



PROPOSAL

REFORM THE REFORMERS

SUPPORT FOR THE IMPLEMENTATION OF THE BUREAUCRACY REFORM AGENDA IN THE STATE MINISTRY FOR EMPOWERMENT OF STATE APPARATUS AND BUREAUCRACY REFORM 2012

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A. THE CONTEXT AND PROBLEMATIC SITUATION OF BUREAUCRACY REFORM IN INDONESIA

Bureaucracy reform was proclaimed by President Susilo Bambang Yudhoyono as the first priority out of eleven other priorities in his development program for his second presidential term of 2009-2014. The Government also launched the Grand Design for Bureaucracy Reform 2010-2025 with Presidential Decree 81/2011 which is being used as the main reference in the implementation of bureaucracy reform in Indonesia.¹

According to President Susilo Bambang Yudhyono, however, the implementation of the bureaucracy reform agenda in Indonesia is progressing too slowly and has not shown the results expected by the community and citizens. **The State Ministry for Empowerment of State Apparatus and Bureaucracy Reform (*Kementerian Pendayagunaan Aparatur Negara dan Reformasi Birokrasi – KemenPAN-RB*) was therefore requested by the President to carry out strategic, effective and immediate changes to remedy the situation.** This crucial issue was conveyed by the President to the Minister and Deputy Minister of KemenPAN-RB during the selection program in the reshuffle of the second United Indonesian Cabinet.

The main problems related to the current bureaucracy reform agenda in Indonesia are:²

- **Organization.** The government organizations are ineffective and need to be right-sized.
- **Legislation.** Laws and regulations concerning the state apparatus overlap and are inconsistent, vague and open to multiple interpretations. There are also still many laws and regulations which need to be amended in keeping with the changes in the governance of the state apparatus and the demands of society.
- **Human Resources of the Apparatus.** There are 4,732,472 civil servants in Indonesia (Source: *Badan Kepegawaian Negara – BKN*, May 2010). The problems in the human resource management of the civil service are the imbalanced allocation of quantity, quality and the distribution of civil servants based on localities, and low productivity. The human resources management has not been implemented to optimally increase the professionalism and the performance of the civil servants and the organizations. Besides that, the payroll system of civil servants is not yet based on the quality of work or the responsibilities of position in accordance with an evaluation process.
- **Authority.** There are still distortions and the misuse of authority in the administration of the government, as well as the lack of accountability in government agencies.
- **Public Service.** The delivery of public services has not yet accommodated the interests of all levels of society and has not yet fulfilled the basic rights of the people. The management of public services has not yet met the expectations of the rising middle classes and the demands of tougher global competition.
- **Mindset and Work Culture.** The bureaucrats' mindset and work culture do not support an efficient, effective, productive and professional bureaucracy. Moreover, the bureaucrats do not yet have the required attitude to serve the people, to perform better and to be result-oriented.

¹ Presidential Decree 5/2010

² Grand Design of Bureaucracy Reform 2010-2025, KemenPAN-RB, 2010

B. GRAND DESIGN OF BUREAUCRACY REFORM IN INDONESIA 2010-2025

In the effort to respond to the current conditions of the national bureaucracy and become a world class bureaucracy by 2025 the Government of Indonesia is making major basic changes as set forth in the Grand Design of Bureaucracy Reform 2025.

The Grand Design of Bureaucracy Reform aims to provide policy directions in the implementation of the 2010-2025 national bureaucracy reform so that the bureaucracy reform in the Ministries/Agencies and Local Governments can function effectively, efficiently, consistently, can be measured, integrated, institutionalized and be sustainable. The implementation policy of bureaucracy reform includes the vision of national development, policy directions of bureaucracy reform, vision, mission, purpose and goals of the bureaucracy reform.

The vision of the bureaucracy reform is “the attainment of world class bureaucracy”. The vision has become a reference for the realization of a world class government bureaucracy, one which is professional, with high integrity, able to provide prime public services to the community, democratic and able to face the challenges of the 21st century through good governance by 2025.

The Government of Indonesia has set eight areas of change in the sector of Bureaucracy Reform in Indonesia, namely : 1) Organizations; 2) Governance; 3) Legislation; 4) Human resource management; 5) Supervision; 6) Accountability; 7) Public service, and; 8) Mindset and work culture.

Matrix 1. Expected Conditions and Goals of Bureaucracy Reform 2010-2025

| 2014 EXPECTATION | 2019 EXPECTATION | 2025 EXPECTATION |
|---|---|--|
| Strengthened : a. the implementation of good, clean, and free of corruption, collusion and nepotism; b. the quality of public service; c. the capacity and accountability of bureaucracy performance; d. the professionalism of the human resources which is supported by the competency-based and transparent recruitment and promotion system which is able to encourage the mobility of the inter-regional apparatus, central apparatus and between the central and regional apparatus, also to obtain a proportionate salary and welfare insurance. | The realization of governance that is good, clean, and free of corruption, collusion and nepotism. Besides that, public services must meet the expectations of the people, the rising demands of the Indonesian public and able to compete globally, higher professionalism in the capacity and accountability of the bureaucracy performance, more professional human resources, and mindset and work culture which reflect integrity and better performance. | The realization of good governance with a professional bureaucracy, high integrity and to provide services to the public and country. |
| FIRST FIVE YEARS GOAL (2010-2014) | SECOND FIVE YEARS GOALS (2015-2019) | THIRD FIVE YEARS GOAL (2020-2024) |
| The goals of the bureaucracy reform in the first five years are focused on strengthening the government bureaucracy in order to create a government that is clean and free of corruption, collusion and nepotism, increase the quality of public services, and to increase the capacity and accountability of the performance of the bureaucrats. | Besides the implementation of the results which have been achieved in the first five years, the second five years will continue to pursue the pending goals in the various strategic components of the first five years. | During the third five years, the bureaucracy reform which was done through continuous capacity building to become a world class government as the continuation of the bureaucracy reform on the second five years. |

C. POLICY DIRECTIONS (STRATEGIES) OF THE KEMENPAN-RB IN INDONESIA A

As the engine of reform of the bureaucracy reform agenda in Indonesia, KemenPAN-RB's main tasks, functions, roles and responsibilities are important to the success of the implementation of the bureaucracy reform in Indonesia. Therefore, **before providing guidance, directions and instructions to the Ministries/Agencies and Local Governments in Indonesia, KemenPAN-RB has to show to the stakeholders of bureaucracy reform in Indonesia that it is a reformed ministry. KemenPAN-RB has to want and be able to change itself before changing others. "Reform the Reformers" and "Walk the Talk" have to be the two basic principles.**

As a strategic response to the instruction of the President, we have compiled new policy directions which are related to bureaucracy reform, namely:³

Matrix 2. SIX POLICY DIRECTIONS (STRATEGIES) OF THE REFORM AGENDA IN KEMENPAN-RB

| STRATEGIES | 2012 TARGET | BEEN IMPLEMENTED | WILL BE IMPLEMENTED |
|---|--|------------------|--|
| NATIONAL BUREAUCRACY REFORM | <p>Guidelines of Bureaucracy Reform for Local Governments</p> <p>Implementation of Bureaucracy Reform in Local Governments (30% Province, Regency/Municipality)</p> <p>Implementation of bureaucracy reform in the Ministries/Agencies (15 new Ministries/Agencies)</p> <p>Work Guidelines of the National Bureaucracy Reform Management Unit</p> <p>Feasibility assessment of new Ministries/Agencies for the National Bureaucracy Reform Program</p> <p>Evaluation report on the implementation of bureaucracy reform in 16 Ministries/Agencies which have received the performance benefits and the follow-up on the evaluations</p> <p>Implementation of information systems for monitoring and evaluation of the Independent Assessment of the Implementation of Bureaucracy Reform (<i>Penilaian Mandiri Pelaksanaan Reformasi Birokrasi</i> – PMPRB) in all Ministries/Agencies whose National Bureaucracy Reform Program have been approved and follow-up on the evaluations</p> <p>Integrated bureaucracy reform evaluation system and the ministerial performance evaluation by the Presidential Work Unit in Development Supervision and Control (<i>Unit Kerja Presiden bidang Pengawasan dan Pengendalian Pembangunan</i> – UKP4)</p> <p>Implementation of the Reform the Reformers (Reform Leaders Academy – RLA) training program with the technical assistance from LAN for 3,000 participants from Ministries/Agencies and Local Governments</p> <p>Evaluation and Planning of the Educational Structure of Apparatus Services</p> <p>Revitalization of the National Assessment Center for recruitment, training and promotion of State Apparatus</p> | | <p>Coach the bureaucracy reform verifier</p> <p>Prepare and reinforce ANJAB to assess the need of civil servants candidates in Ministries/Agencies and Local Governments</p> |
| ACCELERATING THE FINALIZATION OF THE REGULATORY | <p>Establishment of the Draft of Law on Nonprofit Organizations</p> <p>Government Regulation on the Recruitment of Civil Servants</p> <p>Compilation of the National and Competency-based Employee Needs Plan</p> <p>Compilation of the Presidential Decree on Scholarships for</p> | | |

³ Delivered by the Deputy Minister of KemenPAN-RB to AusAid on the meeting in KemenPAN-RB on Thursday, November 10, 2011

| | | | |
|-------------------|--|--|--|
| FRAMEWORK | Foreign and Domestic Learning Tasks for State Apparatus | | |
| | Government Regulation on Open Recruitment (Revision of the Government Regulation 100/2000 and Government Regulation 13/2002) | | |
| | Government Regulation on Measuring the Performance of the Employees | | |
| | Establishment of the Draft of Law on State Civil Apparatus by the House of Representatives | | |
| | Government Regulation on the Implementation of the Certified Specialty-based Education and Training (Revision of Government Regulation 101/2000) | | |
| | Government Regulation on Performance-based Payroll | | |
| | Government Regulation on Civil Servant Pension | | |
| | Draft of Law on the System of Government Relations | | |
| | Draft of Law on Government Administration | | |
| | Guidelines on Apparatus Official Travels in order to make the budget more efficient and effective | | |
| | Draft of Law on the Ethics of State Officials | | |
| | Draft of Government Regulation on the General Guidelines of Licensing | | |
| | Minister of KemenPAN-RB Regulation on the Guidelines Analysis for Public Service and Governance Public Service Business Process | | |
| | Guidelines on the procurement and utilization of state assets and facilities in order to make the state finances more efficient | | |
| | Guidelines on the procurement and utilization of the facilities and infrastructures of the apparatus | | |
| | Establishment of the Government Regulation on the Implementation of the Law on Public Service | | |
| NATIONAL MOVEMENT | Implementation of the National Bureaucracy Reform Movement Campaign towards clean, competent and service-oriented bureaucrats | | |
| | Implementation of the Movement for Simple Living of of Bureaucrats | | |
| | Proposal of an innovative Ministries/Agencies and Local Governments in relation to the public service to the United Nations Award for Service Delivery | | |
| | Guidelines of the implementation of "One Day Care Service" | | |
| | Implementation of the movement of "One Day Care Service" | | |
| QUICK WINS | Implementation report on the functional and organizational audit of the Ministries/Agencies and Nonstructural Agencies | | |
| | Guidelines on the Institutional Structure of the Ministries/Agencies | | |
| | Guidelines of the Institutional Structure of the Nonstructural Institution (<i>Lembaga Non Struktural</i> – LNS) | | |
| | Implementation of the Institutional Structure of the LNS | | |
| | Regulating the structural positions of echelon 5, 4 and 3 officials to become functional positions | | |
| | Implementation of an open Gradual Promotions for the echelon 1 and 2 Officials in Provincial Ministries or Agencies | Open Promotional System for echelon 2 officials in KemenPAN-RB | Development of the Assessment Center in relations to the open promotional system for civil servants in Indonesia |
| | Structuring and Procurement of Civil Servants Investigator together with the Financial and Development Supervision Agency (<i>Badan Pengawasan Keuangan dan Pembangunan</i> – BPKP) | | |
| | Evaluation of the implementation of the civil servants Code of Ethics and Integrity Pact in the Ministries/Agencies and Local Governments | | |
| | Enforcement of the implementation of the Code of Ethics in Ministries/Agencies and Local Governments | | |
| | Compilation of the Guidelines for the Management of Conflict of Interests for the Apparatus | | |
| | Implementation of the Guidelines for the Management of Conflict of Interest in the Ministries/Agencies and Local | | |

| | | |
|---|--|---|
| | <p>Governments</p> <p>Supervision on the Implementation of Public Information Disclosure (Law 14/2008) by the Ministries/Agencies and Local Governments on Public and Government e Services</p> <p>Implementation in handling public complaints based on the National Public Service Complaint Handling Mechanism (<i>Pusat Pengaduan Pelayanan Publik Nasional</i>)</p> <p>Monitoring and Evaluation on Corruption Eradication in the aspect of Prevention according to the Presidential Instruction 5/2004, 9/2011 and for 2012</p> <p>Compilation of the Instruments of Corruption Prevention according to the Presidential Instruction on Corruption Eradication 2012</p> <p>Compilation of the Government Resources Management System (e-proc, e-project planning, e-budgeting, e-delivery, e-controlling and e-performance)</p> <p>Implementation of the Government Resources Management System in the Ministries/Agencies and Local Governments (especially e-procurement)</p> <p>Implementation of a thorough and effective Integrated One Stop Service (<i>Pelayanan Terpadu Satu Pintu – PTSP</i>) in public services in the Ministries/Agencies and Local Governments</p> <p>Formation of the National Public Service Complaint Handling Mechanism and the “no wrong door” policy in public services</p> <p>Implementation of the pilot project in increasing the service quality in the National Land Agency (<i>Badan Pertanahan Nasional – BPN</i>) or the Immigration</p> | |
| INTERNAL REFORM IN KEMENPAN-RB | <p>Organizational assessment report of KemenPAN-RB</p> <p>Formation of the functional position in policy analysis along with the career pattern</p> <p>Competency Assessment Report on the officials of the KemenPAN-RB</p> <p>Implementation of the competency-based education and training</p> <p>Implementation of individual performance appraisals</p> <p>Implementation of open recruitment for echelon 2 officials in KemenPAN-RB, State Administration Institution (<i>Lembaga Administrasi Negara – LAN</i>), BKN, BPKP and the Indonesian National Archives (<i>Arsip Nasional Republik Indonesia – ANRI</i>)</p> <p>Evaluation report on the function and organization of KemenPAN-RB, BKN and BPKP</p> <p>Institutional Arrangement in KemenPAN-RB, LAN, BKN and BPKP</p> | <p>Open recruitment for Head of LAN, BKN, Deputy in ANRI, KemenPAN Expert Staff (<i>Staf Ahli Menteri – SAM</i>)</p> <p>Competency audit in KemenPAN-RB, LAN and BKN</p> <p>Institutional audit in KemenPAN-RB, LAN and BKN</p> |
| STRENGTHENING THE SECRETARIAL AND DEPUTORIAL ACTIVITIES | <p>Implementation of the Government Internal Control System (<i>Sistem Pengendalian Internal Pemerintah – SPIP</i>)</p> <p>Implementation of quality assurance by the State Internal Control Apparatus (<i>Aparat Pengawasan Internal Pemerintah – APIP</i>)</p> <p>Implementation of Performance Management System</p> <p>Implementation of an integrated IT system based on teleconference in KemenPAN-RB</p> <p>Implemented SOP of the functions of KemenPAN-RB</p> <p>Strengthening of the function of the human resources in the National Bureaucracy Reform movement</p> <p>Implementation of all aspects and area of changes in the bureaucracy reform in KemenPAN-RB</p> | |

Note: The highlighted areas (gray) in the Target 2012 section are the priorities for 2012

Six policy directions (strategies) of KemenPAN-RB are divided into two parts, namely

- Strategies number 1, 2, 3 and 4 are the strategies of national bureaucracy reform for all Ministries/Agencies and Local Governments.
- Strategies number 5 and 6 are internal bureaucracy reform strategies for KemenPAN-RB.

In the short period of time (around two months, October-November 2011), we have achieved two of our targets, which are: 1) Open Recruitment System for the positions of Head of the BKN, Head of LAN, Deputy Head of ANRI and SAM of KemenPAN-RB; 2) Open Recruitment System for all echelon 2 positions in KemenPAN-RB. **These activities have shown that KemenPAN-RB has started the transformation. It is an exemplary new breakthrough in the national recruitment system of officials.**

The support program that we are proposing to AusAID is an integrated program where all the main elements in KemenPAN-RB, namely : 1) Secretariate; 2) Deputies for Programs and Bureaucracy Reform; 3) Deputies for Human Resources and Apparatus; 4) Deputies for Governance; 5) Deputies for Institutionalization; 6) Deputies for Public Services, and; 7) Deputies for Supervision and Accountability, **will be included in the planning, implementation and accountability of the whole program.**

This is an integrated bureaucracy reform program which has been compiled for the first time by the KemenPAN-RB for national and international development partners that will create cross-institution cooperation. Every deputy and the secretariat will work together to implement this program.

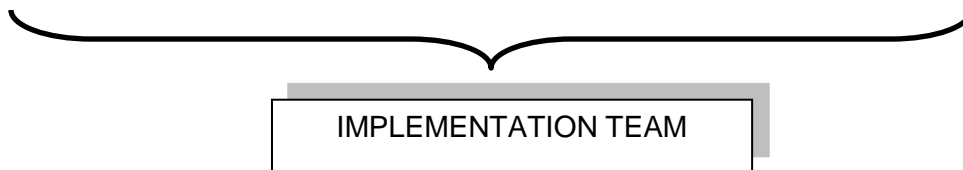
D. RELATIONS BETWEEN INSTITUTIONS, BENEFICIARIES AND PROGRAM IMPLEMENTER

D.1. Relations between Institutions, Steering Committee and Implementation Team

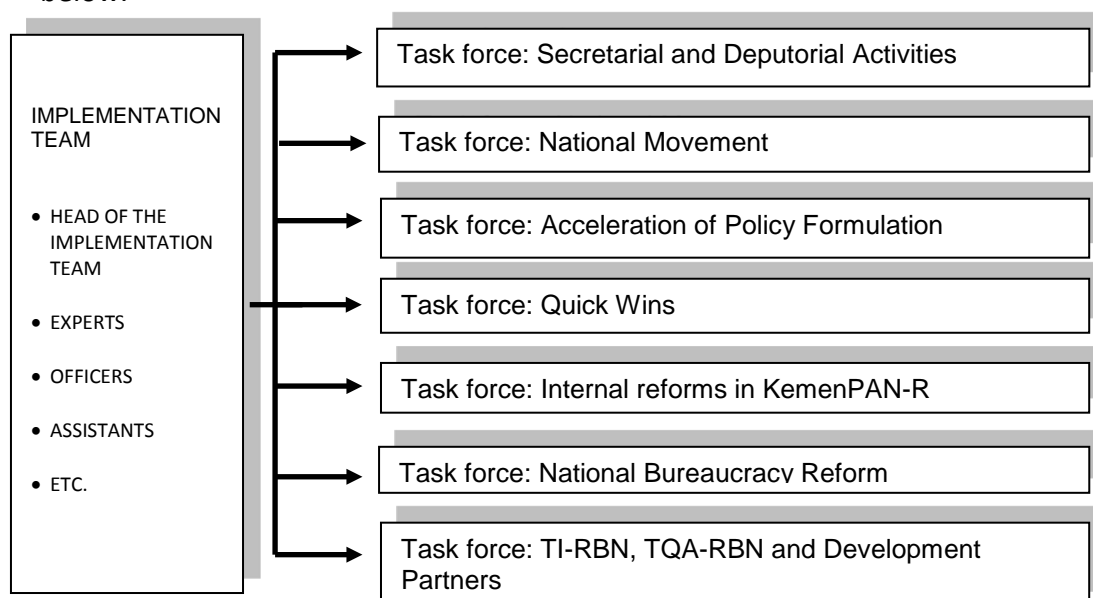
To ensure that this program can be well implemented and in accordance to the proposal (project document) which has been agreed,:

1. The project will be lead by the KemenPAN-RB and supported by three institutions (KemenPAN-RB, Independent Team of the National Bureaucracy Reform (*Tim Independen Reformasi Birokrasi Nasional* – TI-RBN) and the Quality Assurance Team of the National Bureaucracy Reform (TQA-RBN), to ensure the consistency and to support the expectations of the reform agenda. **The institutions are expected to support conceptually, operationally, administratively, etc.** The support from KemenPAN-RB, besides from the Minister and Vice Minister, will also be given by the KemenPAN-RB's Secretary and Deputies on: Programs and Bureaucracy Reform, Human Resources and Apparatus, Management, Institutionalization, Public Services, and Supervision and Accountability.
2. The formation of the Steering Committee. The Committee lead by the KemenPAN-RB consists of five representatives who are the representatives of KemenPAN-RB, TI-RBN, TQA-RBN, AusAID and Kemitraan. **The Committee has the strategic decision-making authority over the implementation of the activities in this program.** The Steering Committee will have at least one meeting every 6 (six) months or earlier when needed.





3. The formation of the Implementation Team. **The team consists of individuals who are recruited professionally through an open, transparent and competitive selection process. In addition, the Implementation Team will also accept personnel from KemenPAN-RB, LAN, BKN, etc.** in order to implement the activities in this program. The team will also cooperate with various related entities, especially the ones related to the secretariat and six other deputies in KemenPAN-RB. The team will also cooperation with other Ministries/Agencies, TI-RBN, Implementing Units of the National Bureaucracy Reform (*Unit Pelaksana RBN – UP-RBN*), TQA-RBN, along with the Local Governments. To implement every proposed activity, the Implementation Team will have seven task forces as illustrated below.



D.2. Beneficiaries

KemenPAN-RB will be the main beneficiary of this program. In addition, every Ministry/Agency, along with 530 Local Governments (Provincial and Regency/Municipality) will also be the indirect beneficiaries of this program. With the formation of more than 4,000 trained ANJAB, KemenPAN-RB will be able to carry out a holistic and integrated analysis of the recruitment of new Civil Servants, the real conditions of the amount, needs and distribution of the government administrators in Indonesia in an appropriate and timely manner.

D.3. Program Implementer

For the implementation of this project, KemenPAN-RB has appointed *Kemitraan bagi Pembaruan Tata Kelola Pemerintahan* as the main implementing partner of this project for the reasons below:

1. **Kemitraan has the ability, experience and networks in implementing various development programs at the national and local levels** (Provincial and Regency/Municipality). Specific programs related to bureaucracy reform which has been implemented by Kemitraan, include the Inspire Program (2011-2012, Donor: AusAid), Integrated Support to Reform Decentralized Governance Reform in Yogyakarta Special Region (2006-2007, Donor: AusAid), Achievement of MDGs through Promoting Good Governance (2007-2008, Donor: Embassy of the Kingdom of the Netherlands), and Integrated Support to Reforming Decentralized Governance and Public Service Sector (2006-2008, Donor: Embassy of Australia and New Zealand Embassy).
2. **Kemitraan has a satisfying track record in implementing various development programs in Indonesia by working together with governmental, non-governmental, education and private institutions, including AusAid.** Kemitraan is a nonprofit institution in implementing the development programs in Indonesia.
3. **Kemitraan has fulfilled various requirements and international standards**, for example the certification of the Checklist for Organizational Capacity Assessment (COCA) which was published by an international audit institution, Moores and Rowlands, and the certification of the Harmonized Approach to Cash Transfer (HACT) which was awarded by the United Nations Development Programme (UNDP).
4. **Limited time** to carry out the recruitment process for the program implementer if using the open bidding procedures.

E. PROGRAM STRUCTURES OF THE SUPPORT TO KEMENPAN-RB 2012

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The time available to compile this proposal is very limited. Therefore, **the Ministry has only been able to conduct the identification, assessment, compilation, and aligning of the following important elements, namely:** Policy directions (strategies) of KemenPAN-RB, performance targets for 2012, implementing unit, monthly work plans and an indicative budget logs.

At the same time as the internal processes to be done by AusAid in December 2011 to finalize this cooperation, **the Ministry will hold follow-up meetings with all Deputies, Secretariat, TI-RBN and TQA-RBN to create a more detailed activity program.** We plan to have a program with detailed main Performance Targets. The activities which are designed together are expected to ensure that the 2012 Performance Target can be achieved in accordance to existing planning.

This proposal consists of six components which are the reflect the six strategies of KemenPAN-RB, namely : 1) National Bureaucracy Reform. 2) Acceleration of the Compilation of the Regulatory Framework; 3) National Movement; 4) Quick Wins; 5) Internal Reform in KemenPAN-RB, and; 6) Strengthening the Routine Secretariat and Deputorial Activities.

The six components accommodating the 15 Performance Targets of KemenPAN-RB for 2012 which will be supported by this project, they are:

- 1) Implementation of the Performance Management System
- 2) Implementation of the Clean, Competent and Service-oriented National Bureaucracy Reform Movement Campaign

- 3) Nomination of innovative public services by the Ministries/Agencies and Local Governments to the *United Nations Award for Service Delivery*
- 4) Establishment of the Draft of Law on State Civil Apparatus by the House of Representatives
- 5) Guidelines on the procurement and utilization of state assets and facilities in order to make the state finances more efficient
- 6) Guidelines of the Institutional Structure of the Non-structural Institutions
- 7) Implementation of the Institutional Structure of the Non-structural Institutions
- 8) Formation of the National Public Service Complaint Handling Mechanism and the “no wrong door” policy in public services
- 9) Implementation of the handling of public complaints based on the National Public Service Complaint Handling Mechanism
- 10) Implementation of open recruitment for echelon 2 in KemenPAN-RB, LAN, BKN, BPKP and ANRI
- 11) Implementation of the Reform the Reformers (Reform Leaders Academy – RLA) training program with the technical assistance from LAN for 3,000 participants from Ministries/Agencies and Local Governments
- 12) Implemented training for 4,125 ANJAB in Ministries/Agencies or Local Governments
- 13) Support for the programs of TI-RBN
- 14) Support for the programs of TQA-RBN
- 15) Support for the compilation of the Bureaucracy Reform Program with the National and International Development Partners

These 15 Performance Targets of 2012 will be detailed into measurable activities by the Deputies and Secretariat in KemenPAN-RB. The activities in this proposal will be implemented by every main unit in KemenPAN-RB, which are: 1) Secretariat; 2) Deputies for Programs and Bureaucracy Reform; 3) Deputies for Human Resources and Apparatus; 4) Deputies for Governance; 5) Deputies for Institutionalization; 6) Deputies for Public Services, and; 7) Deputies for Supervision and Accountability.

The six components will become the links in achieving the 15 Performance Targets of 2012 which are supported by this project. The achievement of all the main activities adopting the six strategies will lead towards KemenPAN-RB’s vision: Creation of a professional, effective, efficient and accountable state apparatus toward the implementation of good governance.

The structure of the program will be clarified through the program matrix on page 15.

F. INDICATIVE BUDGET PROPOSAL ON THE REFORM AGEND IN KEMENPAN-RB 2012

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The total budget for this proposal is AUD 2,957,000 (Two million nine hundred fifty seven thousand Australian Dollars). This budget **is an indicative budget; therefore it will be detailed according to the planned needs** and according to the most updated prices in the central and regional level.

The budget is planned to fund the activities in this proposal with the amount of fund per entity is:

| | |
|---|---------|
| 1) Secretariat | 325.000 |
| 2) Deputies for Programs and Bureaucracy Reform | 525.000 |
| 3) Deputies for Human Resources and Apparatus | 425.000 |
| 4) Deputies for Governance | 50.000 |
| 5) Deputies for Institutionalization | 150.000 |
| 6) Deputies for Public Services | 200.000 |
| 7) Deputies Supervision and Accountability | 150.000 |
| 8) TI-RBN | 300.000 |
| 9) TQA-RBN | 300.000 |
| 10) Project Management Unit | 550.000 |

Funding support from AusAID is required since most of activities proposed in this proposal are new initiatives which are not covered by the 2012 DIPA/State budget of KemenPAN-RB. KemenPAN-RB will imply the following main principles in financial aspect of this proposal: 1) All financial transaction will be conduct in a transparent and accountable mechanism. 2) No double payment (no double dipping) for one paid activity 3) Fund from AusAID will be serves as a complimentary or scale up, if fund from KemenPAN-RB is available 4) Fund from AusAID will serves as main fund if fund from ministry is un-available.

The detailed information is on page 13.

G. TIME FRAME OF THE REFORM AGENDA IN KEMENPAN-RB 2012

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The duration of this proposal is **twelve months**. KemenPAN-RB is expecting that this Support on the Implementation of the Bureaucracy Reform Agenda in KemenPAN-RB (Reform of the Reformers) Project **can start in January 2012**. On December 31, 2012, all the activities in this proposal have to be implemented unless there are reasons from KemenPAN-RB and AusAID.

During November and December 2011 KemenPAN-RB, TI-RBN, TQA-RBN, AusAID and Kemitraan will finalize various matters needed to be prepared so that the agreement for this proposal can be reviewed and agreed by AusAID in December 2011.

The implementation of the activities in this proposal, which will start on January 2012, will be **in sync with the time needed to mobilize the human resources, starting with the recruitment of the management team, expert team, operational team, office preparation, etc.** More detailed information regarding the time frame is on page 14.

H. SUPPORT OF AUSAID ON THE BUREAUCRACY REFORM PROGRAM IN INDONESIA

The Government of Australia, through AusAid, has supported various development activities in Indonesia through the bilateral and multilateral schemes. AusAid is the biggest donor for the Government and the People of Indonesia with more than AUD 500 million funding in 2012-2012. Many exemplary strategies and initiatives in development, have been implemented by AusAid in its cooperation with the Government and the People of Indonesia, at the national and local levels, in the sectors of health, education, economy, populist, poverty alleviation, democratization, justice and governance. More than 2,000 High Schools have been built. On the other side, there are more than 18,000 Supreme Court decisions which have been uploaded through the IT system (internet) to provide more transparency to the judicial system in Indonesia. **These are just a few of the positive and significant efforts made by AusAID to assist Indonesia.**

In the sector of bureaucracy reform in Indonesia, AusAID has funded the INSPIRE (Initiative for Public Sector Reform) Program. The duration of this program is 16 months and will be completed in September 2012. With the fund support of AUD 2.75 million, the activities of the **INSPIRE Project has been allocated specifically to support the Secretariat of the Vice President of the Republic of Indonesia**, especially for the Deputy for Governance where bureaucracy reform is one of its activity components. INSPIRE has shown a good role in assisting the Vice President Office especially the Deputy for Governance.

In the meeting between AusAID and KemenPAN-RB on November 10, 2011, we have delivered the policy agendas of KemenPAN-RB related to the bureaucracy reform in Indonesia. AusAID has also conveyed their positive interest in assisting the implementation of bureaucracy reform through KemenPAN-RB, funding mechanism and time frame to prepare and implement this support program.

With the full support from AusAID other programs, the Government of Indonesia, especially KemenPAN-RB, will be able to engage and widen the involvement of the multistakeholders to contribute positively to the implementation of the bureaucracy reform program. In the end, **the support from AusAID will accelerate the various implementation programs of the national bureaucracy reform agenda to be more comprehensive, cohesive and effective.** This support is expected to continue towards the Long Term Program of the National Bureaucracy Reform, up to 2025.

INDICATIVE BUDGET PROPOSAL: REFORM THE REFORMERS
SUPPORT ON THE IMPLEMENTATION OF THE BUREAUCRACY REFORM AGENDA IN KEMENPAN-RB 2012

| STRATEGIES | 2012 PERFORMANCE TARGET | UNIT | BUDGET (AUD) | % | NOTE |
|--|---|----------|------------------|------------|------|
| NATIONAL BUREAUCRATIC REFORM | Implementation of the Reform the Reformers (Reform Leaders Academy – RLA) training program with the technical assistance from LAN for 3,000 participants from Ministries/Agencies and Local Governments | PRO-RB | 350.000 | 12 | |
| | Implemented training for 4,125 ANJAB in Ministries/Agencies or Local Governments | HR-APPR | 350.000 | 12 | |
| | Support for the programs of TI-RBN | TI-RBN | 300.000 | 10 | |
| | Support for the programs of TQA-RBN | TQA-RBN | 300.000 | 10 | |
| | Support for the compilation of the Bureaucratic Reform Program with the National and International Development Partners | PRO-RB | 50.000 | 2 | |
| ACCELERATING THE COMPILATION OF THE REGULATORY FRAMEWORK | Establishment of the Draft of Law on State Civil Apparatus by the House of Representatives | HR-APPR | 75.000 | 3 | |
| | Guidelines on the procurement and utilization of service vehicles and facilities in order to make the state finances more efficient | MNGMT | 50.000 | 2 | |
| NATIONAL MOVEMENT | Implementation of the National Bureaucratic Reform Movement Campaign towards clean, competent and catering bureaucrats | PRO-RB | 125.000 | 4 | |
| | Proposal of an innovative Ministries/Agencies and Local Governments in relation to the public service to the United Nations Award for Service Delivery | PUBLSERV | 50.000 | 2 | |
| QUICK WINS | Guidelines of the Institutional Structure of the LNS | INST | 50.000 | 2 | |
| | Implementation of the Institutional Structure of the LNS | INST | 100.000 | 3 | |
| | Formation of the National Public Service Complaint Handling Mechanism and the “no wrong door” policy in public services | PUBLSERV | 150.000 | 5 | |
| | Implementation in Handling the Community Complaints based on the <i>Pusat Pengaduan Pelayanan Publik Nasional</i> | SUPACC | 150.000 | 5 | |
| INTERNAL REFORM IN KEMENPAN-RB | Implementation of filling the vacant positions openly for echelon 2 officials in KemenPAN-RB, LAN, BKN, BPKP and ANRI | SEC | 100.000 | 3 | |
| STRENGTHENING SECRETARIAL AND DEPUTORIAL ACTIVITIES | Implementation of Performance Management System | SEC | 50.000 | 2 | |
| | Implementation of an integrated IT system based on teleconference in KemenPAN-RB | SEC | 175.000 | 6 | |
| OPERATIONAL AND MANAGEMENT SUPPORT | Office rental, equipment, operational costs, travels, etc. | PMU | 200.000 | 7 | |
| | Human resources mobilization (expert, management, operational, etc.) | PMU | 200.000 | 7 | |
| | Utilization of Kemitraan's system (recruitment, finance, IT, reporting, operational, etc.) | PMU | 150.000 | 5 | |
| Total | | | 2.975.000 | 100 | |

TIME FRAME: REFORM THE REFORMERS
SUPPORT ON THE IMPLEMENTATION OF THE BUREAUCRACY REFORM AGENDA IN KEMENPAN-RB 2012

| STRATEGIES | 2012 PERFORMANCE TARGET | UNIT | WAKTU | | | | | | | | | | | |
|--|--|----------|-------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | | | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
| NATIONAL BUREAUCRATIC REFORM | Implementation of the Reform the Reformers (Reform Leaders Academy – RLA) training program with the technical assistance from LAN for 3,000 participants from <u>Ministries/Agencies and Local Governments</u> | PRO-RB | | | | | | | | | | | | |
| | Implemented training for 4,125 ANJAB)\ in Ministries/Agencies or Local Governments | HR-APPR | | | | | | | | | | | | |
| | Support for the programs of TI-RBN | TI-RBN | | | | | | | | | | | | |
| | Support for the programs of TQA-RBN | TQA-RBN | | | | | | | | | | | | |
| | Support for the compilation of the Bureaucratic Reform Program with the National and International Development Partners | PRO-RB | | | | | | | | | | | | |
| ACCELERATING THE COMPILATION OF THE REGULATORY FRAMEWORK | Establishment of the Draft of Law on State Civil Apparatus by the House of Representatives | HR-APPR | | | | | | | | | | | | |
| | Guidelines on the procurement and utilization of service vehicles and facilities in order to make the state finances more efficient | MNGMT | | | | | | | | | | | | |
| NATIONAL MOVEMENT | Implementation of the National Bureaucratic Reform Movement Campaign towards clean, competent and catering bureaucrats | PRO-RB | | | | | | | | | | | | |
| | Proposal of an innovative Ministries/Agencies and Local Governments in relation to the public service to the United Nations Award for Service Delivery | PUBLSERV | | | | | | | | | | | | |
| QUICK WINS | Guidelines of the Institutional Structure of the LNS | INST | | | | | | | | | | | | |
| | Implementation of the Institutional Structure of the LNS | INST | | | | | | | | | | | | |
| | Formation of the National Public Service Complaint Handling Mechanism and the “no wrong door” policy in public services | PUBLSERV | | | | | | | | | | | | |
| | Implementation in Handling the Community Complaints based on the <i>Pusat Pengaduan Pelayanan Publik Nasional</i> | SUPACC | | | | | | | | | | | | |
| INTERNAL REFORM IN KEMENPAN-RB | Implementation of filling the vacant positions openly for echelon 2 officials in KemenPAN-RB, LAN, BKN, BPKP and ANRI | SEC | | | | | | | | | | | | |
| STRENGTHENING THE SECRETARIAL AND DEPUTORIAL ACTIVITIES | Implementation of Performance Management System | SEC | | | | | | | | | | | | |
| | Implementation of an integrated IT system based on teleconference in KemenPAN-RB | SEC | | | | | | | | | | | | |
| OPERATIONAL AND MANAGEMENT SUPPORT | Office rental, equipment, operational costs, travels, etc. | PMU | | | | | | | | | | | | |
| | Human resources mobilization (expert, management, operational, etc.) | PMU | | | | | | | | | | | | |
| | Utilization of Kemitraan's system (recruitment, finance, IT, reporting, operational, etc.) | PMU | | | | | | | | | | | | |

