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General Overview

PNPM Mandiri Disadvantaged Areas (SPADA) is Government's flagship poverty alleviation program under the Ministry of Disadvantaged areas. It is one of several community-driven development programs that are part of the GoI's National Program for Community Empowerment (PNPM). The objectives of the program are to strengthen governance, promote growth and improve service delivery in the participating provinces. The program builds on other successful community development project, the Sub-District Development Program (KDP), to align bottom-up planning procedures with the newly empowered district governments of Indonesia, and includes both district block grants and community block grant components to support project objectives. Currently SPADA is working in 186 sub districts of 51 districts in ten provinces.

The Ministry for Development of Disadvantaged Areas is the implementing partner of the program ☀

Dr. Suprayoga Hadi
Director for Development of Disadvantaged and Special Area, BAPPENAS

One of the main agendas of Government of Indonesia as elaborated in the National Medium-Term Development Plan 2004-2009 is to "increase people's welfare" by way of lessening the gaps amongst disadvantaged areas through development acceleration programs to catch up with other regions.



The Support for Poor and Disadvantaged Areas Project (P2DTK) is one among other programs to reduce the development gaps amongst the poor regions that have limited infrastructure to support economic development and basic social services. Through SPADA's participatory

planning, it is expected that local government is able to facilitate development planning process that involves all stakeholders in order for them to optimize the management of local resources.

I hope that this newsletter will complement to other media, such as PMU-P2DTK website, that provides useful information in socializing SPADA to general public which shows the accomplishment of the program and serves information sharing in program management with other SPADA regions.

Good Luck!

Update

As the new year began, SPADA or in GOI's term PNPM for Disadvantaged Areas, is ready to kick in with the implementation of its third funding cycle. However, the first quarter of 2009 will be filled with the completion of budget allocation that was not finished in 2007 and 2008.

PNPM Disadvantaged Areas

An evaluation on the implementation of PNPM Disadvantaged Areas in 2008 and readiness for 2009 workshop was held from November 24 to 28, 2008. The workshop was opened by Vice President Jusuf Kalla. The workshop looked into the 2009 program target, work plan, and at the same time, sought support from participating local governments on the implementation of PNPM Disadvantaged Areas. There were approximately 186 participants that included PIU/KPDT, PIU/BRR, PMU/Bappenas, NMC, work units at

district and sub-district levels, coordination team from 51 districts, and the World Bank. The evaluation was performed in 51 districts in 10 provinces. The focus of the evaluation covered three areas: quality of project implementation, budgeting and administration, and local government support. The result shows both progress that can be benchmarked against and challenges that need to be addressed.

LGSP

On a similar note, the Local Governance Support Program (LGSP), a USAID program funded by MDF in ten districts in Aceh, conducted a workshop on the SPADA – LGSP partnership progress achievement in Aceh. The partnership is aimed at improving local government capacity in development planning. The workshop also tried to look at the 2009 work plan and agreed how to best achieve it in order for the program to sustain.



Workshop Evaluasi 2008 dan Persiapan 2009 Program P2DTK, Jakarta, 24-28 November 2009

From left Coordinating Minister for People's Welfare Aburizal Bakrie and State Minister for Development of Disadvantaged Regions Muhammad Lukman Edy joined VP Jusuf Kalla in officiating PNPMDA Workshop at VP Palace

LGSP noted that the partnership has delivered very good output. Up to date, all ten districts participated in the capacity building program. Nearly 8,600 people from local government, local parliaments, and CSOs received training in planning and budgeting, public financial management, legislative strengthening, and capacity building. North Aceh and Bireuen are noted

to have adopted SPADA method in regular planning process through establishment of technical review teams. In his presentation in the workshop, Mr. Suprayoga Hadi of Bappenas acknowledged that the program has shown positive impact, namely in the ability of local government officials in producing an action plan for their districts, but at the same time has challenges, particularly in sustainability after program ends.

Education

Completion of training of trainers for school committees in all 32 districts of SPADA National was reported in a workshop led by Yayasan Bina Mitra, the implementing agency. Two training sessions were conducted with total of 192 participants. The objective of this activity is to empower school committee in their role to support improving education quality in accordance with the Minister of Education's Decree No.044/2002.

Private Sector Development (PSD)

Economic Governance in Aceh (EGA): SPADA continues making progress on PSD. The EGA program, co-funded by MDF and DFID and implemented by The Asia Foundation (TAF), collaborates with SPADA Private Sector Development (PSD) component in facilitating policy reforms and business development in five participating districts in Aceh. Following the signing of a Memorandum of Understanding (MoU) between each district and its TAF partners

Events Calendar

Recent and Upcoming Activities		
January 2009	February 2009	March 2009
<ul style="list-style-type: none"> • LGSP Workshop to prepare SPADA Integration with Regular Planning Process (Jakarta) • Baseline Survey of Mediation and Community Legal Empowerment (MCLE) Component (Jakarta) • District and Sub District Socialization of third funding cycle in all SPADA provinces • Orientation for Implementing Agency for Private Sector Development in Western Indonesia and Implementing Agency for MCLE Cluster • Private Sector Development Problems and Need Assessment in multiple provinces in Eastern Indonesia • Training Activities for SPADA District and Sub District actors in all SPADA provinces 	<ul style="list-style-type: none"> • Dissemination of Aceh Economic Governance and Regulatory Environment Index result in multiple districts in Aceh • Private Sector Development Problems and Need Assessment (continued) in multiple provinces in Eastern Indonesia • Report on MCLE Baseline Survey in Jakarta • Training Activities for SPADA District and Sub District actors in all SPADA provinces 	<ul style="list-style-type: none"> • Dissemination of Aceh Economic Governance and Regulatory Environment Index result in multiple districts in Aceh (continued) • Workshop on Baseline Survey Results for Streamlined Business Licensing and Registration in multiple districts in Aceh • Sub District Planning for third funding cycle in all SPADA provinces • Training Activities for SPADA District and Sub District Actor in all SPADA provinces

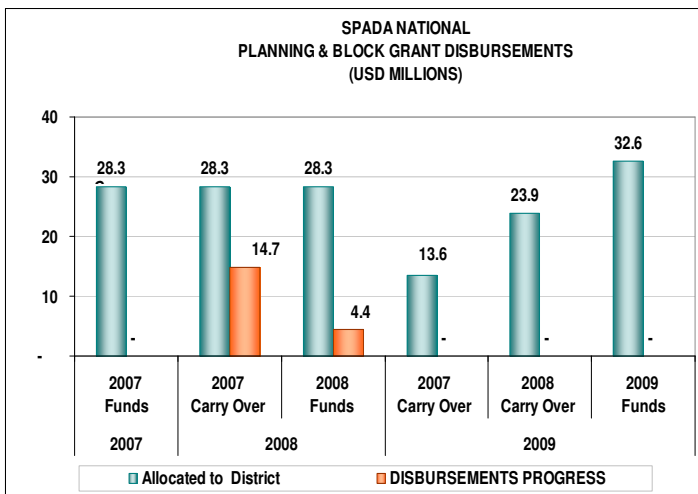
on July 11, 2008 in Jakarta, two districts: Bireuen and Aceh Besar, have issued new local regulations (*Perda*) on the establishment of One Stop Shop (OSS) centers in December 2008. The two district heads expressed their gratitude on the program because it had been in their planning but not yet realized. Under the *Perda*, the centers will have full authority to process and issue major business licenses, which were previously issued by various technical offices. A technical team was then established in each district to prepare standard operating procedures (SOP), staffing and training plans, and minimum service standards, as well as physical infrastructure and equipment for the centers. It expected that both OSS centers can be fully operational by mid 2009.

In the other three participating districts – Aceh Tenggara, Aceh Barat Daya, and Bener Meriah – the technical teams have held multi-stakeholder workshops on the preparation for the establishment of the OSS centers.

KPDT's implementing Agency for PSD in Eastern Indonesia (North Maluku, Maluku, East Nusa Tenggara, and Central Sulawesi) held workshops to introduce SPADA's private sector development program. Local stakeholders from national, provincial, and districts government and technical offices participated in the workshops.

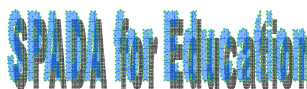
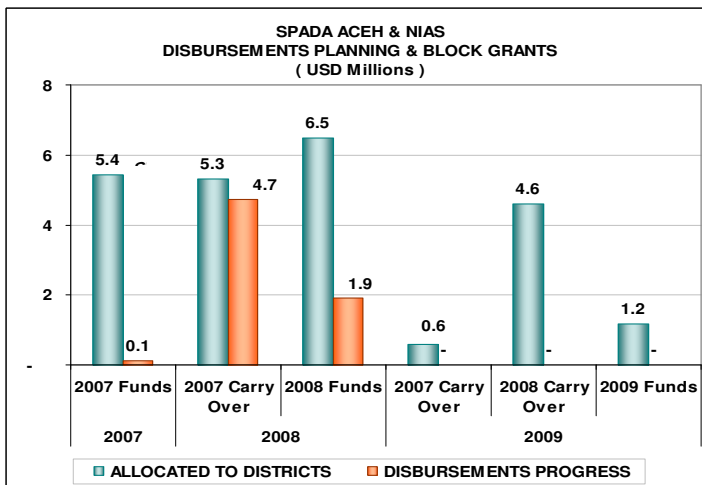
Disbursement Status: National

Through December 2008, the planning grant disbursement totaled USD7.06 million, while the block grant disbursement totaled USD12.11 million. Furthermore, disbursements of SPADA planning and block grants at district and sub-district levels totaled 36% of 2007 - 2009 allocations of \$53.3 million. The target for 2009 disbursement (estimated on the chart below) will be more challenging when 2007-2008 are added to the 2009 allocation.

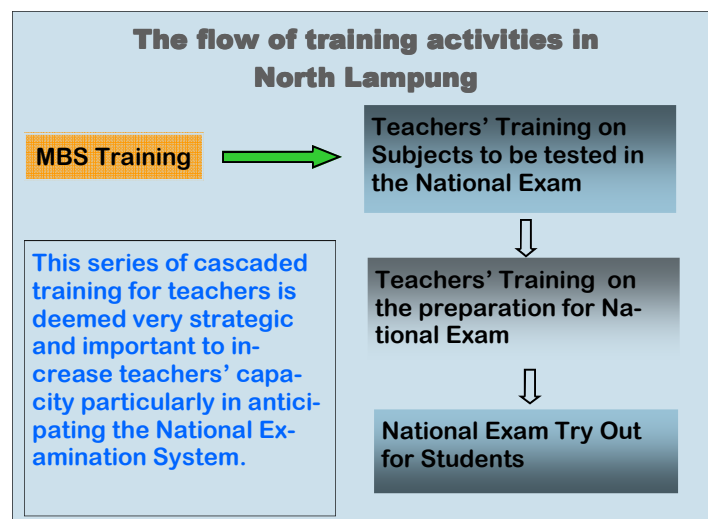


Disbursement Status: Aceh - Nias

For Aceh - Nias, planning grant disbursements through December 2008 totaled USD.31 million and block grant disbursements were IDR USD6.61 million. Approximately, USD5.2 million balance of 2007 - 2008 block and planning grants (44% of the 2-year allocation) will be reallocated in 2009 as seen in the chart below.



One of the activities funded by SPADA is education, along with health and infrastructure. The objective is to increase education access, quality of teaching and learning, and to strengthen the education management in disadvantaged areas so it will be relatively on a par with other areas in the country. A series of activities have been conducted to meet these objectives. To increase access to basic education SPADA block grants have: subsidized children's school fees; renovated schools; built new classrooms, libraries and playgrounds; provided books, sports equipment, art supplies, and temporary teachers; and trained school



principals, teachers and local education stakeholders.

The decision process for which activities to fund includes participation of school committees, education councils, local education technical offices, and other local activists and NGOs concerned with education issues. The beneficiaries of this activities are targeted specific-

ally at children of school age, education stakeholders and its institutions, and schools with facilities below minimum standards.

North Lampung is one example that has good education activities that other areas can learn from. As shown in the chart below, the training activities were designed to respond to the long-standing problems of national exam system faced by students throughout

the country.

In turns, the trainings benefited, not only the schools and its teachers, and the students but also community at large.

interview corner

**We asked school committee members:
How has PNPM SPADA helped improve education access in your area?**



Samadi
School Committee
Junior High School
of Abung Semuli,
Lampung

“Amongst other development assistance that PNPM has provided to our village is education component. It has been significantly helpful for our community, especially for the children of low income families who are now able to go to school without worrying about the fees. Further, the project also has helped renovate our school. I can only hope that this program will continue with more funds so that there will be many more projects that can benefit from this.”



Sukirman
School Committee
of SD No.2 Semuli
Jaya, Lampung

”I think that many people feel they have benefited from this project. This project has helped children of school age to have free education and temporary teachers to become fixed term teachers. The project also helped complete the school’s educational facilities for better learning environment. I hope this project is extended to other remote areas.”



Minawati
School Principal
SDN 01 Aji
Kagungan,
Lampung

“As a school principal, I do think that the PNPM SPADA program is really good in facilitating the school-based management (MBS) training. Through MBS, the school has the freedom to manage our school without waiting for decisions from national office, so we can improve the quality of education. We can now boast that our schools are better than before. I hope that this program will be replicated to other areas.”

Acronyms

Bappenas:	National Development Planning Board
BRR:	Rehabilitation and Reconstruction Agency
DA:	Disadvantaged Areas
DIPA:	Issuance of Spending Authority
EGA:	Economic Governance in Aceh
EGI:	Economic Governance Index
GOI:	Government of Indonesia
KPDT:	Ministry for Development of Disadvantaged Areas
KDP:	Sub-district Development Program
LGSP:	Local Governance Support Program
MBS:	School-based Management
MCLE:	Mediation and Community Legal Empowerment
NMC:	National Management Consultant
OSS:	One Stop Service
P2DTK:	Program to Accelerate Development in Disadvantaged and Special Areas
PNPM:	National Program for Community Empowerment
PIU:	Project Implementation Unit
PMU:	Project Management Unit
PSD:	Private Sector Development

Other Related News

Indonesia’s Minister for Development of Disadvantaged Areas visited the World Bank Headquarters in Washington, DC, in November 2008.

DIPA 2009 for 32 districts have been approved by the Regional Office

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