

# Administrative Reform In Indonesia: Reform and Challenges

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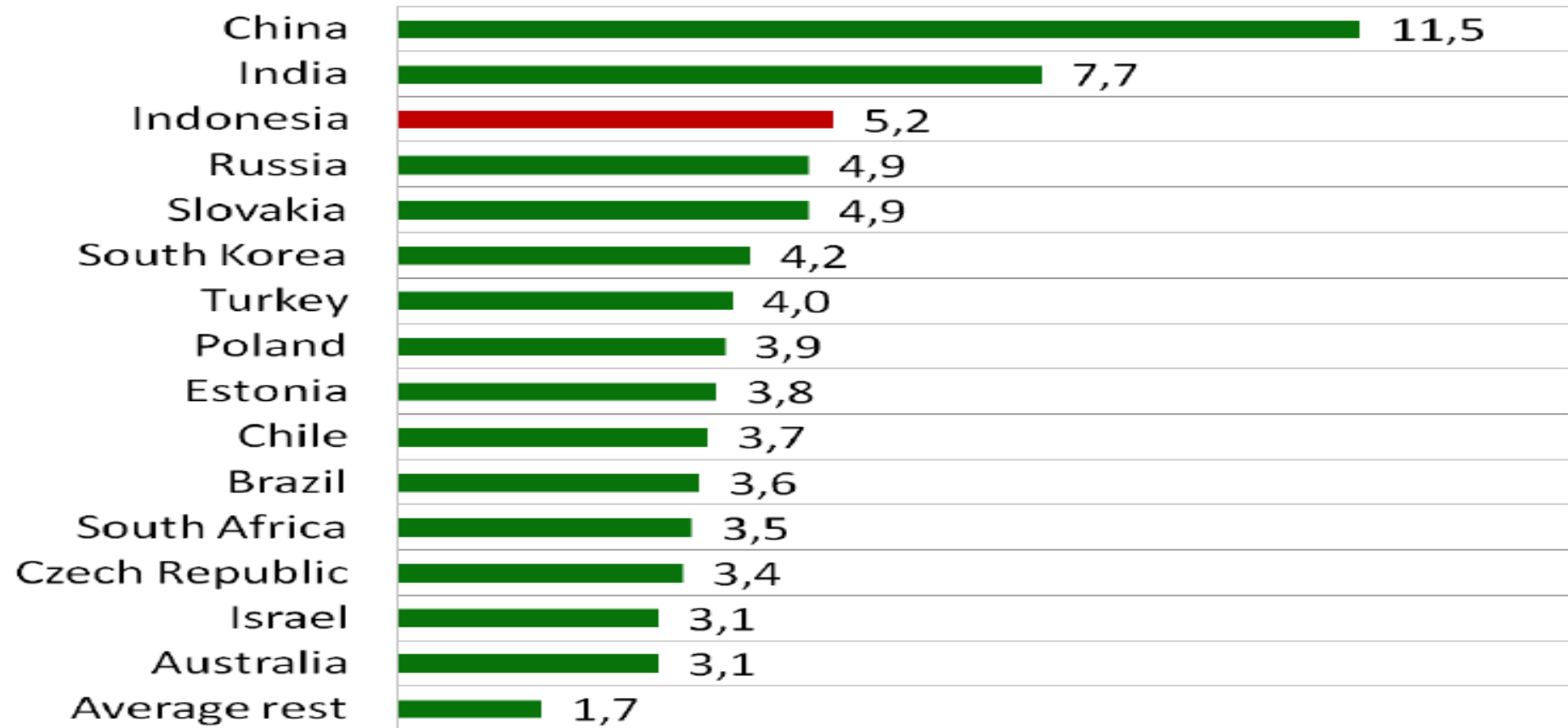
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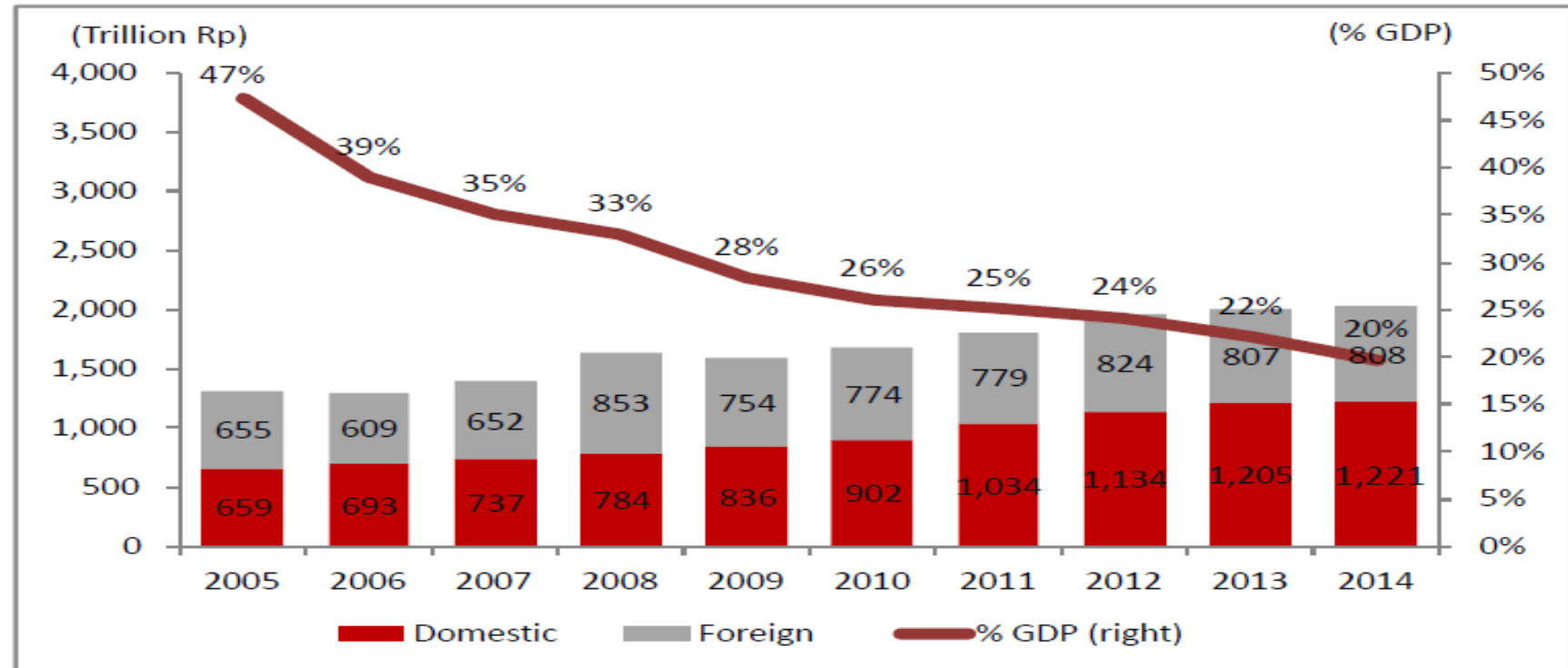
## Positive Impact of Reforms

1. GDP/Capita:            1996:        US \$ 1.100,-  
                                 2013:        US \$ 3.449,9
2. Became a member of G 20 Countries
3. The Largest Democracy in Muslim Countries
4. Third Largest Democracy in Market Economy Countries
5. 16 th Largest Economy

## Real GDP Growth (2000 – 2010)



# Debt Profile



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
GDP	2,774	3,339	3,957	4,954	5,613	6,423	7,227	8,120	9,123	10,278
Total Debt	1,313	1,302	1,389	1,637	1,590	1,677	1,813	1,958	2,012	2,029

Source: Kartasmita 2014

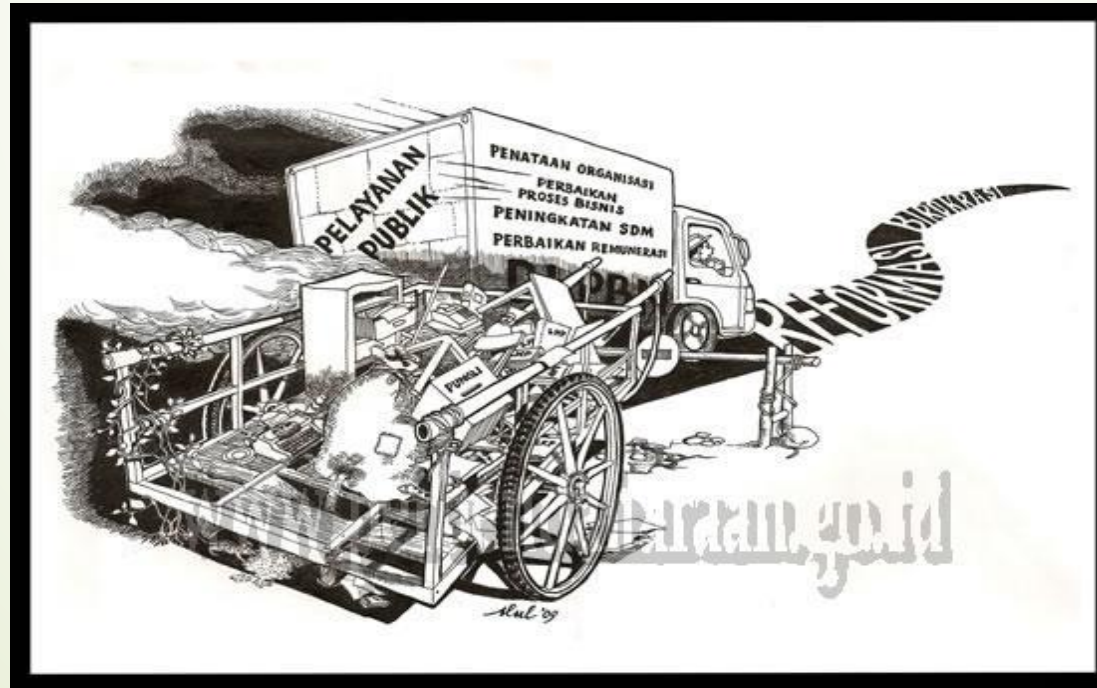
# The Problems

In spite of successful economic recovery, Indonesia still have problems in:

1. Poverty and Unemployment
2. Infrastructures
3. Bureaucracy
4. Corruption

# Bureaucratic Reform in Indonesia

The Bureaucratic Reform is the transformation of all aspects of the management of the Government toward a world-class Government in 2025



# The Area of Changes

	Change Area	Expected Results
1	Organization	Right sizing
2	Systems and Procedures	Systems, processes and work procedures that are clear, effective, efficient, scalable and in accordance with the principles of good governance
3	Laws and Regulations	More orderly , not overlap and conducive laws and regulations
4	Human Resources	Bureaucracy with high integrity, neutral, competent, capable, professional, high-performing and prosperous
5	Supervision	Implementation of good governance and free of Collusion, Corruption and Nepotism
6	Accountability	Increasing the capacity and accountability of the performance of the bureaucracy
7	Public Services Delivery	Excellent service according to the needs and expectations of the community
8	Public Servant Mindset and Cultures	Bureaucracy with high integrity and high performance

# Progress

Year	Agencies Implementing BR *)
2008	3
2009	5
2010	14
2011	16
2012	36
2013	63
2014	74
2015	75

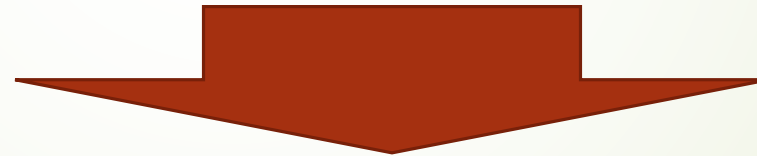
Note: \*) accumulative



# Strengthening Service Delivery

Governance is about strengthening service delivery performance and responsiveness.

Better service delivery makes governance tangible and desirable, for government and the citizen.

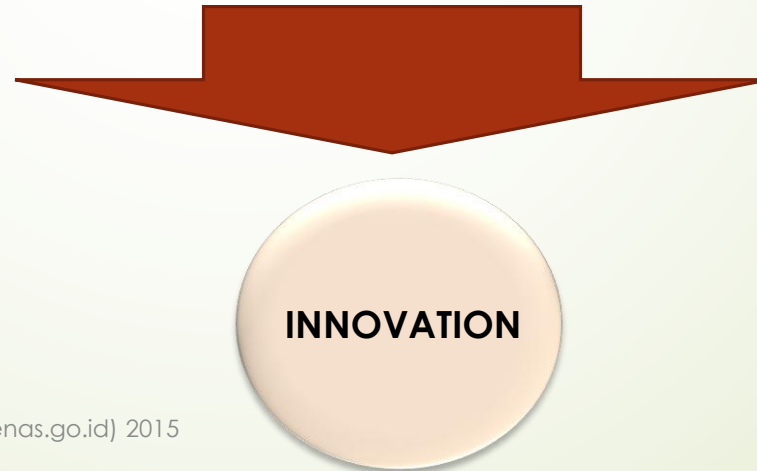


**INNOVATION**

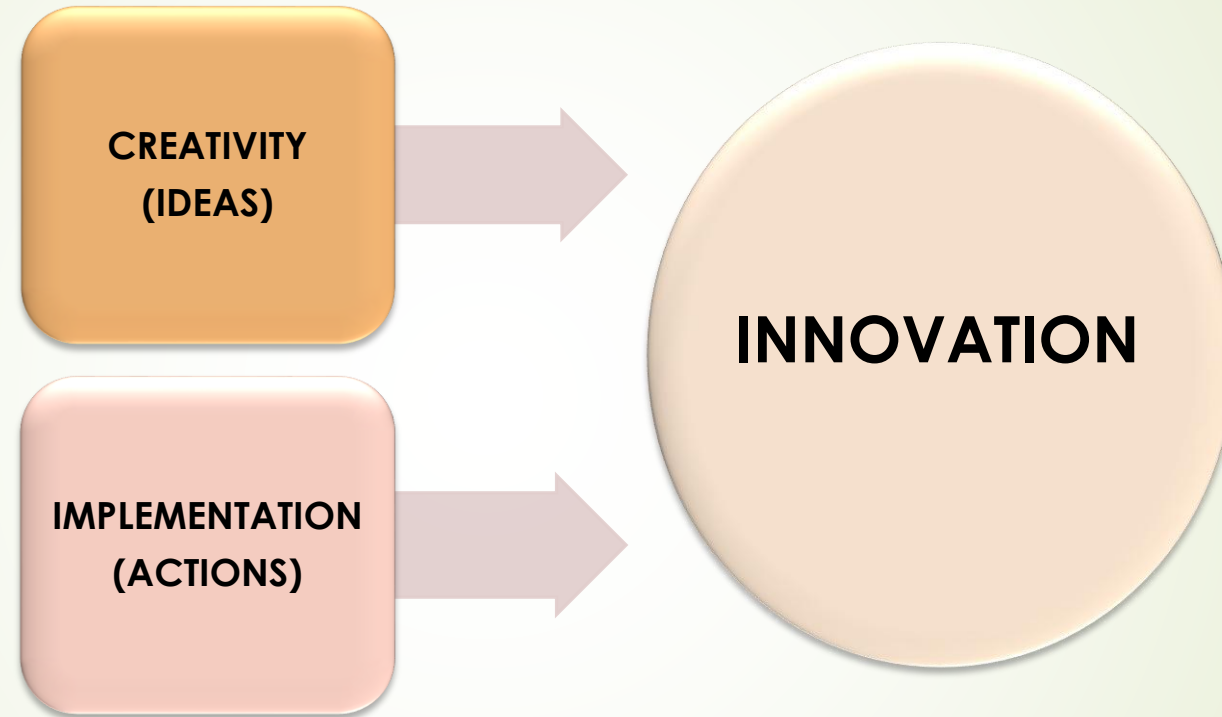
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# What is Innovation?

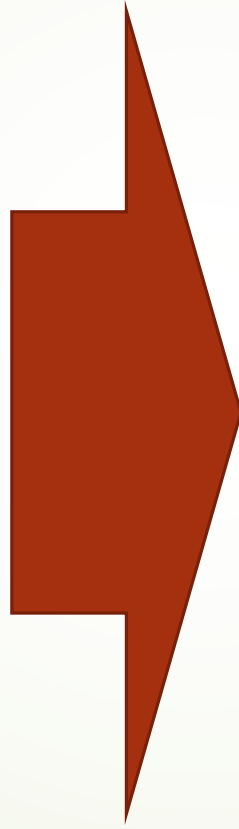


**“creativity is getting a great idea, innovation is creativity implemented.”**

# The Targets of Innovation



**Innovation**



**Responsible**



**Responsiveness**



**Accountable**



# The Instruments

## **1. Minimum Service Standards**

Based on Government Regulation No. 65/2005 on Guidelines for the Preparation and Application of Minimum Service Standards

## **2. Public Service Standards**

Based on Law No. 25/2009 on Public Service Delivery

## **3. Public Service Innovation**

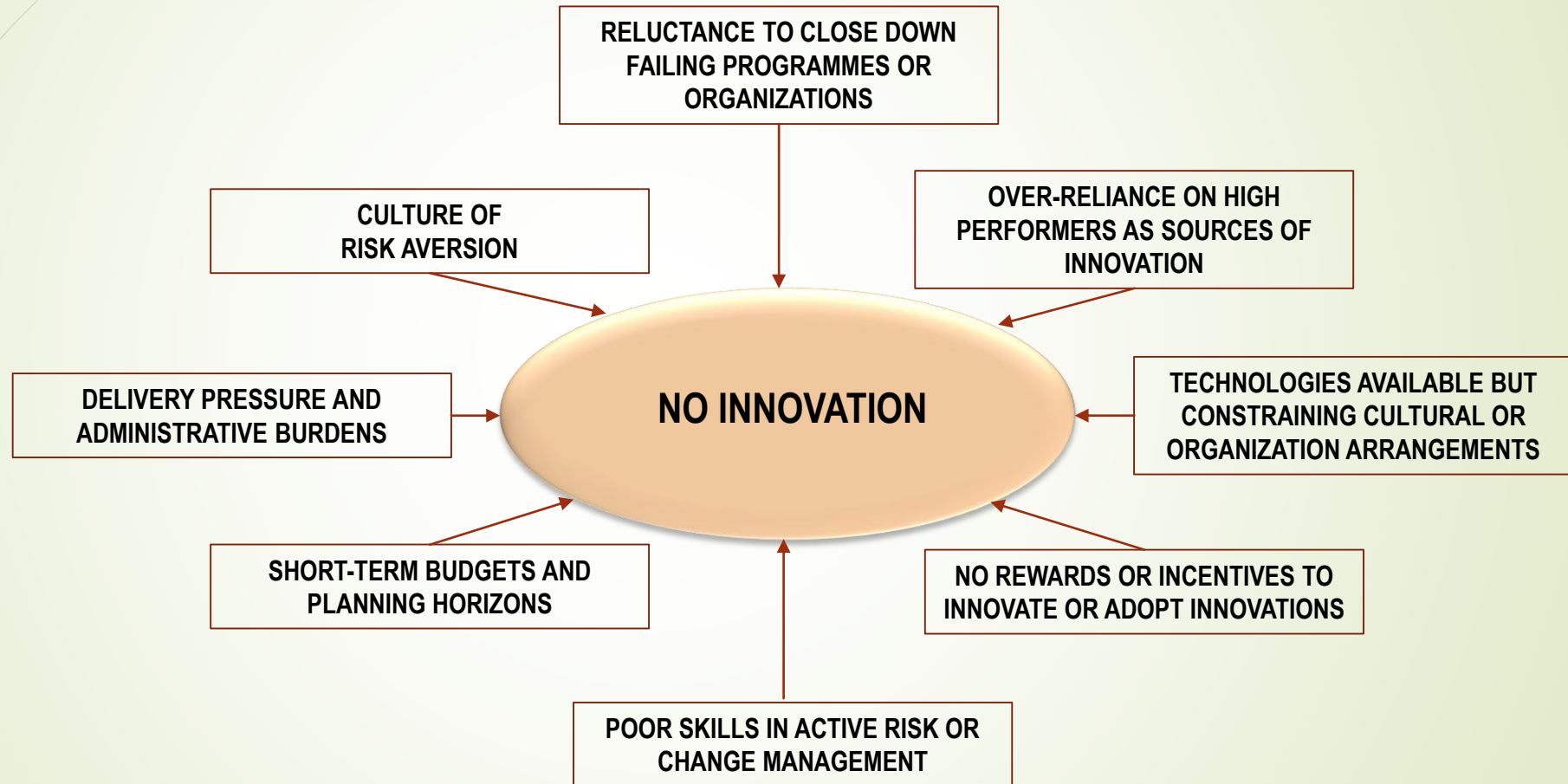
“One Agency, One Innovation” Towards the Sustainability Of Innovation in Indonesian Public Sector



## Top 9 for 2014

1. Online Fiduciary Contract Registration (Ministry of Justice)
2. Fish Quarantine Services in Central Java (Ministry Fisheries and Maritime Affairs)
3. Integrated Population Data (The Province of Aceh)
4. “Pro Poor” Eradication Program (The Province of Jawa Barat)
5. No Corruption Zone in Truck Weighing Service (The Province of East Java)
6. Media Village (The Province of West Nusa Tenggara)
7. Participatory Main Road Development (City of Banjarbaru)
8. Government Resource Management System (City of Surabaya)
9. Surabaya Single Window (City of Surabaya)

# Potential Barriers to Innovation?



Source: Mulgan and Albury (2003)

# Challenges

1. Lack of bureaucratic leadership for changes,
2. Lack of awareness and understanding how poor performance of administration, and how to improve it,
3. Changes in bureaucracy reform are seeing as obstacles,
4. Bureaucracy itself tend not like change, especially when their interests interrupted,
5. Proposed changes to confuse or too vague to be executed.
6. They are who responsible for reform don't know what should they do,
7. What worked on one situation may not succeed in other situations,
8. Many regulations regarding reform are still in pending matters.
9. Elite groups who traditionally oriented want to maintain their position and reject modernization effort that will change their position.
10. They can even turn into elite antimodern and use modern methods, to encourage nonmodern demands.





# Concluding Remarks

- Administrative or Bureaucratic reform program should be as broad as possible, spread as far as possible to the smallest element in the social structure. Attention should be given to control the excesses of bureaucracy.
- The quality of the legislative and judicial oversight of the behavior of the bureaucracy is an essential element. Public scrutiny is also important, such as the media and civil society (NGOs).
- Government institutional synergy would be good if the structure of the institution has appropriate, competent human resources, and the effective and efficient system and procedures.



**Thank You  
Terima Kasih**