strong signal receipt and 291 village have a weak reception). There are 398 villages still using dirt roads. The total number of households living along the river is 64,566 (13.37% of the total 482,885 households). 43 percent of the total households doesn't have electricity from the government electricity company, 107 villages don't have electricity at all. In most of the villages the farming sector (635 villages) is the main economic occupation for the community, 464 villages have plantation as the main sector, 86 villages are in the fishery sector (64 land fishery and 24 sea fishery), 108 villages in the forestry sector, six villages in livestock, and 50 villages in other sectors. In 355 villages there are often floods in the last three years. In 87 villages people have to buy their drinking water.

**Table 4: Accessibility to health facilities**

No.	Health facilities and Infrastructure	No. of village very easily reaching facilities	No. of village easily reaching facilities	No. of village difficult in reaching facilities	No. of village very difficult in reaching facilities
1	Hospital	48	320	505	478
2	Puskesmas	216	444	483	208
3	Pustu	698	273	263	117
4	Posyandu	737	47	100	55
5	Doctor Practice	119	403	505	324
6	Midwife practice	283	309	413	347
7	Polindes	559	221	297	274

**Table 5: Contagious diseases in 2006**

Nr	Disease	Nr. of Villages catching	No. of villages not catching	Nr. of deceased victims
1	Diarrhoea	1,113	238	114
2	Dengue fever	1,130	41	11
3	Measles	1,322	29	1
4	Lung infection	1,227	124	96
5	Malaria	1,103	248	89

## 6.2 Aims and Objectives

The aim of *Mamangun dan Mahaga Lewu* (Develop and Maintain our village) is to accelerate the development of less developed villages through self sufficiency efforts of the communities in developing their village. The program's target is to reduce the number of less developed villages (126 villages in three years (13.9%), nine villages per less developed district)

The concept of *Mamangun dan Mahaga Lewu* is to generate an autonomous, self supporting community in developing their villages. The process to become self supporting will be done through empowerment programs. The key word of the empowerment program is the enhancement of community participation in development, from the phase of planning, implementation to the monitoring and sustainability of development programs.

### 6.3 Problems

In the process of involving community in development, there are three main constraints:

- Low capacity of human resources of village institutions;
- Mechanism of development planning (musrenbangdes) is not functioning effectively;
- There is no synergy in the integration of all development resources.

### 6.4 Strategy

The strategy of the PM2L program is:

- To incorporate all related development resources in the community empowerment endeavour, in an integrated way.
- Capacity building of institutions and human resources at village level.
- Involvement of community from the phase of development planning, implementation and monitoring, to the sustainability of programs.

#### Target Locations

1. Each district should target nine villages in three years (three villages per year)
2. Criteria for village selection are as follows: (a) belong to the category of less developed villages; (b) number of poor population is relatively high; (c) number of population, accessibility and potential of the area have economic development prospective; (d) socio-economic facilities and infrastructure are limited; (e) the nine selected villages should establish a centre of development.
3. Beside the above mentioned criteria the variable of poverty cause should also be taken into consideration in the selection of village location, because in the end it will be related to action plan implementation.

#### Criteria

The following variables are used to determine less developed area in the city:

1. Business enterprise possibilities for the majority of the population
2. Educational facilities
3. Health facilities
4. Communication facilities
5. Population density per km<sup>2</sup>
6. Community drinking/cooking water supply
7. Fuel resources
8. Garbage deposit system
9. Sanitation system
10. Percentage households using electricity
11. Percentage farming households
12. Community social economic condition
13. Distance to and accessibility of health facilities
14. Accessibility to market

## 6.5 Priority Programs

Priority Programs for PM2L are as follows:

1. Developing basic facilities (e.g. electricity, water supply, telecommunication)
2. Improve community access to health and education facilities
3. Empowerment of people's economy (agriculture in the widest sense, including industry and trade)
4. Increase capacity of village institutions

## 6.6 Funding

The funding of PM2L is planned as follows:

1. Source of funding is APBN, Provincial and District APBD.
2. Funding allocation is through each budget implementation document of local government working units (DPA-SKPD), will not be centralized, but integrated in the collective action plan.

## 6.7 Mechanisms

1. Determine the team of *Mamangun Mahaga Lewu* program through a decree
2. Determine the village locations for the *Mamangun Mahaga Lewu* program
3. Analyse village profiles to formulate problems and priority of action
4. Inventory of the whole program/activities by processing planning documents of each SKPD
5. Review allocation of resources(program/activities and funding) if needed
6. Coordination meeting at Provincial level to formulate annual action plan
7. Coordination meeting with districts/cities to formulate action plan 2008-2010
8. Implementation program and activities according to action plan
9. Monitoring and evaluation of action program implementation
10. Report on the results of the program to determine the status of the less developed villages after the implementation of the program

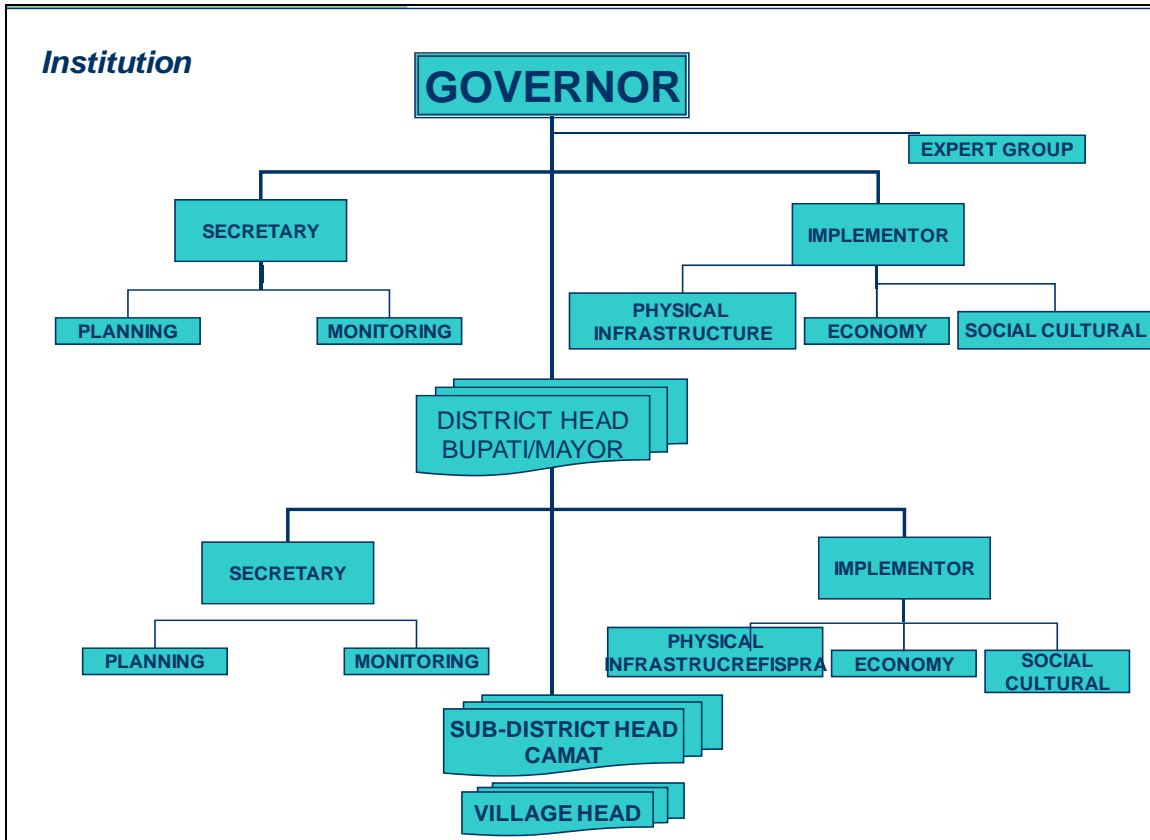
## 6.8 Institutions involved

The institutional structure of the Program is as follows:

Province: Director (Governor/vice-Governor); accountability (regional secretary); planning (coordinated by Bappeda); implementation (coordinated by Board of Community Empowerment); Monitoring & Evaluation (coordinated by Bappeda)

District/City: Director (Bupati/Mayor); accountability (local secretary); planning (coordinated by Bappeda); implementation (coordinated by Board of Community Empowerment BPM); Monitoring and Evaluation (coordinated by Bappeda).





## 6.9 Conclusion

The *Mamangun Mahaga Lewu* program shows the Central Kalimantan government's commitment to empowerment of communities and poverty alleviation. Obviously, the limited financial and human resources are an obstacle for proper implementation of this programme. It is recommended that the government continues to implement the programme, while trying to counter the challenges, optimise quality and impact and ensure sufficient long-term funding.

## 7 Village Institutions

The village administration is the lowest administrative government level. The rules and regulations for villages were changed significantly when the Indonesian government started to implement democratic governance. Following decentralization, local service delivery has become the responsibility of the local government. With the issuance of Law no. 32/2004 on Local Government, accountability of the local government has been enhanced. Nowadays, it is authorized and has the responsibility to provide a wide range of public services in almost all sectors of community life. Additionally, Government Regulation no. 72/2005 concerning villages has resulted in the revision of village institutions to adapt to local social cultures and customs<sup>6</sup>. This legal framework opens opportunities for village administration to claim government services, although this requires strengthening of the existing village institutions and enhanced awareness.

### 7.1 Structure

Village institutions have both government officials and non-government administrative positions. The civil servants within the village administration are the village head, the secretary and heads of administrative sections (KAUR - kepala urusan), especially for administration, infrastructure and development. The Villages also have Consultative Councils (*Lembaga Musyawarah Desa* or LMD) and Village Community Resilience Councils (*Lembaga Ketahanan Masyarakat Desa* or LKMD), tasked with mobilizing communities for community development services. The community members are represented through the BPD, a village level parliament which is supposed to play a monitoring and controlling role to demand accountability of the village institutions (See Annex 1 for local government structure). The village head, head of sub units and BPD are elected positions. The efficiency of these positions is rather limited. Within the community the village head is very powerful. The administrative staff members often do not know their role and responsibilities. The BPD members, although being elected by community, hold little influence.

In addition to village government institutions there is a variety of community organisations, such as farmer groups, water users associations (P3A), community fire brigades, women groups (PKK), youth groups, informal saving and loan groups (*arisan*<sup>7</sup>). The number of active cooperatives or credit unions is very limited.

There are two government agencies which are supposed to play an important role for the communities. These are PMD (Pemberdayaan Masyarakat Desa, Village Community Empowerment Board), responsible for the community empowerment and participation in village development planning through the Musrenbangdes<sup>8</sup>. The principal instrument introduced by the Government of Indonesia for public consultation is the Musrenbang

<sup>6</sup> ADB Country Strategy and Program 2006-2009 (Draft for Consultation): Indonesia : Current Development Trends and Issues, Governance and Institutional Capacity, 2006

<sup>7</sup> Arisan is a traditional lottery through savings and mutual-help group

<sup>8</sup> Musrenbangdes: Musyawarah Perencanaan Pembangunan Desa, multi stakeholder forum for participatory village development planning process based on the Ministerial Regulation of Home Affairs No. 66/2007

(Musyawarah Rencana Pembangunan, Multi Stakeholder Consultation Forum for Development Planning)<sup>9</sup>. These consultation meetings on development are started at the village level, followed up by discussions at the sub-district level (kecamatan) and finally adapted to fit the general planning framework of local and regional government.<sup>10</sup>

The meetings are aimed at reaching consensus between villages and government on development priorities and budgets, especially the local annual budget (APBD – Anggaran Pendapatan dan Belanja Daerah) and village allocation funds (ADD – Alokasi Dana Desa). The village meetings are also used to select community and government representatives for the sub district level Musrenbang meetings, where agreement is sought on program priorities and where the same selection process takes place to discuss the development at the district level. At the district level Musrenbang meetings agreement is reached on the draft final Annual Local Government Work Plan and Budget (Rencana Kerja Pemerintah Daerah-RKPD).

Government Regulation No. 72/2005 on Villages provides block grants to villages, devolves important budgetary functions to the village level and encourages communities and NGOs to participate in development planning. The Home Ministry 2005 Guidelines for the Implementation of Village Allocation Funds (ADD) provides guidance on how local communities should plan and budget for development.

Another important community empowerment program is the multi sectoral national program PNPM<sup>11</sup> (successor of the World Bank Kecamatan Development Program - KDP) tasks with the facilitation of communities in villages in the participatory based village development planning process.

## 7.2 Challenges

Not unlike villages in other parts of Indonesia, the village governance structure in almost all villages has many weaknesses. In various cases the village head is absent or enjoys very limited trust among the villagers or traditional leaders. Due to limited capacity of the village heads, the limited support and capacity building they receive and due to limited funds their role for the village is questionable in many villages. Therefore, it is difficult for these village heads to carry responsibility for the village institutions which are officially supposed to function in each village. The members of these organisations also have limited management capacity and have to work in a difficult environment with very limited government support. Even though the government has established special institutions such as PMD and PNPM to provide development planning and community empowerment support to these village institutions, this support is given very rarely and has very limited impact on the quality of village governance.

In transmigration villages, which do not have a definitive administrative status yet (as long as they are not handed over to the Ministry of Home Affairs), the situation is even more problematic. The village heads are selected each year leading to lack of continuation in policies and program implementation as well as institutional development. Also, due to limited capacity, village administration is usually not well-maintained. In traditional villages,

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<sup>9</sup> USAID LGSP Revised Draft Brief on Musrenbang, April 2007

<sup>10</sup> The Master Plan team has made use of this structure to undertake consultation meetings with the communities in order to ensure a participatory planning process.

<sup>11</sup> PNPM is the Program Nasional Pemberdayaan Masyarakat Mandiri, the national program for community empowerment

most of which can be found in villages along rivers and adjacent to conservation areas, conflicts are occurring between the village administration and traditional leaders and problems in the field of land tenure and village boundaries occur frequently.

In the traditional villages, traditional institutions and leaders can in principle provide the mechanisms for reducing or mediating conflicts, although they can also have an adverse effect. Religious groups can have a bridging function to overcome differences between their followers. The institutions have not proven to be effective legal and institutional enforcement bodies.

In many villages, both transmigrant and traditional, the community organisations do indeed not function properly. This is partly caused by the top-down way of establishing these community organisations and the traditional attitude of village authorities towards the establishment of women groups, youth groups and several other groups, including customary and religious groups. Government provides very limited support to these groups and usually only in the initial stage of development. The village council is often mainly represented by members of the local elite, not representing the majority of the community, especially the vulnerable groups. Sometimes the villagers themselves underestimate the importance of community groups.

Linkages between government and village level community organisations as well as district and sub-district government institutions are extremely weak, both with regard to routine relations as well as program implementation, including social programs (BLT, RASKIN). For example, the provision of farming tools is not well-organized (tools ending up un-used or with more powerful people), identification of beneficiaries is not done properly, extension services are not running well with limited funding, limited skills among extension workers<sup>12</sup> and weak management of the interventions. The RPJM<sup>13</sup> process, which is supposed to be highly participatory, looks good on paper but in practice the RPJM process is implemented in a very marginal way, usually only involving the village head and the village secretary and incidentally sections heads and/or other community members in the decision-making and planning processes. The limited information towards and involvement of community members results in a lack of sense of ownership and responsibility towards village program planning and implementation.

### 7.3 Solutions/recommendations

Even though the government has a range of institutions, regulations and decrees in place to enhance participatory processes for community development, such as Government Regulation PP No. 65/2005 on the Guidelines for the Planning and Implementation of Minimum Service Standards (as well as its successor PP6/2007), the position and power of the village institutions are still weak. In fact, the existing government community development agencies and the legal framework should provide sufficient tools and conditions to improve the role and effectiveness of the village institutions. Sufficient support in terms of staffing, budgeting and organization will be needed to improve participation of village institutions in the planning and development process.

<sup>12</sup> Field extension workers (FEW, *penyuluh pertanian lapangan, PPL*) are assigned to a number of villages, and visit each village once every two weeks. They work with groups of contact farmers (*kontak tani*) in each village, discussing relevant topics for the time of year. These contact farmers in turn are expected to disseminate their knowledge to other farmers in their village.

<sup>13</sup> RPJM = Rencana Pembangunan Jangka Menengah, Middle Term Development Plan.

It is of importance to place the community at the centre of development planning, to formulate a strategy for development planning of the EMRP area. The community should participate actively in the design, planning, implementation as well as monitoring. Only then the community will be able to ensure that the concept of bottom-up planning and community based development is a sustainable one.

Village Allocation Funds (ADD) are introduced for supporting and accelerating grassroots development. The regional governments should implement this form of fiscal decentralisation at the village level as soon as possible. This could become an important instrument for public participation and pro-poor policy development.

Local governments should legalise the procedure for musrenbang in the form of a local regulation (Perda) on musrenbang, or Perda on participation and transparency, to ensure better representation of all relevant stakeholders and to improve the quality of decision making in budget resource allocation in the musrenbang. The regulation should also stress the mandatory representation of women to constitute at least 30 percent of the Perda musrenbang participants.

Active involvement of community organisations as key agents for encouraging increased participation in planning and budgeting is important to ensure sustainable development plans. The government of Central Kalimantan province has already taken initiative to develop such a program, called Program *Mamangun dan Mahaga Lewu* (PM2L). It is recommended to assess the quality and impact for this program and see how it can be applied, replicated and up-scaled aimed at achieving the more empowered local bodies, with clear mandates, impact, based on transparency and accountability. Principles of good governance, as defined by BAPPENAS, should lead this process (see text box below).

### Ten Principles of Good Governance

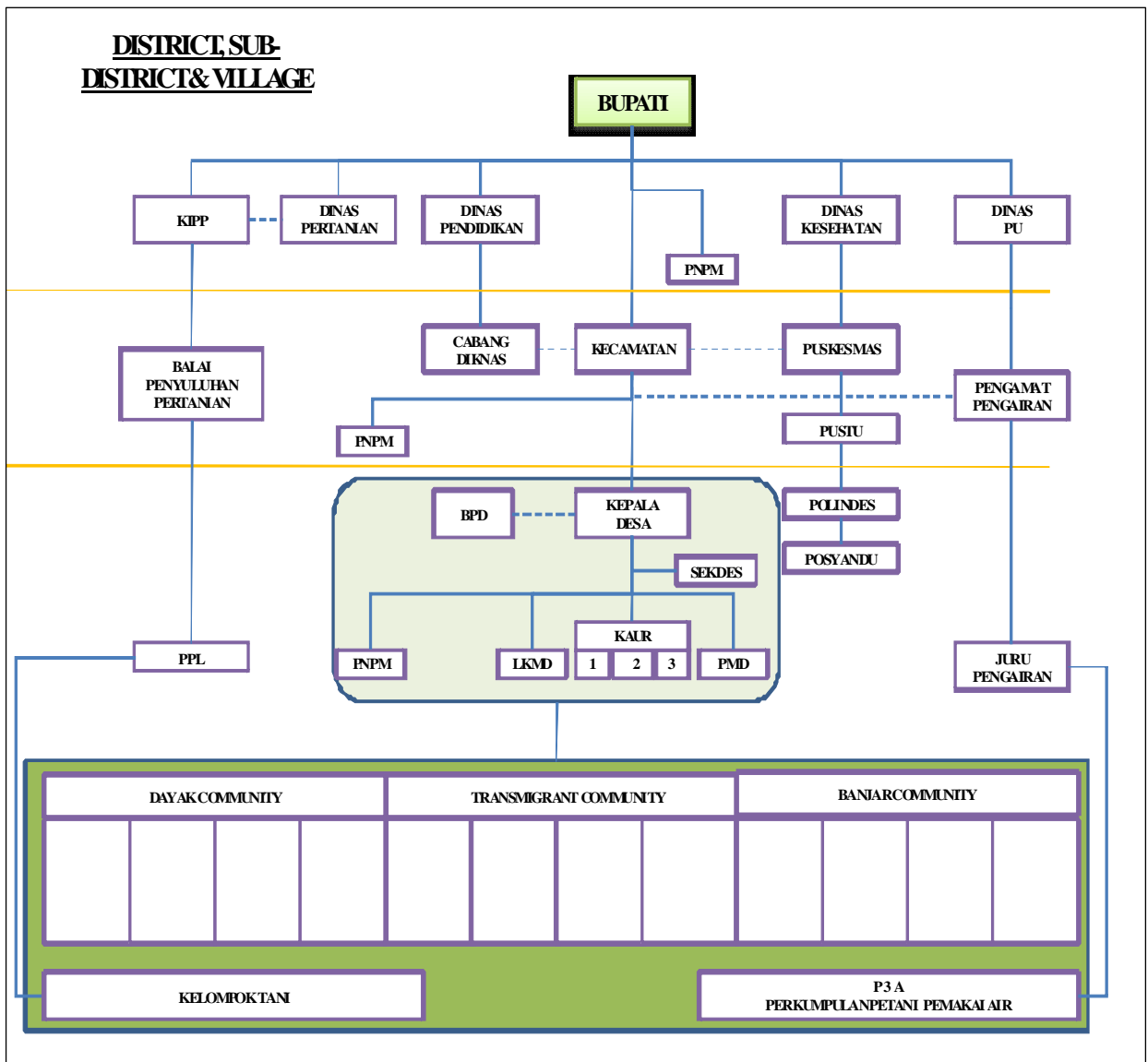
1. Participation: Encourage every community member to use his/her right to express own opinion in the process of decision making concerning community's interests, directly or indirectly;
2. Law enforcement: bring about the existence of justifiable law enforcement to all, without exceptions, upholding keeping human rights and give attention to existing values within society;
3. Transparency: create trust between government and community through information dissemination and guarantee access to information which is accurate and effective;
4. Equality: give equal opportunity to all in improving livelihoods;
5. Aspiration: enhance sensitivity of policy makers towards community aspirations, without exceptions;
6. Future vision: develop the area according to a clear vision and strategy, involving communities in the whole process of development in order for the community to feel ownership and responsibility towards the welfare of their area;
7. Accountability: enhance accountability of decision makers in every field of community's interest;
8. Monitoring: improve monitoring efforts towards governance implementation and development by involving private sector and community;
9. Efficiency and Effectiveness: guarantee execution of public service by using existing resources optimally and responsibly;
10. Professionalism: enhance capacity and ethics of government staff in order for them to be able to provide service which is easy, quick, right and affordable.

There are ten principles of good governance which have been formulated on good public governance in 2003<sup>14</sup>. In order to accomplish – at least part of – these principles, the government may consider the following interventions regarding enhancing capacity and functioning of the local government. In the first place the communities experience that there is too much power in the hands of the village heads and selected members of the elite. This power can be reduced by strengthening the capacity and functioning of other village institutions and community groups, especially the village council which should function as watchdog for the village government. This strengthening should take place through both training and formulation of village/sub-district/district regulations (village, sub-district/district ordinances). The district community empowerment board (BPM) which have the instruments can play an important role in this matter. Additionally, the government should improve its performance with regard to the targeting and implementation of social services (BLT/raskin) and other government services leading to improved service delivery (health, education and infrastructure). Information

dissemination and more transparency on development planning issues such as village budget allocation (ADD), Musrenbangdes and other community based planning and program mechanisms should be improved. This will lead to enhanced public awareness on sustainable development among communities as well as government circles. At the same time the government should have a more consultative nature and greater openness towards community inputs and influence in decision-making.

<sup>14</sup> Bappenas Good Governance. Go. id

**ANNEX 1: LOCAL GOVERNMENT INSTITUTIONS STRUCTURE**





**ANNEX 2: GOI SOCIAL PROGRAMS**

<b>Program/Project</b>	<b>Description</b>
<p>Program Nasional Pemberdayaan Masyarakat-Mandiri Pedesaan (PNPM)- PPK National program on village community empowerment</p>	<p>The National Community Empowerment Program (PNPM) is a program which will covers 70,000 Indonesian villages by the end of 2009. The PNPM brings together several national community driven development programs active in the country under a single umbrella. The PNPM builds on the World-Bank Kecamatan Development Program and the Urban Poverty Program. PNPM grant funds provided through the Multidonor Support Facility will be used primarily for building Indonesian capacities for large-scale poverty reduction. Capacity programs supported by the Facility will engage a broad range of Indonesian players, including national and local governments, universities and research centers, civil society organizations and grassroots initiatives. Facility programs for renewable energy will help make PNPM environmentally sustainable, and the facility will be placing a special emphasis on innovative ways to ensure that PNPM reaches out to disadvantaged groups across Indonesia.</p> <p>The activities are focused on rehabilitation and development of infrastructure, health and educational services, and improvement of the economy through credit/saving activities which are specifically focused on women.</p>
<p>RASKIN (Beras Miskin) Provision of Rice to Poor Households</p>	<p>The Government's main food-assistance programme, Beras untuk Orang Miskin. (RASKIN), implemented by BULOG. The Raskin program is a subsidized rice program for poor families which provides 10 kg of rice per poor households at the price of Rp1,000 per kg.</p> <p>Handing out rice to poor communities. Each household receive an average of 10 kilogram. Each kilogram the people pays between Rp 1000 – 1500 (it is said to be a compensation for transport expenses). The distribution is done each three months.</p>

<p>Dana BOS (Bantuan Operasional Sekolah) School expenses support</p>	<p>In March and October 2005, the Government of Indonesia reduced the subsidy on fuel and reallocated most of the budget to four large-scale programs, namely education, health, rural infrastructure, and direct cash transfer. One program in the education sector is School Operational Assistance (Bantuan Operasional Sekolah: BOS) which provides assistance for schools with the aim to exempt students from school tuition in order to support the achievement of the Nine Years of Compulsory Basic Education (Wajardikdas) Program. Through this program, the national government provides funding to schools at the primary and junior high school levels. The program commenced in July 2005 at the time of the new 2005/2006 academic year.</p>
<p>DAK-DR (Dana Alokasi Khusus-Dana Reboisasi) Special budget allocation for reforestation activities</p>	<p>The management of the Reforestation Funds (<i>Dana Reboisasi</i>). The current government regulation on Reforestation Funds (<i>Dana Reboisasi – DR</i>) PP No. 35, was introduced in 2002 to replace PP No. 6/1999. The regulation states that forty per cent of the funds are to be reallocated to the provinces that have contributed to the central government’s Reforestation Funds - called the ‘contributing provinces’. The programme developed under this funding is called the Specific Allocated Funds – Reforestation Funds (<i>Dana Alokasi Khusus – Dana Reboisasi - DAKDR</i>). This has been in operation since 2001 under the coordination of the district governments. The objectives of the programme are: to facilitate community participation in rehabilitation activities by providing assistance with designing the activities, developing community institutions and providing technical assistance in implementing the planned activities. Farmer groups are given compensation for land preparation, maintenance cost and form of plant seeds.</p>

BLT (Bantuan Langsung Tunai) Cash Support for poor households	Support given to poor communities is in the form of cash, which is distributed by the post office. Distribution is done every three months.
PMT (Program Makanan Tambahan) Additional food supply program	This program covers additional food (milk and biscuits) from the health clinics, which is distributed to each posyandu. There is also cash support which is managed by the posyandu to buy basic food materials. These are processed by the posyandu into health food, such as green bean porridge (bubur kacang hijau).
ASKESKIN (asuransi kesehatan keluarga miskin) Health Insurance for poor households	The health insurance for poor households is organised by the department of Health.
Capital for animal husbandry	Presidential support for livestock development. The distribution of cattle goes through farmer groups. Support from ADB for the distribution of cattle (from Bali and the Brahmana type). National government support of cattle livestock Social department support of goat livestock development
(KKP) Kredit Ketahanan Pangan Credit for food security	Agriculture department in cooperation with BRI (People's Bank) for cash support
(BPLM) Bantuan Pinjaman Langsung Masyarakat Credit support directly to community	Credit support of cattle livestock
Jatah hidup (JADUP) dan alat-alat pertanian Living allowance and farming materials	Support from the department of transmigration for the period of 1.5 years, after which an additional three months.
Nila fish seed support (all dead because of acid sulphate intrusion in water)	Support from the department of Fisheries
Paddy seed support variety IR 66, IR 64 and Cirata	Support from the department of Agriculture
Paddy Ciliwung seed support	Support from the department of Agriculture
Support of local paddy seed, mountain variety	Support from the department of Agriculture
Development of demonstration plot for cash crops	Support from the District department of Agriculture
Construction of bridges and road sides	Department of Public Works
Subsidised selling of hand tractor	Provincial department of Manpower and Transmigration
Digging secondary irrigation canal	Department of Public Works
Subsidised selling of grinding machine for tapioca	Provincial department of Manpower and Transmigration

Support of chalk for farming	Provincial department of Manpower and Transmigration
Support of hand tractor	Support from the District department of Agriculture
(TKPMP) Tenaga kerja pendamping masyarakat pedesaan Labour facilitation for village community	Provincial department of Manpower and Transmigration
PPL kontrak Agricultural extension workers contracted to facilitate farmers	Department of Agriculture
Support of paddy seeds Ciherang and Ciboga	Department of Agriculture
Pelatihan INPOSMA (Intensifikasi Lahan Pekarangan, Kompos dan Pengendalian Hama) Training on garden intensification, compost and pest control	Department of Agriculture
Pelatihan PAT jagung (Perluasan Areal Tanam) Training on extension of area cultivation of corn	Department of Agriculture
Training on oculation of rubber and organic fertiliser	Agriculture Extension Workers (PPL)



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