

TARGETING

POOR AND VULNERABLE HOUSEHOLDS IN INDONESIA



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Foreword

Indonesia has experienced strong economic growth over the last forty years. At the same time, the proportion of Indonesians living below the poverty line has fallen dramatically. Nonetheless, around 12 percent of Indonesians remain in poverty and another 30 percent remain highly vulnerable to falling into poverty in any given year. In addition, Indonesia has experienced a number of crises in the last two decades, and such shocks are likely to continue in the future in an increasingly integrated global economy.

Over the last fifteen years the Government has been developing social assistance programs designed to promote the poor out of poverty and protect poor and vulnerable households from both individual and more widespread shocks. The coverage, design and implementation of these programs continues to be improved as social protection in Indonesia matures, but a number of issues remain. One of the most important, and difficult, is how these programs can accurately target households who need them most.

The challenge is to develop a targeting approach which includes most of the poor and vulnerable while minimizing leakage to the rich. At the same time, the system must be feasible, affordable, and accepted and used by all. Furthermore, identifying which households are poor is a difficult task in any developing country, but is particularly so in Indonesia, which has a very large population, a high degree of geographic dispersion, decentralization of much budgetary and operational governance, and frequent entry and exit of households into and from poverty.

Targeting Poor and Vulnerable Households in Indonesia provides the first comprehensive review of targeting for social assistance programs in Indonesia. This evidence-based report builds in part on innovative research done collaboratively with the Government of Indonesia. In this respect Indonesia is contributing to the frontier of global knowledge on targeting, while also drawing on the experience of other countries.

Moving from a thorough assessment of the current effectiveness of targeting in Indonesia, the report contains practical and detailed recommendations for the future. In particular, a National Targeting System is proposed, which envisages developing a single registry of potential beneficiaries to target social assistance to the right households, resulting in more accurate and cost-effective targeting outcomes, and ultimately stronger program impacts.

It is our sincere hope that this report will contribute to the ongoing improvements being made to Indonesia's social assistance programs. As these reforms continue, more Indonesian households will make their way out of poverty, and many more can be protected from the reoccurring shocks making them vulnerable to falling back into poverty.



Stefan Koeberle
Country Director, Indonesia
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Reaching the Poor and Vulnerable with Social Assistance in Indonesia



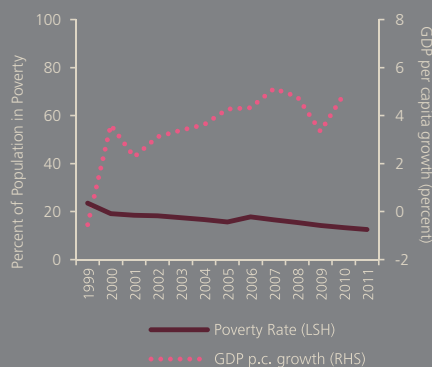
Indonesia has seen strong economic growth and falling poverty in the last decade. Yet half of the country gets by on relatively little, and many of these become poor each year. In the last ten years Indonesia has returned to strong economic growth. The poverty rate has fallen from 23.4 percent of all Indonesians in 1999 to 12.5 percent by 2011 (Figure 1).¹ However, much of the country still has relatively low living standards (Figure 2); half of the country still lives on less than Rp 15,000 per day,² and small shocks can drive them into poverty. Because of this, people move into and out of poverty easily in Indonesia. Of the all poor in each year, over half were not poor the year before; they are newly poor (Figure 3). Over a three year period, a quarter of all Indonesians will be in poverty at least once (Figure 4).

1 Statistics Indonesia (BPS) sets the official poverty line for Indonesia, which is defined as the amount of money required to obtain 2,100 calories per day from local food commodities and a small amount for other basic necessities, such as clothing, housing, and transportation. In 2011, the poverty line was around Rp 233,700 per household member per month.

2 Equivalent to around PPP\$2.25 a day. This is using the most recent (2005) PPP exchange rate for private consumption of Rp 4,193 per PPP\$1, adjusted for CPI inflation to 2011, resulting in an exchange rate of Rp 6,575 per PPP\$1. Note that this is an informal estimate and does not represent an official PPP exchange rate for 2011. The 2005 PPP exchange rate is taken from the World Bank's World Development Indicators, and CPI data from Statistics Indonesia.

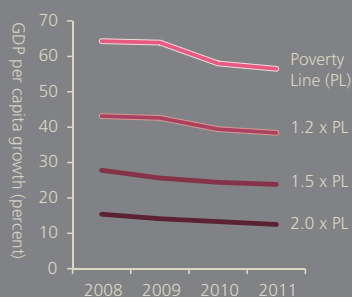
Despite strong economic growth and falling poverty over the last decade, progress in key social indicators remains sluggish.

Figure 1: Per Capita GDP Growth and Poverty



Sources: BPS.

Figure 2: Percentage of Population Below Multiples of the National Poverty Line



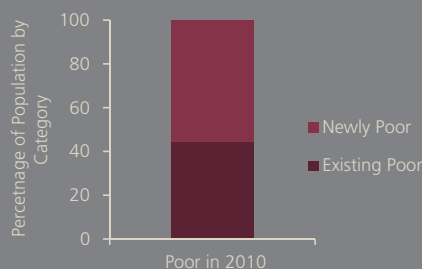
Sources: Susenas

Notes: The national poverty line is around Rp 233,700 per person per month in 2011.

Social assistance, or a social safety net, is vital to protect the 40 percent of Indonesians who are highly vulnerable to poverty. There is a large group of vulnerable households in Indonesia. The poorest 40 percent of Indonesian households this year have at least a one in ten chance of being poor the following year. This chance becomes much higher the poorer they are now. In fact, over 80 percent of next year's poor will come from this group, who live on less than Rp 12,000 per day.³ The ease of falling into poverty for this vulnerable group means social safety nets are needed protect them, in addition to programs to help the long-term poor out of poverty.

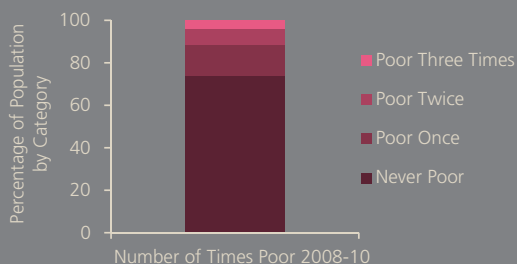
Over half of the poor each year are newly poor, and one quarter of all Indonesians were in poverty at least once in a three year period

Figure 3: New and Existing Poor Households in 2010



Sources: Susenas and World Bank calculations.

Figure 4: Number of Times Poor in Last Three Years for All Households



Over the last 15 years, Indonesia has established a first generation of household social assistance programs.

There are now a number of household social assistance programs in Indonesia to support the poor and vulnerable (Table 1). These include subsidized rice (Raskin), health fee waivers (Jamkesmas), cash transfers for poor students (BSM), a conditional cash transfer (PKH), and a temporary unconditional cash transfer (BLT). These programs are designed to promote the poor out of poverty, and protect the vulnerable from falling back in. However, the current programs are only partially effective in achieving this.

³ Approximately PPP\$1.80.

There are a range of household social assistance programs in Indonesia

Table 1: Major Household Social Assistance Programs in Indonesia (2010)

Name	Transfer type	Target group	2010 target number of recipients	2010 coverage	2010 benefit level	Total 2010 budgeted expenditures (Rp Billions)	Key executing agency
BLT*	Cash	Poor & near-poor households	18.7m households (HH)	National	IDR 100,000 per month for 9 months	17,700 – 23,100**	Ministry of Social Affairs (Kemensos)
Raskin	Subsidized Rice	Poor & near-poor households	17.5m HH	National	14 kg rice per month	13,925	Bureau of Logistics (Bulog)
Jamkesmas	Health service fees waived	Poor & near-poor households	18.2m HH	National	Varies depending on utilization	5,022	Ministry of Health (Kemenkes)
BSM	Cash & Conditions	Students from poor households	4.6m students	National, but not full scale	Rp. 561,759 per year	2,904	Ministry of National Education (Kemdiknas) & Ministry of Religious Affairs (Kemenag)
PKH	Cash & Conditions	Very poor households	810,000 HH	Pilot	IDR 1,287,000 per year	1,300	Kemensos

Source: World Bank (2012d). *During last usage in 2008-09. ** Total expenditure for nine months across 2008 and 2009 (17,700 bn) and for twelve months across 2005 and 2006 (23,100 bn).

There is much to do to improve these programs so that they can better protect the poor and the vulnerable.

The World Bank has just completed a major report, *Protecting Poor and Vulnerable Households in Indonesia*, taking a comprehensive look at social assistance in Indonesia. It has three main recommendations. First, find the best mix of programs. This means making effective programs bigger, and reducing or changing those that do not work as well. Second, double spending to 1 percent of GDP in the coming years, so that good programs are expanded and gaps filled in. Indonesia can afford this, with its strong economic health, even more so if the large fuel subsidies which help the rich the most are reduced. Finally, a long-term roadmap is needed to develop a social assistance system, rather than just a collection of programs. This should outline how programs can be integrated to work together better, accelerate poverty reduction, and protect the vulnerable. These efforts can begin with how programs reach the poor.

The Government of Indonesia has committed itself to reforming and integrating social assistance programs as part of its poverty reduction strategy.

Reducing poverty is a key concern of the government. President Susilo Bambang Yudhoyono has previously declared it to be his government's highest development priority. The 2009-14 Medium Term Development Plan (RPJM) aims for poverty to fall to 8 to 10 percent by 2014, as well as improvements in social assistance, such as better health services under Jamkesmas. The plan also wants programs to work together better, with a single monitoring system to help make decisions and budgets. These efforts are being coordinated by a new National Team for the Acceleration of Poverty Reduction (TNP2K) led by the Vice President.

One way the government wants to make social assistance work better is to make sure it reaches poor and vulnerable households.

For social assistance to work best, it needs to be received by households who need it most. This means identifying not only those who are already poor, but also the many vulnerable households who, while not poor now, can easily become so with a small shock. This could include the poorest 40 percent of Indonesian households, who live at near-subsistence levels. Trying to identify these households is called targeting. An effective way of targeting them increases the chance that they will receive assistance. Improving targeting is an important goal in the RPJM, which calls for a new unified database for targeting.

Current Targeting of the Poor and Vulnerable



Current programs, however, target the poor using different methods. At the moment, social assistance programs in Indonesia all work separately from one another. This is also true of targeting, with each program doing it differently from the others, even when they are looking for the same people. Because different methods are used, each program has quite different beneficiaries. Even though BLT, Jamkesmas and Raskin are aimed at the poorest 30 percent of households, less than one third of these households receives all three programs. Before targeting in Indonesia can improve, how each program is targeted now needs to be looked at, and how well it works.

Indonesia's largest social assistance program, a temporary cash transfer called BLT, tried to compile a list of poor and vulnerable households. BLT was established in haste to protect households against rising fuel prices. As the government reduced fuel subsidies in 2005 in the face of rising fuel prices, it introduced BLT to help cushion the effects on the poor and vulnerable. Statistics Indonesia was asked to compile a list these households in a very short time. A range of methods were planned, but in practice, the potential beneficiaries were mainly suggested by sub-village heads, without a clear basis for nomination. If a poor household was not nominated, they were not assessed, and many of them missed out on the program. When BLT was run again in 2008, largely the same households were revisited, meaning households not on the 2005 list generally missed out again in 2008.

Even though BLT has the best targeting of the major programs, over half of poor and vulnerable households were excluded. BLT aimed to find the poorest 30 percent of Indonesian households. However, only 46 percent of them actually received transfers (Figure 5). At the same time, many households who are better off were included, and in fact they received half of all benefits (Figure 6). One way to assess targeting performance is to score it on a scale where 0 means no targeting (that is, handing out benefits randomly), and 100 means perfect targeting (all the benefits are received by the poor); see Box 1. Targeting is very hard and never perfect; 50 is a good score. On this scale, BLT scores 24. Despite being the best targeted of the major social assistance programs (Figure 7), if BLT is deployed in the future, targeting can be better.

Box 1: Measuring targeting outcomes can be done in different ways

A range of different measures of targeting outcomes are used in the targeting literature. No single measure is perfect. In particular, there are difficulties comparing between programs, countries and time periods, particularly when different size programs are involved. This report introduces a new measure which compares how well a program was targeted compared to no targeting (randomly distributing benefits) and perfect targeting (all benefits received by intended households). This measure (*targeting gain*) is a normalization of the popular Coady-Grosh-Hoddinott measure, which compares the proportion of benefits received by a target population to the size of the target population. Targeting gain transforms this score to be between 0 and 100, where 0 represents the same outcome as if targeting had been random, and 100 represents perfect targeting, or the result if all the benefits had been received by the target population. That is, targeting gain represents how much better than random a program's outcomes were, relative to perfect targeting. The new measure is both more intuitive to interpret and more consistent to compare across programs and periods. It is important to note that perfect targeting is impossible in practice, so a good targeting gain score is considerably less than 100.

Jamkesmas also uses a list of the poor, but actual targeting depends on local decisions. As with BLT, many poor households are not reached. Jamkesmas cards should be given to those households on Statistics Indonesia's official list of the poor, such as that for BLT. But how cards are handed out is done differently in different places. Some districts use the official lists, while health officials in other districts select beneficiaries themselves. Even until recently, households could receive Jamkesmas benefits simply with a letter from the village head. These differences in targeting mean poor households have different chances of getting a card in different parts of Indonesia. Similarly to BLT, Jamkesmas covers 45 percent of households it is trying to find (Figure 5), but non-poor households make up 55 percent of all beneficiaries (Figure 6). As a result, the Jamkesmas targeting score is only 16 out of 100, behind that of BLT (Figure 7).

Current programs are pro-poor, with poor households being more likely to receive benefits... but a considerable proportion of total benefits goes to non-poor households

Figure 5: Percentage Receiving Programs by Consumption Decile in 2010

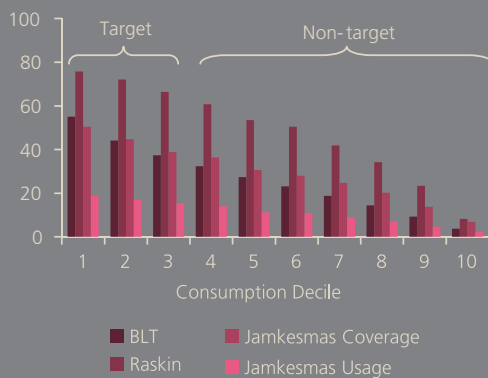
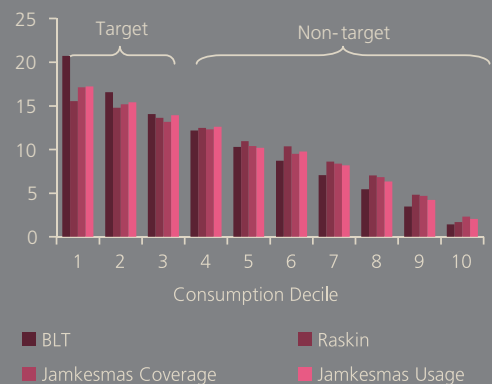


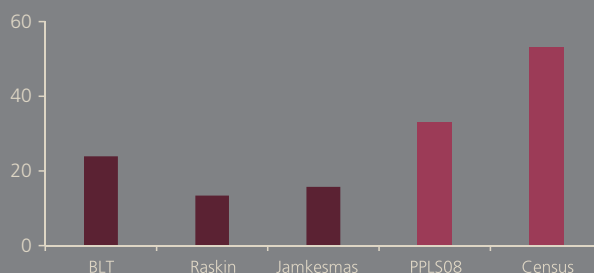
Figure 6: Percentage of Total Benefits Received by Consumption Decile in 2010



Sources: Susenas and World Bank calculations
Notes: BLT results are for 2009.

BLT is the most accurate program with the highest targeting gain, but there remains significant room for improvement

Figure 7: Targeting Gains by Program and Benchmarks, 2010



Sources: Susenas and World Bank calculations

Notes: BLT data are for 2009. See Box 1 for the definition of targeting gain. 2008 List means revisiting 2008 list of households and conducting new PMT. All Households means applying PMT to all households.

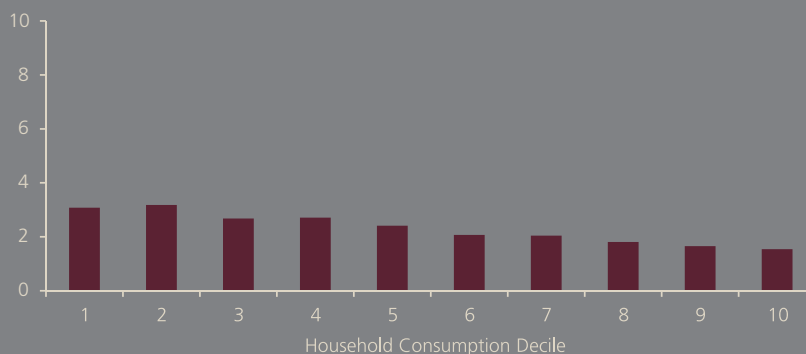
Similarly, the targeting of Raskin rice is largely determined at the community level. Sometimes official lists are used but often it is given out as the community sees fit. Like Jamkesmas, Raskin is meant to be given to people on the official lists of the poor, after being checked at a broad-based community meeting. But again, how it is really handed out varies at the local level. Often the community meetings to check the list are not held, or are not open to many members. Often the official list itself is not used, and the rice is distributed as the village head thinks best. Rice is often shared equally among households, poor or non-poor, in order to avoid conflict and tension.

The informal sharing of Raskin means benefits are spread widely across the community. Many poor households receive rice, but the benefits are diluted. Raskin is distributed to nearly twice the number of beneficiaries as planned; 54 percent of all Indonesian households receive some rice. An advantage of this is that 71 percent of target households benefit, which is higher than both BLT and Jamkesmas (Figure 5). However, because of this sharing, poor households get far less than the official 14 kilograms of rice per month, meaning they do not get the help they need. For Raskin, nearly 70 percent of all beneficiaries are not poor, and many are not close to being poor (Figure 6). In fact, around one in six households in the richest 20 percent of Indonesia receive Raskin rice (Figure 5). Raskin's overall targeting score is only 13 out of 100 (Figure 7).

BSM also has poor targeting, with a non-poor student nearly as likely to get cash as a poor or vulnerable one. BSM beneficiaries are typically nominated by schools or school committees. Students must have shown good attendance and behavior. Because of this, new students or ones who not yet started have little chance of being selected, nor do those who are not well known to the principal. Poor children who are not in school are not considered at all. Students from the poorest 40 percent of households get about half of all BSM funds, while households in the top 60 percent receive the other half (Figure 8). That is, BSM is nearly as likely to be received by a poor or vulnerable student as by a student in a richer household.

Students from households of any consumption status are nearly as likely to receive BSM as any other

Figure 8: Percentage of 6-18 Year Olds Receiving BSM by Consumption Decile in 2009



Sources: Susenas and World Bank calculations

Improving Targeting in Indonesia



Many poor household in Indonesia receive social assistance, but many remain excluded. Some key problems have been identified. For most major programs, poor and vulnerable households are more likely to receive benefits than non-poor households. However, many poor still miss out, and non-poor households get around half of all benefits. After looking at each program's way of targeting and how well it works, several key problems have been found. There are problems in the design, implementation and coordination of targeting.

Targeting outcomes can be improved if methods are better designed. Deciding which households to include in the selection process is very important for targeting, since a poor household who is not even considered in the first place will not become a beneficiary, no matter how well households are assessed. In Indonesia, many poor households are not considered for social assistance. As discussed, half of the households BLT was trying to find were not nominated by community leaders. Once potentially poor and vulnerable households are included in the initial targeting process, the next step is selecting the right ones. This has not always been done well in Indonesia, as with the frequent sharing of Raskin rice evenly among all households, regardless of poverty.

Targeting methods also depend on successful implementation. A major problem has been a lack of awareness. How targeting is actually done is as important as how it is designed. Well-planned targeting will not work if it is not executed successfully. In addition to official targeting guidelines not being followed in the field, targeting in practice has suffered from poor socialization and a lack of coordination between agencies and programs. Socialization – making all stakeholders aware of a program's purpose and intended beneficiaries, their rights and responsibilities – has not been done well for most programs. As a consequence, who receives benefits and why has not been clear and official targeting processes are not followed. It increases the possibility of corruption, and can lead to conflict and tension in communities.

Greater coordination between programs would improve both targeting and program effectiveness. There are two ways in which programs can work together to improve the impact of social assistance. First, some functions would work better if coordinated across programs, such as handling program complaints from households in the same place and conducting program awareness campaigns together. This also applies to targeting. Programs with objectives that overlap can make sure that poor households who receive one program also receive the other. For example, PKH would be more effective if its beneficiaries also received Jamkesmas, as the promotion of healthy behaviors would be supported by free health care. Up until now, this has not been done. One reason is that there are no clear arrangements to help programs and agencies work better together.

Building a National Targeting System



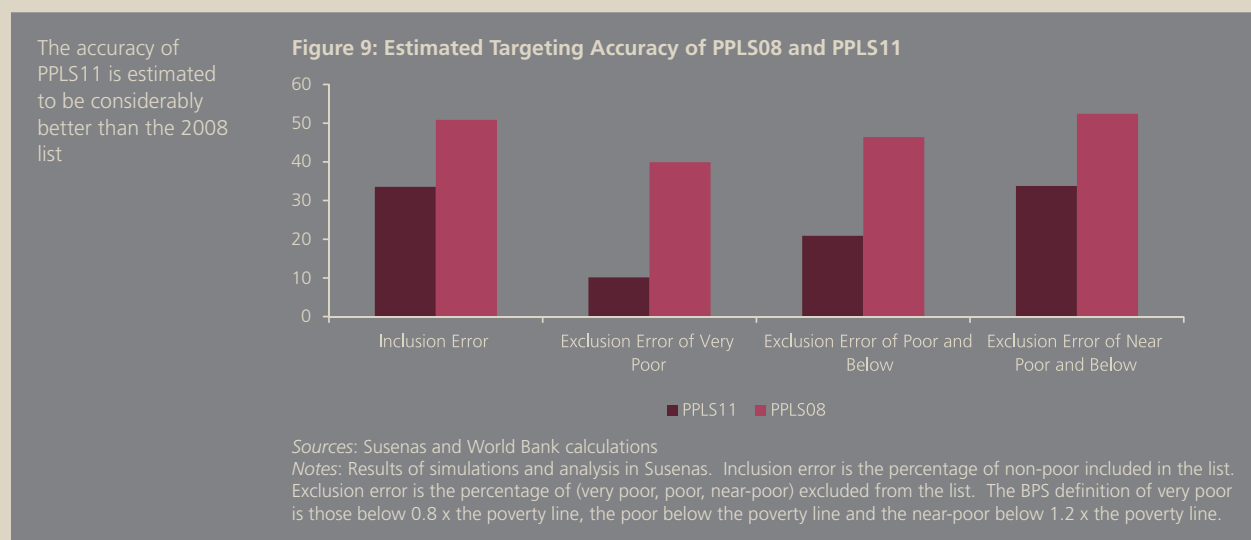
Targeting in Indonesia could be made more effective by building a National Targeting System. At the heart of a National Targeting System (NTS) is a unified registry of poor and vulnerable households. This has already been done in other countries, including Chile, Colombia, Mexico, and the Philippines, and has several benefits. The unified registry can be built using the best targeting methods, providing quality data for all programs, at a lower cost. From this registry, each program can use its own criteria to get beneficiary lists which include more poor families, and less non-poor. What is more, the registry can tell any program what other social assistance a household is getting, so that programs can work together better. Having all households who receive social assistance in the same database also means that duplication, fraud and corruption can be reduced. The registry can also be used to link with other government efforts, such as trying to bring more poor families into the banking system, or teach them more about using fertilizer and newer seeds.

Deciding whether social assistance provides the right benefits is easier when program beneficiaries are chosen from the same registry. When most programs are targeted with the NTS, it is natural to think about the benefits received as a whole. Who can get more than one program? Does the mixture of benefits add up to a sensible support package? Or do some programs overlap, at the same time as there are gaps in protection? These are important questions for designing an effective approach to social assistance. Building an NTS can help start discussion within government and supporting parties.

Indonesia has already made good progress on building a unified registry of poor and vulnerable households.

A unified registry has already been mandated in the RPJM, with a Presidential Instruction outlining the steps required. Considerable progress has already been made. In 2011, Statistics Indonesia conducted PPLS11, a very large-scale updating of its list of poor households. This is a significant expansion from previous lists, increasing the number of households surveyed from around 19 million in 2008 to 25 million, or just over 45 percent of the population. A broad range of

demographic data were also collected, to help target different programs. Most importantly, in 2011 the previous list was not simply revisited, as it largely was in 2008; instead, all households in Indonesia had a chance of being assessed. This meant that new households could enter the list, and previously poor households who have exited poverty could graduate off from it. Figure 9 compares estimates of the targeting accuracy of the 2008 and 2011 lists. It is estimated that just over half of the poorest 30 percent of Indonesian households were excluded from the 2008 list. This exclusion of the poor and near-poor is expected to fall by around 20 percentage points in the 2011 list, with even larger improvements coming for the poorest households. The many strengths of PPLS11 make it a good basis for the unified registry.



The unified registry is an important part of an NTS, but is only part of a broader system. PPLS11 is a solid start towards building a unified registry and an NTS to support it. However, there is much left to do. To begin with, the unified registry needs to be constructed from the PPLS11 data, which has significant information technology requirements. Beyond the unified registry, there are three key imperatives for the NTS. It needs to *reach the right people*. It needs to *stay current*. And it needs to be *managed well*.

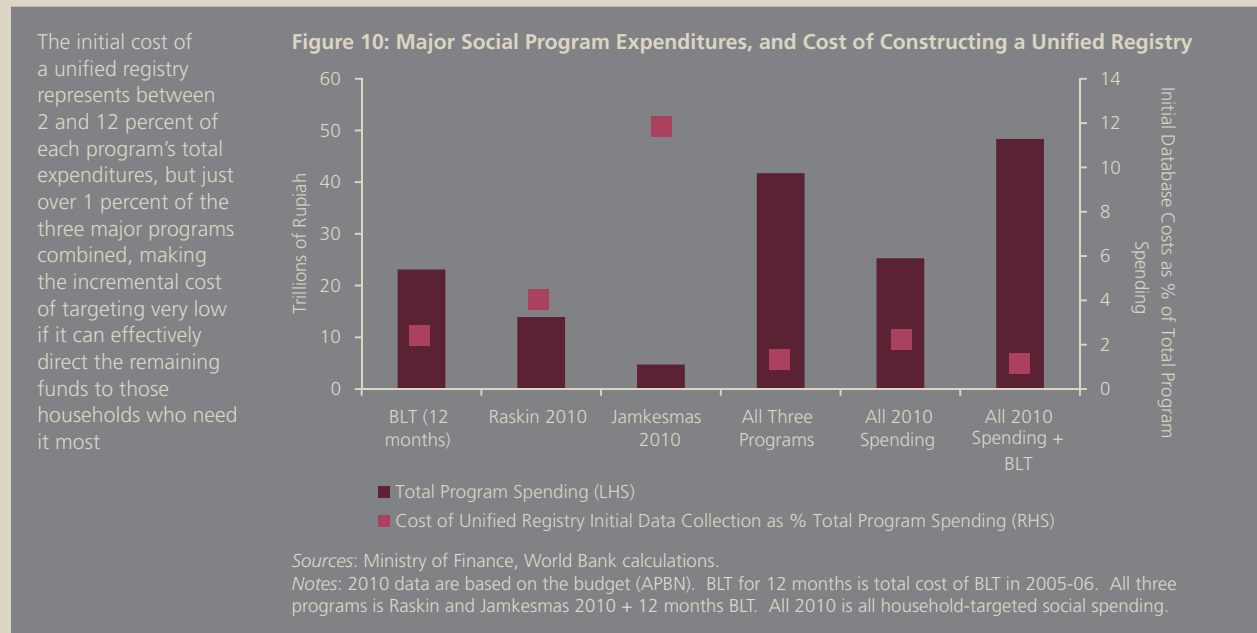
Improving targeting in Indonesia begins by reaching the right people. Reaching the right people means three things for targeting. First, the right people means not just the poor, but also the vulnerable. Reducing poverty in Indonesia means not just helping the chronic poor, but also protecting the many vulnerable households from falling into poverty. Second, to reach these people, the right targeting methods need to be used, with attention paid to both design and implementation. Third, the unified registry must be used by all programs to ensure the right people are being reached. Using the new registry will help make targeting more consistent, help programs work together better, and allow better monitoring of outcomes.

The unified registry needs to stay current because of the fluid nature of poverty in Indonesia. Household and family circumstances change frequently. There are many non-poor households in Indonesia who can easily fall into poverty if they suffer a health, employment, or of other type of shock. At the same time, economic growth, improving access to services, and hard work are lifting many poor households out of poverty. Over time, they will no longer need the long-term assistance aimed at the chronic poor. To allow social assistance adapt to this frequent entry into and exit from poverty, the NTS needs to stay current. Staying current also means adapting to non-economic changes in households, such as the birth of a child or a change of address. Consequently, updating the registry is vital. One way this can be done is by allowing households to appeal if they have not been assessed correctly or their circumstances have changed.

Recent field experiments demonstrate that incorporating a well-designed and facilitated role for communities in targeting can increase both accuracy and community satisfaction, as can self-targeting. They also show that self-targeting methods – where households apply directly – can bring in those poor not currently receiving benefits. Using community-based methods and self-targeting are promising mechanisms for updating and appeals.

The NTS also needs to be managed well. The effectiveness and legitimacy of the NTS depend upon it being well managed. This means it needs to be accountable, transparent and participatory. To do this, the main long-term challenge for the NTS is deciding its institutional framework. Does the coordination role stay with TNP2K, does it become an independent agency, or is it moved to a more established central ministry? Where can complaints be filed, and how will they be resolved? Who will conduct updating activities? Who will conduct awareness campaigns, and coordinate them across programs? Answering these questions will help with the good governance of the system. For example, to promote accountability, the NTS could report to a steering committee of relevant government ministries and agencies. Broader participation can be promoted if civil society, communities and NGOs help monitor and evaluate targeted programs at the local level, and contribute to updating and appeals. Substantial improvement in socialization to all parties will not only help improve targeting implementation and outcomes, but also transparency and legitimacy.

Building an NTS is only a small part of the cost of social assistance. About 4 percent of total government spending goes to household social assistance, or around Rp 25.2 trillion (US\$ 3 billion) in 2010. This can rise as high as 7 percent in times of significant crisis. An NTS can help make this spending more effective by making sure it is received by those who need it most. Furthermore, it is cost-effective to develop. The cost of building and maintaining the NTS would be only a small part of the total cost of each social assistance program. Constructing the unified registry will cost about Rp 600 billion. This would be around 4 percent of Raskin's total costs, 12 percent for Jamkesmas, or 2 percent for BLT (Figure 10). However, because the NTS can be used by all three programs, the initial costs would only be just over 1 percent of the three combined annual program costs. Ongoing costs each for maintaining the system are likely to be lower, but even at the same level, total annual targeting costs remain very low relative to the total cost of benefits transferred.



Indonesia is showing global leadership in the targeting social assistance, as it tests innovative ways to involve communities and poor households. As Indonesia continues to develop as a middle income country, it has the capacity to improve social assistance, reduce poverty and protect the vulnerable. Strong economic growth in the last forty years has seen Indonesia join the ranks of middle income countries, and good progress has been made in poverty reduction. Nonetheless, improvements in social assistance are needed to protect the many vulnerable households that remain. Targeting is key to these efforts. Indonesia has the financial and administrative capacity to make targeting better, both by learning from other countries and leading the way into new areas. With its innovative piloting of new ways for involving communities and poor households in the process, Indonesia is playing a global role in extending the knowledge frontier of social assistance policy. Access to social assistance through better targeting means that climbing out of poverty, and being protected from falling back in, can become a reality for the millions of Indonesians who still struggle in their daily lives. Important steps have been taken, but care must be taken not to lose focus on the considerable amount of work still to be done.

Recommendations at a Glance



The targeting of social assistance and protection in Indonesia can be improved significantly with the development of a National Targeting System. Such a system can provide improved targeting accuracy in a cost-effective manner, while generating increased buy-in for social safety nets from politicians, ministries, local government, communities and beneficiaries

Table 2: Recommendations at a Glance: Towards a National Targeting System

Component	Recommendations
Design	
Targeting Objectives	The targeting objectives of each social assistance program need to be carefully and clearly defined.
Legal and Institutional Framework	An institutional framework needs to be developed that clearly allocated responsibilities and authorities within an NTS, including who collects which data, who analyzes it and how, and who can use it. These arrangements should have a clear mandate in enacted legal regulations.
Initial Data Collection	Initial data collection for the unified registry of potential beneficiaries should be based on the PPLS11 carried out by Statistics Indonesia in July 2011. Data collection needs to focus on collecting the right information from the right households. Collecting the right information means coordinating with line ministries to identify the data required to target each social assistance program. Visiting the right households means including as many potentially poor and vulnerable households in the initial survey as possible. In order to reduce exclusion errors, incorporation of existing program lists should be considered.
Implementation	
Building a Unified Database	An initial database of potential beneficiaries is required. Developing this database should include data integrity processes, such as checking for duplications and fraud control. Careful considerations need to be given to overall MIS design for hardware and software, based on planned use and data sharing arrangements.

Table 2: Continued

Component	Recommendations
Implementation (cont.)	
Extracting Program Beneficiary Lists	A unified registry should not be seen as a single list of beneficiaries for all programs, but as a source of high quality data on potential beneficiaries. Separate processes should be used to identify beneficiaries for each program. This should be coordinated with line ministries, and factor in program complementarities, such as ensuring all PKH beneficiaries also receive Jamkesmas. Data sharing arrangements should govern rights and responsibilities of the unified data for each participating agency.
Socialization and Communication	A comprehensive socialization strategy should be developed. This should cover all issues, such as individual program objectives and intended beneficiaries, and rights and benefits of beneficiaries, as well as how beneficiaries were selected and a clear process for appeals. In addition, the strategy should reflect the different needs for all stakeholders, including central and line ministries, parliament, local government, communities and civil society, and beneficiaries themselves. This strategy will need to be developed in coordination with line ministries and the Ministry for Communication and Information (Kemenkominfo).
Maintenance and Updating	
Complaints and Grievances Protocols	A well-designed and communicated complaints and grievances redress process is critical. Such a process should specify what appeals can be made, how they should be resolved, and by whom. Strong consideration should be given to the possible inclusion of community input in this process, but such a role needs to be carefully designed and facilitated.
Updating and Recertification Protocols	Clear guidelines are required as to what information can be updated in the NTS, how frequently, and how it will be verified. Who will carry out household visits in the future needs to be resolved now. Statistics Indonesia continues to be exposed to reputational risk through its current involvement in beneficiary selection, which compromises its other products such as the decennial Population Census and quarterly Susenas and Sakernas surveys. However, if another agency is to adopt this role in the future, then significant investments in capacity building are required.
Monitoring and Evaluation	Regular monitoring and evaluation is required to assess targeting performance, identify areas and methods for improvement, and identify implementation issues. These efforts should be coordinated with general program effectiveness M&E activities of line ministries.
Program Exit Strategies	Coordination of program exit strategies with the NTS should be done with line ministries. Where beneficiaries automatically graduate from programs, such as PKH or scholarship, the NTS needs to track this. Where program exit strategies are unclear, as with Jamkesmas, there exists the opportunity to align this process with the recertification of the NTS's unified registry.



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