



## Public Service Delivery in the Era of Digital Governance: Case Studies from Indonesia

*Tina George Karippacheril<sup>1</sup>*

In an era of Digital Governance, information technology, internet, mobile devices and social media have transformed the organization, management and delivery of public services. Developing country governments around the world are gradually replacing paper-based processing and delivery with next-generation technologies to serve citizens. In Indonesia, a host of citizen-led approaches have emerged ahead of government process transformation efforts. This GET Note examines case studies of Digital-Era Governance (DEG)<sup>i</sup>, a concept put forward by Dunleavy et al (2006), further developed by means of examples from Indonesia focusing on demand-side approaches to stimulate improvements in public sector performance.

### I. Indonesia in the Era of Digital Governance

Indonesia is a young and vibrant democracy, with a population of 240 million citizens who live across three time zones, 33 provinces, 497 local governments and nearly 17,600 islands. The fall of President Soeharto in May 1998 ended four decades of authoritarian rule. Indonesia embarked on an *era reformasi*, a process of political, judicial, economic and social transitions that included constitutional changes to enhance democratization and anti-corruption. In 2001, Indonesia launched an ambitious program of decentralization and regional autonomy; de-concentrating, decentralizing, and reorganizing the delivery of public sector tasks.<sup>ii</sup> While there are issues of clarity and distortion in the implementation of regional autonomy,<sup>iii</sup> Indonesia’s leadership of the global Open Government Partnership (OGP)<sup>iv</sup> has nevertheless afforded opportunities for some central and local governments to be innovative in the drive to improve service delivery to citizens.

The OGP, launched at the UN General Assembly in September 2011, is a multi-government effort to advance transparency reforms in participating countries, focusing on disclosure, innovation in citizen participation, collaboration, accountability, integrity, and technology.

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<sup>1</sup> This Note was compiled by Tina George Karippacheril, with support from Theo Thomas, Jim Brumby (EASPI) and Joanna Watkins (PRMPS).

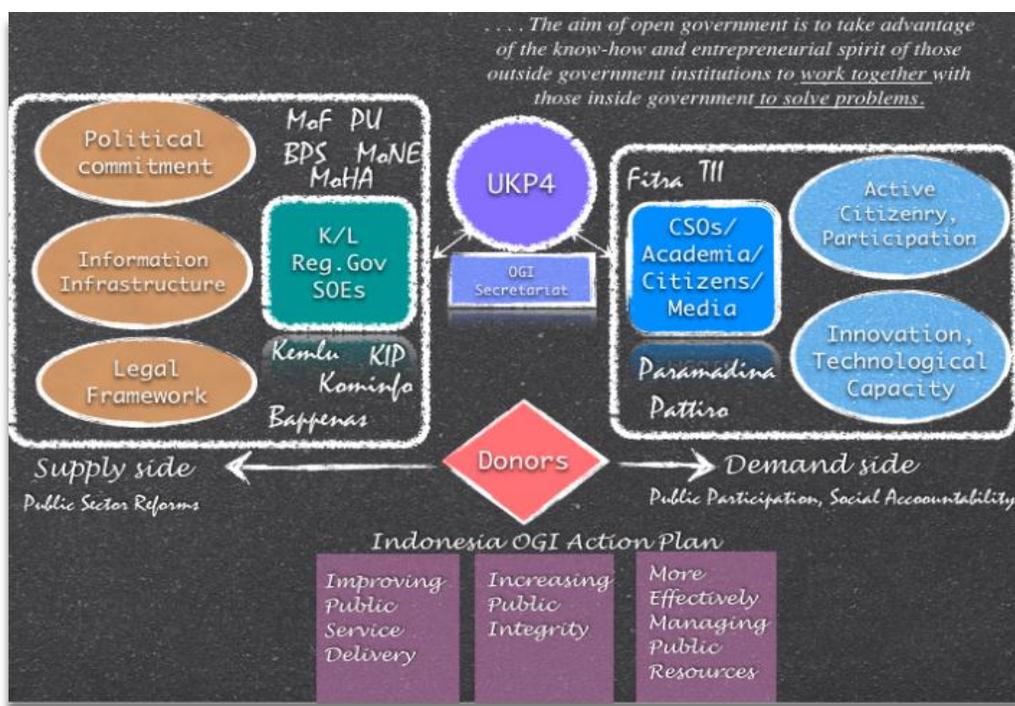
The OGP movement is guided by the following principles (Tauberer 2012):

- data is a public good;
- governments are major producers of data;
- mediators such as journalists, economists, statisticians, and technologists create value for citizens by skillfully distilling big data<sup>v</sup> into digestible and actionable knowledge;
- informed citizens become empowered to make governments accountable and more efficient; and
- governments respond to calls for reform or adaptation by more informed and connected citizens.

Practitioners have generally rallied around the themes of transparency and service delivery. Put simply, the aim of open government is to take advantage of the know-how and entrepreneurial spirit of those outside government institutions to work together with those inside government to solve problems.<sup>vi</sup>

A path-breaking Access to Public Information Law (UU RI 14/2008),<sup>vii</sup> coupled with Indonesia’s leadership of the OGP, has signaled a new wave of change and opportunity for public participation and empowerment, underscored by better use and dissemination of data. In Indonesia, the OGP is coordinated by the President’s Delivery Unit (*Unit Kerja Presiden Pengawasan dan Pengendalian*, UKP4). The approach has created a space for suppliers of data, such as Ministries, Agencies, and State Owned Enterprises, to work together with actors ‘demanding’ information, such as civil society organizations (CSOs), academia, media, and citizens, among others (see Figure 1), to improve public services, increase public integrity, and more effectively manage public resources

Figure 1: Indonesia Open Government Framework





## II. Rapid Transformation in the Use of Governance Technologies

“There are no lies, one cannot hide anymore,” counsels the Head of UKP4, Kuntoro Mangkusubroto,<sup>viii</sup> urging the Indonesian public sector to become a more ‘relevant’ performer in a rapidly globalizing world, where technological innovations are driving greater public participation in governance, particularly meaningful in a geographically and ethnically dispersed country. Public expectations and attitudes are changing in an age where books can be bought online and delivered instantly, whereas red tape and interminably long turnaround times remain the norm for public services.

Greater demands for transparency fuelled by the rise of round-the-clock mass-media including TV, internet, radio, and mobile devices, and increasing public use of social media – Indonesia was judged the second-largest Facebook nation and third-largest Twitter nation in the world (Economist 2011) – are proving a catalyst for much needed performance improvements in government. However, without wholesale process transformations and integration of stove-piped information systems, it will become harder for the government to meet the increasing demands of citizens, media, or researchers for information served digitally and on a real-time basis.

There have been a few early investments in systems reform within central government. The Ministry of Finance (MoF) will launch an integrated Government Financial Management Revenue and Administrative Processing system called ‘SPAN’ in 2013. The National Public Procurement Policy Agency (LKPP) implemented an e-procurement system in 2012 to introduce cost savings, efficiencies, transparency, and to mitigate the risk of corruption, collusion, and nepotism (*Korupsi Kollusi Nepotisme*, KKN) in government agencies.

At the regional government level, the city of Bandung successfully reformed public services for licensing and registration through a digital ‘One Stop Service.’ This resulted in significant increases in local revenue – particularly needed to finance the city’s investment pipeline. The city of Solo developed a comprehensive database of its poor, integrating all of its offices and agencies (*Kantor Dinas*) at the sub-district (*Kecamatan*) and neighborhood level (*Kelurahan*). To support the network, the city also upgraded offices and set new standards in public service delivery. The database classifies groups of poor into gold, and silver, setting a policy of service levels (health and education) to be received by each group.

Some of the service delivery improvements are citizen-led. Take the example of community and sector data provisioning; these services are provided traditionally by central government agencies at the provincial, district/city level. In Solo, civil society groups have developed an innovative way of collecting and communicating disaggregated health, education or poverty data at the sub-district, village and neighborhood level. A web-based system enables citizens to use mobile and GPS devices to report spatial data on urban issues at the neighborhood level.<sup>ix</sup> The data is used by residents to highlight needs and priorities to the government during the participatory budgeting process (*musrenbang*). What is remarkable about this approach is the use of

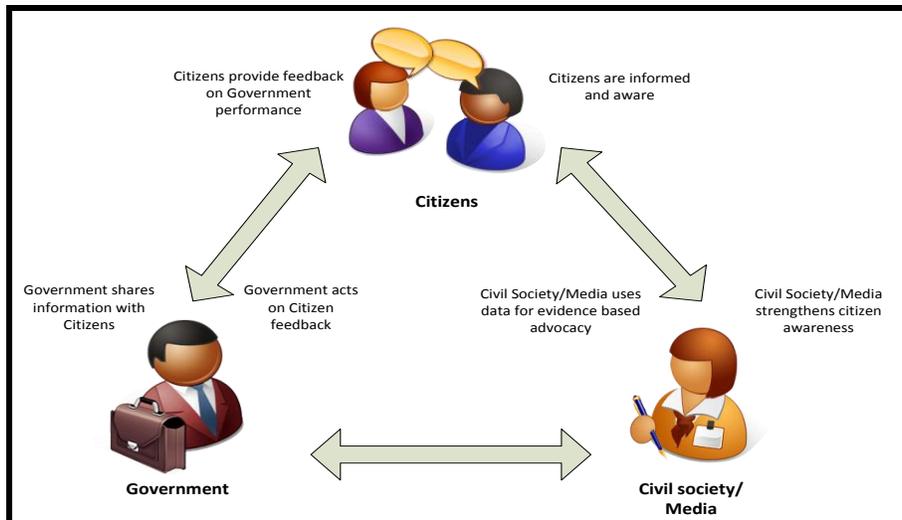
demand-side innovations to motivate improvements in public sector performance. The Solo Kota Kita approach is not only significant in supporting participatory budget planning, but also in seeking to bring grassroots data and evidence to bear on budget allocation and utilization.

While Solo Kota Kita has roots in civil society, another notable demand-side intervention called LAPOR (Maxwell 2012), was launched by the government. LAPOR is a Public Participation and Information system deployed by UKP4 to engage citizens to “post their comments on topics ranging from neglected infrastructure projects to teacher delinquency and accusations of extortion against local police” (Scharff 2013) via mobile phones or the web.

In the following sections, we examine approaches for improving public sector performance. We shall categorize these digital governance interventions along four dimensions representing a virtuous cycle of information, communication, action and response (see Figure 2):

- Information – Governments sharing information with citizens;
- Communication – “Infomediaries” strengthening communication to citizens;
- Action – Governments and non-traditional actors fostering citizen voice and participation;
- Response – Governments responding to citizen calls for reform or adaptation.

**Figure 2: Virtuous cycle of Information, Communication, Action and Response**



We then highlight examples of digital governance interventions, sliced by three key pillars of Indonesia’s Open Government initiative:

- (1) Improving Public Service Delivery;
- (2) Enhancing Public Sector Integrity; and
- (3) Managing Public Resources.

The resulting matrix of case studies from Indonesia is illustrated in Table 1.



**Table 1: Matrix of Digital Governance Cases from Indonesia**

Digital Governance Intervention ----- Open Government Pillars	Governments Sharing Information with Citizens	Info-mediaries Strengthening Communication to Citizens	Government & Non-traditional actors Fostering Citizen Action	Government Response to Citizens
Improving Public Service Delivery	<ul style="list-style-type: none"> <li>Ministry of Public Works – for information on infrastructure projects</li> </ul>	<ul style="list-style-type: none"> <li>PNPM Rural – <i>Jalin Suara</i> to strengthen citizen awareness through social media</li> </ul>	<ul style="list-style-type: none"> <li>Transparency International – for citizen monitoring &amp; reporting on utilization of education funds (<i>Cek Sekolah Ku</i>)</li> <li>PNPM – for citizen reporting on the quality of infrastructure and rural projects delivered</li> </ul>	<ul style="list-style-type: none"> <li>Ministry of Education – for resolving citizen feedback reported via ‘<i>Bantu Sekolahku</i>’</li> </ul>
Enhancing Public Integrity	<ul style="list-style-type: none"> <li>LKPP –for sharing information on public procurement via participating Ministry/Agency websites</li> </ul>	<ul style="list-style-type: none"> <li>Paramadina Public Policy Research Institute – for developing a Fiscal Transparency index of 47 Ministries/Agencies</li> <li>Korupedia.org – for reporting of corruption cases and names to citizens</li> </ul>		
Managing Public Resources	<ul style="list-style-type: none"> <li>Ministry of Finance – for potentially being able to share Fiscal Information at central government level via new FMIS (SPAN)</li> </ul>	<ul style="list-style-type: none"> <li>World Bank/ - for capacity building of civil society in public expenditure management at Subnational level (PEACH)</li> <li>Publish What You Pay – for communicating EITI information to citizens via spatial/temporal data</li> </ul>		

**Legend:**

Existing
Potential
No information



The onus of sharing information with the public falls on government. However many government transparency sites are created as "static" publication platforms. There is no dynamic link to the underlying databases. The sustainability of these portals mostly depends on remote voluntary updates about the procurement activities or signed contracts (see Ministry of Public Works in Section III and Ministry of Finance in Section V). In some cases civil society organizations may successfully lobby governments to share information by means of the Freedom of Information law (2008). Infomediaries from civil society/media/academia lead communication and raise awareness among citizens (see Paramadina in Section IV). Reporting systems that enable citizens to act (individually or collectively) are led by civil society organizations in some cases (see *Cek Sekolah Ku* in Section III) and in other cases by governments (see *Bantu Sekolahku* in Section III).

Few public agencies in Indonesia presently have the ability to simultaneously intervene along multiple dimensions – to share information with citizens, strengthen communication to citizens, foster citizen action (individual or collective), and respond to citizen calls for reform.

### III. Improving Public Service Delivery

In this section we review cases from the areas of Public Works, Education, and Community Driven Development in both rural and urban settings.

Digital Governance Intervention ----- Open Government Pillars	Governments Sharing Information with Citizens	Info-mediaries Strengthening Communication to Citizens	Government & Non-traditional actors Fostering Citizen Participation	Government Response to Citizens
Improving Public Service Delivery	<ul style="list-style-type: none"> <li>Ministry of Public Works – for information on infrastructure projects</li> </ul>	<ul style="list-style-type: none"> <li>PNPM Rural – <i>Jalin Suara</i> to strengthen citizen awareness through social media</li> </ul>	<ul style="list-style-type: none"> <li>Transparency International – for citizen monitoring &amp; reporting on utilization of education funds (<i>Cek Sekolah Ku</i>)</li> <li>PNPM – for citizen reporting on the quality of infrastructure and rural projects delivered</li> </ul>	<ul style="list-style-type: none"> <li>Ministry of Education – for resolving citizen feedback reported via '<i>Bantu Sekolahku</i>'</li> </ul>



### **A. Public Works**

The Ministry of Public Works has become a bellwether for other agencies by openly publishing budget data, lists of procurements, status of procurement, progress of project implementation, providing room for complaints and a public information request facility.

### **B. Community Driven Development – Rural**

The Government of Indonesia's community driven development rural poverty alleviation program (*Program Nasional Pemberdayaan Masyarakat Mandiri (PNPM)*) has initiated a new platform called *Jalin Suara* (translated as 'Voices Intertwined') that aims to strengthen citizen awareness of and online exposure to socio-economic and local governance conditions at project locations. The objective is to engage citizens to provide actionable feedback and to hold service providers accountable for results. The *Jalin Suara* platform will use social media (Facebook, Twitter) and digitally linked online media (e.g. Instagram) to integrate knowledge on PNPM activities at more local levels.

### **C. Education**

The central government allocates 20% of the national budget for Education. Yet education performance remains weak. Overlapping functions create problems of ownership and credit for performance, as well as difficulties in establishing performance contracts with officials.

The Ministry of Education & Culture (MoEC) and The Minister's Unit for Development, Supervision and Control (UKMP3) have led a government initiative to strengthen community participation. Through *Bantu Sekolahku* (translated as 'School Aid'), they aim to increase capacity and change the behavior of key stakeholders, at the school and community levels, to support a School Operational Support fund (*Bantuan Operasional Sekolah (BOS)*) program in achieving greater transparency, accountability and efficiency in the use of the funds. The system has been developed to allow reporting by a network of parents, students, teachers, principals, supervisors, and the public on priorities for allocation of funds for schools, while Principals, Supervisors, Districts (*Kabupaten/Kota*), Provinces, Ministry of Education & Culture Directorates respond to these needs and report on progress of achievement of milestones through social media networks such as Facebook and Twitter. The portal also displays the number of reported issues that have been resolved by the government. It supports BOS-KITA, a World Bank financed program to improve access to quality education for all children aged 7 to 15 by strengthening school-based management and community participation, improving fiduciary arrangements for greater transparency and accountability of the BOS program, and consequently bringing about better utilization of BOS funds, by increasing the capacity and changing the behavior of key stakeholders at the school and community levels.

*Cek Sekolah Ku* (translated as 'Check My School') is a grassroots initiative started by Transparency International (TI) and a working group of NGOs, teachers, parents and students to monitor public expenditure in the Indonesian schools system. A portal with basic data such as schools, location, number of teachers, and number of students provides an interactive platform with a mobile and web based complaint handling mechanism for stakeholders and the public in general to report on corruption and misappropriation of

funds earmarked for school operations, construction, and rehabilitation of classrooms through BOS and specific budget allocation funds (*Dana Alokasi Khusus*, DAK).

**D. Community Driven Development – Urban**

The PNPM-Urban poverty alleviation program has put together participatory mechanisms for communities to make decisions on funds management at the neighborhood (*Kelurahan*) level. The Community Development Plan (CDP) is financed through a Kelurahan grant, the value of which depends on the size of the population. Implementation is led by a community elected Board of Trustees. A management information system (MIS) gathers data on priorities, social and economic needs of the poorest and women. Community facilitators are trained to fix data outliers and anomalies. The facilitators are also connected to each other through social media such as Facebook. The MIS regularly feeds data into an integrated system of poverty programs managed by the National Development Planning Agency (*Bappenas*). The MIS allows citizens to submit complaints or inquiries to the project management unit (PMU) by phone, SMS, email, regular mail, or directly to facilitators or local government officials. On average, the system captures 50 complaints and inquiries per day. From mid-2003 to October 2011, the MIS of PNPM-Urban recorded almost 61,000 complaints and inquiries. During the eight-year period, the category “misuse of funds” accounted for about 1.6% of total complaints, but for over half of unresolved complaints. A complaint about the misuse of funds was classified as “unresolved” as long as the funds in question were not returned in full to the rightful owner, or as long as the misuse of funds was not reported to the police. Despite progress in educating citizens about their rights and the standards the program espouses, actual cases captured by the system are likely to be underreported. The system is reportedly used by local governments, particularly the provincial and *Kota/Kabupaten* project managers as well as members of the public with interest in PNPM-Urban, specifically the Coordinating Ministry of Social Welfare, *Bappenas*, and university students.

**IV. Enhancing Public Sector Integrity**

Digital Governance Intervention ----- Open Government Pillars	Governments Sharing Information with Citizens	Info-mediaries Strengthening Communication to Citizens	Government & Non-traditional actors Fostering Citizen Participation	Government Response to Citizens
Enhancing Public Integrity	<ul style="list-style-type: none"> <li>LKPP –for sharing information on public procurement via participating Ministry/Agency websites</li> </ul>	<ul style="list-style-type: none"> <li>KIP &amp; Paramadina Public Policy Research Institute – for developing a Fiscal Transparency index of 47 Ministries/Agencies</li> <li>Korupedia.org – for</li> </ul>		



		reporting of corruption cases and names to citizens		
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In this section, cases in the areas of Public Procurement and Fiscal Transparency aimed at enhancing public sector integrity are reviewed.

#### **A. Public Procurement**

*Lembaga Kebijakan Pengadaan Barang/Jasah Pemerintah (LKPP)* has developed an e-procurement system with electronic purchasing and online cataloguing facilities for public procurement. The agency uses social media for citizen outreach and awareness. It has a Twitter feed for the e-procurement system and provides public updates on Facebook. Notably, although the online procurement system provides LKPP with the ability to publicly share dynamic data and analytics, the agency website encompasses static pages that are updated voluntarily. In addition, government agencies separately publish an electronic procurement page on their websites with information on public procurement. It is not easy to view procurement data across all Ministries and Agencies and the underlying information systems supporting these initiatives do not communicate with each other. For example, the public procurement data does not connect to financial data shared by MoF. Nevertheless, the LKPP system has considerable potential to host an integrated and open government system publishing legally and technically open public procurement and financial data to strengthen communication to citizens, to foster greater participation, and to respond to citizen calls for reform.

#### **B. Fiscal Transparency**

From a point of almost total opacity, Indonesia has during the past ten years made substantial strides towards budget transparency, providing “the public with some information on the central government’s budget and financial activities.”<sup>x</sup> Several subnational governments have taken this initiative even further by regularly publishing key information on the annual budget and holding budget hearings. Institutions<sup>xi</sup> have also indicated they will make substantial investments in outreach and awareness to the public through electronic media, public outreach, and publications. Significantly, the new law gave birth to a Central Commission for Information (*Komisi Informasi Pusat, KIP*), which has been tasked to promote public information disclosure and to mediate information disputes via non-litigation adjudication.

Through the Paramadina Project, the World Bank is supporting KIP to assess fiscal transparency and openness of 47 Ministries and Agencies, particularly information on how the state budget is spent, with the objective of improving effectiveness of service delivery outcomes. The project to assess fiscal transparency of agencies’ websites is managed by the Paramadina Public Policy Institute and assessments are conducted by demand-side institutions from civil society. Websites under consideration are ranked based on localized criteria, while the 10 most and least transparent websites will be published as a demand-side trigger to improve fiscal transparency of Ministries and Agencies. The project also provides capacity building to agencies to improve access to fiscal information. The project has been included in the Government of Indonesia’s Open Government action plan.



**C. Anti-Corruption**

Korupedia.org was founded by a former chairman of Indonesia Corruption Watch and several journalists. Administrators of the site have pored over more than 900 court verdicts of corruption cases reviewed by the Supreme Court to publish names and details of corruption cases and individuals found guilty by the court. The website also allows citizens to check whether candidates running for regional elections are on the Korupedia list (Pathoni 2012).

**V. Managing Public Resources**

In this section, we review interventions aimed at transparency and management of public financial resources. These fall in the areas of Financial Management, Extractive Industries Transparency Initiative (EITI), and Subnational Public Expenditure Management.

Digital Governance Intervention	Governments Sharing Information with Citizens	Info-mediaries Strengthening Communication to Citizens	Government & Non-traditional actors Fostering Citizen Participation	Government Response to Citizens
Open Government Pillars				
Managing Public Resources	<ul style="list-style-type: none"> <li>Ministry of Finance – for potentially being able to share Fiscal Information at central government level via new FMIS (SPAN)</li> </ul>	<ul style="list-style-type: none"> <li>World Bank - for capacity building of civil society in public expenditure management at Subnational level (PEACH)</li> <li>Publish What You Pay – for communicating EITI information to citizens via spatial/temporal data</li> </ul>		

**A. Financial Management Information System**

The Government Financial Management and Revenue Administration Project (SPAN) aims to improve efficiency, governance, integrity, and transparency in public financial management. A financial management information system, SPAN is being implemented with the aims of (i) instilling greater discipline and promoting efficiency over the management of public expenditures and revenues by strengthening expenditure controls, integrity, reliability, and security of financial information; (ii) facilitating a more strategic prioritization of expenditure by improving the availability of evidence for policy making and budget reallocations; (iii) managing shocks (e.g. the global financial crisis) through the identification, reporting and efficient execution of targeted spending; (iv) improving fiscal transparency, accountability, and participation through open and e-government.



The centralized Treasury Single Account (TSA) systems in 25 International Development Association (IDA) countries have resulted in:<sup>xiii</sup> (i) large interest savings due to the centralization of government cash balances (such savings/costs can range from 0.1% to 0.7% of the public expenditures); (ii) more timely payments (duration of payment of invoices and other expenses was reduced from 3 - 4 weeks to 1 - 3 days in most cases); (iii) improved expenditure monitoring, automatic controls and audit capability from centralized flows, and electronic security measures; and (iv) more robust expenditure controls reducing waste and improved unit costing to promote better value for money.

The SPAN Financial Management Information system, which is expected to 'go-live' in late 2013, will unveil online transaction processing (OLTP) systems with powerful data warehouse capabilities and multi-dimensional analytical queries for online analytical processing (OLAP), to assist in effective forecasting/planning, spending reviews, performance monitoring, and decision support. In terms of future potential, SPAN offers Indonesia the ability to publish "open budget data" and provide dynamic query options to a large number of internal (public organizations) and external users (citizens, non-governmental organizations, businesses) for more detailed analysis, feedback, and response.

In 2012, the Minister of Finance announced that Budget Transparency was a key reform issue. Through the implementation of SPAN, the Ministry of Finance in Indonesia will have the potential to boost Indonesia's OGP initiative by providing online, dynamic, machine readable, fiscal data to improve transparency, accountability, participation, and responsiveness.

### ***B. Subnational Public Expenditure Management***

At the subnational level, a Public Expenditure Analysis and Capacity Harmonization (PEACH) program financed by the World Bank provides capacity building, knowledge and awareness of financial management at the province and district level to civil society and local stakeholders. PEACH facilitates analytical support, design, and execution for local governments to evaluate and improve quality of spending and thereby service delivery outcomes for their citizens. It aims to empower local stakeholders to conduct regular public expenditure analyses and use appropriate diagnostic tools to identify areas in which effectiveness can be increased and where capacity needs to be strengthened. The project is supported internally by the Indonesia Database for Policy and Economic Research (INDO-DAPOER),<sup>xiii</sup> a sub-national database developed by the Bank in response to increasing demand for comparable Indonesia sub-national data. The database contains main social economic indicators at the Provincial and District level with more than 200 indicators (and counting) grouped into four main categories of fiscal, economic, infrastructure, and social and demographic indicators.

### ***C. Extractive Industries Transparency Initiative***

A resource rich country both in hydrocarbons and mining, Indonesia had four billion barrels of proven oil reserves at the end of 2011, and oil and gas exports accounted for 20% of total exports in that year. Although production in the oil sector is decreasing, the mining sector has been expanding rapidly in the last 10 years with the increase of its copper, nickel, gold, bauxite, and coal production in addition to the centuries-old



production of tin. Indonesia accounts for 20% of the global supply of tin. It is also the world's largest exporter of thermal coal and, in recent years, nickel and bauxite. Minerals and coal accounted for 22% of total exports in 2011.

Indonesia announced its intention to implement the Extractive Industries Transparency Initiative (EITI) in 2009 and was designated a candidate country in 2010. The World Bank is supporting a capacity building project to allow CSOs to carry out research and assessments of sub-national data contained in the EITI report as well as communications activities to disseminate the findings to their communities.

A leading Indonesian CSO heading the Publish What You Pay (PWYP) Indonesia coalition is coordinating research and communications activities by organizations in five different regions: (1) identifying district licensed mining permits and assessment of sub-national revenues in Riau province of Sumatra Island (oil, gas and mining revenues); (2) conducting online spatial analysis in the biggest bauxite producing province in Indonesia (West Kalimantan), to include the overlaying of maps of mining and other resource concessions on top of district and provincial base maps to show areas of land conflict, and potentially illegal operations; (3) assessing the contribution of extractive industries revenues collected locally and at the center and then re-distributed locally to West Nusa Tenggara provincial and West Sumbawa district budgets and identifying all province and district licensed permits on Lombok and Sumbawa islands; (4) assessing sub-national revenues in Southeast Sulawesi province through the collection of information (ownership, monetary value, production numbers, and revenue generated) on thinly governed district-licensed mining permits in three districts; and (5) planning to disseminate data from the EITI program in the largest copper and gold producing province (Papua) by a journalists' association through TV talk shows, radio talk shows, press conferences, and social media to explain the findings of the first EITI Indonesia report. The findings of the research activities will be presented in the regions in which they are carried out, and made available to the wider public in 2013.

## VI. Where to Next?

Mainstreaming the use of new technologies for citizen and stakeholder engagement, and business process transformation in government reform efforts provides a clean break from past practices to accelerate the move toward more transparent, efficient, and effective public services.

The World Bank's approach promotes building more transparent, accountable, and capable states, not only by developing public sector capacity, but also increasingly through supporting reciprocal engagement between the state and society. Indonesia is among a group of first mover countries that are utilizing financing to strengthen support for Open Government and Social Accountability Initiatives in the country. The World Bank has partnered with UKP4, leveraging the ongoing engagement and relationship with supply-side institutions such as the Ministry of Finance to create a space for citizen participation and cooperation to improve service delivery performance and outcomes.



Through a program called the Global Partnership for Social Accountability (GPSA), the World Bank will provide grants to civil society organizations for capacity building, research and knowledge dissemination, networking, and programmatic activities related to social accountability. In Indonesia, the program focus is on enabling fiscal transparency and accountability for service delivery at the sub-national level.

While this note identifies examples of various digital-era governance initiatives in Indonesia, much of this work is still new and evidence of impact is still relatively thin. Future analytical work in this area could focus on understanding the conditions under which digital governance and transparency measures (information, communication, action, and response) contribute to better accountability and performance of service delivery.

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## Notes

<sup>i</sup> Digital-Era Governance involves 'reintegrating functions into the governmental sphere, adopting holistic and needs-oriented structures, and progressing digitalization of administrative processes.' (Dunleavy et al. 2006)

<sup>ii</sup> Law No. 32 Year 2004, Government Regulation (GR) No. 38 Year 2007

<sup>iii</sup> There is a lack of clarity in assigning functions at the central, provincial, district/city governments.

Although Law 32/2004, GR 38/2007 assigns all governmental functions to the regional level, except for defense, foreign affairs, monetary policy, judiciary, religious affairs, sectoral ministries regain control by establishing new laws to regulate sectoral programs for which vertical institutions are held responsible. For example, the law on forestry stipulates that the permit for utilizing forestry areas for mining is awarded by the Ministry of Forestry, GR 38/2007 stipulates decentralization to the head of the regional government. Performance indicators for the provincial government agencies/organizations of Nusa Tenggara Timur overlap with that of the district/city governments.

<sup>iv</sup> Open Government Partnership <http://www.opengovpartnership.org/>

<sup>v</sup> Big Data is 'the ability of society to harness information in novel ways to produce useful insights or goods and services of significant value' (Mayer-Schonberger 2013)

<sup>vi</sup> Beth Noveck, Former Deputy CIO of Open Government, White House

<sup>vii</sup> *Undang Undang, Republik Indonesia UU RI – Law of the Republic of Indonesia.* This Law is an example of bold reforms that underpin Indonesia's stewardship of the global Open Government movement. Article 2 paragraph (1) of the law states that: "Any Public Information shall be open in nature and shall be accessible by any users of public information." The law is supported by Article 3 paragraph (1) of Law No. 17 year 2003 concerning State Finance states that: "State Finance shall be managed orderly, subject to laws and regulations, efficiently, economically, effectively, transparently, and responsibly with due observance of sense of justice and equity". Finally, Article 23 paragraph (1) of the 1945 constitution states that: "State Budget (APBN) as a form of the management of state finance shall be stipulated every year by a law and shall be used openly and responsibly for the greatest prosperity of the people."

<sup>viii</sup> Presentation to the Central Statistical Agency (BPS), January 11, 2012

<sup>ix</sup> <http://www.solokotakita.org>

<sup>x</sup> The Open Budget Index 2012 gives Indonesia the lead in East Asia with a score of 62 out of 100, bettered only by South Korea

<sup>xi</sup> For instance, The Asia Foundation and Seknas Fitra have conducted local budget surveys in a number of districts/cities to develop a local budget index of transparency and to conduct public expenditure analysis in health, education and public works.



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<sup>xii</sup> Based on a World Bank technical note on assessing the impact of FMIS solutions which provided the necessary infrastructure for the development of effective TSA systems (in 25 out of 31 IDA/Blend countries) to centralize government payments and revenue collection.

<sup>xiii</sup> Indonesia Database for Policy and Economic Research (INDO-DAPOER)

<http://intranet.worldbank.org/WBSITE/INTRANET/INTCOUNTRIES/INTEASTASIAPACIFIC/INTINDONESIA/0,,contentMDK:23032688~menuPK:8228565~pagePK:145897~piPK:147187~theSitePK:226272,00.html>