

The Indonesian Update

Monthly Review on Economic, Legal, Security, Political, and Social Affairs



Main Report:
Observing the Political Communications of the Working Cabinet

Economics

Capitalizing on Demographic Dividend : Opportunities and Challenges for Indonesia ■

Legal

Polemics over Online Transportation : What is the Role of the Government? ■

Social

Investment for the Development of Women in Indonesia ■

Paris Agreement : Another Commitment to Question ■

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FOREWORD

The issue of communications in the Cabinet involves not only the ministers, but also President Jokowi and Vice President Jusuf Kalla (JK). The author also notes the differences of opinion between the President and his Vice. The disputes between Cabinet ministers have made the President furious. Through a presidential spokesperson, Johan Budi SP, President Joko Widodo (Jokowi) has prohibited ministers in the Working Cabinet from being involved in conflicts in public, especially on social media.

This March 2016 edition of the Indonesian Update will raise important themes on several fields. The main report for this edition is “Observing the Political Communications of the Working Cabinet”. On the economy, it will talk about “Capitalizing on Demographic Dividend : Opportunities and Challenges for Indonesia”. On legal affairs, it talks about “Polemics over Online Transportation : What is the Role of the Government?”. On social affairs, it talks about “Investment for the Development of Women in Indonesia” and “Paris Agreement : Another Commitment to Question”.

The regular publication of the Indonesian Update with its actual themes is expected to help policy makers in government and business environment – as well as academics, think tanks, and other element of civil society, both within and outside the country, to get actual information and contextual analysis of economic, legal, political, cultural, and social developments in Indonesia, as well as to understand the public policy in Indonesia.

Have a good read.

Observing the Political Communications of the Working Cabinet

The disputes between Cabinet ministers have made the President furious. Through a presidential spokesperson, Johan Budi SP, President Joko Widodo (Jokowi) has prohibited ministers in the Working Cabinet from being involved in conflicts in public, especially on social media (2/3).

These assistants to the President, who are supposed to work for the people's interests, have in fact been disagreeing in public. The disputes have involved several ministers; namely, the conflict between Minister of Energy and Mineral Resources (ESDM) Sudirman Said and Maritime Coordinating Minister Rizal Ramli. Some of the issues are the 35,000 MW power mega project , Freeport, and Masela.

Second, the polemics between Agriculture Minister Amran Sulaiman and Trade Minister Thomas Lembong over the rice import policy. Amran said that during his one year in office, the Government of Indonesia had no longer imported rice. However, Thomas actually believes that the government is still negotiating the plans to import rice from Vietnam and Thailand.

Third, the dispute between Minister for State Owned Enterprises (SOEs) Rini Soemarno and Transportation Minister Ignatius Jonan over the licensing of the Jakarta-Bandung high-speed train project. On the one hand, Rini has encouraged the acceleration of the project. However, on the other hand, Jonan has not issued the high-speed train permit. As a result, this project cannot run fast.

The fourth, the dispute between Minister for Administrative Reform and Bureaucratic Reform (PAN-RB) Yuddy Chrisnandi and Cabinet Secretary Pramono Agung over the minister score cards.

When Minister Chrisnandi shared the ministers' score cards to the media, this had finally invited comments from Pramono, who stated that the publication of an assessment on the performance and accountability of ministries and state institutions was the creativity of Minister Chrisnandi.

According to Pramono, the President has never approved the idea of a minister conveying the results of the performance evaluation of other ministers to the public. Meanwhile, Minister Chrisnandi has stated that his policy does have a strong legal basis; that is, the President's instruction.

President Jokowi himself has stated that assessing the performance of the ministers is the President's authority. Then, President Jokowi has requested that ministers and leaders of institutions not spend time thinking about the results of the score cards issued by KemenPANRB. He wanted the ministers to focus on completing various programs that have been planned (www.liputan6.com, 6/1).

The issue of communications in the Cabinet involves not only the ministers, but also President Jokowi and Vice President Jusuf Kalla (JK). The author also notes the differences of opinion between the President and his Vice.

In the formation period of the cabinet, there was an idea to streamline the cabinet. Responding to the cabinet streamlining idea introduced by Jokowi-JK Transition Team, Jokowi maintained that cabinet streamlining was intended to avoid the overlapping of ministries' authorities. The streamlining did not always mean the decrease in the number of ministers, as it could also mean the decrease in the number of echelons in a number of ministries. But, JK thought otherwise. Cabinet streamlining would drain much energy. JK argued that a cabinet of 34 ministers looking after 250 million Indonesian citizens was quite streamlined.

Second, the auction of ministerial positions. On this issue, Jokowi wanted to use the auction system that he used when he was the Governor of Jakarta. Meanwhile, JK said that the auction system could not be used to fill the ministerial positions. JK argued that the very important ministerial positions should be selected directly by the President.

Third, the nomination of Commissioner General Budi Gunawan in the Chief of Police selection process. Jokowi said that he would cancel the nomination of Budi Gunawan. The announcement was made by the Chair of the Team of Nine, Ahmad Syafii. However, JK actually said that whether or not Budi Gunawan was inaugurated would depend on the pretrial ruling. JK also said it would inaugurate Budi Gunawan if he were the President.

Fourth, the establishment of the Presidential Staff Office. Jokowi formed the Presidential Staff Office, which was headed by Luhut Binsar Panjaitan. JK said that he did not know that Luhut would occupy that position.

Fifth, the freezing of the Football Association of Indonesia (PSSI). Jokowi said that he supported the policy of Youth and Sports Minister Imam Nachrowi to reform the national football. Jokowi also said that he did not mind if the national team of Indonesia was banned from international football competitions due to sanctions from the Fédération Internationale de Football Association (FIFA). On the other hand, JK did not want Indonesian football to be punished by FIFA, so he urged Kemenpora to revoke the Decree that freezes PSSI.

Conclusions

The author notices that the frequent disagreements between the President, the Vice President, and ministers in public indicate the weakness of political communications of the current government.

This differences of opinion have then led to public confusion, creating national political turbulences. Consequently, these have lowered public confidence in the performance of the current government.

The author argues that successful political communications of the cabinet require a synergy amongst political actors; that is, the ministers. Quoting Dan Nimmo (1982, 14), politicians as political communicators play a major social role, especially in the formation of public opinion.

Differences of opinion among presidential aide in public indicate the weakness of the current government's political communications.

Public opinions formed by public officials should support public interests. Therefore, in this context, ministers and public officials should convey political messages that will not confuse the public.

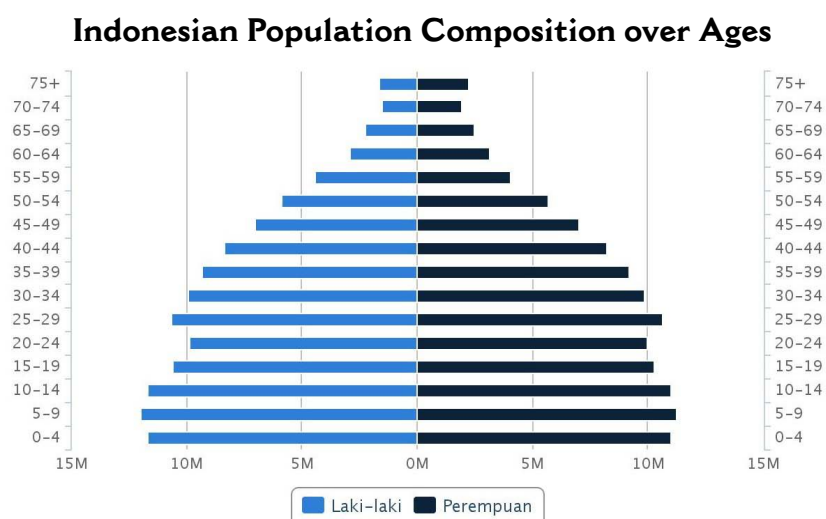
President Jokowi, Vice President Jusuf Kalla and their ministers should immediately improve political communications in order to convince the public that the government can be trusted.

-Arfianto Purbolaksono –

Capitalizing on Demographic Dividend : Opportunities and Challenges for Indonesia

As the fourth most populous country in the world, Indonesia is forecasted to have demographic dividend. United Nations Population Fund (UNFPA) explains that demographic dividend is a boost in economic productivity that occurs when there is a growing number of people in the workforce relative to the number of dependent. In other words, national productivity will be able to be boosted by the increase in workforce.

The Central Bureau of Statistics (BPS) predicts that Indonesia will experience demographic dividend in the period of 2020 to 2030, in which the number of working age population (15-64 years old) is higher than the population of non-working age (below 15 years old and above 64 years old). To understand the forecasting, the figure below explains the Indonesian population composition over ages in 2010.



Sources : Central Bureau of Statistics, 2010.

The State Ministry of National Development Planning (Bappenas) recorded that in 2010, the working age population was at a level of 66.5 percent. This proportion is predicted to be keep increasing to a level of 68.1 percent in 2028 to 2031. The increase in working age population will decrease dependend rate; that is, the number of non-working age people that that is looked after by 100 working age people, from a level of 50.5 percent to 46.9 percent in 2010.

Costs and Benefits Incurred

The increase in working age people in national population will definitely have an impact on the country's productivity. If the management of human resources is done properly, demographic dividend will bring huge advantages. The dividend will boost economic growth and improve the society's welfare.

Many economists and demographic experts argue that demographic dividend is a growth engine for Asia to be developing. Countries that have successfully experienced and benefitted from the bonus, for instance, are Thailand, Hong Kong, Singapore, South Korea, and Taiwan. Their average economic growth has increased from 10 to 15 percent due to the dividend.

However, insted of bringing benefits, demographic dividend will bring many problems if human development programs and business climate investment are not addressed properly as what has transpired in South Africa and Brazil. Two of the real problems that may occur are unemployment and poverty.

The rise in workforce will generate the increased supply in labour market. If demand and supply in the market do not meet at the equilibrium point, then it is possible to see massive unemployment in the society. The impact caused by this problem is the increased number of poor people as well as the increase in crime.

Therefore, it is important for all stakeholders to prepare the upcoming demographic dividend. The government has certainly a big role in this stage, but that does not mean that academicians, the private sector, and the civil society cannot help to prepare. All parties must have the synergy to prepare demographic dividend so the result can be enjoyed maximally.

To discuss this issue, the author tries to focus only on aspects that can be optimized by the authorities of the Government of Indonesia.

Intervention through Education and Healthcare

From many aspects that are important to be improved, the first crucial thing is education. A survey from BPS records that the workforce per August 2013 was at a level of 118.05 million people, in which 110.80 million were working and the rest were still unemployed. From the data, the average formal education level of them was still at Junior High School (SMP).

Through this, it is obvious that many things needed to be improved, considering that formal education has a strong relationship with working productivity to increase output. Therefore, one of the many ways to overcome the problem is by giving access to education to all Indonesian people. To answer this, however, the government has already had many programs for Indonesian children to participate in learning processes.

The central government has been running a nine-year compulsory education program. To support the program, local governments such as DKI Jakarta, have provided education guarantees to its citizens until senior high school (SMA). For higher education, central government has provided Bidik Misi Scholarship for the undergraduate level and Indonesian Education Scholarship (BPI) for the postgraduate level.

Besides formal education, training through vocational training centres is also considered crucial in improving human capital of Indonesia. In this case, the government of Indonesia needs to revitalize vocational training centres (BLK). Good quality of BLKs will soon increase the skills of Indonesians required by industries. In the end, productivity will improve optimally, considering that competitiveness of the society is also increasing.

In addition to the educational sector, it is also important to pay attention to healthcare. In this field, an issue that has then become

important is National Health Insurance (NHI). Basically, besides to be able to protect people from uncertain economic risks, NHI should also be able to redistribute inequal income.

Considering the current situation, a research from LPEM in 2015 showed that NHI had positive impacts on the people of Indonesia. Inpatient and outpatient rates increased from the era before JKN had been implemented. It was the same as the healthcare cost of the people, where the amount was relatively smaller than that of the previous era.

However, even though several things are on track, NHI still has many problems. For instance, the problem in the premium payments of self-enrolled members. Most of the people still do not understand insurance clearly. Then, they do not know NHI automatically. Most of them still do not want to join social security because they do not know about the benefits offered to them clearly. Even though, once they become the member, they premium payment will not only benefit themselves but also others.

Besides the problem in the premium payments, JKN also still has a myriad of problems, such as messy database, undelivered payment notifications, overlapping policies with local governments, and also inequality of healthcare infrastructure.

To that end, it seems that the improvement of NHI will be very crucial to be done. Again, it should not be done only by the government as the regulator. BPJS Kesehatan as the trustee, hospital and other healthcare centres as providers, as well as Indonesians as users also need to improve themselves to advance social security.

The important point is that health plays a significant role in population situation because it is a long-term investment. By ensuring healthcare for Indonesians through NHI, the people of Indonesia are expected to no longer need to worry about the cost of healthcare, so they only need to focus on their working productivity.

The Improvement on the Demand Side

In the labor market, companies will act as consumers. Therefore, besides improving the supply side through good human development programs, it is also important to focus on business climate in order to make supply and demand of labor market meet at the equilibrium point.

The general way is to attract as many investors as possible. President Joko Widodo often promotes national potential in front of investors, promising to simplify permit documents. With a lot of investments in industries, Indonesian labor will be absorbed significantly.

In addition, the government should also review cooperation agreements seriously. Do not let investment in the country damages the goal to expand working opportunities, bearing in mind that the demand for jobs in the period of 2020-2030, in which Indonesia will be enjoying the demographic dividend.

- Muhammad Reza Hermanto -

The increase in the working age people in the national population will definitely have an impact on the country's productivity. However, instead of bringing benefits, demographic dividend will bring many problems if human development programs and business climate investment are not addressed properly.

Polemics over Online Transportation : What is the Role of the Government?

Transportation is one of the main components in life, as transportation is one of the backbones of the distribution of goods, passengers and services. Transportation is also an important aspect to improve productivity.

The reality shows that the increased of social and economic activities, which have been followed by the growth in demand for travels in major cities (such as the Special Capital Region of Jakarta (DKI Jakarta)), have created various transport problems, such as traffic congestion.

Therefore, the demand for the availability of excellent transportation systems, especially public transportation systems, which meet the elements of comfort, safety, and affordability, must be fulfilled immediately. So, there will be alternative transportation systems that the public can choose.

Various efforts to modernize public transportation modes have been carried out in major cities in Indonesia, including in DKI Jakarta. Since 2004, the Jakarta Government has introduced the Transjakarta Bus, the Integrated Busway Border Transport (APTJ) and the Integrated City Bus Busway (BKTB).

Innovation efforts in public transportation have also been done by businesspeople by introducing application-based public transportation (online transportation). The presence of online transportation alternatives, such as Go-Jek, Grab Taxi, and Uber, have been very useful for many people to meet their needs for public transportation that is easily accessible, secure, fast and affordable, especially for android and iOS users.

However for some parties, the presence of online transportation has created losses. Online transportation has also been considered illegal. Similarly, Transjakarta Bus, APTB, and BKTB were also initially rejected by those who felt aggrieved by their existence in the period of 2012 to 2014 (indoprogress.com, 2014).

The Legality of Application-based Transportation

On Monday (14/03/16), thousands of land transportation operatives, such as taxi, metromini, bajaj drivers, rallied near the Presidential Palace, demanding the immediate ban on the application-based transportation (online transportation) (news.detik.com, 14/03/16).

Earlier in December 2015, the Minister of Transportation (Menhub), Ignatius Jonan, published Notice No. UM.3012 / 1/21 / Phb / 2015 on the Banning on Go-Jek and GrabBike, and other online transportation modes. As a result, Go-Jek and Grab Taxi, particularly GrabBike, protested. Eventually, the Circular of the Minister was revoked shortly after it was issued (cnnindonesia.com, 18/12/15).

There are two reasons for the rejection of the existence of online transportation. The first one is that online transportation is considered illegal, because according to legal provisions on transportation, two-wheel motorcycles are not considered as a mode of public transportation. The second one, the existence of online transportation has the potential to kill conventional businesses of transportation that have already existed, such as ojek, taxi, bajaj, public transportation, and others.

The Chair of the Society of Land Transportation Driver (PPAD), Cecep Handoko, said that the threatened land transportation drivers had lost their livelihoods due to competition from online transportation. For example, taxi drivers have been complaining that since the presence of online transportation (Uber and GrabCar), their incomes have dropped.

At this time, the Minister of Transportation (Menhub) has responded to the rejection of online transportation by issuing the AJ 206/1/1 PHB numbered 2016, dated March 14, 2016 addressed to the Minister

of Communications and Information (Menkominfo) to block the transportation booking applications that are used by Uber Asia Limited (Uber Taxi) and PT Jaya Transport Solutions (GrabCar). The letter listed eight reasons why Kemenhub states that GrabCar and Uber do not meet legal provisions.

The eight reasons include: (1) Uber and GrabCar do not use public motor vehicles. (2) They do not have legal entities. (3) They do not have operating licenses for transport. (4) They have foreign investment, but they are not limited liability. (5) They violate Presidential Decree No. 90 of 2000 on the Representative Offices of Foreign Companies (Decree No. 90/2000) and the Decree of the Head of the Investment Coordinating Board (BKPM) No. 22 of 2011 on the Buying and Selling of Goods and Services in Indonesia by companies or individuals that will not participate in any way in the management of certain companies, subsidiaries or branches of companies that exist in Indonesia. (6) They do not cooperate with legal public transport companies but work with businesses and individuals. (7) They create unrest and conflicts with transport entrepreneurs and official taxi drivers. and (8) They are prone to the practices of illegal transport and public transport that are increasingly in demand (www.hukumonline.com, 14/03/16).

The Kemenhub's action or step to contact Menkominfo to close the applications according to the author is a wrong step. Menkominfo's view to close the apps is a reckless move because in reality the applications or services provided proved to be easier and affordable (affordable). MCIT prefers to wait regulations that will regulate online transport services (bisnis.news.viva.co.id, 15/03/16).

There is an impression that Kemenhub does not want to be blamed for its failure to make regulations or policies on public transportation systems that are adequate and give protection. Kemenhub is supposed to introduce immediate alternative policies through legal reforms in public transportation systems, as well as optimizing its enforcement.

It is true that the existence of online transportation, with all of its variants, is illegal. According to Law No. 22/2009 on Traffic and Road Transportation (Law No. 22/2009) and Government Regulation No. 74 Year 2014 on Road Transportation (PP No. 74/2014), public transportation is provided using only cars and buses.

This may mean that public transportation only has two modes: cars and buses. In reality, two-wheeled vehicles, such as motorcycles (both motorcycles and online motorcycles) and also three-wheeled vehicles (for example, bajaj) have been recognized and accepted by the communities as alternative public transportation options, even though the law has not regulated them. The presence of online transportation has created more problems.

Accordingly, two problems have arisen. On one side, the transportation modes considered “illegal” is required by the society. On the other side, the law has not regulated. It must be admitted that the existing law enforcement has been weak. Hence, the task of law is to be responsive to accommodate what is public interest in the legislation.

The author believes that this does not mean that if Ojek, for example, both conventional and online, is required by the society then we can rule out the law. Instead, we have to respond to what the community needs with providing protection and legal guarantees.

The Role of Government

The recent decades show that political-economic changes have reached the point of minimal role of the state and at the same time achieving the maximum point in the role of businesspeople. Public services will inevitably be based on the consumers’ ability to pay and not be based on the respect for the rights of citizens.

Companies are allowed to provide services to the public only if they can make profits and if the companies cannot be held responsible for the fate of citizens who do not get public services (Santosa, 2005). Therefore, the control of specific sectors that are the livelihoods of many people is in the hands of the State.

In relation to public transportation, the roles and responsibilities of the State are important. Article 34 Paragraph (3) of the Constitution regulates that the State is responsible for the provision of health care facilities and public service facilities. The public service facilities include public transportation.

The responsibilities of the State imply that in this case the state is authorized to manage, administer and/or regulate. To overcome the complexity of the problems of public transportation, the Government should create sustainable public transportation systems revitalize all aspects related to public transportation.

Letter b of Law No. 22/2009 on Traffic and Road Transportation states that the development of national and international strategic environments require the implementation of the Traffic and Road Transportation in accordance with the development of science and technology, regional autonomy, as well as accountability of the state.

Therefore, we can see that the legislation also has a spirit to be open to the development of science and technology. It does mean that the presence of online transportation in the future is very possible to be regulated using positive laws or government regulations.

The author suggests that the Government make regulations to regulate the existence of online transportation so that it does not cause a prolonged conflict. These regulations should regulate transportation companies to have legal entities to deal with given rights, obligations, liabilities licensing, taxation (state revenue) and others. Because there are rights and obligations, then they can arrange sanctions on violations.

In relation to those who feel aggrieved, it can be understood that there are risks in the market freedom to do innovation. In the era of globalization and technological development, it is no doubt competition will be intense, so more creative people are required. However, the Government still needs to be present to perform the functions of control and protection for the people, especially in matters relating to the interests of many people.

The presence of online transportation is supposed to be a boost for public transportation companies authorized by the Land Transportation Organization (Organda) to compete, to innovate and to improve service quality.

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- Zihan Syahayani -

It is time for the Government to take the right policy in determining the transportation governance. With the rapid development of technology, there are expectations that the government will be able to address various issues.

Investment for the Development of Women in Indonesia

March 8 is celebrated as the International Women's Day (IWD). The theme for the 2016 IWD celebration was Women against Inequality.

This theme was based on the fact that inequality in various forms, such as income inequality and the inequality in the access to basic needs, is widening.

The World Bank at the end of last 2015 stated that only 1 percent of households in Indonesia (or about 2.5 million people) controlled 50.3 percent of the wealth of Indonesia. This disparity was the highest in Southeast Asia, and it is expected to intensify.

We need to give some appreciation to the government, as they didn't remain silent and had done a number of things to reduce the inequality; for example, increasing the quota of the State Budget (APBN).

However, the Supreme Audit Agency (BPK) found that even if the budget had risen from Rp 374 trillion in 2004 to 2.039 billion in 2015 (meaning that there was an increase of over 500 percent), this had not made the society more prosperous and had not reduced inequality. On the contrary, the gap is in fact increasing. There are a lot of people who are prone to become poor if there is a slight economic shock,

Women and Inequality

Furthermore, in the widening inequality, women are in the bottom as the most vulnerable. The face of poverty in Indonesia is the face

of Indonesian women. Here are some examples of how inequality is mostly felt by women.

First, almost all policy-making processes and policy formulation processes both at the village and national levels are still gender biased and are not in favor of women. This is partly evidenced by the level of presence of women in Musrenbang (development planning deliberation session), which is at the level of no more than 30 percent. The biggest beneficiaries are also not the women (Prastowo et al, 2014).

Second, the Central Bureau of Statistics (BPS) stated that the number of illiterate women is higher than that of men. The census revealed that 59.5 percent of women are illiterate. Meanwhile, according to the government data (as stated by the Central Statistics Agency (BPS), about 67.9 percent of the total number of illiterates are women, as compared to a level of 32.1 percent for men.

Third, the World Bank said that the current level of participation by women in the work force today in Indonesia was at a level of only around 50 percent. In Vietnam, it was at a level of 73 percent, and in South Korea, it was at a level of 71 per cent.

In addition to the above three examples, there are many other public sectors that show that women feel the greatest impact of inequality in Indonesia.

The Importance of Focus on Women's Development in Indonesia

To address inequality, all parties are aware that there is a need to be focused and to have an emphasis to intervene groups or regions that are in desperate need. Considering the facts above, the author argues that policies need to focus on the development of women.

Therefore, the improvement of women's access to various basic services, such as health and education, and their access to basic infrastructure, such as water, sanitation and electricity, need to be prioritized. Facts show that women are still away from the easy access to various basic services. In reality, they are the group that is

desperately needs all the basic services and infrastructure as mentioned above. Both components are interconnected and support one another.

Therefore, to invest in the development of women is not just the state's fulfillment of obligations towards its citizens, but it is a necessity to be able to realize the ideals of the welfare state society.

As expressed by Stewart Angus Deaton, the 2015 Nobel laureate for economics, the welfare of the poor could be improved if the government understood their needs. A government with a good political system, not distorted politics, will be able to provide welfare for the people.

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- Lola Amelia -

To invest in the development of women is not just the state's fulfillment of obligations towards its citizens, but it is a necessity to be able to realize the ideals of the welfare state society.

Paris Agreement : Another Commitment to Question

On Saturday, December 12th 2015, 196 countries agreed on the L'accord de Paris or Paris Agreement. The Paris Agreement is an agreement which is formed under the United Nations Framework Convention on Climate Change (UNFCCC), an international convention committed to minimise greenhouse gas (GHG) emissions and global warming. Countries in agreement must commit to limiting the increase of global temperature to 2°C above pre-industrial levels. The Paris Agreement, which was agreed on the UNFCCC Conference of Parties (COP) 21, is scheduled for signing on April 22nd. This agreement will be effective after the ratification of 55 member states which represent 55% of global GHG emission. Entry into force is expected before COP 22 which will be held on November 2016 in Marrakesh, Morocco.

Although the Paris Agreement is not the first agreement with an agenda to counter GHG emission, there is no distinct difference between the commitments of developed and developing countries. The Kyoto Protocol, agreed on 1997, only applied GHG emission limits on developed countries (Annex I), whereas developing countries (Non-Annex I) were not subjected to the same standards. This was considered ineffective as developing countries also contributed greatly to global GHG emissions. According to the World Resources Institute (2014), five Non-Annex I countries were within the top ten highest global GHG emitters where Indonesia was one of them. On the contrary, the Paris Agreement applied similar responsibilities to all member states. Although developed countries are expected to lead the emerging low-carbon economy, developing countries are advised to demonstrate positive change in the future. The Paris Agreement introduced the term Intended Nationally Determined Contributions (INDC) where each member state's contribution is formulated based on the state's condition and capability.

Integrating the Paris Agreement to the National Agenda

Siti Nurbaya, the Minister of Environment and Forestry, had publicly explained the implementation of the Paris Agreement in the national agenda in the Festival Iklim event held on February 1st 2016. Apart from preparing for signing the agreement and submitting the INDC, some of the on-going programs she described to be in line with the Paris Agreement commitments include Program Kampung Iklim (Proklam); Reducing Emissions from Deforestation and Forest Degradation (REDD+); Measurement Reporting, Verification (MRV); public consultation with stakeholders; and other adaptation and mitigation efforts.

Some of the programs that had been on-going garnered positive response, such as Proklam. Proklam is a program that is designed to have a bottom-up approach. This program encourages active public involvement by giving awards to individuals who contribute to combating climate change. Some of these individuals' actions include the discovery and utility of alternative energy source, waste management, sustainable agriculture, and fire management. In 2012, 71 villages/districts in 15 provinces were recorded to be part of Proklam. This number increased to 180 villages/districts in 2013.

However, other programs are also reported to undergo difficulties, such as the REDD+. REDD+ was rumoured to be postponed due to the integration of the Ministry of Environment and Ministry of Forestry. Nonetheless, Siti Nurbaya insisted the project will go on as planned. REDD+ is a program formed in COP 13 as an effort to minimise GHG emissions from land clearing. Currently, REDD+ in Indonesia has completed the first phase which aims to reform the legal framework. Unfortunately, Astuti and Andrew (2015) reported that the second phase, which focuses on local implementation of the reformed policy, is difficult to be applied on the field.

Is A Commitment Possible?

It is safe to say that Indonesia will undergo difficulties in complying the Paris Agreement. Like other environmental treaties, the Paris Agreement lacks control of its member states. The Paris Agreement claims to be legally binding, yet no penalties are subjected to the member

states should commitments are not met. Some argued the Paris Agreement's content is ambiguous and open to interpretation which can cause commitments to waver (The Conversation, 13/12/2015).

Although bound to an international agreement, the environmental commitment of member states' is relatively low (Weiss 2014). The same study found that international agreements on the environment are often agreed voluntarily compared to being bound legally. This fact reflects the weak legal binding these agreements pose to their member states. Although Weiss does not denounce the importance of voluntary participation, this does not guarantee that all member states share the same vision. The understanding of each member state towards a convention are often different. Therefore, their responsibilities become difficult to monitor due to differentiating parameters and/or standards. For example, two member states may use different carbon quantification methods which can result in inconsistent results. In addition, environmental conventions are often regarded as 'soft law' which make their targets less compelling for member states to comply. This occurred to the Kyoto Protocol which underwent several amendments due to failed target achievement. Michelson (2013) argued that UNFCCC member states felt there was a lack of urgency to fulfil environmental commitments.

It has become a popular belief that the Indonesian law is still weak in enforcing environmental crime. Forest fire and flood are only a handful from the large number of disasters occurring from weak law enforcement. Resosudarmo (2012) argued that this is affected from several factors, such as the political environment and institutional strength.

Based on studies by Barr et al. (2006) and Resosudarmo (2012), apart from Indonesia's ambiguous legal framework, decentralisation plays a crucial part in weakening law enforcement. After the introduction of Law No. 22/1999 on Regional Autonomy, there was a shift of power from the central government to regional governments. This decreased the central government's control over activities conducted in the regional level. This situation provides opportunity for violations to occur in the provincial level. Additionally, the central government's decision to cut subsidies to regional governments caused them to

depend heavily on investors. In result, programs administered by the central government are often neglected in the regional level.

Another important note is the limited proportion for environmental conservation in the national budget. Although the Ministry of Environment and Forestry (MoEF) has prepared a plethora of programs, there is only so little budget provided to achieve their ambitious goal. One of the basic example for this is the lack of budget provided for park management. Kerinci Seblat National Park, listed as one of UNESCO's World Heritage sites, has been encroached by the local people due to poor law enforcement (van Merm et al. 2013). This report addressed limited resources as the main culprit. Ziadat (2010) mentioned these are typical of third world countries where environmental awareness is poor.

Policy Recommendations

There should be massive improvement of the public awareness towards the environment. Third world countries typically have low environmental awareness (Ziadat 2010). Although the research addressed that environmental awareness is correlated with education, this does not necessarily mean that education is the key. Environmental awareness can be improved by proper information dissemination through mass media, campaigns, and advocacy by public figures (Sola 2014). Implementing environmental education into primary education is also believed to be an effective method.

A bottom-up approach should also be enforced to increase environmental awareness in the community level. Although the MoEF has launched similar efforts, these approaches should be conducted further. The advantage of regional autonomy should be maximised by engaging community participation. Of course, this approach will not be complete without strengthening regional institutions that handle environmental issues in the regional level.

The proportion of environmental programs in the national budget should also be increased. This does not only include programs by the MoEF but also related research. It can be said that Indonesia may not require more budget on research as many international institutions have conducted research in the country. These research findings can

be used as policy inputs. Yet, as mentioned previously, there is low urgency where low awareness is due.

- Lalita Fitrianti Pawarisi -

Alumnus of The University of Queensland
Environmental Consultant in a Privat Institution

It is safe to say that Indonesia will undergo difficulties in complying the Paris Agreement. Like other environmental treaties, the Paris Agreement lacks control of its member states. The Paris Agreement claims to be legally binding, yet no penalties are subjected to the member states should commitments are not met.

 THE INDONESIAN INSTITUTE
CENTER FOR PUBLIC POLICY RESEARCH

The Indonesian Institute (TII) is a Center for Public Policy Research that was established on 21 October 2004 by a group of young, dynamic activists and intellectuals. **TII** is an independent, non-partisan, non-profit institution, whose main funding stems from grants and contributions from foundations, companies, and individuals.

TII has the aim of becoming a main research centre in Indonesia for public policy matters and has committed to giving contribution to the debates over public policies and to improving the quality of the planning and results of public policy in the new era of democracy in Indonesia.

TII's missions are to conduct reliable research that is independent and non-partisan and to channel the research to the policy-makers, the private sector, and academia in order to improve the quality of Indonesian policy-makers.

TII also assumes the role of disseminating ideas to the society so that they are well informed about the policies that will have a good impact on the people's lives. In other words, **TII** has a position to support the democratization process and the public policy reform, as it will be involved in the process.

The scope of the research and review on public policies undertaken by **TII** includes economic, social, and political factors. The main activities have been conducted in order to achieve vision and mission based on research, surveys, training, public discussions, working group, weekly editorial articles ("Wacana TII"), monthly analysis ("Update Indonesia" and "The Indonesian Update"), annual analysis ("Indonesian Report"), and monthly discussion forum ("The Indonesian Forum").

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RESEARCH ON ECONOMIC AFFAIRS

The economy tends to be used as an indicator of the success of the government as a policy-maker. Limited resources have often caused the government to face obstacles in implementing economic policies that will optimally benefit the people. The increase in the quality of the people's critical thinking has forced the government to conduct comprehensive studies in every decision-making process. In fact, the studies will not be stopped when the policy is already in place. Studies will be continued until the policy evaluation process.

The TII Economic Research Division is present for those who are interested in the conditions of the economy. The results of the research are intended to assist policy-makers, regulators, and donor agencies in making decisions. The research that TII offers: **(1) Economic Policy Analysis; (2) Regional and Sectoral Prospects; and (3) Program Evaluation.**

RESEARCH ON LEGAL AFFAIRS

According to stipulations in Law No. 12 Year 2011 on the Formulation of Laws and Regulations, every bill which will be discussed by the legislative and the executive must be complemented with academic paper. Therefore, comprehensive research is very important and needed in making a qualified academic paper. With qualified academic papers, the bills will have strong academic foundation.

TII can offer and undertake normative and legal research related to harmonization and synchronization of laws and regulations, especially in making academic papers and bills. In addition, the research will be conducted with sociological, anthropological, and political approaches in order to produce a more comprehensive academic papers and bills. It is expected that with such a process, the laws and regulations will be produced through such a participatory process, which involves the making of academic papers and bills to also go through process, such as focus group discussion (FGD) which will involve stakeholders related to the laws and regulations that will be discussed.

RESEARCH ON THE SOCIAL AFFAIRS

Social Research

Social development needs policy foundations that come from independent and accurate research. Social analysis is a need for the government, the businesspeople, academia, professionals, NGOs, and civil society to improve social development. The Social Research Division is present to offer recommendations to produce efficient and effective policies, steps, and programs on education, health, population, environment, women and children.

Social research that TII offers: **(1) Social Policy Analysis; (2) Explorative Research; (3) Mapping & Positioning Research; (4) Need Assessment Research; (5) Program Evaluation Research; and (5) Indicator Survey.**

POLITICAL SURVEY AND TRAINING

Direct General Election Survey

One of the activities that TII offers is the pre-direct election surveys. There are sundry reasons why these surveys are important (1) Regional direct elections are democratic processes that can be measured, calculated, and predicted. (2) Surveys are used to measure, calculate, and predict the processes and results of elections and the chances of candidates. (3) It is time to win the elections using strategies based on empirical data.

As one of the important aspects in the strategies to win the elections, surveys can be used to prepare political mapping. Therefore, campaign teams need to conduct surveys: (1) to map the popularity of candidates in the society (2) to map the voters' demands (3) to determine the most effective political machinery that will act as a vote getter; and (4) to find out about the most effective media to do the campaign.

THE INDONESIAN FORUM

The Indonesian Forum is a monthly discussion activity on actual issues in the political, economic, social, legal, cultural, defense, and environmental fields. TII organizes these forums as media for competent resource persons, stakeholders, policymakers, civil society activists, academicians, and the media to meet and have discussion.

Themes that have been raised were the ones that have caught public attention, such as migrant workers, social conflicts, domestic politics, and local direct elections. The main consideration in picking a theme is sociological and political reality and the context of the relevant public policy at the time that the Indonesian Forum is delivered.

It is expected that the public can get the big picture of a particular event as the Indonesian Forum also presents relevant resource persons.

Since its inception, the Indonesian Institute is very aware of the passion of the public to get discussions that are not only rich in substance but also well formatted, which support balanced ideas exchanges ideas and the equal involvement of the different elements of the society.

The discussions, which are designed to only invite a limited number of participants, do not only feature idea exchanges but also regularly offer policy briefs (policy recommendations) to relevant policymakers and also summaries to the participants, especially the media people and the resource persons at the end of each discussion. Therefore, the discussions will not end without solutions.

LOCAL COUNCIL TRAINING

The roles and functions of local councils in monitoring local governments are very important. They need to ensure that participative and democratic policies will be espoused. Members of provincial and regent local councils are required to have strong capacity to understand democratization matters, regional autonomy, legislative techniques, budgeting, local Politics, and political marketing. Thus, it is important to empower members of local councils.

In order for local councils to be able to response every problem that will come out as a result of any policy implemented by the central government or local governments, the Indonesian Institute invites the leaderships and members of local councils to undergo training to improve their capacity.

WORKING GROUP

The Indonesian Institute believes that a good public policy process can be held with some engagement and empowerment of the stakeholders. The Indonesian Institute takes a role as one of mediator agencies to facilitate some forums in which the Government, Council Members, Private Sectors, NGOs and Academicians can meet in interactive forums. The Indonesian Institute provides facilitation on working groups and public advocacy.

The Indonesian Institute takes the role of mediator and facilitator in order to encourage the synergy of public policy work between the stakeholders and policy makers and also to have a synergy with funding agencies (donors).

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