



Republic of Indonesia

ROADMAP OF SDGs INDONESIA TOWARDS 2030



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*Ministry of National Development Planning/
National Development Planning Agency*

SUSTAINABLE DEVELOPMENT GOALS





FOREWORD

Indonesia is committed to successfully implement the Sustainable Development Goals by achieving the 2030 development agenda. In this regard, the Indonesia's Presidential Regulation no. 59/2017 concerning the implementation of SDGs in Indonesia has mandated the Ministry of National Development Planning of the Republic of Indonesia to provide the Roadmap of SDGs Indonesia.

The Roadmap of SDGs Indonesia was developed through a long process and discussion by involving multi-stakeholder participation, ensuring that the contents of this roadmap reflect all stakeholders' aspirations. The roadmap defines issues and projections of the main SDGs indicators in each goal, including its forward-looking policies to achieve such targets. There are around 60 selected indicators to include in this roadmap.



From the projections and intervention scenarios of the indicators, it is evident that the achievement of such targets need strong collaboration among stakeholders and commitments in both activities and financing towards achieving the grand 2030 agenda. Therefore, this roadmap will be an important tool to guide all stakeholders on the directions and targets of the Indonesian 2030 agenda by emphasizing productive collaboration and deep understanding among stakeholders that each goal and target of 2030 agenda is interlinked and will be the leverage to ensure their enhanced interlinkages.

I would like to thank the Asian Development Bank's support and facilitation on the completion of this roadmap, and SDGs team in the Ministry of National Development Planning for the efforts of making this roadmap a reality, as well as all parties who have contributed and supported to the completion of this book.

Prof. Dr. Bambang PS Brodjonegoro

Minister of National Development Planning/
the Head of National Development Planning Agency
of the Republic of Indonesia

LIST OF ABBREVIATIONS

ASEAN	: Association of Southeast Asian Nations	PINA	: Non-Government Budget Equity Financing
Bappenas	: Ministry of National Development Planning	PISA	: Programme for International Student Assessment
BPJS Kesehatan	: National Health Insurance Bureau	Riskesdas	: Basic Health Research
BPS	: Statistics Indonesia	RKP	: Government Work Plan
BTN	: Bank Tabungan Negara (commercial bank)	RPJMN	: National Medium Term Development Plan
CSR	: Corporate Social Responsibility	SAKERNAS	: National Labor Force Survey
GDP	: Growth Domestic Products	SDGs	: Sustainable Development Goals
ICT	: Information, Communication, and Technology	SDKI	: Indonesia Demographic and Health Survey
IGES	: Institute for Global Environmental Strategies	SJSN	: National Social Security System
JKN	: National Health Insurance	SUPAS	: Population Survey between Censuses
KPBU	: Government and Business Entities Cooperation	SUSENAS	: National Socio-Economic Survey
NGOs	: Non Governmental Organizations	UNFPA	: United Nations Population Fund
OECD	: Organisation for Economic Co-operation and Development	WHO	: World Health Organization

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SUSTAINABLE DEVELOPMENT GOALS



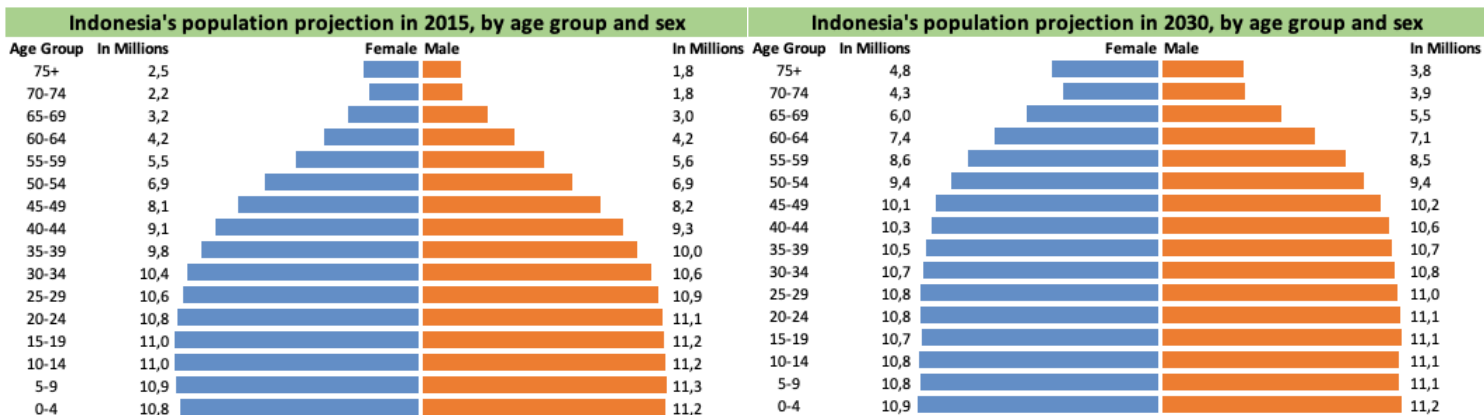


CHAPTER 1

ROADMAP OVERVIEW



INTRODUCTION: INDONESIA'S DEMOGRAPHIC STRUCTURE



Source: BAPPENAS, BPS, & UNFPA (2018).

Indonesia's demographic

is dominated by the productive age group (15-64), which account for **68.7%** of the total population in 2019 (Bappenas, BPS, and UNFPA, 2018).

The demographic structure of Indonesia will provide advantages to the Indonesian economy, if Indonesia can utilize young population potentials of large work-forces as productive factors for economic growth. In the next decade, while **young population still dominates the Indonesia demography**, elderly population (65+) is projected to increase by a nearly two-fold from that in 2015. This situation calls for policies focused on improving quality of human resources, such as: health, education, and social protection.

Indonesia has shown remarkable progress in human development within the last decades. **Infant and maternal mortality rates have decreased significantly** from 68 in 1971 to 24 per 1000 births in 2017 (infant mortality rate) and from 390 in 1991 to 305 per 100,000 live births in 2015 (maternal mortality rate). The similar progress is also shown in other indicators, including **life expectancy** (which is projected to be around 71.6 in 2017 from 64.4 in 1996) and **total fertility rate** (projected to be about 2.14 in 2017 from 5.6 in 1971).

Despite this significant progress, several development challenges still remain in Indonesia. The prevalence of stunting and wasting in Indonesia are among the highest in ASEAN countries, where **1 out of 3 children under five is stunted**. Furthermore, Indonesia's are facing the threat of **food insecurity** amidst the increasing intensity of climate and weather-related hazards.

INTRODUCTION: ECONOMIC DEVELOPMENT PROGRESS

Indonesia's economy has grown consistently in recent decades.

Within 20 years, the Indonesia's nominal GDP has increased more than 5 times from USD 138.3 Billion in 1990 to USD 756.3 Billion in 2010 (BPS Statistics Indonesia). Indonesia joined the trillion country club in 2017, reaching the value of GDP at USD 1.02 trillion. In the last five years, Indonesia's economy grew steadily at the rate of 5% on average. Its economic growth was at 5.2% in 2018, which was among the most resilient economies in the world, in the midst of recent global uncertainties. According to the Indonesian Vision 2045 of Bappenas, if Indonesia's economy can continue to grow at 5.1% on average between 2015-2045, then Indonesia is projected to become an advanced economy in 2038. Furthermore, OECD projects that Indonesia will be the five most powerful economies in 2030.

However, the economic growth has created another development challenges, as it somehow created environmental and social impacts, including pollution, deforestation, and income inequality. Indonesia's forest cover has dropped significantly where nearly half of Indonesia's forest has gone over 50 years, and today, Indonesia is only second after China in terms of the highest contributors of plastic waste to the ocean. Aside from environmental problems, Indonesia is also still facing challenges in inequality issues within the country.



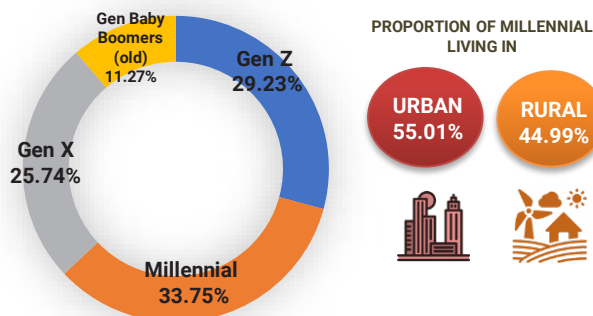
Source: BPS

The 2015 World Bank report mentioned that Indonesia's economic growth has been enjoyed by the top 20% of the consumer class. Indonesia needs to put a more attention on an **inclusive development agenda** in the future. Therefore, all Indonesian people could contribute to and benefit from the economic development.

Greater participation from all stakeholders is required to ensure Indonesia's economic development be more inclusive and improving people's welfare. Nevertheless, the stakeholders' engagement and participation in achieving the Indonesian development agenda should be translated into concrete actions and aligned with the **Sustainable Development Agenda**, represented by the 17 goals.

OVERVIEW OF SDGs ROADMAP

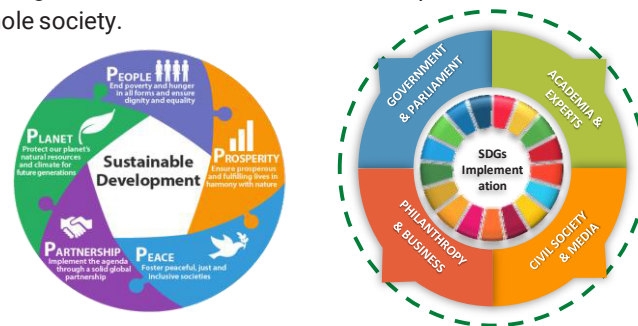
Most Indonesian people live in urban areas. In 2015, **53.3% of Indonesian people live in the cities** and the number is projected to increase to 63.4% in 2030 (BPS). The vast economic development had also resulted in the change of socio-economic structure. The higher standard of living has increased people's purchasing power, which resulted **in the emergence of middle-class group**. This economic dynamic combined with the population dynamic result in the rise of **millennial middle-class** in Indonesia. These urge the need of sustainable cities and communities in the future. The decent and affordable settlements and an integrated transportation system will be central for a living. This is aligned with the whole sustainable development agenda.



Source: Population Census BPS, 2017

Sustainable Development Agenda or SDGs is not a new term for Indonesia. The Indonesia's development vision is actually the SDGs agenda. Therefore, the issues faced by the global population are also relevant to current Indonesia's development challenges.

Furthermore, Indonesia's commitment to achieve SDGs is not merely about fulfilling global agreement but also about **accomplishing Indonesia's vision of increasing people's welfare**. SDGs is a universal goal of which its accomplishment could not be assigned solely to the government. The goals and targets in SDGs are interlinked each other and require partnership among stakeholders, with the four pillars of environment, social, economic, governance and partnership. There will not be a single formula to accomplish those targets, as Indonesia with its **1,340 ethnic group that varied in culture, language, and belief; it does require a multi-disciplinary approach involving all stakeholders** from government, academicians, NGOs, private sectors, and the whole society.



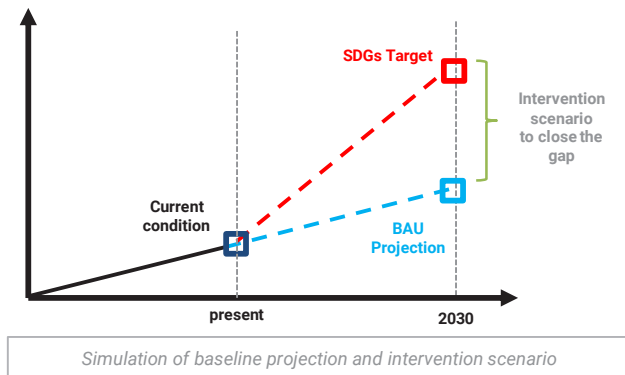
Achieving such ambitious agenda within 10 years definitely needs all stakeholders to run extra-miles, starting from planning, implementation, financing, and monitoring and evaluation. But, acknowledging limited resources exhorts us to prioritize goals and targets to those of having the highest leverage among others. The priorities could then be tapered into **health, education, social protection, foods security and sustainable agriculture, infrastructure, ecosystem services and biodiversity, and the financing for government's administration**.

OVERVIEW OF SDGs ROADMAP

Selected indicators are used to track SDGs progress. In Indonesia, as many as 94 targets of SDGs are incorporated in Medium Term Planning Document (RPJMN) of 2014-2019. Furthermore, SDGs are even more mainstreamed into RPJMN of 2020-2024, where 105 out of 118 targets that are relevant to Indonesia have been incorporated into the RPJMN of 2020-2024.

This roadmap is the guidance of Indonesian pathway for SDGs, and is the reference for all stakeholders in implementing SDGs.

The first part of this roadmap provides projection of selected SDGs indicators for each goal to the year of 2030. The projection consists of two scenarios. Those are: (i) business-as-usual (BAU) scenario, and (ii) policy intervention scenario, which shows the Indonesia's targets for SDGs Indicators aimed at achieving the 2030 agenda. The targets under the policy intervention scenario are aligned with the Indonesian development targets, stated in the medium-term planning document.



The gap between the BAU scenario and the intervention scenario shows the amount of efforts and policies needed to reach such intended targets.

The second part of the roadmap explains the financing needed by Indonesia to achieve the targets mentioned in the first part of the book. Understanding the government budget is very limited, financing for SDGs should also be supported by non-government stakeholders and seek financing innovation.

The third part of the roadmap provides explanation on SDGs interlinkages. The goals and targets of SDGs are interlinked to each other and can be the leverages of the other goals and targets.

The roadmap was developed through intensive research study and series of discussions with representatives of SDGs stakeholders. Besides, theoretical and empirical studies as well as peer-country comparison have also been undertaken to ensure the projection are well-designed and feasible to be achieved by 2030 through sound policy intervention.

HOW DO WE DO THAT?

In principles, we attempt to make a roadmap that is easy to comprehend for various stakeholders.



CONCISE



PUT CHALLENGES FOR EVERY INDICATORS



CONSIDERING POLICY OPTIONS



ANALYSIS OF EXISTING CONDITION



FEASIBILITY TO ACHIEVE TARGET IN 2030



CHAPTER 2

THE 2030 SDGs

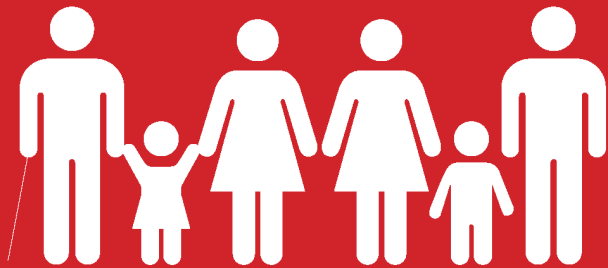
TARGET AND POLICY



GOAL 1

NO

POVERTY

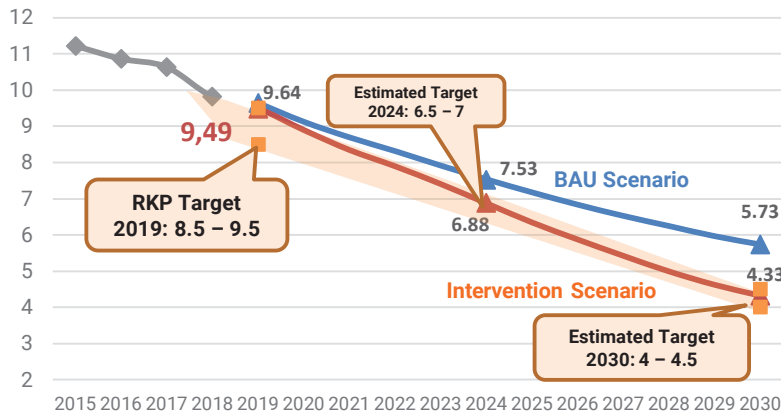


2.1



GOAL 1 NO POVERTY

1.2.1* Percentage of People Living Below The National Poverty Line



5.73% | **4.33%**

Poverty rate in 2030 with business-as-usual scenario

Poverty rate in 2030 with intervention in the range of **4-4.5%**

Projection method using World Bank, growth assumption, growth per decile, inflation and population

Having achieved the single-digit-poverty-rate would leave Indonesia with a bigger challenge

in eradicating the extreme poverty completely.

The lower poverty rate, the harder it is to eradicate as it is becoming more difficult to reach the remained poorest who often have a complex set of circumstances that makes it hard to go out of poverty; remote areas they live in, limited access to health care services, education, decent sanitation, and electricity.

- One of the challenges remain on how to reduce poverty in the poorest part of Indonesia. **Eastern part of Indonesia has always been poorer than the western part.** Papua, for instance, with an average of 25.4% poverty rate would need special intervention so that the policy would be effective. Moreover, Indonesia is **prone to natural disasters** and when that happens, the poverty rate could hike sharply.
- Furthermore, aligned with reducing the number of the poor, we also have to **ensure that people already above the poverty line would not move into poverty.** Poverty eradication policy, thus, should go about macroeconomic stability (growth and inflation management, particularly on foods pricing), and in the micro level, it should go about enhancing the **social protection program and productive economy.**

Poverty rate below the national poverty line

Year	Baseline	Intervention	Target range
2015	11.22	11.22	-
2019	9.64	9.49	8.5 – 9.5
2024	7.53	6.88	6.5 – 7.0
2030	5.73	4.33	4 – 4.5



Policy Direction 2020-2024	Strategies	<p>High quality social protection and basic services</p> <ul style="list-style-type: none"> Stabilization of comprehensive and adequate social security for the poor and vulnerable. Integration of well-targeted subsidy and social assistance that increases the financial inclusion. Improvement of basic services quality through a reliable and responsive minimum standard services management. 	<p>Strengthening the synergy of governance and institutions</p> <ul style="list-style-type: none"> Strengthening Regional Coordination Team to accelerate poverty alleviation and SDGs achievement. Stabilization of Integrated Database management that is connected to population and JKN (National Health Insurance) database. Development of data system and one-door service for regional and national programs' synergy in poverty eradication. Increasing regional government capacity in analysis, planning, and budgeting to accelerate poverty alleviation. 	<p>Sustainable economic empowerment for society</p> <ul style="list-style-type: none"> Promoting collaboration in family economic improvement through training, assisting, counselling, and mentoring. Enhancing productive assets for the poor and vulnerable through provision of access to land ownership and management (Social Forestry and Agraria Reform) Appropriate technology utilization and innovation to increase value added of community's productive business. Development of social entrepreneurs to eradicate social economic issues.
		<p>High quality social protection and basic services</p> <ul style="list-style-type: none"> Stabilization of social assistance that is integrated with financial inclusion, especially for the poor and vulnerable. Development of technology-based innovation in basic services in all Indonesia. Synergy and cooperation among stakeholders (government, private sector, NGOs) in improving quality of basic services. 	<p>Strengthening the synergy of governance and institutions</p> <ul style="list-style-type: none"> Promoting regional government innovation in accelerating poverty alleviation. Development of replication strategy in difficult regions to promote poverty alleviation. 	<p>Sustainable economic empowerment for society</p> <ul style="list-style-type: none"> Enhancing capacity for the vulnerable and middle-class through trainings, business assistance, and mentoring. Ensuring capital and market for local economic entrepreneurs. Technology utilization and innovation to enhance productive business. Creating harmonic business climate supported by the equal and fair policy.
Policy Direction 2025-2030	Strategies			

SUSTAINABLE DEVELOPMENT GOALS



GOAL 2

ZERO

HUNGER



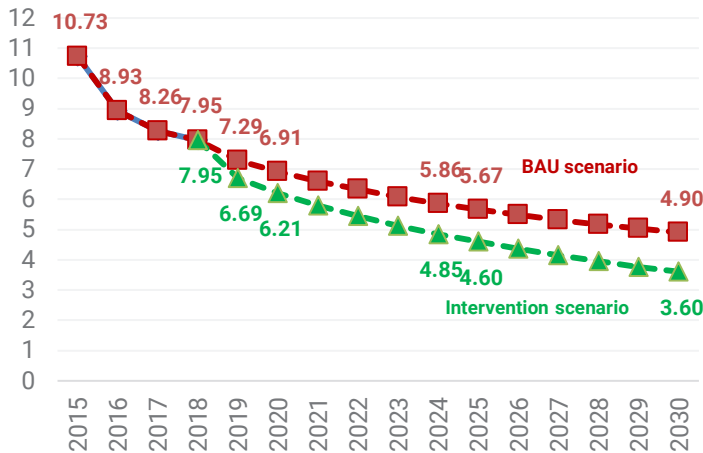
2.2

2 ZERO HUNGER



GOAL 2 ZERO HUNGER

2.1.1* Prevalence of Undernourishment



4.90%

Prevalence of undernourishment (PoU) in 2030 with business-as-usual scenario*

3.60%

Prevalence of undernourishment in 2030 with intervention scenario**

*Logarithmic model, by considering real PoU number < poverty rate.

**Considering the results of poverty intervention scenario and the current condition of global PoU.

Data source: National Socio-Economy Survey (SUSENAS), BPS



- The proportion of **undernourished people** in Indonesia has shown a **rapid reduction during 2000-2014**.¹

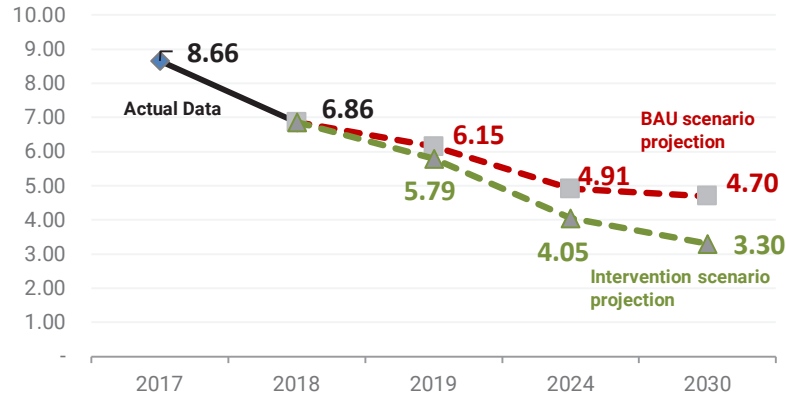
- As the PoU is strongly influenced by the trends in national food availability, ensuring people access to basic foods is therefore crucial in reducing the number of undernourished people in Indonesia.
- Moreover, it is also important to take into account factors that are **adversely affecting agricultural sectors**, including **natural disasters** as well as **climate and weather-related hazards**. FAO's 2017 report identified the recent stagnation in the PoU reduction is likely caused by the increasing severity and incidences of weather extremes and climate-related disasters. These events also reported impacting food availability and access.
- Efforts in increasing food availability and access, i.e., **enhancing domestic production of key crops, managing national food reserves, stabilizing supplies and prices of major food commodities, and mitigating the impact of climate change**, are imperative to achieve PoU target in 2030.

¹ SUSENAS (BPS).

2
ZERO
HUNGER

GOAL 2 ZERO HUNGER

2.1.2* Prevalence of population who experienced food insecurity at moderate or severe levels based on Food Insecurity Experiences Scale (FIES)



Data source: SUSENAS, BPS



- FIES is a new source of **additional evidence** on the **state of food security** which based on direct responses regarding people's access to adequate food. This indicator captures the access dimension of food security. Since 2017, Indonesia has provided this data twice a year at the district-level.

4.70 | **3.30**

Food Insecurity Experiences Scale (FIES) in 2030 with business-as-usual scenario

Food Insecurity Experiences Scale (FIES) in 2030 with intervention scenario

FIES range of score: 0-10

- Households that experienced food insecurity varied among provinces in Indonesia. In 2017, households in **East Nusa Tenggara** were at the most risk of experiencing food insecurity (31.8%) while Bangka Belitung possessed the lowest risk (3.8%).¹ This figure shows the **persisting issue of access disparity** among Indonesian households across regions in accessing affordable food and nutrition.
- Map of Food Security and Vulnerability (Ministry of Agriculture, 2018) shows that **"a high number of households without access to electricity"** and **"a high number of villages with no proper road/water access"** are among the main characteristics that are associated with high levels of **vulnerability to food insecurity**. Hence, improving the economic access to food – including continued investments in infrastructure, especially to improve food access among poor households is essential to the progress of food security in Indonesia.

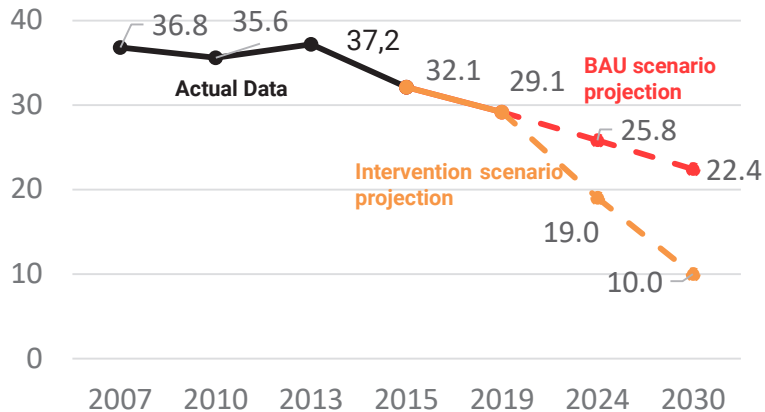
¹SUSENAS Exploration for Stunting Interventions, BPS (2018).

2
ZERO
HUNGER



GOAL 2 ZERO HUNGER

2.2.1* Prevalence of Stunting In Children Under-Five



Data source: Basic Health Survey (RISKESDAS), Ministry of Health

22.4%

Prevalence of stunting in 2030 with business-as-usual scenario*

10.0%

Prevalence of stunting in 2030 with intervention scenario

*Exponential projection model.

30.8% of Indonesian children under five is stunted in 2018

- It has put Indonesia as a country with a **high** prevalence of stunting according to WHO classification. The **prevalence of stunting** in Indonesia is among the highest compared to its peer countries in Southeast Asia.¹
- Indonesian poor children are almost twice as likely to **suffer from stunting than their better-off peers.**

- In 2013, 48% of children under five **from families in the poorest fifth of the population were stunted compared to 29% in the richest fifth group.**² This gap might be explained by the unequal access to **improved sanitation** and **drinking water**, health care, and high nutrient foods as well as **inadequate access to care and feeding practices** among households in different socioeconomic status and geographical condition.
- A multi-sectoral approach is required to **accelerate stunting reduction** in Indonesia to deliver an **integrated nutrition intervention** at critical periods during the first 1,000 days of life. This intervention includes **provision of adequate nutrients for pregnant mothers and children under two**, appropriate **exclusive breastfeeding** and complementary **feeding practices**, **growth monitoring**, **access to improved sanitation and drinking water**, **early childhood development**, and **promotion of good parenting practices.**

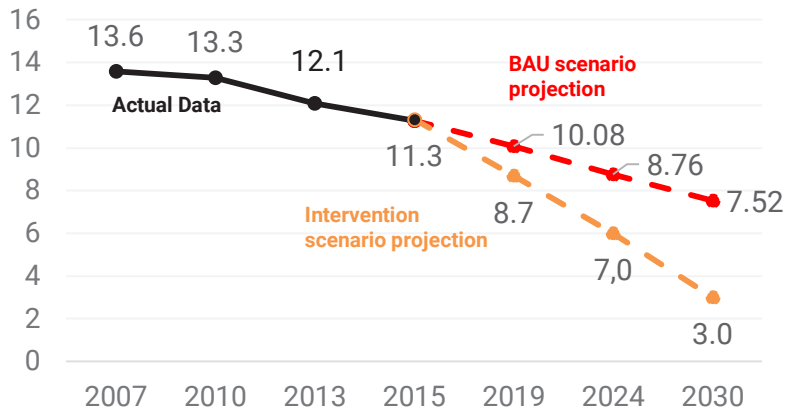
¹Regional Overview of Food Security and Nutrition, FAO (2018).

²Riskesdas, Ministry of Health Republic of Indonesia (2018)

2
ZERO
HUNGER

GOAL 2 ZERO HUNGER

2.2.2* Prevalence of Wasting In Children Under Five



Data source: RISKESDAS, Ministry of Health

10.2% of Indonesian children under five suffer wasting in 2018

A study by Harding et al. (2017) indicates several common causes of stunting and wasting, including **poor maternal nutrition status before and during pregnancy, poor diets of young children, poor personal hygiene, poor household sanitation, and household poverty.**

7.52%

Prevalence of wasting in 2030 with business-as-usual scenario*

3.00%

Prevalence of wasting in 2030 with intervention scenario

*Exponential projection model.

- One main challenge in fighting malnutrition in Indonesia is the **high prices of high-nutrient foods**. There are **nearly 40% of Indonesian households that can not afford low-cost diversified healthy diets**.¹ Indonesians diets dominated by staple foods with low nutrients composition and a very small number of micronutrient-dense foods which tend to be more expensive.
- Improving children's nutritional status will require policies to ensure high-nutrient food accessibility including a well-targeted food assistance program and food supplementation for most vulnerable group, and to promote balanced nutrition/dietary behavior, adequate parenting practices, and access to health services such as immunization.

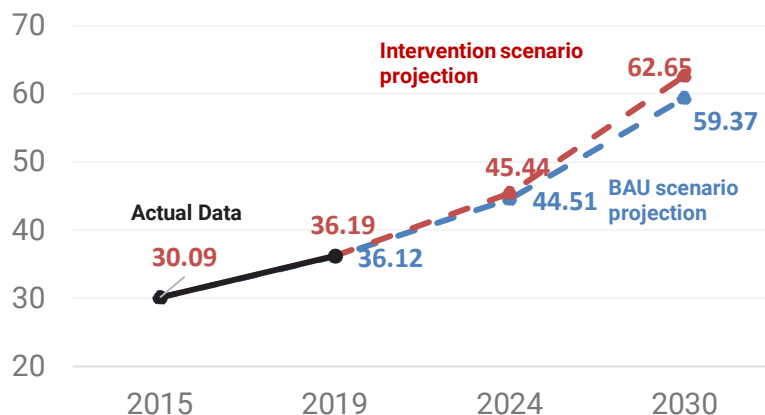
¹Cost of Diet and Fill the Nutrient Gap Studies, World Food Programme (2018).

2 ZERO HUNGER



GOAL 2 ZERO HUNGER

2.3.1* The Agriculture Value-Added per Worker (Rupiah per worker)



Data source: National Development Planning Agency (BAPPENAS)

59.37

million Rupiah

The agriculture value added per worker in 2030 with business-as-usual scenario*

62.65

million Rupiah

The agriculture value added per worker in 2030 with intervention scenario**

*Logistic projection model.

**OE projection model assuming 5.7% economic growth during 2020-2024 & 6.1% economic growth during 2025-2030.

- By 2050, Indonesia's **population is expected to grow by 31%**, which means there will be more people demanding more food. To fulfill this need, Indonesia's agriculture production has to increase by 60%.¹
- In the last five years, agricultural sectors in Indonesia are still facing several challenges, including 1) quality of human resources, 2) provision of infrastructures and irrigation networks, 3) number and wage of agricultural labors, and 4) of quantity and quality of fertilizers and seeds.²
- Furthermore, the majority of Indonesia's total number of farmers are **small family farmers** who, on average, manage only **0.6 hectares farmland**. These farmers are more likely to have **limited access to modern farming technology** and **seed varieties**, have **low educational level**, and at a high risk of experiencing **income poverty**.
- Given the above-mentioned conditions, giving **technical and financial assistance to farmers** and encouraging farmers to **diversify their crop productions** are pivotal in improving farmers' welfare as well as their productivity in Indonesia.

¹Creative Economy: An Engine to Improve Indonesia's Agriculture, ASEAN Foundation (2019).

²Andoko E., et al., 2018. A Review of Indonesia's Agriculture Development in Recent Years.

Prevalence of FIES		
Year	Baseline	Intervention
2015	8.66	8.66
2019	6.15	5.79
2024	4.91	4.05
2030	4.70	3.30



Prevalence of Undernourishment		
Year	Baseline	Intervention
2015	10.73	10.73
2019	7.29	6.69
2024	5.86	4.85
2030	4.90	3.60

Policy Direction
2020-2024

Strategies

Fulfilling People Need to Adequate, Affordable, Healthy, Nutritious, Varied, and Safe Food & Nutrition

- Guaranteeing the fulfillment of basic food needs for low-income households and disaster-affected community.
- Provision of staple food, especially local food from domestic production: increasing productivity, protection of cropland, improvement of land and water quality, development of environmentally friendly cultivation.
- Distribution/logistics efficiency and stabilization of food prices: strengthening government food reserves, market operations.
- Improving the quality of food and nutrition consumption and safety: promotion/campaign of healthy diets, provision of food security infrastructure.



Policy Direction
2025-2030

Strategies

Fulfilling People Need to Adequate, Affordable, Healthy, Nutritious, Varied, and Safe Food & Nutrition

- Improving the system for guaranteeing the fulfillment of basic food for low-income households and disaster-affected community to be more targeted and more suitable to the recipients' food needs.
- Provision of staple food, especially from domestic production, including local food and processed food.
- Distribution/logistics efficiency and stabilization of food prices: stabilizing local government food reserves.
- Improving the quality of food and nutrition consumption and safety: the efficiency of food security institutions.
- Food security early warning system, with consideration of regional and global conditions.
- Developing a sustainable food system.

Prevalence of stunting in children < 5			Prevalence of malnutrition in children < 5			The agriculture value added per worker		
Year	Baseline	Intervention	Year	Baseline	Intervention	Year	Baseline	Intervention
2015	32.07	32.07	2015	11.34	11.34	2015	30.09	30.09
2019	29.13	29.13	2019	10.08	8.70	2019	36.12	36.19
2024	25.84	19.00	2024	8.76	7.00	2024	44.51	45.44
2030	22.37	10.00	2030	7.52	3.00	2030	59.37	62.65

Policy Direction
2020-2024

Strategies

Accelerating The Improvement of Community Nutritional Status

- Improving the effectiveness of specific interventions and expanding sensitive interventions using an integrated approach.
- Increasing evidence-based life savings intervention.
- Strengthening advocacy, campaign, social, and behavior change communication for nutrition improvement; and
- Strengthening the nutrition surveillance system.

Improving The Welfare and Productivity of Human Resources In Agricultural Sectors

- Improving adequacy, quantity and quality of agricultural production inputs.
- Develop commercial farming: developing farm clusters.
- Improving the quality and capacity of human resources in agricultural sectors: improving institutional education in agriculture.
- Development of quality and added value in agricultural products.

Policy Direction
2025-2030

Strategies

Accelerating The Improvement of Community Nutritional Status

- Improving community diets and nutrition based on food consumption (food-based approach);
- Improving the effectiveness of specific interventions and expanding sensitive interventions using an integrated approach;
- Strengthening advocacy, campaign, social, and behavior change communication for nutrition improvement; and
- Strengthening the nutrition surveillance system.

Improving The Welfare And Productivity of Human Resources In Agricultural Sectors

- Farm business development: increasing farm business partnerships to regional and global levels.
- Improving the quality and capacity of human resources in agricultural sectors: improving agricultural education modules, developing partnership programs in agriculture-based industry education.
- Development of quality and added value in agricultural products.

GOAL 3

**GOOD HEALTH
AND WELL-BEING**

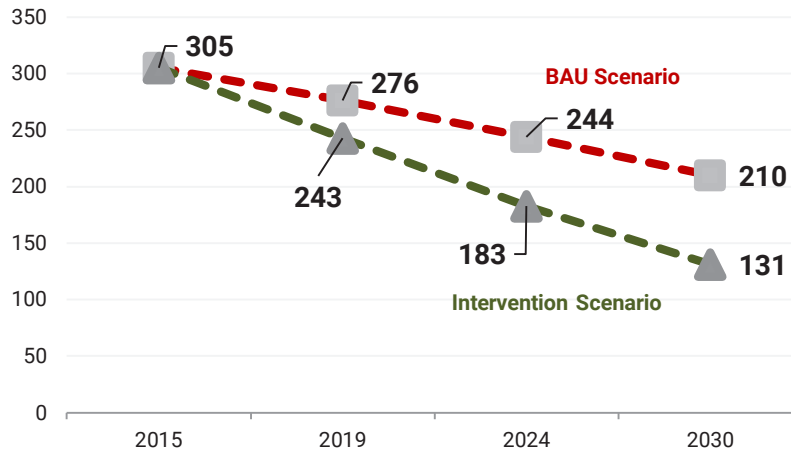


2.3

3 GOOD HEALTH
AND WELL-BEING

GOAL 3 GOOD HEALTH AND WELLBEING

3.1.1* Maternal Mortality per 100,000 live births



Source: Population Census and SUPAS

210

Maternal mortality
per 100,000 live
births business-as-
usual scenario

131

Maternal mortality
per 100,000 live
births with
intervention scenario

Policy intervention scenario used ARR 5.0%

Maternal mortality in Indonesia is still high

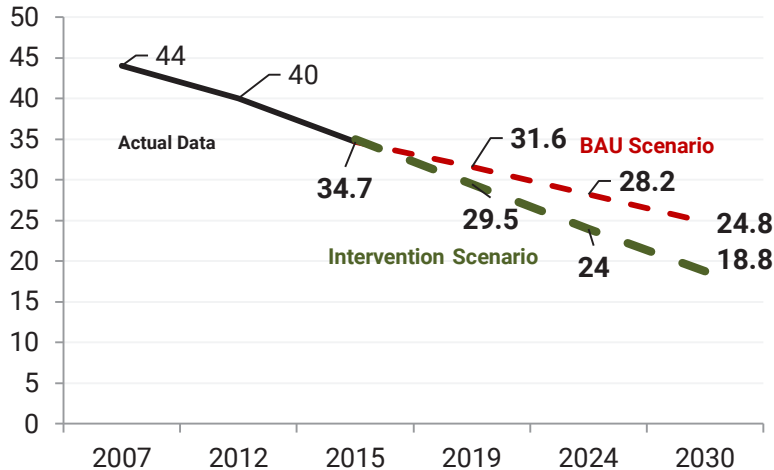
The main causes for maternal mortality are varied from health issues to socioeconomic issues. Women who are **married in the younger age** have a higher risk of mortality during childbirth.

- The **skilled birth attendance** is **essential to prevent maternal death**. However, there is still a gap in the coverage of skilled birth attendance across region. **The coverage in Java-Bali region was 52% while in other regions was only 42%**. The skilled birth attendance coverage should be increased significantly to achieve maternal mortality reduction in 2030.
- **Lack of access to a quality health-care** also **increases the maternal mortality**. The access to the quality health-care is not only hampered by the absence of health-care provider, but also related to the geographical barrier particularly for people living in remote areas. It is also worth noting that competent midwives and a functioning maternal health referral system have a significant role in preventing maternal mortality.



GOAL 3 GOOD HEALTH AND WELLBEING

3.2.1* Under-five Mortality per 1,000 live births



Source: Indonesia Demographic and Health Survey (SDKI)

24.8

Under-five mortality per 1,000 live births with business-as-usual scenario

18.8

Under-five mortality per 1,000 live births with intervention scenario

Policy intervention scenario used is ARR 5.0%

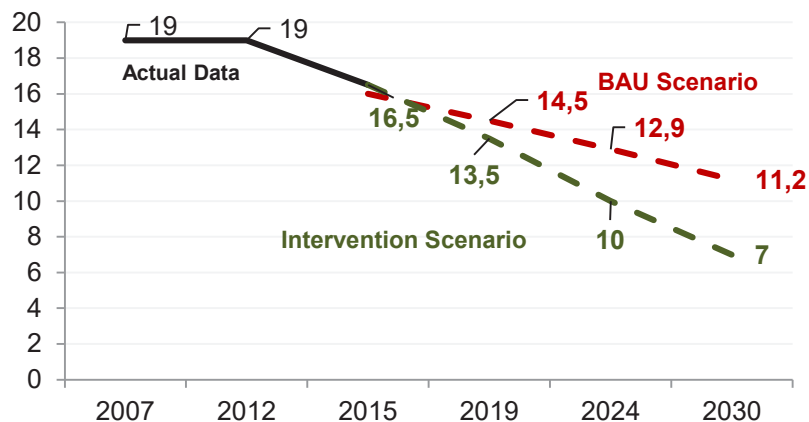
- Under-five mortality ratio in Indonesia has shown a **significant decline between 1960 to 2000s**. And the number is targeted to decrease as part of Indonesia's commitment to ensure increased welfare of the people as well as a part of global commitment for 2030 agenda.
- The significant decline in child mortality is prominently caused by **an increased nutrition status of the children, a reduced poverty rate**, as well as designed technical programs that could mitigate the death in children under-five; such as oral rehydration for diarrhoea, insecticide-treated nets for malaria, and improving health-care facilities in general.
- Without policy intervention, the U5 mortality would still be high of about 24.8 mortality per 1,000 live birth. However, with a well-designed and well-targeted intervention, the **number could be reduced into 18.8 deaths per 1,000 live birth**.

3 GOOD HEALTH AND WELL-BEING



GOAL 3 GOOD HEALTH AND WELL-BEING

3.2.2* Neonatal Mortality per 1,000 live births



11.2

Neonatal mortality
per 1,000 live births
with business-as-
usual scenario

7.0

Neonatal mortality
per 1,000 live births
with intervention
scenario

Policy intervention scenario used is ARR 5.0%

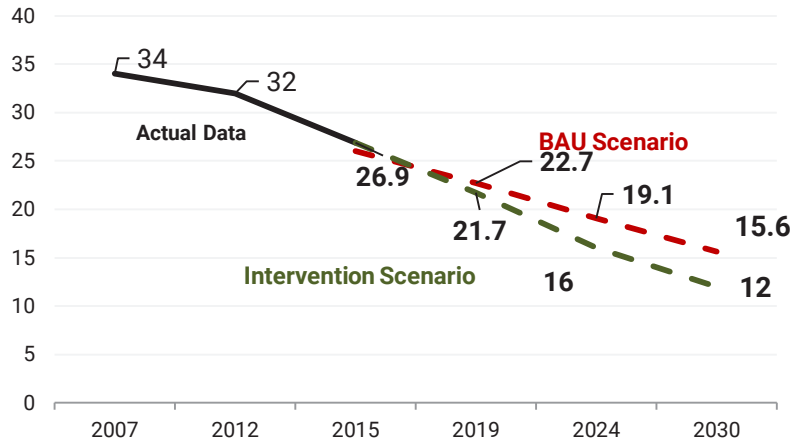
Source: Indonesia Demographic and Health Survey (SDKI)

- Three fourth of **neonatal death** happened in the **first week after birth** and **40% of its death happened in the first 24 hour after birth**. 47% of the under-five mortality is the neonatal mortality.
- The causes for neonatal mortality are highly **correlated with the childbirth facility**. The causes such as diarrhoea, pneumonia, and perinatal complication all of which are preventable and could be eliminated by improving the health-care, especially the childbirth facility. **Ensuring that there are skilled attendants during childbirth is essential to reduce neonatal mortality**.
- Not only medical issue, soci-economic issues are also apparent in neonatal mortality. **Newborn with less educated mothers are 3 times more likely to die** during the first month compared to those born to mothers with higher education. Neonatal mortality is also higher in the rural areas than in the urban areas.



GOAL 3 GOOD HEALTH AND WELLBEING

3.2.2.(a) Infant Mortality per 1,000 live births



Source: Indonesia Demographic and Health Survey (SDKI)

15.6

Infant mortality per 1,000 live births with business-as-usual scenario

12

Infant mortality per 1,000 live births with intervention scenario

- Policy intervention scenario used is ARR 5.0%
- Achievement in 2017: **24**
- RKP target 2019 : **21**



- Despite its significant reduction, infant mortality rate in Indonesia is still **the highest among ASEAN** countries. The number is 4.6 times higher than Malaysia, 1.8 times higher than Thailand, and even 1.3 times higher than the Philippines.

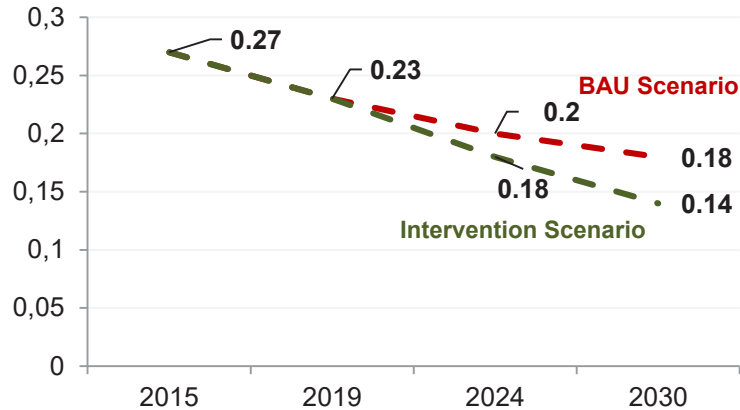
- The target to decrease the infant mortality to 12 deaths per 1,000 live births in 2030 is challenging as the cause of **infant death is now getting more complicated** which is related to the maternal health during pregnancy and the first month of post-natal care.
- More than **half of infant mortality occur in the neonatal period**. Thus, the quality of care during delivery and child birth and the first month of post-natal care is essential. Immunization also plays a great role in reducing preventable infant deaths from pneumonia and diarrhea.

3 GOOD HEALTH AND WELL-BEING



GOAL 3 GOOD HEALTH AND WELLBEING

3.3.1. Number of New HIV Infections per 1,000 Uninfected Population



Source: Ministry of Health, Republic of Indonesia

0.18

New HIV infection
in 2030 with BAU
scenario

0.14

New HIV infection in
2030 with
intervention scenario

- Policy intervention with moderate scenario
- RKP target 2019 : **<0.5**
- Denominator used is population not infected or key population



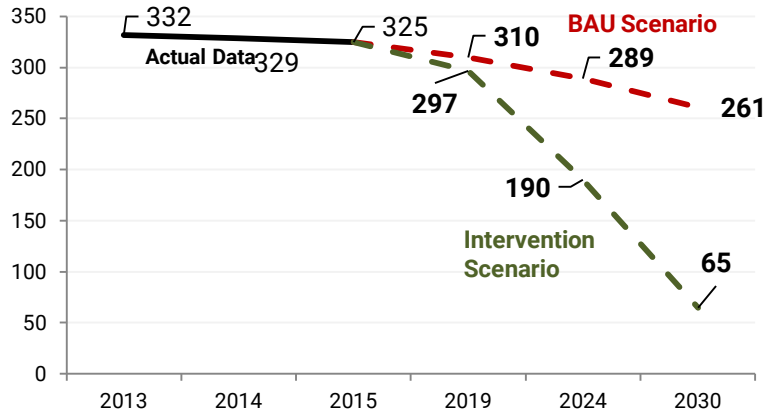
LET'S STOP HIV
TOGETHER



- **HIV cases reported** are highly **underestimated** than the actual HIV cases happened in various region in Indonesia. 640,443 people are estimated to be HIV positive or AIDS (ODHA) while the reported number of **people infected by HIV/AIDS in 2018 is 301,959 (only 47%)**.
- HIV epidemic in Indonesia is mostly concentrated in the particular populations. **HIV prevention and treatment could be varied in every province, regarding the culture heterogeneity across region.** These cultural factors should be taken into account when designing policy intervention so that the target of 0.14 HIV prevalence per 1,000 population in 2030 could be achieved.

GOAL 3 GOOD HEALTH AND WELLBEING

3.3.2.(a) Tuberculosis (TB) Incidence per 100,000 population



Source: Global TB Report (adjustment)

Incidence per 100,000 population

261

In 2030 with
business-as-usual
scenario

65

In 2030 with
intervention
scenario

• Policy intervention with acceleration scenario

Indonesia is the third highest TB-cases country in the world

right after China and India.

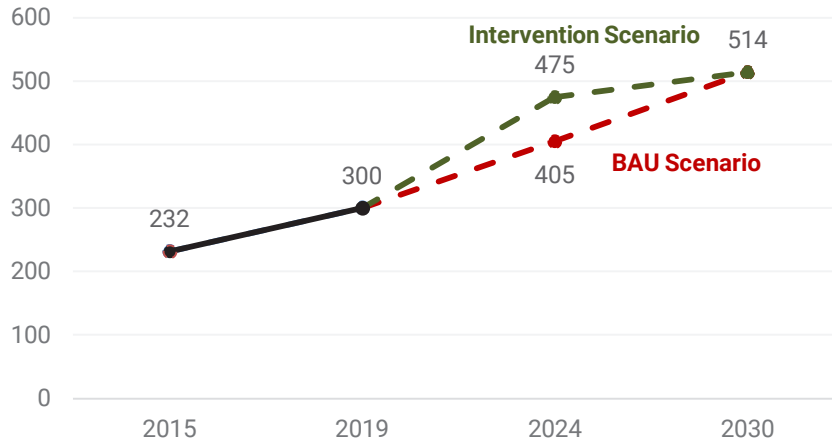
- TB cases could actually be reduced and prevented if all patients are treated completely. However, **only 53% of the total cases found are officially reported** (WHO, 2016). Many cases go unreported due to attached-stigma and leads to self-denial of the patients. The incompletion of periodical treatment of TB has also caused a drug-resistant TB case which severe the TB prevention.
- With the correct and well-designed policy intervention, the number TB incidence could be reduced into **65 incidence** only per 100,000 population. The problem is that, issue of TB incidence is intertwined with other issues such as **poverty, inequal development** among provinces, as well as **access to health-care facility**.

3 GOOD HEALTH AND WELL-BEING



GOAL 3 GOOD HEALTH AND WELLBEING

3.3.3.(a) Number of Cities/Districts with Malaria Elimination Status



514



Districts that eliminate
Malaria cases
(intervention scenario)

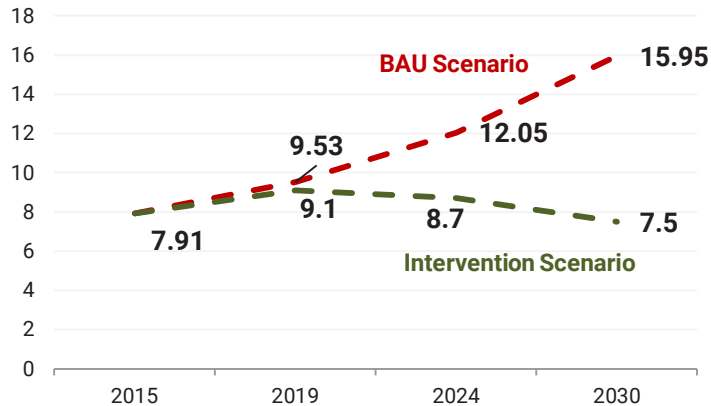


- Indonesia's progress in eliminating Malaria has been significant as **more than 50% out of 514 districts have been Malaria-free.**
- Few regions still suffer Malaria endemic, particularly in the **eastern part where the regions are relatively higher in temperature.** Furthermore, eastern regions are geographically full of swamps, having low sanitation, suffering a chronic poverty, and having a low immunization coverage that contributed to the hindrance of Malaria elimination strategy.
- Indonesia is projected to have all districts/cities (514) to have Malaria elimination status by 2030. Although with an intervention scenario, the number in 2024 would be higher than without intervention.



GOAL 3 GOOD HEALTH AND WELLBEING

3.4.1.(a) Percentage of smoking in adolescent (people aged 10-18 year old)



Source: Risesdas, Ministry of Health

15.95%

Smoking prevalence in adolescent with BAU scenario

7.5%

Smoking prevalence in adolescent with intervention scenario



- The **use of tobacco** in Indonesia, which mostly by smoking cigarettes, starts in the **early age of 12-13** year old and is **dominated by male** than female.

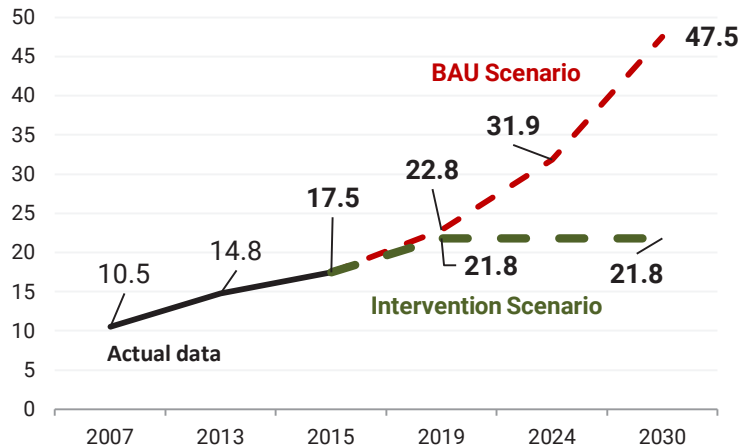
- There have been government's attempts to **control tobacco use** through several **regulations** such as requirement of smoke-free places in public areas, limitation of tobacco advertising, promotion, and sponsorship, requirement of pictorial health warnings on cigarettes package, and the sales restriction to persons under age 18.
- Tobacco consumption** makes up almost **12% of households' total expenditures**. The expense for tobacco is even higher than the expenses for vegetables, fish or meats. The proportion is also **higher in the rural areas** than the urban areas.
- Without a strong commitment to tobacco control, the smoking prevalence in adolescent is **expected to continue to rise until 16%**. **Multi-sectoral tobacco control** interventions from various stakeholders including health, education, agriculture, industry and trade sectors are needed to reduce the smoking prevalence to 7.5% in 2030.

3 GOOD HEALTH AND WELL-BEING



GOAL 3 GOOD HEALTH AND WELLBEING

3.4.1.(c) Prevalence of Obesity in Adult Population (Age ≥18 year old)



Source: Riskesdas

Projection using Exponential model

The prevalence of obesity continues to rise. **In 2018, one in five Indonesian adults is obese.**

47.5%

Obesity prevalence in adult with BAU scenario in 2030



21.8%

Obesity prevalence in adult with intervention scenario in 2030

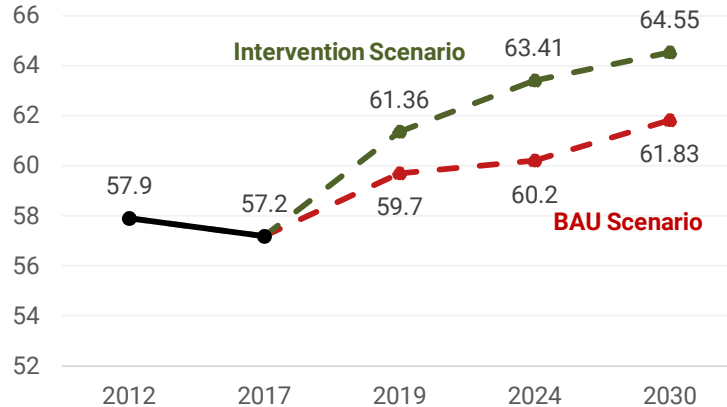


- Obesity has become a serious public health problem in Indonesia. **The prevalence of obesity in adult population has doubled in the past ten years**, from 10.5% in 2007 to 21.8% in 2018. The rate is **highest in North Sulawesi and DKI Jakarta province**.
- Without additional interventions, the **obesity rate** is projected to **increase at a faster pace**. The projection shows that almost half of adult population will be obese in 2030.
- The obesity prevalence in Indonesia is also aggravated by the **unhealthy life-style such as unbalanced diet and consumption of food products high in salt, sugar and fats, and lack of physical activities**.



GOAL 3 GOOD HEALTH AND WELLBEING

3.7.1* Proportion of Women of Reproductive Age (Aged 15–49 Years) or Their Partners Who Have Their Need For Family Planning Satisfied With Modern Contraceptive Methods



61.83%

In 2030 with
business-as-usual
scenario

64.55%

In 2030 with
intervention
scenario

Projection using Gaussian model, BKKBN

Source: SDKI

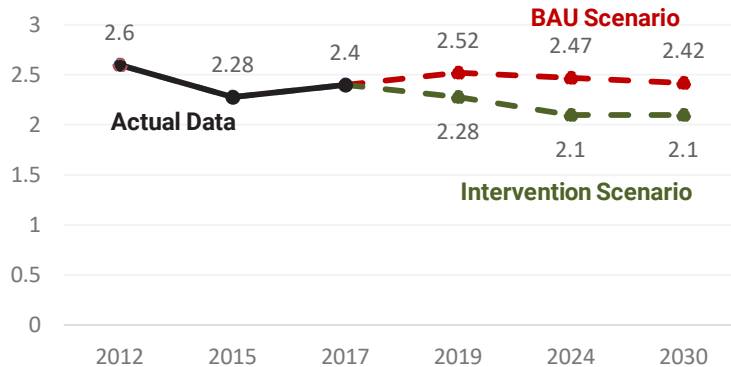
- The need of family planning have been increasing in the last few years. As the information, education, and communication in family planning are now expanding, **the awareness of sexual and reproductive health-care is also escalating**. The **use of contraceptive methods**, also, is actually contributing to the **decrease of maternal mortality**.
- Although without an extra effort the number would still increase, it could be maximized if the intervention policy is designed to be well-targeted and well-schemed. In 2017, there were still **17 provinces** which **percentage of contraceptive usage** coverage **below the national coverage** (IDHS, 2017). The challenges lie on the misinformation and misconception about family planning as well as cultural barrier. It is taboo to talk about sexual health among women.
- The continuous support from various stakeholders are required to accelerate the accomplishment of 2030 agenda, particularly in health and well-being.

3 GOOD HEALTH AND WELL-BEING



GOAL 3 GOOD HEALTH AND WELLBEING

3.7.2.(a) Total Fertility Rate (TFR)



2.42

TFR in 2030 with business-as-usual scenario

2.10

TFR in 2030 with intervention scenario

• TFR is held constant in 2.1 from 2024 until 2035

Source: Population Census and SUPAS

Projection using Linear Trend Projection

Various programs in health and nutrition

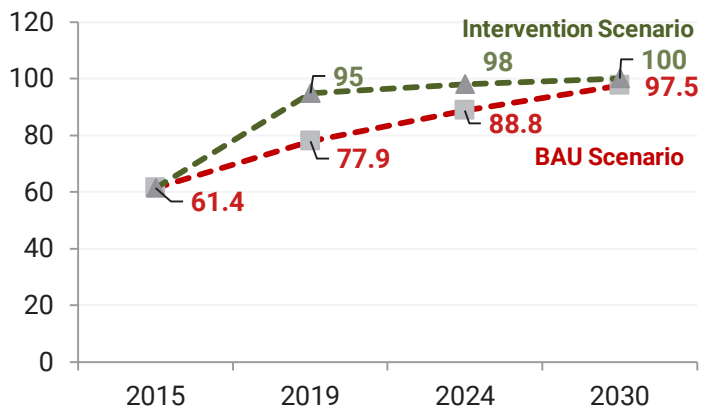
contributes to the decrease of Total Fertility Rate in Indonesia.

- The TFR in Indonesia was somehow stagnant since 2002 to 2012 of 2.6, and **it had decreased to 2.4 in 2017** (IDHS). Although this number was considered high, the declining projection had shown a **glimpse of fine prospect**.
- The TFR is linked to the use of contraceptive method in a household. The reduction of TFR in Indonesia faces **cultural and religion barriers**. Many people are reluctant to use contraception due as their religion prohibits the use of contraceptive methods.



GOAL 3 GOOD HEALTH AND WELLBEING

3.8.2.(a) Coverage of National Health Insurance



97.5%

Coverage of national health insurance in 2030 with BAU scenario

100%

Coverage of national health insurance in 2030 with intervention scenario

Source: BPJS Kesehatan



- Indonesia has introduced Universal Health Coverage since 2014. **National Health Insurance (JKN)** has improved health equity and access to health care.

- Nevertheless, the remaining issues need to be addressed such as heterogeneity of Indonesia's **diverse population, complexity, diversity in health facilities, socioeconomic condition, and also geographical barrier.**
- Furthermore, there are still rooms for improving the national health insurance system. Other than the coverage, the **quality of the health services** and health workers still needs improvement. Challenges lie in ensuring financial sustainability and dealing with the present informality of some services.

Maternal Mortality per 100,000 Live Births			Under-five Mortality per 1,000 Live Births			Neonatal Mortality per 1,000 Live Births		
Year	Baseline	Intervention	Year	Baseline	Intervention	Year	Baseline	Intervention
2015	305	305	2015	34.7	34.7	2015	16.5	16.5
2019	276	243	2019	31.6	29.5	2019	14.5	13.5
2024	244	183	2024	28.2	24.0	2024	12.9	10
2030	210	131	2030	24.8	18.8	2030	11.2	7

Policy Direction
2020-2024
Strategies

Improving Maternal and Child Health, Family Planning, and Reproductive Health

- Improving continuum of care for maternal, newborn, and child health in public and private health facilities.
- Expanding complete basic immunization coverage
- Improving nutritional status of adolescent girls and pregnant women.
- Improving access and quality of family planning and reproductive health services.
- Strengthening community-based maternal and child health services (e.g. *Posyandu, Polindes, Poskesdes*).
- Improving the availability and competency of health workers.

Strengthening Healthy Life Community Movement

- Creating healthy settings and environment (e.g. healthy cities, markets, schools, and workplaces).
- Providing public open space and mass transportation networks to promote physical activity.
- Promoting health-in-all policies and regulations to apply higher tobacco tax and total ban on tobacco advertising and promotion, as well as restrict food products high in salt, sugar, and fats.
- Promoting innovative healthy life behaviour change strategies.
- Increasing access to healthy food choices.

Policy Direction
2025-2030
Strategies

Enhancing Access and Health Services Quality In All Regions

- Improving a thorough health-care services including health promotion, disease prevention, diagnosis, disease handling, disease management, rehabilitation, and palliative services.
- Increasing production of medicines and medical devices in the country to improve access for quality pharmacy and medical devices products.

Infant mortality per 1,000 live births

Year	Baseline	Intervention
2015	26.9	26.9
2019	22.7	21.7
2024	19.1	16
2030	15.6	12



Tuberculosis (TB) Incidence per 100,000 Population

Year	Baseline	Intervention
2015	325	325
2019	310	297
2024	289	190
2030	261	65

Percentage of Smoking in Adolescent

Year	Baseline	Intervention
2015	7.91	7.91
2019	9.53	9.1
2024	12.05	8.7
2030	15.95	7.5



Policy Direction
2020-2024

Strategies

Enhancing health-care services and foods and drugs control

Enhancing basic health services and references, health-care workers' competences; improving pharmacies' competitiveness and medical devices; increasing the control of foods and drugs' effectivity; and also enhancing the health's management and financing.

Improving disease control

Controlling disease risk factors with a focus on expansion of early detection and real time surveillance; strengthening health security including strengthening alert system for extraordinary event and health quarantines; and strengthening disease management.

Policy Direction
2025-2030

Strategies

Strengthening the Implementation of National Health Insurance

The adjustment of tariffs and premium for a sustainable financing; increasing participation particularly of the informal workers; implementing active purchasing and the explicit formulation of JKN's benefits; strengthening the institution and monitorin and evaluation system for JKN; and strengthening the national health insurance supported by the increasing capacity of health-care services in all regions.

Total Fertility Rate (TFR)

Year	Baseline	Intervention
2015	2.28	2.28
2019	2.52	2.28
2024	2.47	2.10
2030	2.42	2.10



Coverage of National Health Insurance

Year	Baseline	Intervention
2015	61.4	61.4
2019	77.9	Min.95
2024	88.8	98.0
2030	97.5	100



GOAL 3 GOOD HEALTH AND WELLBEING

Number of districts eliminated Malaria

Year	Baseline	Intervention
2015	225	225
2019	300	300
2024	475	475
2030	514	514

Number of New HIV Infections per 1,000 Uninfected Population

Year	Baseline	Intervention
2015	0.27	0.27
2019	0.23	0.23
2024	0.20	0.18
2030	0.18	0.14



Needs of modern contraceptive use

Year	Baseline	Intervention
2015	57.97	59.61
2019	59.70	61.36
2024	60.20	63.41
2030	61.83	64.55

Prevalence of obesity in adult population

Year	Baseline	Intervention
2015	17.48	17.48
2019	22.83	21.8
2024	31.86	21.8
2030	47.54	21.8



GOAL 4

QUALITY

EDUCATION



2.4

4 QUALITY EDUCATION

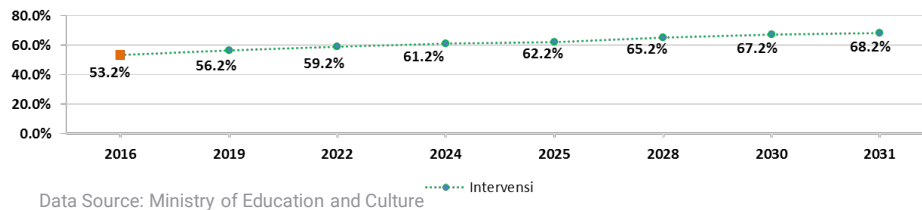


GOAL 4 QUALITY EDUCATION

4.1.1* Proportion of children: (a) at fourth grade who achieve minimum proficiency in (i) reading and (ii) mathematics

Proportion of children at fourth grade who achieve minimum proficiency in reading (trend projection)

Reading



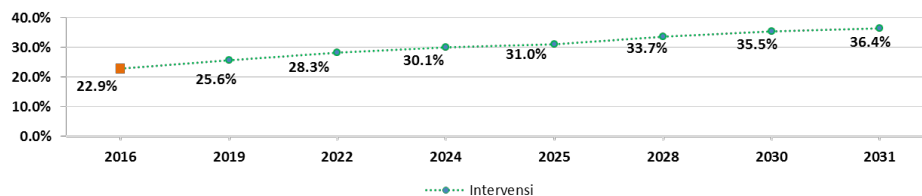
67.2%

Proportion of 4th grader who achieve min. proficiency in reading in 2030 with intervention scenario

- The indicator calculated using Indonesian National Assessment Programme (INAP) test results. The data on INAP test results only available in the year 2016; hence, BAU scenario projection cannot be administered.
- The intervention scenario projection is based on:
 - ✓ 4% assumption growth of reading subject.
 - ✓ 3% assumption growth of mathematics subject.
- The growth number above based on the assumption that all districts carry out interventions to improve students proficiency in reading and mathematics.

Proportion of children at fourth grade who achieve minimum proficiency in mathematics (trend projection)

Mathematics



35.5%

Proportion of 4th grader who achieve min. proficiency in mathematics in 2030 with intervention scenario



GOAL 4 QUALITY EDUCATION

4.1.1* Proportion of children: (a) at fourth grade who achieve minimum proficiency in (i) reading and (ii) mathematics

- Nationally, **46.83% and 77.13%** of Indonesian **fourth grader perform poorly** in **reading and mathematics** test, respectively. Meanwhile, only 6.06% and 2.29% of them achieve “performing well” level.¹ In both tests, students in **Eastern Indonesia tend to perform poorer** than their peers in the western part, which reflects the persisting inequality between the two regions.
- Although education resources have increased vastly in the past decade, it has not been accompanied by a similar increase in learning outcomes, which indicates the need to improve the spending quality of education budget.
- Improvement in **teaching and learning environments, teaching curriculum, and school management** are needed to reach Indonesia’s education potential. These include delivering technical support for teachers and schools to improve students’ learning; and assisting school, district, and province level to plan and budget efficiently to meet national education standard.

¹Indonesian National Assessment Programme (INAP) test results, Ministry of Education and Culture (2016).

4 QUALITY EDUCATION

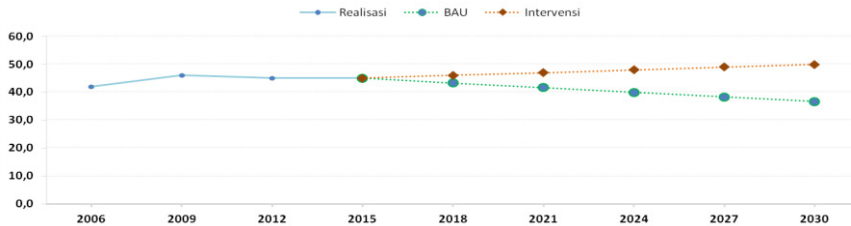


GOAL 4 QUALITY EDUCATION

4.1.1* Proportion of adolescent: (c) at ninth grade who achieve minimum proficiency in (i) reading & (ii) mathematics

proficiency in reading (trend projection)

Data Source: OECD



36.7%

Proportion of 9th grader who achieve min. proficiency in reading in 2030 with business-as-usual scenario

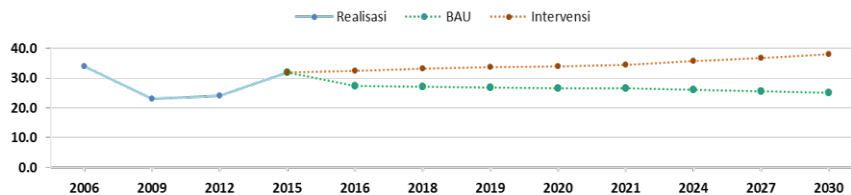
50.0%

Proportion of 9th grader who achieve min. proficiency in reading in 2030 with intervention scenario

- The indicator calculated using PISA test results.
- BAU scenario projection follows trends in ASEAN countries where the indicator decrease by 1.67% annually.
- Intervention scenario projection follows trends in countries with similar characteristics, i.e., Brazil, Hong Kong- China, Mexico, Thailand, and Vietnam, where the indicator increase by 0.33% annually.

proficiency in mathematics (trend projection)

Data Source: OECD & MoEC



25.0%

Proportion of 9th grader who achieve min. proficiency in mathematics in 2030 with business-as-usual scenario

38.0%

Proportion of 9th grader who achieve min. proficiency in mathematics in 2030 with intervention scenario

- The indicator calculated using PISA test results.
- BAU scenario projection follows the previous PISA data trends.
- Intervention scenario projection follows trends in Asia-Pacific countries where the indicator increase by 0.4% annually.



GOAL 4 QUALITY EDUCATION

4.1.1* Proportion of adolescent: (c) at ninth grade who achieve minimum proficiency in (i) reading & (ii) mathematics

- Since Indonesia's first participation on PISA test in 2000, **students' test scores in reading and mathematics have increased** substantially by 27 and 26 points –equivalent to around one year of schooling, respectively.¹ However, it is important to note that Indonesia's latest performance in reading test has been decreasing and stagnant since 2009, where on average, Indonesia's students scored 402, 396, and 397 in 2009, 2012, and 2015.²
- Despite the significant gains in reading and mathematics, **Indonesia is still lag behind regional and OECD average**. In PISA 2015, Indonesia **ranked 62nd out of 72 participating countries**, a slight improvement from the 2013 ranking where Indonesia ranked 71st.³
- These **learning outcomes do not correspond** with the number of **resources that the government has invested** in education, thus, implying the need to use the resources more efficiently. Furthermore, policy actions that aim to strengthen teachers' subject-matter knowledge and equitably distribute well-qualified teachers across regions are imperative in improving students' learning outcomes in Indonesia.

¹⁻²Indonesia PISA 2015, World Bank (2017).

³PISA 2015 Results, OECD (2016).

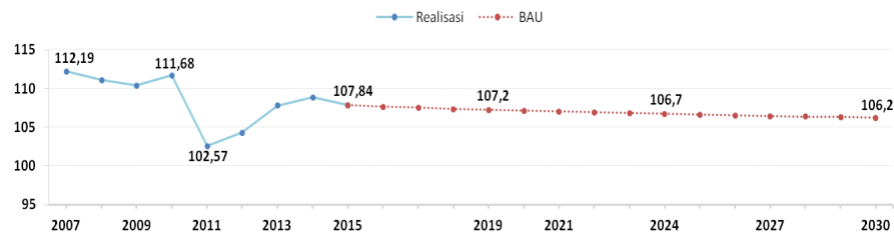
4 QUALITY EDUCATION



GOAL 4 QUALITY EDUCATION

4.1.1.(d) Gross enrollment rate, primary

School enrollment rate in primary education (trend projection)



Data Source: BPS

106.24%

Gross enrollment rate in primary education in 2030 with business-as-usual scenario*

*using Logarithmic model

106.24%

Gross enrollment rate in primary education in 2030 with intervention scenario

School enrollment rate in primary education has shown a good performance. Hence, an intervention scenario is not required to accelerate the improvement progress, or in other words, intervention scenario projection is the same with BAU scenario projection.

- Indonesia gross enrollment rate in primary education fluctuated substantially across years and tended to decrease through 1996-2018.¹
- Looking into gross enrollment rate data at the provincial level, **no significant gap is found** across regions in Indonesia. The highest gross enrollment rate is in North Maluku (109.14%) while the lowest is in Papua (94.28%).²
- As the primary gross enrollment rate considered as showing good performance, no substantial intervention is needed. However, **monitoring is still required** to ensure the primary gross enrollment rate **moving at the current pace** in order to achieve the target by 2030.

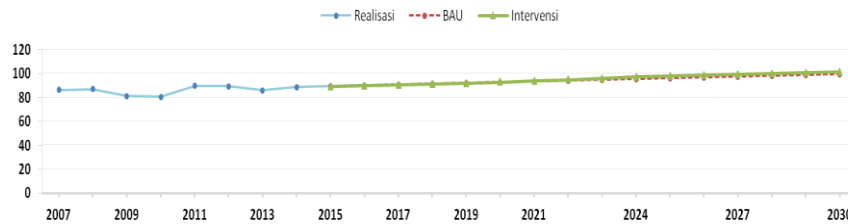
¹Education Statistics, World Bank (2016) & Ministry of Education and Culture (2019).

²PK dan APM SD, SMP, dan SM; Ministry of Education and Culture (2019).

GOAL 4 Quality Education

4.1.1.(e) Gross enrollment rate, lower secondary

School enrollment rate in lower secondary education (trend projection)



Data Source: BPS

*using Linear model

99.48%

Gross enrollment rate in lower secondary education in 2030 with business-as-usual scenario*

101.49%

Gross enrollment rate in lower secondary education in 2030 with intervention scenario

- The projection of the intervention scenario calculated with the assumption that all school-aged children who are not in school can return to formal and equivalence education.
- The target number above based on the assumption that “going back to school movement” program is implemented actively.

- Nationally, Indonesia’s gross enrollment rate had nearly reached 100% in 2018. While most provinces in Indonesia account gross enrollment rate at the **range of 95 - 106 percent**, Papua’s gross enrollment rate at junior high school level is only 73.40%.¹
- Particularly in Papua, the low gross enrollment rate is most likely due to the great distance travelled by the students to reach the educational institutions. On average, the distance from a village to the nearest junior high school is 7.9 km nationally. However, **children in Papua has to travel 39.5 km on average** to reach the nearest junior high school from their village.² This shows that inequality in educational facilities across regions is among one of the issues that have to be addressed in order to achieve the targeted gross enrollment rate by 2030.
- Moreover, local government also should be encouraged to actively implement the “**going back to school movement**” program including by collecting the data of out-of-school children at district/sub-district level as well as by allocating local government budget and village fund for the program.

¹APK dan APM SD, SMP, dan SM; Ministry of Education and Culture (2019).

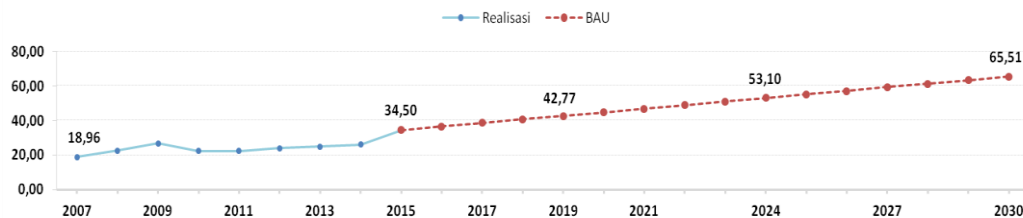
²Village Potential Statistics, Statistics Indonesia (2014).

4
QUALITY
EDUCATION

GOAL 4 Quality Education

4.2.2.(a) Gross enrollment rate, preprimary

School enrollment rate in preprimary education (trend projection)



Data Source: BPS

*using Linear model

65.51%

Gross enrollment rate in preprimary education in 2030 with business-as-usual scenario*

BAU scenario projection is calculated based on data trend from 2017, which has shown a relatively high growth (2% annually). This growth number has been considered as optimistic to increase the enrollment rate at preprimary education level.

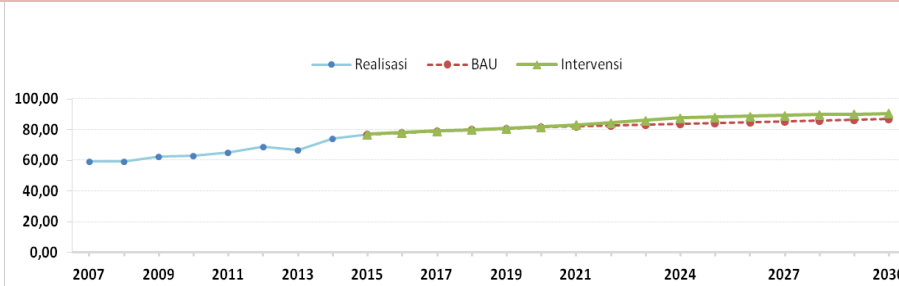
- The main purpose of early childhood education (ECD) is to prepare children for growth, development, and learning. This **early education is essential for Indonesia's development agenda in improving its human resources for future development.**
- Indonesia's **gross enrollment rate at preprimary education** has shown a **steady increase in recent years**. Children who live in Java tended to enroll in preprimary education than those who live outside Java. While DI Yogyakarta's preprimary gross enrollment rate stood at 68.47% in 2016, Papua accounted only 12.44%.¹ Furthermore, Statistics Indonesia data shows that children who come from **lower-income families and live in rural areas are less likely to attend preprimary education.**
- With around one-third of Indonesian children attend preprimary education, increasing ECD coverage is certainly needed, especially in regions at the lowest enrollment rate. Aside from increasing coverage, **improving ECD quality** is also important as **the quality of children' early education experience make a significant difference in their school participation and performance.**

¹APK PAUD (Gross Enrollment Rate, Pre-primary), by province, BPS

GOAL 4 Quality Education

4.3.1.(a) Gross enrollment rate, higher secondary

School enrollment rate in higher secondary education (trend projection)



Data Source: BPS

86.88%

Gross enrollment rate in higher secondary education in 2030 with business-as-usual scenario*

*using Logarithmic model

90.55%

Gross enrollment rate in higher secondary education in 2030 with intervention scenario

- Interventions are carried out by reaching out to junior high school graduates who did not continue to high school, and adolescents who drop out of secondary education.
- The target number above based on the assumption that "going back to school movement" program is implemented actively.



- In 2017, Indonesia's gross enrollment rate at the higher secondary level reached 82.84%, an 18% increase from what it was in 2011. In line with the condition at the lower secondary level, a **significant gap is still found between regions in which Papua accounted for the lowest gross enrollment rate at 67.94% on the same year.**¹ The gap is also found between rural and urban areas, as well as across income groups.

¹Statistik Pendidikan: Potret Pendidikan Indonesia, BPS (2016).

- Gross enrollment rate that does not reach 100% indicates that there are out-of-school children who either did not enroll in or drop out of higher secondary education. Statistics Indonesia's data shows that **only 57.22% of junior high school graduates continued their education to higher secondary level** in 2016, and one out of 20 students drop out of higher secondary education.¹ **Boys and children who live in rural areas are more likely to drop out of school than girls and their peers who live in urban areas.**

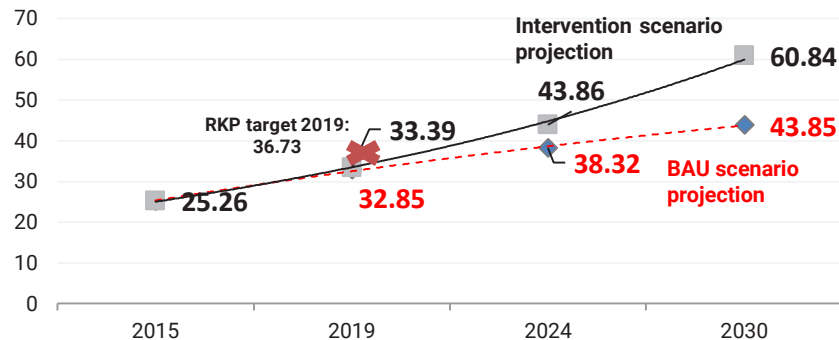
4 QUALITY EDUCATION



GOAL 4 Quality Education

4.3.1.(b) Gross enrollment rate, tertiary

School enrollment rate in tertiary education (trend projection)



43.85%

Gross enrollment rate in tertiary education in 2030 with business-as-usual scenario*

60.84%

Gross enrollment rate in tertiary education in 2030 with intervention scenario

Data Source: BPS

* Using linear model projection

- Modern economic growth theory asserts the key role of human resources quality to sustainable economic growth. A recent study shows that **tertiary education in low- and middle-income countries positively impact individual earnings, economic growth, productivity, and technological transfer.**¹
- Indonesia's gross enrollment rate in tertiary education **increased** from **11.5% in 1996 to 25.26% in 2015**, growing at 4.37% rate annually.² A stark disparity was found across income-group levels, with highest group quintile accounted for 59.61% gross enrollment rate while the lowest-income group accounted for only 5.08%. This figure shows **disproportional representation of students between families with the highest and lowest income quintile.**
- A comprehensive financial aid system -which includes scholarships for bright students from low-income families, systems to identify high potential students in secondary, and systems to identify disadvantaged students in universities- can effectively reduce the disparities. Overcoming the equity problem through financial aids have been practices by many middle-income countries such as Chile, Brazil, and Columbia.

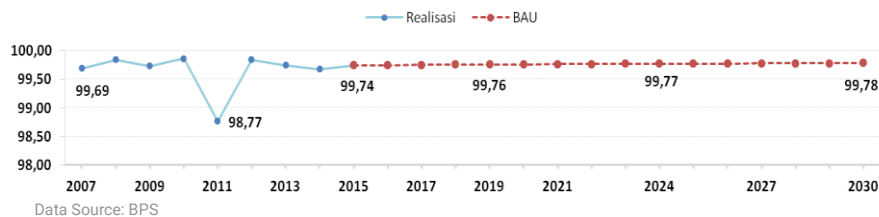
¹Tertiary Education in Indonesia: Direction for Policy, World Bank (2014).

²Education Statistics, World Bank (2016) & APK PT, Statistics Indonesia (2016).

GOAL 4 Quality Education

4.5.1* Net ratio of girls to boys in (1) primary & (2) lower secondary education

Ratio of girls to boys in primary education (trend projection)



99.78

Net ratio of girls to boys in primary education in 2030 with business-as-usual scenario*

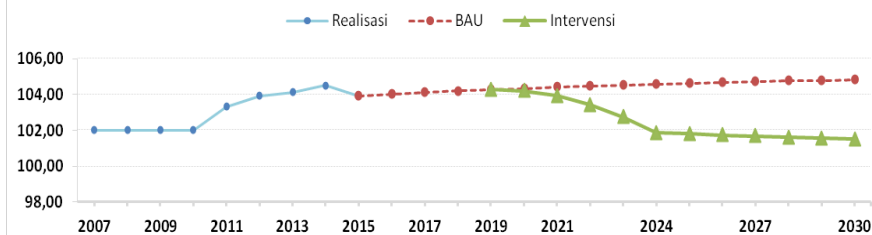
**using Logarithmic model*

99.78

Net ratio of girls to boys in primary education in 2030 with intervention scenario

BAU scenario projection has shown good performance with the ratio of girls to boys in primary education moving closer to 100% in 2030. Hence, the current intervention is considered to be going well.

Ratio of girls to boys in lower secondary education (trend projection)



104.83

Net ratio of girls to boys in lower secondary education in 2030 with business-as-usual scenario*

**using Logarithmic model*

101.50

Net ratio of girls to boys in lower secondary education in 2030 with intervention scenario

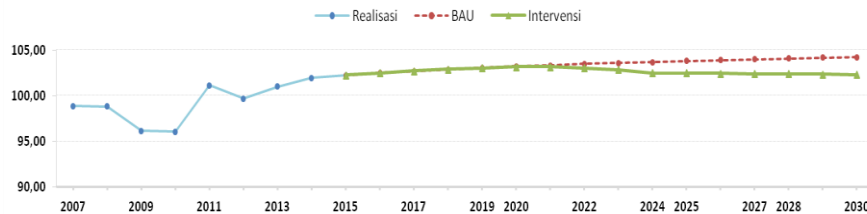
- The data shows an increasing trend over time, which implies a continuing gap between boys and girls participation in middle school.
- 2020-2024 projection is calculated by assuming all adolescents who did not enroll to school are returning to formal education by 2024, so there will be a significant decrease in girls to boys ratio in junior high school every year. This is due to most adolescents who dropped out of school are boys.
- 2025-2030 projection uses calculation with natural decreasing rates.



GOAL 4 Quality Education

4.5.1* Net ratio of girls to boys (3) higher secondary & in (4) tertiary education

Ratio of girls to boys in higher secondary education (trend projection)



Data Source: Statistics Indonesia

104.26

Net ratio of girls to boys in higher secondary education in 2030 with business-as-usual scenario*

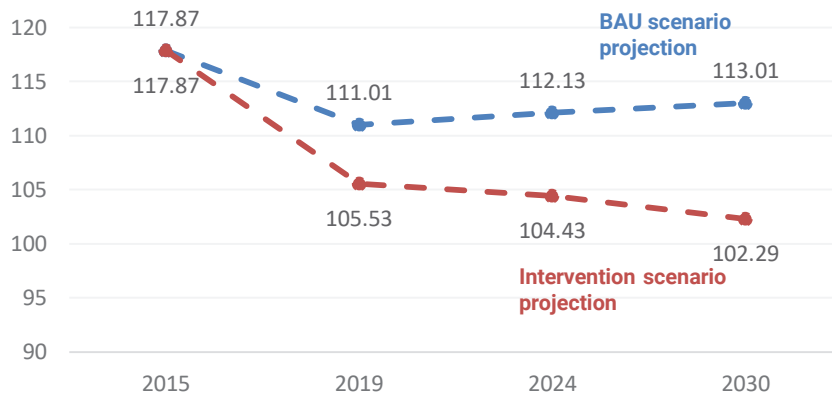
102.31

Net ratio of girls to boys in higher secondary education in 2030 with intervention scenario

*using Logarithmic model

- The projection is calculated by assuming all adolescents who did not enroll in school are returning to formal education.
- The target number above based on the assumption that "going back to school movement" program is implemented actively.

Ratio of girls to boys in tertiary education (trend projection)



113.01

Net ratio of girls to boys in tertiary education in 2030 with business-as-usual scenario*

102.29

Net ratio of girls to boys in tertiary education in 2030 with intervention scenario

*Using moving average projection

Data Source: SUSENAS, BPS



GOAL 4 Quality Education

4.5.1* Net ratio of girls to boys in (1) primary, (2) lower secondary, (3) higher secondary, and (4) tertiary education



- Indonesia's net ratio of girls to boys in almost all education levels –except primary education, shows **higher participation of girls than boys**. This figure supported by Ministry of Education and Culture data that shows a higher number of drop-outs in boys where the number of male students who dropped out from the lower and higher secondary education nearly thrice and twice of female drop-outs.¹
- Although the data at national level shows a higher prevalence of male dropouts, it is important to observe the pattern at the regional level. At the higher secondary level, the following provinces exhibit a high gap of girls to boys net ratio: **West Sumatera** (124.15), **West Nusa Tenggara** (86.18), and **Gorontalo** (143.63). A more glaring disparity was found at tertiary education where nearly one-third of provinces in Indonesia record net ratio of girls to boys at the range of 120-160.²
- In order to achieve the target of net ratio of girls to boys at nearly 100, the action that will be taken should not be a one-size-fits-all policy. The approach should be **locally oriented** that derived from observations that take into account dropouts **issues across gender and socio-economic condition**.

¹Ministry of Education and Culture, 2018.

²Statistics Indonesia, 2016.

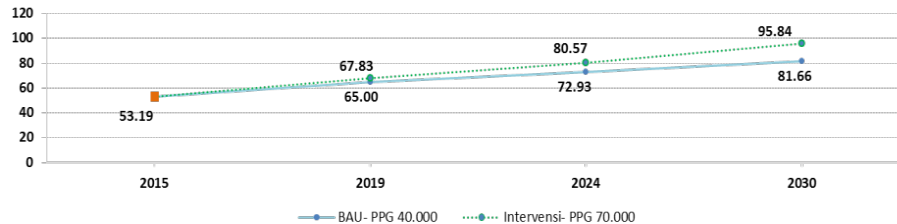


GOAL 4 Quality Education

4.c.1* Proportion of certified teachers - all education level

Percentage of certified teachers (trend projection)

Membara



Data Source: GTP Projection, Ministry of Education and Culture

81.66%
Proportion of certified teachers in 2030 with business-as-usual scenario

95.84%
Proportion of certified teachers in 2030 with intervention scenario

BAU and intervention scenario projections are calculated based on the following assumption:

- According to regulations, the targeted certified teachers are teachers with permanent employment and implemented through teachers' professional training.
- BAU scenario projection is calculated by assuming certification through teachers' professional training that only financed by the state budget, which allocated a certification program for 40.000 teachers in 2017.
- Intervention scenario projection is calculated based on the maximum capacity of the Educational Staff Education Institution (LPTK) in implementing teachers' professional training, which is 70.000 teachers in service.
- Intervention scenario projection has yet take into account a capacity improvement of LPTK as a result of revitalization and assumes new teachers already have certification.

- Improvement in access to education should be correspondent with an increase in **teaching quality**, measured by teachers certification as one of the indicators. However, a study by Ree et al. (2017) indicates teacher certification does not have a significant effect on student learning outcomes.
- Increasing teachers' salary after completing certification is found to be not providing enough incentive for teachers' effort in improving their teaching capacity. Therefore, **improvement in teachers' certification program** is certainly needed to boost learning quality and outcomes. Compounding the program with **performance-based incentives** could be taken into consideration as it is found to be effective in improving students' learning outcomes in other countries, e.g., India.

Proportion of children at (a) fourth grade who achieve minimum proficiency

Year	Reading	Mathematics
	Intervention	Intervention
2016	53.2	22.9
2019	56.2	25.6
2024	61.2	30.1
2030	67.2	35.5



Policy Direction
2020-2024

Strategies

Accelerate the implementation of 12 years compulsory education program

- Proper education assistance for children at learning ages who come from underprivileged households,
- Equal distribution of quality education services between regions,
- Helping school-aged children who are not in school to return to school through the revitalization of the retrieval program.

Improve the quality of teaching and learning so that students gain basic skills, the ability to think critically, have personal values and character to become productive citizens

- Applying curriculum that provides teaching reinforcement focusing on mathematics, literacy, and science at all levels, and strengthening education in characters, religion, and citizenship;
- Reinforcing the implementation of student learning assessments through strengthening the role of teachers for learning assessments in the classroom, as well as utilizing the learning assessment results to improve the learning quality

Policy Direction
2025-2030

Strategies

Accelerate the implementation of 12 years compulsory education program

- Proper education assistance for children at learning ages who come from underprivileged households,
- Equal distribution of quality education services between regions,
- Helping school-aged children who are not in school to return to school through the revitalization of the retrieval program.

Improve the quality of teaching and learning so that students gain basic skills, the ability to think critically, have personal values and character to become productive citizens

- Applying curriculum that provides teaching reinforcement focusing on mathematics, literacy, and science at all levels, and strengthening education in characters, religion, and citizenship
- Reinforcing the implementation of student learning assessments through strengthening the role of teachers for learning assessments in the classroom, as well as utilizing the learning assessment results to improve the learning quality.

Proportion of adolescent: (c) at ninth grade who achieve minimum proficiency

Year	Reading		Mathematics	
	Baseline	Intervention	Baseline	Intervention
2015	45.0	45.0	32.0	32.0
2019	42.8	46.1	26.8	33.6
2024	40.0	48.0	26.0	35.6
2030	36.7	50.0	25.0	38.0



Policy Direction
2020-2024

Strategies

Improve The Quality of Vocational Education As Well As Employment Skills Education & Training

- Development of vocational education models that are in line with regional development and driven by partnerships with the local business/industry,
- Improving the quality of entrepreneurship education & training and employment skills
- Increasing the number of certification for vocational graduates

Improve The Management Quality of Teachers And Educational Staff

- LPTK revitalization,
- structuring the mechanism of new teachers' appointment and placement,
- equalize teachers distribution within positions, between education units, and between regions;
- strengthening the function of heads of education units and school/madrasah supervisors in conducting the quality assurance of education services.

Policy Direction
2025-2030

Strategies

Improve The Quality of Vocational Education As Well As Employment Skills Education & Training

- Development of vocational education models that are in line with regional development and driven by partnerships with the local business/industry,
- Improving the quality of entrepreneurship education & training and employment skills
- Increasing the number of certification for vocational graduates

Improve The Management Quality of Teachers And Educational Staff

- Between education units, and between regions;
- Strengthening the function of heads of education units and school/madrasah supervisors in conducting the quality assurance of education services.

Gross enrollment rate, preprimary		
Year	Baseline	Intervention
2015	34.50	34.50
2019	42.77	42.77
2024	53.10	53.10
2030	65.51	65.51

Gross enrollment rate, primary		
Year	Baseline	Intervention
2015	107.84	107.84
2019	107.24	107.24
2024	106.71	106.71
2030	106.24	106.24



Policy Direction
2020-2024

Strategies

Improving The Access And Quality of Early Childhood Education Services

- Raising the local governments' commitment to carry out early childhood education
- Quality improvement of early childhood education institutions

Improve The Quality of Educational Equity

- Strengthening skills training to increase productivity that refers to the regional potential areas of excellence

Increasing The Education Budget Fulfillment

In accordance with the regulations, and improving the education budget spending effectiveness, so the budget is optimally used in improving access, quality, relevance, and competitiveness of educational services;

Gross enrollment rate, lower secondary

Year	Baseline	Intervention
2015	89.35	89.35
2019	92.05	92.05
2024	95.43	97.44
2030	99.48	101.49

Gross enrollment rate, higher secondary

Year	Baseline	Intervention
2015	77.13	77.13
2019	80.78	80.78
2024	84.02	87.69
2030	86.88	90.55

Policy Direction
2025-2030

Strategies

Improving The Access And Quality of Early Childhood Education Services

- Raising the local governments' commitment to carry out early childhood education
- Quality improvement of early childhood education institutions

Improve The Quality of Educational Equity

- Strengthening skills training to increase productivity that refers to the regional potential areas of excellence



Policy Direction
2020-2024

Strategies

Increased Quality Education Services Equal Distribution

- Educational assistance (*Bidik Misi, Adik, PPA, KIP Kuliah*)
- Organizing high quality distance education
- Equal distribution of quality among interregional universities through accelerating the accreditation of higher education study programs outside Java
- Improvement of qualified lecturers, among others, through scholarships for post-graduate studies
- Improvement and quality assurance of education

Strengthening The Quality Of Vocational Education And Training Implementation

- Increased vocational infrastructure facilities according to industry standards and the business sector
- Permit control for the establishment of new vocational education units and study programs that are not in accordance with industry/labor market standards and needs
- Strengthening entrepreneurship in vocational higher education

Policy Direction
2025-2030

Strategies

Strengthening of Autonomy in Higher Education

- Innovative funding schemes for universities through the utilization of private-public partnerships
- Increase the focus and quality of research through simplification and strengthening of the ecosystem of education, research and development

Development Of Innovative Study Programs That Suit Development And Industrial Needs

- College and industry partnerships for curriculum alignment, study program development, research and development activities;
- Flexibility in opening and closing study programs to respond to the dynamics of the labor market

Development of Higher Education As A Center Of Excellence and Development of Science and Technology

- Collaboration and inter-university detachment that are level and different
- College clustering in the context of mission differentiation



Gross enrollment rate, tertiary		
Year	Baseline	Intervention
2015	25.26	25.26
2019	32.85	33.39
2024	38.32	43.86
2030	43.85	60.84



Net ratio of girls to boys in (1) primary education			Net ratio of girls to boys in (2) lower secondary education			Net ratio of girls to boys in (3) higher secondary education			Net ratio of girls to boys in (4) tertiary education		
Year	Baseline	Intervention	Year	Baseline	Intervention	Year	Baseline	Intervention	Year	Baseline	Intervention
2015	99.74	99.74	2015	103.91	103.91	2015	102.25	102.25	2015	117.87	117.87
2019	99.76	99.76	2019	104.27	104.27	2019	103.06	103.06	2019	111.01	105.53
2024	99.77	99.77	2024	104.57	101.86	2024	103.72	102.49	2024	112.13	104.43
2030	99.78	99.78	2030	104.83	101.50	2030	104.26	102.31	2030	113.01	102.29

Policy Direction
2020-2024

Strategies

Strengthening The Vocational Competency Certification System

- Strengthening competency certification institutions, and synchronizing existing certification systems in the education sector with the employment sector.

Proportion of certified teachers - all education level		
Year	Baseline	Intervention
2015	53.19	53.19
2019	65.00	67.83
2024	72.93	80.57
2030	81.66	95.84

Development of Innovative Study Programs That Suit Development and Industrial Needs

- College and industry partnerships for curriculum alignment, study program development, research and development activities.
- Flexibility in opening and closing study programs to respond to the dynamics of the labor market.



SUSTAINABLE DEVELOPMENT GOALS



**GOAL 5
GENDER
EQUALITY**



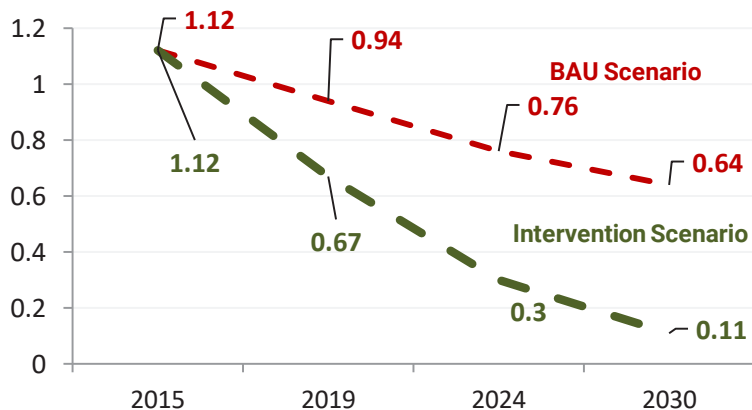
2.5



GOAL 5 GENDER EQUALITY

5.3.1.* Proportion of Women Aged 20–24 Years Married Or In A Union Before Age 15 and 18 y.o

Proportion of women aged 20–24 years who were married or in a union before age 15 y.o



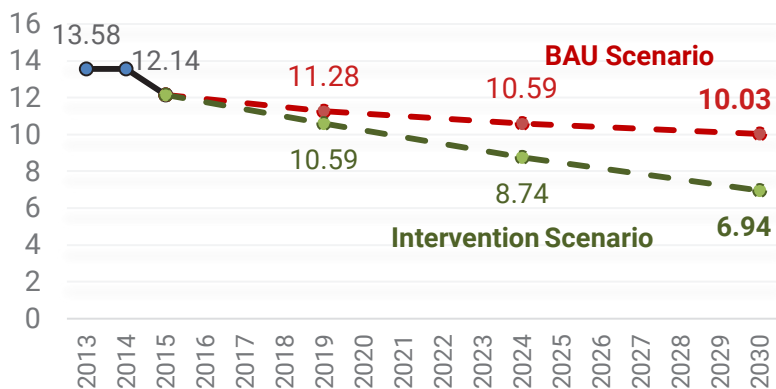
0.64%

Proportion of women married before 15 y.o in 2030 with BAU scenario

0.11%

Proportion of women married before 15 y.o in 2030 with intervention scenario

Proportion of women aged 20–24 years who were married or in a union before age 18 y.o



10.03%

Proportion of women married before 18 y.o in 2030 with BAU scenario

6.94%

Proportion of women married before 18 y.o in 2030 with intervention scenario

Data Source: SUSENAS, BPS



GOAL 5 GENDER EQUALITY

5.3.1.* Proportion of Women Aged 20–24 Years Married Or In A Union Before Age 15 and 18 y.o

- Child marriage is a **fundamental violation of girls' human rights** that can limit their education, health, future income, and security. This phenomenon is quite alarming as there are various adverse effects ranging from economic losses to health deterioration that harm women from the practice of child marriage (Otoo-Oyortey & Pobi, 2003; World Vision, 2013).
- From a health perspective, **underage marriage is harmful** for girls as they are still in the growth and development phase, and physically and mentally not ready. Moreover, if girls are married at 15 or under, it limits their potential and chance for pursuing higher education as 15 y.o is a school-age. Underage marriage is also **susceptible to domestic violence, divorce, maternal mortality, and low quality of children.**
- Child marriage in Indonesia is strongly related to traditional and religious beliefs in which marriage is often seen as one of the ways to avoid adultery or premarital sex (National Family Planning Coordination Board [BKKBN], 2012). Stakeholders' commitment, such as family and religious leaders, should be involved to end child marriage to decrease the number of underage marriage significantly.



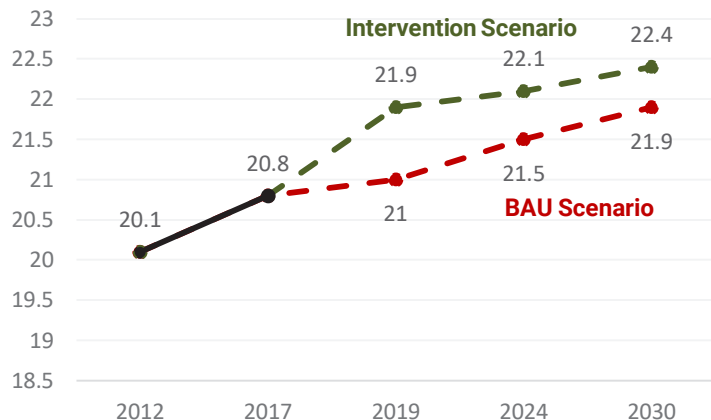
- The high prevalence of child marriage may also be influenced by 1974 Marriage Law that states male can **legally marry at the age of 19 while females at 16**. To prevent child marriage, The House of Representatives has now agreed to **raise the female minimum age marriage to 19 years old**. They are now on their way of discussing issues related to marriage dispensations.
- Reducing the rate of child-bride can no longer rely on the business-as-usual scenario. Policy intervention that is multi-disciplinary ranging from **increasing access to education and jobs for women could help reducing child-bride** into 6.94% in 2030, far lower than its BAU scenario for only reducing it to 10.03%.
- Indonesia is one of the countries in the Asia Pacific region with a **high prevalence of child marriage** (UNICEF, 2014). Statistics Indonesia showed that the prevalence of early marriage stood at 11.5% in 2017, up from 11.1% in 2016, although it had decreased again to 11.2% in 2018. This situation is alarming as **20 out of 34 provinces in Indonesia has a proportion of women married under 18 y.o higher than the national proportion**. The proportion is also more apparent in rural areas.

5 GENDER EQUALITY



GOAL 5 GENDER EQUALITY

5.3.1.(a) Median Age of The First Marriage of Married Women Age 25-49 year-old



Data Source: SDKI

21.9
year-old

Median age of the first marriage for women with BAU scenario

22.4
year-old

Median age of the first marriage for women with intervention scenario

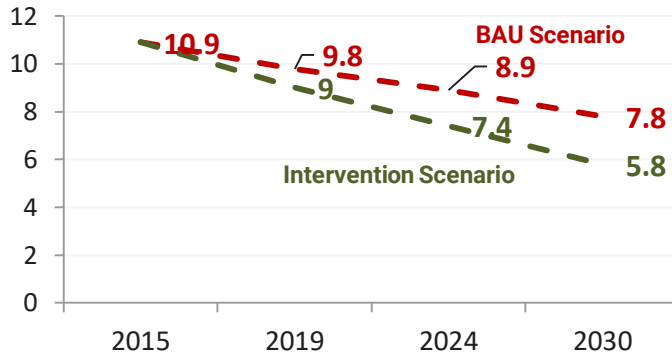
- The median age of the first marriage of women in Indonesia is 20 years old. The age of 20s is actually too young for marriage as the recommended age to marry for women according to international standard is 21 year old. When women **get married at 20 years old**, they will **lose their opportunities to pursue higher education**, and this will affect their future benefits.
- However, it is projected that there will be an increasing trend in age of women marriage. Under the business as usual scenario, median age of the first marriage for women will **increase to 21.9 year-old in 2030**. Nevertheless, this projected age could be even older to 22.4 year-old if all stakeholders, family, and religious leaders are committed to **end child marriage in any form**.

Median age of the first marriage of married women age 25-49 y.o

Year	Baseline	Intervention
2017	20.8	20.8
2019	21	21.9
2024	21.5	22.1
2030	21.9	22.4

GOAL 5 GENDER EQUALITY

5.6.1.(a) Unmet Need For Family Planning



Data Source: SDKI

7.8%

Unmet need in 2030 with business-as-usual scenario

5.8%

Unmet need in 2030 with intervention scenario

- Decreasing number of unmet need for family planning is a part of global action called “Family Planning” 2020. This effort is to **support women and girls** to get their **rights and independence**. **Contraceptive method** is beneficial to **decrease maternal mortality** and avoid unsafe abortion practices; which in turn can save life of millions of women and girls.
- **Regulating and controlling fertility rate** can **strengthen economic welfare** for every household which would also lower poverty rate in the long run (UN, 2015). Various policy packages in Indonesia have shown some progress in controlling fertility rate, but there is still room for improvement.
- Indonesia’s number of unmet need for family planning has shown a decreasing trend, projected to reach **7.8% in 2030 with a business-as-usual scenario**. And this number could reach 5.8% if all stakeholders are set and committed in the same direction.

Unmet need for family planning		
Year	Baseline	Intervention
2015	10.9	10.9
2019	9.8	9.0
2024	8.9	7.4
2030	7.8	5.8



Proportion of women aged 20–24 years who were married or in a union before age 15 y.o

Year	Baseline	Intervention
2015	1.12	1.12
2019	0.94	0.67
2024	0.76	0.3
2030	0.64	0.11



Enhancing Access and Quality Services of Family Planning And An Equal and Comprehensive Reproductive Health

Policy Direction
2020-2024

Strategies

- Formulating policy, strategy, and program according to region’s characteristics and targets and based on the life-cycle.
- Enhancing the communication, information, education, and counselling on family planning and reproductive health comprehensively.
- Expanding access of family planning in the JKN era through increasing health facility capacity, ensuring the quality and financing of health services, and ensuring the availability of medical devices and contraceptive commodities.
- Enhancing access to adolescent reproductive health which is gender-responsive, adolescent-friendly, and family-based starting from pre-adolescent.
- Strengthening a strategic and supportive environment that include population data and information, family, regulation, institution, governance, human resource, and intersectoral cooperation.

High Quality Family Planning and Reproductive Health Services

Policy Direction
2025-2030

Strategies

- Strengthening the formulation of policy, strategy, and program according to region’s characteristics and targets and based on the life-cycle.
- Ensuring the communication, information, education, and counselling on family planning and reproductive health which are sustainable and comprehensive.
- Strengthening the access and quality of family planning services under the scheme of national health insurance (JKN).
- Strengthening access to adolescent reproductive health which is gender-responsive, adolescent-friendly, and family-based starting from pre-adolescent.
- Ensuring a strategic and supportive environment that include population data and information, family, regulation, institution, governance, human resource, and intersectoral cooperation.

Proportion of women aged 20–24 years who were married or in a union before age 18 y.o

Year	Baseline	Intervention
2015	12.14	12.14
2019	11.28	10.59
2024	10.59	8.74
2030	10.03	6.94



Policy Direction
2020-2024

Strategies

Strengthening The Child Marriage Prevention

- Strengthening the regulation and legal framework
- Promoting children as agent of change to prevent child marriage
- Improving access and quality of welfare service, including a 12-year compulsory education
- Improving knowledge and understanding of children, parents, families, and civil society, and governments
- Improving coordination and synergy across the regions, among stakeholders including lines/ministries, private sectors, media, and CSO/NGOs
- Developing an integrated, complete, and continuous data and information systems.

Policy Direction
2025-2030

Strategies

Ending Child Marriage

- Ensuring the regulation and legal framework to end child marriage
- Ensuring access and quality of welfare service, including a 12-year compulsory education
- Strengthening the collaboration actions among children, parents, families, and civil society, and governments
- Strengthening coordination and synergy across the Regions, among stakeholders including lines/ministries, private sectors, media, and CSO/NGOs
- Strengthening an integrated, complete, and continuous data and information systems

SUSTAINABLE DEVELOPMENT GOALS



GOAL 6

**CLEAN WATER
AND SANITATION**



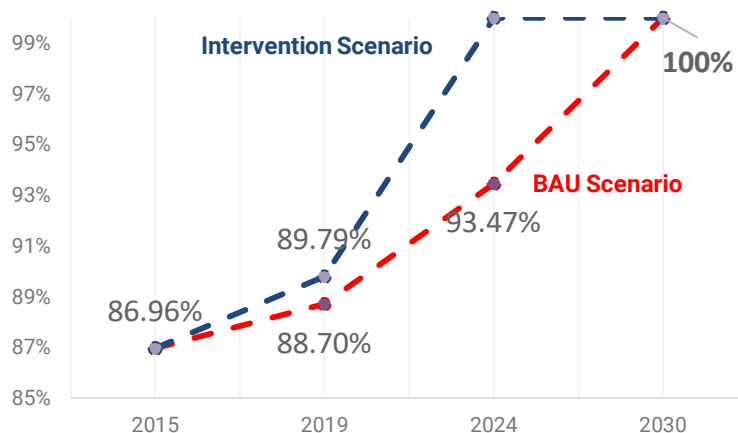
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6 CLEAN WATER AND SANITATION



GOAL 6 CLEAN WATER AND SANITATION

6.1.1.(a) Percentage of Households Having Access To An Improved Drinking Water Services



Universal access to an improved drinking water services in 2030

Source: Directorate for Development of Urban, Housing, and Settlement Areas, Bappenas

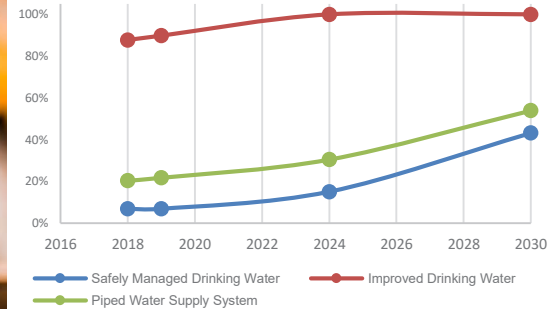
- **Access to drinking water as a basic service is one of the national priorities** as it is also strongly correlated with other development issues, such as health, poverty, and human development. Open defecation and untreated wastewater contaminate water supply and facilitate the spread of diarrhoeal diseases such as cholera. **A quarter of children under-5 y.o in Indonesia suffer from diarrhea**, which is the leading cause of child mortality in the country (UNICEF, 2018). In 2018, **30.8% of children** under the age of five **being stunted** (Riskesdas, 2018). Sensitive intervention, including drinking water provision, will contribute as much as 70% of stunting prevention.
- Access to an improved drinking water service has been increasing annually. In 2018, **87.75%** of total population has **had an access to improved drinking water supply** including piped water supply (20,14%) and non-piped water supply (67.61%). However, the coverage of **safely-managed water supply is still low**. Based on the study, **access to safely managed water** in Special Region of **Yogyakarta** was only **8.5%** (*Hasil Survei Kualitas Air DIY*, 2015). Based on the proxy data of the study, access to safely managed drinking water in Indonesia only reached **6.8%**.
- Despite the projection of attaining the 2030 agenda on universal access to an improved drinking water services, **efforts are still required to increase the access to a safely-managed drinking water and piped-water supply systems**. Access to safely managed drinking water supply is targeted to reach **15% in 2024** and **43.15% in 2030**. Meanwhile, the access to piped water supply system is targeted to reach **30.54% in 2024** and **53,94% in 2030**.

Percentage of Households Having Access To An Improved Drinking Water Services

Year	Baseline	Intervention
2015	86.96	86.96
2019	89.71	89.79
2024	99.54	100
2030	100	100



Percentage of Households Having Access to Improved Drinking Water, Safely Managed Drinking Water, and Piped Water Supply System



Policy Direction
2020-2024

Strategies

100% Access to Improved Drinking Water Service and 15% access to safely managed drinking water access

- Improving water resources security for drinking water supply (quantity and quality)
- Increasing piped and non-piped drinking water supply system coverage
- Enhancing operator's capacity in the provision of safely managed drinking water.
- Enhancing good governance and institution
- Improving community awareness and participation

Financial Support for Improved Drinking Water Service Development around 22 million SR until 2024

- Enforcing regulations requiring FCR tariffs for Local Water Company's self-sufficiency and growth.
- Optimizing the existing financing strategy, creative financing, and Public Private Partnership.

Policy Direction
2025-2030

Strategies

100% Access to Improved Drinking Water Service 43.15% access to Safely Managed Drinking Water

- Continue to reduce non revenue water and idle capacity of water supply system
- Accelerating the infrastructure development for piped and safely managed drinking water system
- Enforcing water safety plan to Increase safely managed drinking water access from tap water

Financial Support for Improved Drinking Water Service Development

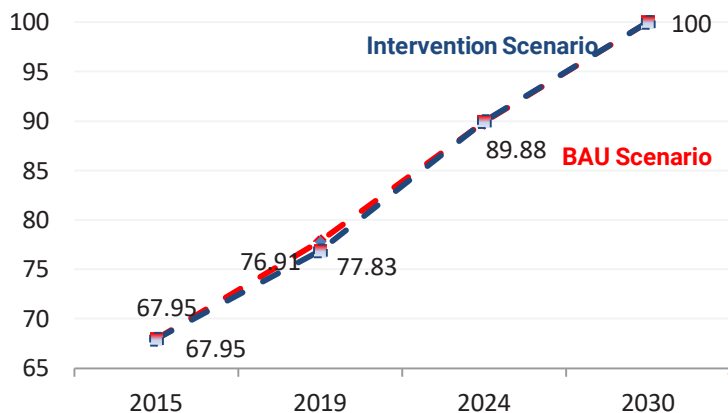
- Optimizing the existing financing strategy, creative financing, and Public Private Partnership.

6 CLEAN WATER AND SANITATION



GOAL 6 CLEAN WATER AND SANITATION

6.2.1.(b) Percentage of Households Having Access To An Improved Sanitation



Source: SUSENAS, BPS
Projection: Bappenas (according to the SDGs sanitation ladder)

100%



Universal access to an improved sanitation in 2030 is going to be achieved

The projection (baseline) shows that sanitation target in 2024 (90% access to improved sanitation) and target in 2030 (100% access to improved sanitation) would be achieved.

- Similar to access to an improved drinking water, access to an improved sanitation correlates strongly with health and the environment. Particularly, **lack of an improved sanitation access will reduce water quality** and also increase prevalence of stunting in children with correlation coefficient of 0.66 (Risksedas, 2013).
- Besides access to an improved sanitation, increasing **access to a safely-managed sanitation** is also the part of 2030 agenda. In 2018, only 7.42% of households in Indonesia had an access to a safely-managed sanitation. In 2030, the government targets the number to be **increased** up to **53.71%** which could be achieved through **fecal sludge management for on-site sanitation system** and **sewerage system** (off-site system).
- Furthermore, Indonesia still faces a behavioral issue on sanitation practice as **there is 9.36% of households practicing open defecation** in urban and rural areas (Bappenas, 2018). The government aims to achieve 100% open defecation-free (ODF) in 2024.
- A stronger **leadership, commitment, good regulatory and institutional settings, as well as technical capacity** at national and local government level are required to accelerate the universal provision of an improved sanitation for all.

Percentage of Households Having Access To An Improved Sanitation

Year	Baseline	Intervention
2015	67.95	67.95
2019	77.83	76.91
2024	89.88	90
2030	100	100



Establishing Sustainable Sanitation Services

Improving households access to improved sanitation to 90% (including 20% safely managed sanitation) and reducing open defecation (OD) to 0%, through:

- Strengthening local government capacity on wastewater management (including fecal sludge management and sewerage system), technical knowledge and ability, and cooperation with multi-stakeholders (private and academia).
- Strengthening the regulating and operational function of local government in wastewater management.
- Ensuring the regulation of wastewater management exists and is applied at local government including budget allocation for sanitation, mandatory payment for sanitation services, incentive mechanism, punishment, subsidy, and mandate for households to have a safely managed sanitation access.
- Strengthening the implementation of behavioral change program to stop open defecation, including regular monitoring mechanism and improved quality of assistance/facilitation to community, village, and local government.
- Developing quality of financing mechanism, including innovative financing, smart subsidy, and better spending in sanitation development.

Policy Direction
2020-2024

Strategies

Improving Access to Safely Managed Sanitation

Improving households access to improved sanitation to 100% (including 53,71% safely managed sanitation), through:

- Strengthening the sustainable sanitation services.
- Accelerating the improvement of households access to safely managed sanitation.
- Improving the quality of sanitation development planning and implementation of sanitation programs.
- Ensuring the collaboration between multi-stakeholders to develop sanitation programs.
- Enhancing the commitment of local government to safely managed sanitation development.

Policy Direction
2025-2030

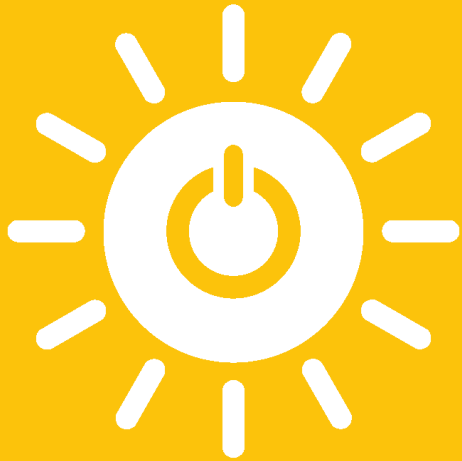
Strategies

SUSTAINABLE DEVELOPMENT GOALS



GOAL 7

**AFFORDABLE AND
CLEAN ENERGY**



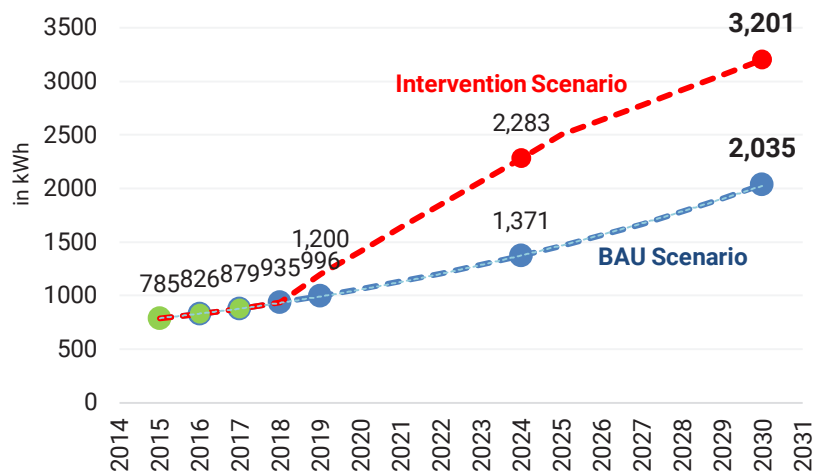
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7 AFFORDABLE AND CLEAN ENERGY



GOAL 7 AFFORDABLE AND CLEAN ENERGY

7.1.1.(a) Electric Power Consumption Per Capita



2,035
kWh

Electric power consumption per capita in 2030 with business-as-usual scenario

3,201
kWh

Electric power consumption per capita in 2030 with intervention scenario

Data source: Ministry of Energy and Mineral Resources



- Per capita electricity consumption is one indicator of a country's development as it is proportional to the level of economic activities. Indonesia's per capita **electricity consumption has increased steadily** in recent years along with the improvement of electrification ratio.

- Increasing electric power consumptions means there should be more demand and also better access to electric power in the future. **Majority of regions that have yet electrified are located in remote areas that are not covered by State Electricity Company (PLN).** Nevertheless, it is also important to increase economic activities in these remote areas as these activities create more demand for electricity.
- On the supply side, providing more equitable access to electricity should be the focus of policy direction as inequality in electricity access still persist in several regions, for example, **electrification ratio in East Nusa Tenggara still lag behind at 61.90% while most provinces' electrification ratios are more than 85%.¹**

¹Ministry of Energy and Mineral Resources, 2018.

Electric Power Consumption Per Capita

Year	Baseline	Intervention
2015	785 kWh/kapita	785 kWh/kapita
2019	996 kWh/kapita	1,200 kWh/kapita
2024	1,371 kWh/kapita	2,283 kWh/kapita
2030	2,035 kWh/kapita	3,201 kWh/kapita



Policy Direction
2020-2024

Strategies

Expanding The Coverage of Electricity Services

- Accelerating power plants development to increase national electric power capacity, especially in regions with limited access to electricity accompanied by the acceleration of the development of transmission, distribution, substation networks by increasing the utilization of new renewable energy, including a small and medium scale that are tailored to the regions' potential.
- Expanding and more evenly distributing the electricity supply throughout the country, including border and remote areas, and islands.
- Increasing the private role in electric power supply.
- Tariff adjustment to the economic value, which also followed by an improvement of state electricity enterprises' financial condition and investment capability in the electricity sector.

Upgrading The Quality of State Enterprises In Electric Power Sectors

- Guiding the state enterprises in the context of business regionalization, reinforcement of business management and capital soundness and international standard rules implementation.

Policy Direction
2025-2030

Strategies

Expanding The Coverage of Electricity Services

- Expanding the coverage of electricity services especially in regions with limited access to electricity by increasing new renewable energy utilization.
- Expanded and evenly distributed energy power utilization throughout the country, including border and remote areas, and islands, to boost economic productivity (not only limited to lighting purpose).
- Enhancing the role of the private sector in electric power supply.
- Gradually adjusting electricity tariff until the people's purchasing power reaches the economic value of electric power through a well-targeted subsidy scheme.
- Improving the reliability of the electric power supply.

GOAL 7



Policy Direction
2020-2024

Strategies

Encouraging The Use Of Electricity To Meet The Final Energy Needs of The Transportation, Household, and Industrial Sectors

- Development of electric/hybrid vehicles.
- Development of Mass Rapid Transit/MRT, Light Rail Transit/LRT, and tram.
- Developing an Intelligent Transport System/ITS.
- Electric power utilization for households appliances.
- Development of industrial cluster, special economic zone and tourism area.
- Expansion of electric power utilization in health and education sectors.

Improving The Quality of Electricity Supply

- Enhancing the reliability of the national electricity system (reduction of blackouts duration and frequency), from power plants, networks, and electric power distribution.

Policy Direction
2025-2030

Strategies

Encouraging The Use Of Electricity To Meet The Final Energy Needs of The Transportation, Household, and Industrial Sectors (Small To Big Scale Industries)

- Development of electric/hybrid vehicles.
- Development of Mass Rapid Transit/MRT, Light Rail Transit/LRT, and tram.
- Expansion of electric power production and utilization for households appliances and manufacture.
- Development of industrial cluster, special economic zone and tourism area.
- Expansion of electric power utilization in health and education sectors.

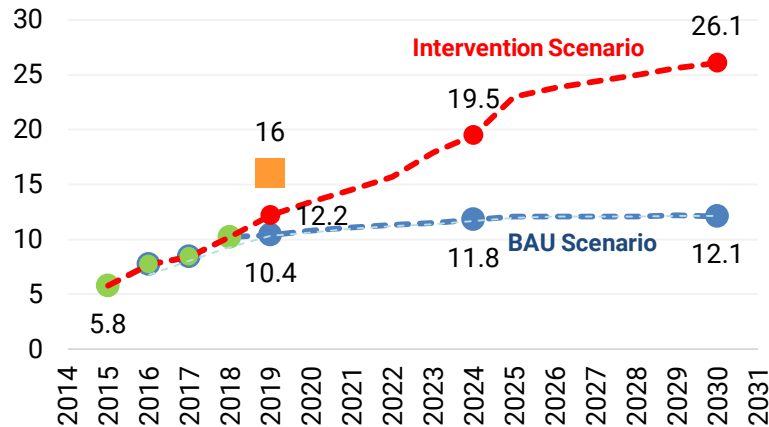
Improving The Quality of Electricity Supply

- Enhancing the reliability of the national electricity system (reduction of blackouts duration and frequency), from power plants, networks, and electric power distribution.



GOAL 7 AFFORDABLE AND CLEAN ENERGY

7.2.1* Renewable Energy Mix



12.1%

Renewable energy mix in 2030 with business-as-usual scenario

26.1%

Renewable energy mix in 2030 with intervention scenario

RPJMN 2020-2024's target is 20%

Data source: Ministry of Energy and Mineral Resources

- Primary energy mix in Indonesia is still **dominated** by **fossil fuel and coal** which account for **38% and 30% of total primary energy** in 2016.¹ The use of new renewable energy (NRE) continues to increase but still not realized at its full potential and lag behind other traditional sources of energy such as coal and fossil fuel.
- Presently, the main supplies of NRE in Indonesia come from hydropower, then followed by biomass, geothermal, and biodiesel. These sources of power have not been developed optimally due to various constraints such as **high initial investment costs, geographical location, and low efficiency**.
- With the current pace of NRE development, the government target of NRE mix at 23% in 2025 is difficult to achieve. A study by the Agency for the Assessment and Application of Technology (2018) estimates **NRE proportion to total primary energy will only reach 12.9% in 2025 and 14.9% in 2050**.
- More **ambitious policies** and a **comprehensive NRE** program that include stakeholders both from the demand and supply sides have to be implemented in order to accelerate renewable energy mix in Indonesia.

¹Indonesia Energy Outlook 2018, Agency for the Assessment and Application of Technology (2018).

Renewable Energy Mix		
Year	Baseline	Intervention
2015	5.8%	5.8%
2019	10.4%	12.2%
2024	11.8%	19.5%*
2030	12.1%	26.1%



*RPJMN 2020-2024's target is 20%

Policy Direction
2020-2024

Strategies

Increasing The Utilization of New Renewable Energy (NRE) To Generate Electricity

- Development of an NRE-based small electric power energy system for supplying electric power in regions that are not covered by grid expansion.
- Budget allocation for the NRE infrastructures development for villages that will not be electrified sustainably for a long-term use.
- Establishment of an NRE's separate business entity that mandated by the government to develop, utilize, and/or purchase NRE.
- Increasing the role of the private sector.
- Incentive-based policy to encourage investment in NRE.
- Regulatory reform to maximize citizens' participation in NRE development.
- Designing an NRE development plan that feasible to implement.

Policy Direction
2025-2030

Strategies

Increasing The Utilization of New Renewable Energy (NRE)

- Strengthening the development of smart grid system.
- Budget enforcement for the NRE infrastructures development.
- National industry development to support NRE power plants construction.

Developing Nuclear Power Plants Utilization

- Increasing the national capacity in the field of nuclear power use safety.
- Preparing pre-feasibility academic studies as a basis to make a decision on the planning of nuclear power plant development.
- Preparation of nuclear power plants development.



Policy Direction
2020-2024

Strategies

Reviewing The Utilization of Nuclear Power Plants

- Conducting research on nuclear power plants development which takes account economic and safety factors.
- Designing a roadmap for nuclear power plants implementation as the last option of national energy development priorities.
- Preparing the regulatory and institutional needs of nuclear power plants implementation.
- Preparing to master nuclear power plants technology.

Accelerate The Implementation of Geothermal Energy

- Preparing geothermal fields as the new geothermal mining plant.
- Perfecting the mechanism of tender procurements in geothermal infrastructures development and accelerating the biddings for new geothermal mining plant.
- Creating fiscal and non-fiscal incentives system to reduce the risk of geothermal exploration.

Policy Direction
2025-2030

Strategies

Increasing Investment in The NRE Sector

- Strengthening the role of NRE business entities.
- Promoting investment in NRE sector.
- Polishing NRE's financing schemes.
- Refining price schemes of NRE-powered electricity.

Developing New Technologies for The Progress of New and Renewable Energy

- Technology development and innovation of equipment/machinery/transportation facilities of biofuels.
- Technology development and utilization innovations of new energy.

GOAL 7



Policy Direction
2020-2024

Strategies

Increasing Biofuels Utilization

- Conversion from fossil fuels to biofuels use in the transportation and manufacturing sectors, and power plants.
- Provision of special land for energy gardens.
- Development of potential commodities/superior varieties aside from food needs.
- Improvement of biofuel off-taker mechanism (market guarantee), including standardizations, subsidies, and raw material prices, as well as biofuels' selling prices.

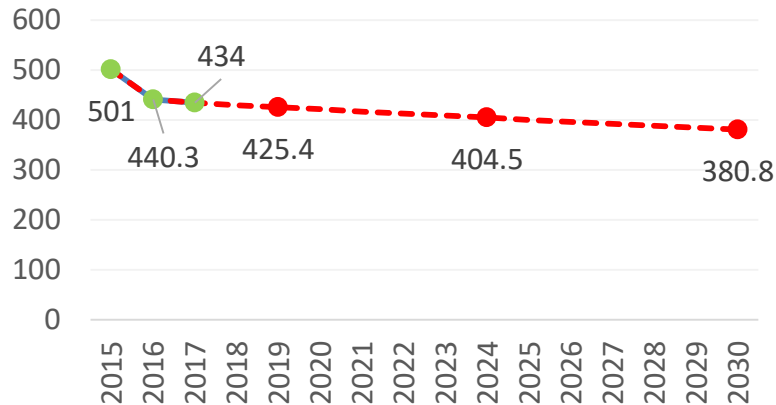
Improving The Quality and Potency of New Renewable Energy Data

- Quality and quantity increase of water energy potential survey, bioenergy, solar, and wind.
- Implementation of current potential survey, tide and difference in ocean layer temperature, and other NREs.



GOAL 7 AFFORDABLE AND CLEAN ENERGY

7.3.1* Primary Energy Intensity



380.8

TOE/billion Rupiah

Primary energy intensity in 2030 with business-as-usual scenario

The intervention scenario was not projected due to fluctuating data that could lead to differences in interpretation

Data source: Ministry of Energy and Mineral Resources

- Energy intensity is an indication of how much energy is used to produce one unit of economic output; in other words, it shows how efficient a country convert energy into Gross Domestic Product (GDP).
- Since 2000, Indonesia has shown a **significant improvement in reducing primary energy intensity from 5.31 MJ/\$ of GDP to 3.53 MJ/\$ of GDP in 2015**, a -1.36% growth annually.¹ Compared to East Asian and Pacific median, Indonesia's primary energy intensity is quite far lower than the region's.
- Indonesia's **energy efficiency mainly achieved in the industry** –highest coverage of mandatory efficiency policies, services sectors and passenger transports.² This figure shows that mandatory energy efficiency policies play an important role in reducing Indonesia's primary energy intensity. The government can encourage energy efficiency through energy efficiency policies in various sectors such as by giving incentives to improve space cooling and appliances efficiency in the building sector and establishing fuel efficiency standards in transportation sectors.

¹World Bank and OECD (2016).

²Energy Efficiency in Indonesia, International Energy Agency (2018).

Primary Energy Intensity

Year	Baseline	Intervention
2015	501 TOE/billion Rupiah	501 TOE/billion Rupiah
2019		425.4 TOE/billion Rupiah
2024		404.5 TOE/billion Rupiah
2030		380.8 TOE/billion Rupiah



Improvement of Energy Efficiency

- Establishing regulation that manages efficient and environmentally friendly energy use in integrated energy user areas.
- Development of the utilization of energy-saving systems and technologies, especially in industrial areas (implementation of energy management and equipment efficiency).
- Using power generation technology more efficiently.
- Reducing energy losses on electric transmission and distribution.
- Energy conservation on transportation sectors.
- Replacement tools and appliances in household, industry, transportation, commerce, and other areas.
- Formulation of standards related to the energy-efficient building's design.

Creating An Environment Supporting The Implementation of Energy Conservation and Efficiency

- Establishing an energy conservation body;
- Development of Energy Service Company (ESCO) policy as a mean of energy efficiency project implementation;
- Implementing energy programs and management audit;
- Improving the technical capacities of energy manager and auditor;
- Establishing incentive mechanism (fiscal and non-fiscal) for industries that implement energy efficiency;
- Increasing the community's awareness of the importance of energy-saving through campaigns.

Strengthening The Implementation of Energy Efficiency

- Application of Indonesia's National Standard (SNI) on energy utilization equipment for various sectors;
- Implementing energy management and audit according to international standards for various sectors;
- Implementing standards related to the energy-efficiency buildings design.

Maintaining A Stable Environment That Supports The Implementation of Energy Conservation And Efficiency

- Strengthening regulation for Energy Service Company (ESCO);
- Implementing energy programs and management audit;
- Routinely reviewing the incentive mechanism (fiscal and non-fiscal) for industries that perform energy efficiency.

Policy Direction
2020-2024

Strategies

Policy Direction
2025-2030

Strategies

GOAL 8

**DECENT WORK AND
ECONOMIC GROWTH**



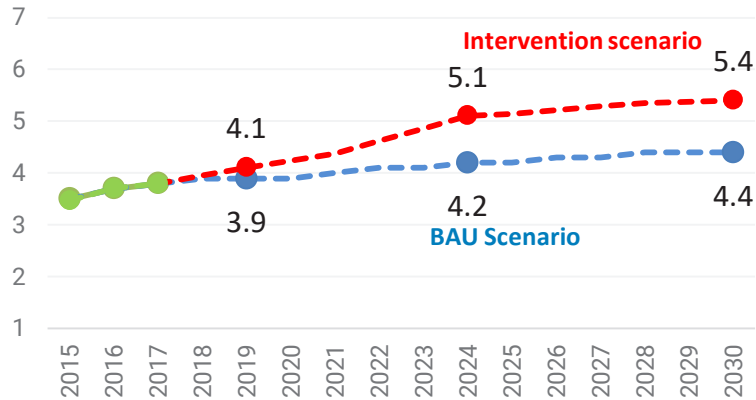
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8 DECENT WORK AND ECONOMIC GROWTH



GOAL 8 DECENT WORK AND ECONOMIC GROWTH

8.1.1* Growth rate of real GDP per capita



4.4%
Real GDP per capita growth rate in 2030 with business-as-usual scenario

5.4%
Real GDP per capita growth rate in 2030 with intervention scenario**

Source:

- 1) Data: Statistics Indonesia
 - 2) BAU and intervention projection: BAPPENAS
- ** Using Oxford Economics model

One of the development objectives is to improve people's welfare

That can be measured through the real GDP per capita growth rate. The growth of **people's welfare** is mainly influenced by two things: **1. economic growth, and 2. population growth rate**. Greater population growth than economic growth will reduce per capita income, thus decreasing people's welfare

- An **economic structural transformation** from the agricultural sector to the manufacturing sector or service sector that has higher productivity is one way to **increase real income**. To achieve real per capita GDP growth of 5.4% with the assumption of population growth at 0.7%, we need a 6.2% economic growth.
- Therefore, multisectoral approach has to be done to achieve the target. Improving Indonesia's interconnectivity through building infrastructure, raising the quality of Indonesia's human resources, and reducing Indonesia's economic dependency on raw commodities through diversification are among the key strategies to support Indonesia's structural transformation.

Growth rate of real GDP per capita

Year	Baseline	Intervention
2015	3.5%	3.5%
2019	3.9%	4.1%
2024	4.2%	5.1%
2030	4.4%	5.4%



Acceleration of structural transformation through agricultural modernization, re-industrialization, and utilization of new sources of growth

- Increasing the use of suitable technology
- Increasing agricultural entrepreneurship and management
- Increasing agricultural business scale
- Improvement of agricultural products' standards and quality
- Strengthening industrial base
- Utilization of domestic market as source of growth and product innovation
- Implementation of *Industry 4.0*
- Boost manufacturing export that use medium-high technology
- Raising Indonesia's participation in Global Production Network
- Increasing manufacturing/services sectors (design, nursery, construction and financial services)
- Acceleration of halal industry and circular economy
- Improving the connectivity of tourism destinations with focusing on MICE, special interest tourism, and cross border tourism
- Raising Indonesia's ranking on Tourism and Travel Competitiveness Index (TTCI)
- Strengthening film, animation, games, and music industries

Continuing structural reform policies through increasing economic productivity in an inclusive and sustainable manner

- Strengthening structural reformation policies
- Improving the economy productivity
- Implementation of inclusive growth and development and equitable distribution of income
- Maintain domestic price stability and international competitiveness
- Preserve the environmental sustainability

Policy Direction
2020-2024

Strategies

Policy Direction
2025-2030

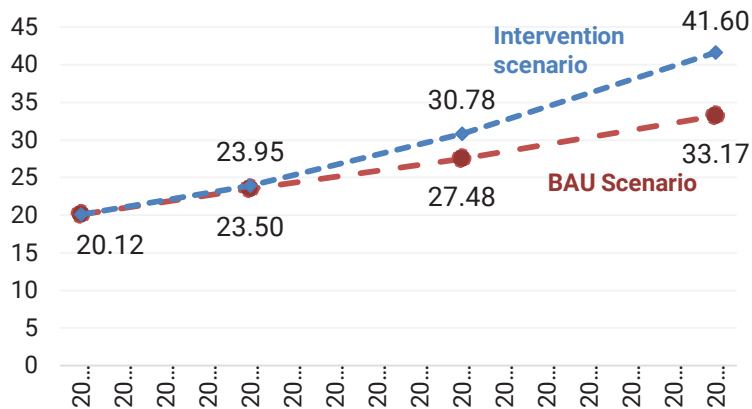
Strategies

8 DECENT WORK AND ECONOMIC GROWTH



GOAL 8 DECENT WORK AND ECONOMIC GROWTH

8.3.1.(c) Proportion of MSMEs That Have Access To Financial Services



33.17%

Proportion of MSMEs that have access to financial services in 2030 with business-as-usual scenario

41.60%

Proportion of MSMEs that have access to financial services in 2030 with intervention scenario**

Projection: Directorate for Development of Small and Medium Enterprises and Cooperatives, Bappenas.

- Micro, Small, and Medium Enterprises (MSMEs) play an important role in creating jobs and added value in the Indonesian economy. In 2017, **MSMEs contributed to 60% of Indonesia's GDP** and **97.02%** of total **national employment**.¹
- A study by Burger et al. (2015) reported the four most important challenges faced by MSMEs in Indonesia: (1) access to financial/credit, (2) access to raw materials; (3) issues with labour and human capital; and (4) access to markets and demand.
- Improving the MSMEs' **access to formal/modern financial services** is pivotal as it will bridge MSMEs' capital need, which in turn can **boost the productivity and performance of MSMEs** in the economy. However, a major proportion of MSMEs is still had no access to formal financial services due to the low level of financial literacy and cultural and religious factors that sometimes prevent them from accessing formal finance.
- The development of *fintech* (digital financial services) is one of the solutions to bring MSME closer to modern financial services. As of 2030, the **target of connecting MSMEs to financial services is up to 42%** (policy scenario). This is very possible to achieve as government is set to increase the access to financial services for MSMEs and entrepreneurs as its primary policy target as well as a structural reform to boost economic productivity.

¹Ministry of Cooperatives and SMEs, 2018.

Proportion of MSMEs that have access to financial services		
Year	Baseline	Intervention
2015	20.12%	20.12%
2019	23.50%	23.95%
2024	27.48%	30.78%
2030	33.17%	41.60%



Policy Direction
2020-2024

Strategies

Increasing Access to Financial Services for MSME and Entrepreneurs

- Improvement in infrastructures that support financial inclusion such as *LAKU PANDAI* and digital finance.
- Increasing awareness and financial literacy through promotion and campaigns related to information and knowledge about financial products.
- Development of MSME's database
- Arrangement of formal financing for MSMEs.
- Expansion of access to formal financing such as KUR (business credit) and Ultra-micro Credit.



Policy Direction
2025-2030

Strategies

Continuing structural reform policies through increasing economic productivity in an inclusive and sustainable manner

- Creating innovation in financial services that reach all societies (products, services, distribution, and distribution channel)
- Expansion of access to financial services by the mechanism of value-chain financing through the synergy with telecommunication, non-bank institutions, and religious fund institutions such as ZISWAF.

- Credit Ranking Services

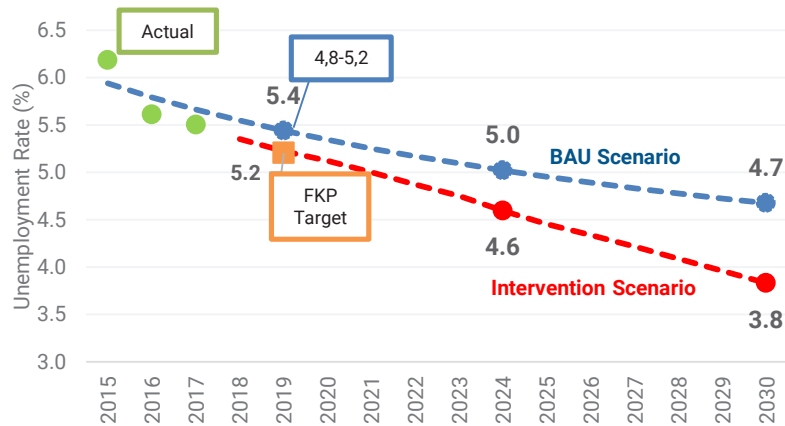
GOAL 8

8 DECENT WORK AND ECONOMIC GROWTH



GOAL 8 DECENT WORK AND ECONOMIC GROWTH

8.5.2* Unemployment Rate



4.7%

Unemployment
rate in 2030
with BAU
scenario

3.8%

Unemployment
rate in 2030 with
intervention
scenario

Source: SAKERNAS, BPS

Baseline projection from BPS
Intervention scenario from Bappenas



Indonesia had successfully decreased its unemployment rate to 5.34% in 2018. But despite the relatively low level of unemployment, it still leaves some challenges on the issue of **underemployment** and **low productivity** level of workers.

¹ Indonesia Jobs Outlook 2017, ILO (2017)

- **Youth unemployment** in Indonesia is still higher than most countries in **ASEAN region**¹, and is higher than world's average in 2017. The recent data showed that **youth unemployment** (15-24 years old) was **19.7%** in 2018 (BPS).
- Not only that, the skill mismatch between the graduates and the jobs available in the economy is also an issue to address to. **Structural transformation** from agricultural sector to the manufacturing and service sector should be accompanied by the provision of high **quality of human resources**.
- In order to achieve the 2030 target on **decreasing the level of unemployment to 3.8%**, the issues on youth unemployment, jobs quality, and low productivity of workers should be addressed by increasing the number of and facilitating the skilled workers.

Unemployment Rate		
Year	Baseline	Intervention
2015	6.2%	6.2%
2019	5.4%	5.2%
2024	5.0%	4.6%
2030	4.7%	3.8%



Policy Direction
2020-2024

Strategies

Increasing skilled workers for a competitive human resources

- Creating a decent and inclusive jobs in the high value-added sectors.
- Increasing the investment on labor-intensive sector.
- Increasing skills for that are relevant to industrial need and technological advancement through equalizing access to higher education, educational development, and vocational education.
- Enhancing skill development's effectivity through future skills' mapping, skills utilization for innovation, and entrepreneurship development based on technology.
- Enhancing skills system through managing vocational institution, expanding cooperation with industry, and developing financial scheme for trainings.
- Increasing the vulnerable group (female, poor, disable, and youth) participation in the workforce.
- Enforcing equal pay and equal work for all individuals
- Developing social security scheme for workers

Policy Direction
2025-2030

Strategies

Increasing productive workers

- Increasing skilled workers for complex and high-value-added jobs.
- Facilitating the transition from agricultural sector to manufacturing sectors.
- Increasing the relevance of education and training, particularly in the field of technical and information technology.
- The optimal utilization of creativity and innovation for creating formal jobs.
- Implementation of a comprehensive social protection for workers.

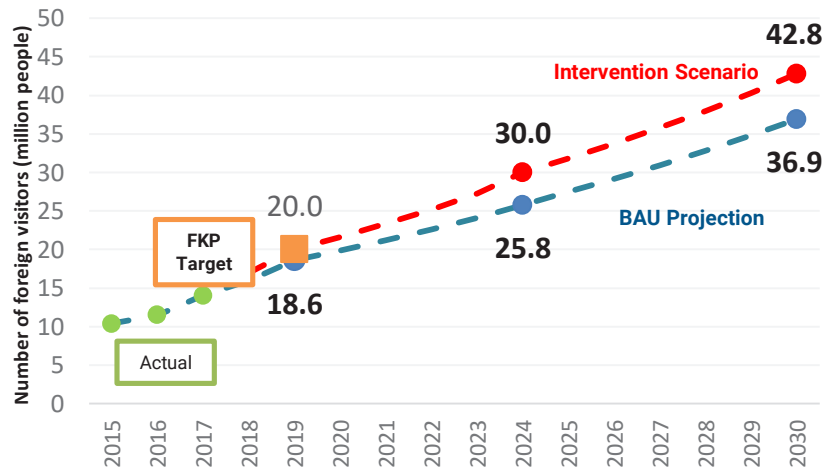
GOAL 8

8 DECENT WORK AND ECONOMIC GROWTH



GOAL 8 DECENT WORK AND ECONOMIC GROWTH

8.9.1.(a) Number of Foreign Tourists



36.9
Million of
foreign tourists
with BAU
scenario

42.8
Million of
foreign tourists
with intervention
scenario

- Indonesia has a huge potential on natural, cultural, historical, and also social aspect. These aspects combined could make Indonesia be the **world's number one tourists' destination**. In 2018, Indonesia was the **ninth highest country of tourism growth in the world** (WTTC, 2018). This growth surpassed its neighboring countries such as Thailand, Malaysia, and Singapore. **Foreign tourist is an important factor for foreign exchange, jobs provision, and value added.**
- Although the number of foreign visitors is projected to keep soaring for the next decade, Indonesia still needs to improve many features that will keep the momentum going. **Provision of physical infrastructures such as roads, airports, hotels, and restaurants as well as preparing the qualified human resources** in the hospitality sector are necessary to attain the 42.8 million foreign tourists in 2030.

Number of Foreign Tourists (million people)

Year	Baseline	Intervention
2015	10.4	10.4
2019	18.6	20
2024	25.8	30*
2030	36.9	42.8

* In RPJMN, the target is 25-28 million people



Enhancing Indonesian's Tourism Competitiveness

- Innovation of tourism products (attraction, culinary, accommodation, and transportation) to increase average daily spending of visitors, particularly foreign visitors.
- Acceleration of infrastructures' development on connectivity and tourism in priority destinations.
- Enhancing the management and services of tourism destinations supported by the standard of sustainable tourism.
- Increasing investments on tourism and strengthening the supply chain of tourism industry supported by local resources.
- Increasing the number of skilled workers in tourism sector supported by the improvement of education and training on tourism as well as competency certificates.
- Enhancing tourism images and marketing diversification

Increasing Tourisms' Varieties

- Increasing the quantity and quality of various tourism destinations.
- Increasing information on tourism products to a wider global market.
- Encouraging greater integration of the private sector in the tourism industry by providing convenient investment facilities and market access.
- Increasing the relevance of tourism products offered through marketing according to the visitors' actual experience.
- Developing the model of people participation based on local values to create higher value-added.
- Increasing the integration of tourism institution as one unit of management with tourism destinations in ASEAN that is competitive in the global market.

Policy Direction
2020-2024

Strategies

Policy Direction
2025-2030

Strategies

GOAL 8

SUSTAINABLE DEVELOPMENT GOALS



GOAL 9

INDUSTRY, INNOVATION AND INFRASTRUCTURE



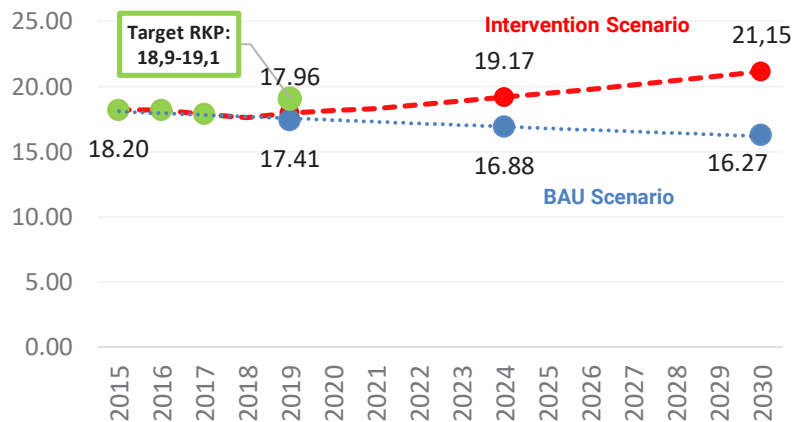
2.9

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



GOAL 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

9.2.1* Proportion of Value Added From The Non-oil and Gas Manufacturing Sector To GDP



Data source: BPS

16.27%

Proportion of value added from non oil and gas industry sector to GDP in 2030 with business-as-usual scenario

21.15%

Proportion of value added from non oil and gas industry sector to GDP in 2030 with intervention scenario

The target of RPJMN 2020-2024 is 21%

- The process of structural transformation encourages the economy to **shift from the primary sector**, i.e., agriculture and mining towards higher value-added sectors, industry and services. Thus, a country's economy dependency toward primary sectors should be reduced, and **a higher proportion of GDP** should be contributed from **industry and services sectors**.
- Since 2015, the proportion of non-oil and gas industry has decreased steadily from 18.2% to 17.63% in 2018. It is estimated that this trend will continue and Indonesia could experience **premature deindustrialization** if no intervention has been made.
- There are three factors that hamper Indonesian manufacturing: a decrease in **labor productivity** despite low wages, **inefficient logistics costs** that stood at 24 percent of GDP compared to that in Thailand, where it is only 16 percent, and **complex regulatory procedures**.¹ Hence, a set of policy action is needed to overcome these challenges so as to achieve the 21.2% proportion of value-added from the non-oil and gas manufacturing sector to GDP.

¹The US Chamber of Commerce (AmCham), 2016.

Proportion of Value Added From The Non-oil and Gas Manufacturing Sector To GDP

Year	Baseline	Intervention
2015	18.20	18.20
2019	17.41	17.96
2024	16.88	19.17
2030	16.27	21.15



**Policy Direction
2020-2024**

Strategies

Industrialization Development

- Enhanced Human Resource Skills, Competence and Business Governance.
- Innovation through Triple Helix Cooperation.
- GPN, Technology and Export Oriented Investment.
- Increased Productivity and Quality of Primary Sector Production.
- Availability of Infrastructure, Energy and Logistics.
- Increased Benefits of FTA and Export Promotion.
- Manufacturing/Services and Recycling Industry Improvement.
- Utilization of Competitive Advantage Levers: Industry 4.0, Creative and Digital Economy.
- Demand Optimization: Domestic Market, Halal Industry, Healthy and Leisure Lifestyle.

Sub-sector Development

- Strengthening the upstream and intermediate industry particularly in the subsector of chemistry and metal.
- Increasing the exports of main sub-sectors:
 - Technology: automotive, machines, and electronics.
 - Labor Intensive: textiles and footwears.
 - Natural Resources: foods and beverages, fisheries processing, CPO and its derivatives.

**Policy Direction
2025-2030**

Strategies

Industry Development With High Complexity and Added Value

- Conducive macroeconomic policy.
- Increased research and development spending by the government as well as IPR and strengthening Technopark linkage.
- Ease of foreign investment.
- Providing incentives for industries conducting research.
- Extensification of superior industrial models.
- Facilitating convenience for industry, including small and medium scale, to join the GPN.
- Strengthening service industry in supporting industrial areas and global expansion.
- Green industry development.

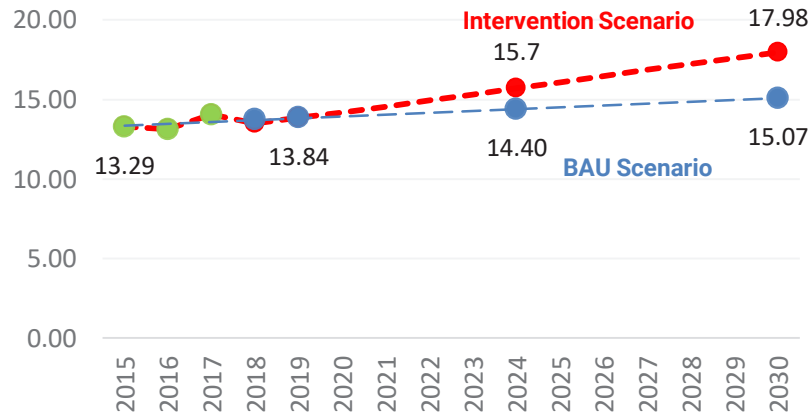
GOAL 9

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



GOAL 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

9.2.2* Proportion of Labor Force in The Non-oil and Gas Industry Sector



15.07%

Proportion of labor force in the non-oil and gas industry sector in 2030 with business-as-usual scenario

17.98%

Proportion of labor force in the non-oil and gas industry sector in 2030 with intervention scenario

Data source: SAKERNAS; Projection: BAPPENAS

- Majority of the Indonesian labor force still **works in agricultural sectors** despite the sector no longer be the highest contributor to GDP. On the other side, the proportion of employee who **works in the manufacturing sector** has been stagnant with only, on average, **1.4% annual growth** over the past decade.¹ This figure indicates workers' qualification and skills in Indonesia have not yet matched the pace of the economy structural transformation.
- Most of Indonesia's labor force are low-skill workers which the highest proportion of them only finished primary education (26%), followed by lower secondary (18%) and higher secondary (17%).¹ Hence, it is not surprising that **skill mismatch** still has been the major **hindrance to employment and growth** in the **manufacturing** sectors.
- Expanding well-targeted **vocational training** or education should be a priority policy so that the skill portfolio of Indonesia's labor force match the demand of the market. Moreover, the expansion should be implemented under **cooperation with private sectors** where information is exchanged between the government and business associations to keep vocational schools or training centers well-updated with the skill demand in labor market.

¹ BPS, 2018.

Proportion of Labor Force In The Non-oil And Gas Industry Sector

Year	Baseline	Intervention
2015	13.29	13.29
2019	13.84	13.85
2024	14.40	15.70
2030	15.07	17.98



Policy Direction
2020-2024

Strategies

Development of Industrial Human Resources

- Improving education and industrial HR expertise relevant to labor market needs and technological developments.
- Strengthening cooperation with the business world in improving industrial HR expertise
- Implementation of industrialization strategies which able to boost the growth of labor intensive industries.
- Facilitating the easeness for labor transfer in the labor market.

Policy Direction
2025-2030

Strategies

Development of Workforce Skills in Industries Towards Industries with High Complexity and Added Value

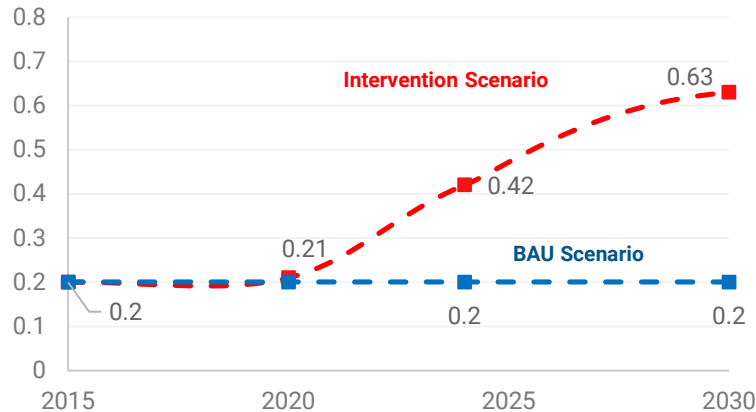
- Strengthening facilitation of employment transition to the industrial sector.
- Strengthening competency-based education and training.
- Strengthening the relevance of education and training, especially in engineering and information technology fields.

GOAL 9

9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE

GOAL 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

9.5.1* Proportion of Government's Research Budget To GDP



0.20%

Proportion of
government's
research budget to
GDP in 2030 with
BAU scenario

0.63%

Proportion of
government's
research budget to
GDP in 2030 with
intervention scenario

- Modern economic growth theory stated that **innovation is the main source of growth** in this era. Innovation is one the research and development's (R&D) products and that makes R&D be the main source of economic growth. **Low R&D budget** and **poor management of research funding** are two main challenges of R&D management in Indonesia.
- Number of population with doctoral degrees per 1000 population in Indonesia is only 0.143 (only **143 doctoral degree graduates per 1 million population**), lower than Malaysia (0.509), and even far lower than Japan (6.438), Germany (3.99) and USA (9.85) (Kemristekdikti, 2018).
- In the era of knowledge-based economy, budget for research and development should be increased significantly to improve **quality of the research**, to improve **scientific-thinking culture**, and to increase commercialization in research product.
- Without commitment from various stakeholders, the number of R&D budget will never be increased even for the next decade. To be able to increase the R&D budget significantly, collaboration between government, private sectors, higher education, and society is needed to firstly **build national ecosystem**.

Kemristekdikti: Ministry of Research, Technology, and Higher Education, Republic of Indonesia

Proportion of government's research budget to GDP		
Year	Baseline	Intervention
2015	0.20%	0.15%
2019	0.20%	0.21%
2024	0.20%	0.42%
2030	0.20%	0.63%

Source of table: RIRN based on *Government Budget Appropriation or Outlays on R&D (GBAORD)/GDP*



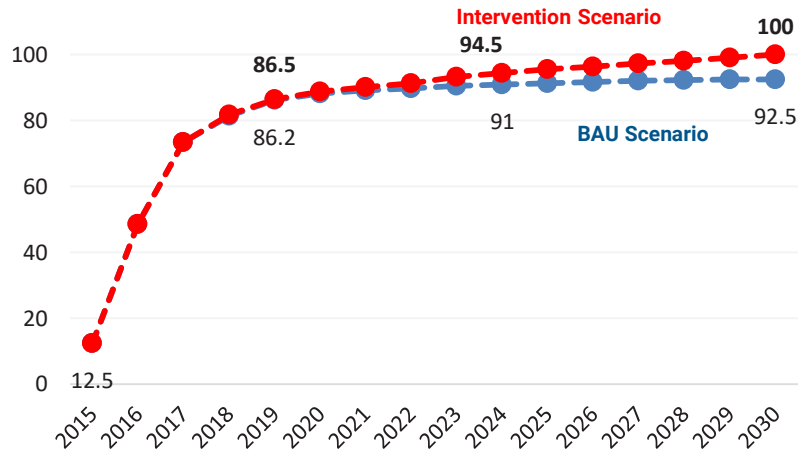
Policy Direction 2020-2024	Strategies	Science and Technology on RIRN ¹ Focus to accelerate sustainable development	Development of Research Power-House	Creation of Innovation Ecosystem	RnD Budget Optimization
		National research priority, Natural resources potential mapping as well as cultural difference in every region in Indonesia, environment-friendly technology, technology for disasters mitigation and prevention, and mastering an avant garde technology.	Increasing quality, quantity, and science and technology human resources. Developing strategic research and development infrastructures. Developing science and technology center of excellence.	Strengthening capacity and science techno park services. Accompaniment of technopreneur/start-ups. Supporting regulations.	Budget refocusing. Private sector collaboration. National Innovation Fund.
Policy Direction 2025-2030	Strategies	Management and Utilization of Reseach Resource Effectively and Efficiently	Developing Advanced and Integrated Innovation Ecosystem	Creation of Innovation Ecosystem	
		Strengthening research and development integrated activity, mainly from synergic research activity, including cooperation and sharing facilities between institutions.	Strengthening advanced and integrated innovation ecosystems starting from knowledge resources in various levels (universities, RnD institutions, etc) to its utilization in every level (micro and small industry or large industry) by involving all actors such as experts/academicians, government, and private sectors.	Development of budgeting system and RnD incentives which is managed through a platform integrated with innovation ecosystem so that RnD budget proportional to GDP could be increased up to 0.63% in 2030.	

¹ RIRN: Rencana Induk Riset Nasional (National Research Masterplan)



GOAL 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

9.c.1* Proportion of Population Served by Mobile Broadband Service



92.5%

Proportion of Population Served by Mobile Broadband Service in 2030 with BAU scenario

100%

Proportion of Population Served by Mobile Broadband Service in 2030 with intervention scenario

Source: Ministry of Communications and Information Technology



- In the era where digital technology is inevitable and more people need to be connected to keep up with the changing-era, mobile broadband service is a **necessary feature to help people be more empowered**. Government's commitment to provide mobile broadband service in all regions in Indonesia had shown a fruitful result as **mobile broadband's penetration reached 90%** in 2019 (Kominfo, 2019).

- Nevertheless, disparity in regional development between the eastern and the western part of Indonesia still persists as it affects to the low rate of population served by mobile broadband service. In Maluku and Papua, for instance, **55% of villages had not received a cellular phone signal, and only 60% of the population master the cell-phone** (SUSENAS, 2014).
- **Strong commitment** from **national and local government** with a well-targeted policy package should be accelerated to reach the 2030 agenda. This number is highly possible as the rate is showing a promising trend for the upcoming decade.

Proportion of population served by mobile broadband service

Year	Baseline	Intervention
2015	12.5%	12.5%
2019	86.2%	86.5%
2024	91%	94.5%
2030	92.5%	100%



Policy Direction
2020-2030

Strategies

Development strategy of mobile broadband coverage

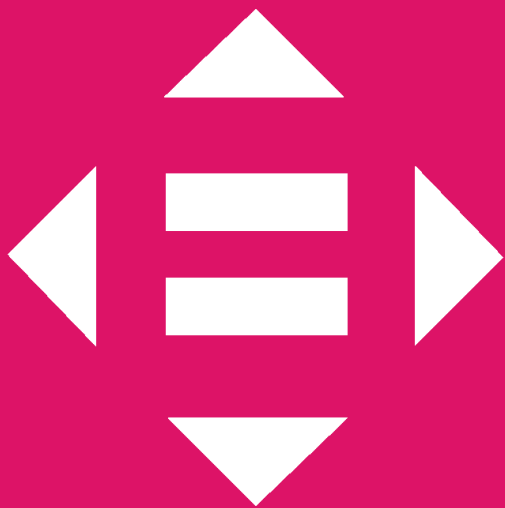
- Promoting literacy of ICT-HR
- Increasing cellular phone coverage through the **last mile** program in the blank spot areas
- Provision of mobile-based community service content and applications
- Availability of infrastructure which drives the availability of demand (electricity, roads and economic centers)

GOAL 9

SUSTAINABLE DEVELOPMENT GOALS



GOAL 10 REDUCED INEQUALITIES



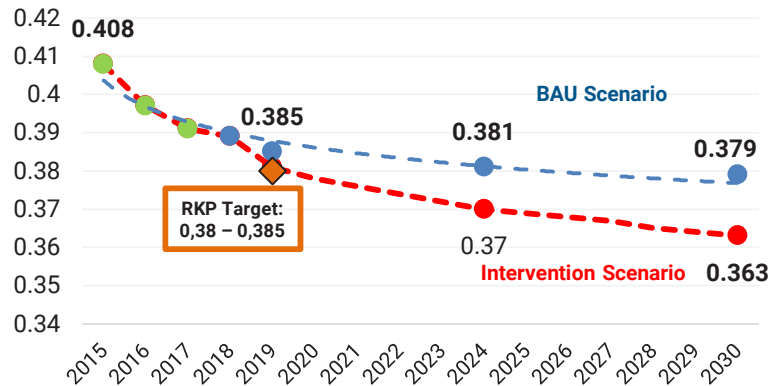
2.10

10 REDUCED INEQUALITIES



GOAL 10 REDUCED INEQUALITIES

10.1.1* Gini coefficient



0.379

in 2030 with
business-as-
usual scenario

0.363

in 2030 with
intervention
scenario

Source: Bappenas

- The Gini ratio had risen sharply since 2004 and reached a peak in the end of 2013 to 0.413. The commodity boom (2004-2012) was estimated to contribute to the increase of the Gini ratio. However, **started in 2015, the Gini ratio had gradually declined.**
- In March 2019, the Gini ratio reached 0.382, decreasing by 2.4 points in 5 years. Gini ratio of 0.382 is classified as **moderate gap**. This **Gini ratio is relatively lower compared to the other developing countries**, showing a more equal income distribution in the country. The Gini ratio is influenced by the economic dynamics and it can be out of line with the poverty level. The Gini ratio can be very low, but it does not provide an overview of the society's welfare in general. Nevertheless, **over the past 4 years, the poverty rate and the Gini ratio have declined.**
- The inequality emerges more apparent in the urban area where **urban Gini reached 0.392** while rural Gini was 0.317 in 2019 (BPS, 2019).
- Regionally, provinces with high economic activities also show a higher income inequality. **Income inequality is the highest in Yogyakarta, Gorontalo, and West Java** where Gini coefficient is 0.423, 0.407, and 0.402 respectively. Meanwhile Bangka Belitung with 0.269 Gini index, North Kalimantan (0.295), and West Sumatra (0.306) have the lowest Gini coefficient among other provinces.
- Through the right program from 2015-2019 mandated in the RPJMN 2015-2019, the proportion of middle-income group's expenditures was declining to 46.09% in 2018, and the proportion of the poorest's expenses was increasing. Various policies related to **social assistance, security reforms, and village fund had contributed to the decrease in Gini index. From 2015 to 2018, Gini index shows a decreasing trend** and the 0.363 Gini target in 2030 is possible to attain with supplementary policies, particularly to tackle urban inequality. To **continue increasing the consumption of the poorest group to be above 20%** (currently only 17%), we need economic empowerment as well as social assistance which are well-targeted and integrated, supported by fiscal policies that favor equitable distribution.

Gini coefficient		
Year	Baseline	Intervention
2015	0.408	0.408
2019	0.385	0.385
2024	0.381	0.370
2030	0.379	0.363



Policy Direction
2020-2024

Strategies

Formulating growth that is pro-poor and the vulnerables

- Increasing the quality of fiscal policy that supports more equal redistribution for the poor and the vulnerable
- Optimizing the contribution from MSME's sector to decrease inequality
- Strengthening a fair tax system
- Enhancing rural economy
- Increasing productive assets for the poor and vulnerable through the distribution of access to land ownership and management (Agraria Reform and Social Forestry)
- Controlling inflation and foods' prices through import tariffs' optimalization

Increasing access to education and vocational education, and its relevance for employment

- Equalizing access to education and vocational education through government and private sector cooperation
- Developing vocational education based on local economic competitiveness
- Increasing participation of the vulnerables in the job market
- Enhancing the integration of private sector and educational and vocational institution to fulfill the demand of competent workers
- Utilizing technology to increase productivity and job creation
- Enhancing skills of migrant workers according to market's needs.

Policy Direction
2025-2030

Strategies

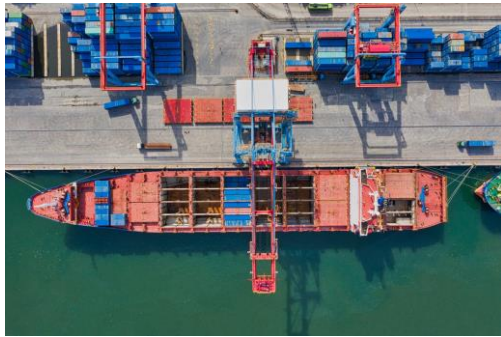
Managing the stability of the growth that is pro-poor and the vulnerables as well as stimulating the growth for the middle-class

- Enforcing fiscal policy that supports more equal redistribution for the poor and the vulnerable
- Increasing MSME's competitiveness in the global market
- Strengthening the quality of a fair tax system
- Coordinating programs and targets for the middle-class
- Application of foods policy for price stabilization

Enhancing workers' skill to fill a complex and high-value-added jobs

- Facilitating job transition from other sectors to manufacturing sector
- Enhancing educational and training relevance particularly in the field of technical and information technology

GOAL 10



Policy Direction
2020-2024

Strategies

Enhancing an integrated and comprehensive social security

- Enhancing social assistance system for decent living through.
- Reforming social security system to be sustainable and universal, including the addition of workers' welfare program such as *Unemployment Insurance, Long-Term Care, and health insurance for workers.*
- Synchronizing administration system between national health insurance (JKN) and social insurance for labor (JKm, JHT, JP, JKK).
- Developing innovative approach in expanding the national health insurance coverage for informal workers
- Accelerating the coverage of civil administration.

Creation of decent, inclusive and high-value-added jobs

- Increasing investment on labor-intensive sector.
- Developing entrepreneurship.
- Strengthening industrial relationship.
- Application of better wage structure.

Policy Direction
2025-2030

Strategies

Accomplishing an integrated and comprehensive social security

- Finishing monitoring and evaluation system for the administration of JKN and SJSN.
- Accelerating the expansion of social security for informal workers.
- Utilizing integrated population database for the implementation of comprehensive social security.

GOAL 11

SUSTAINABLE CITIES AND COMMUNITIES



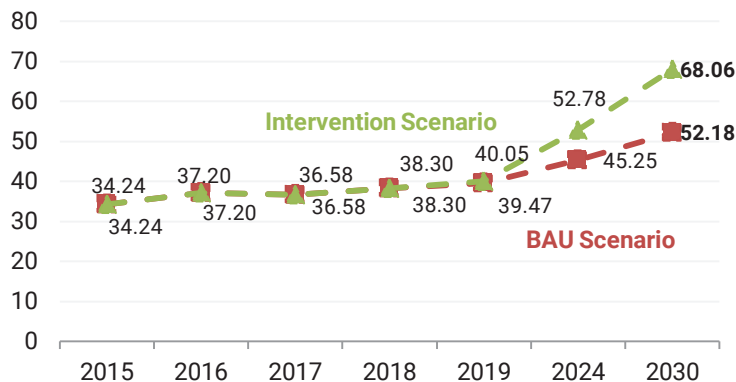
2.11

11 SUSTAINABLE CITIES AND COMMUNITIES



GOAL 11 SUSTAINABLE AND COMMUNITIES

11.1.1.(a) Proportion of Households with Access To Adequate and Affordable Housing



52.18%

Proportion of households with access to adequate and affordable housing in 2030 with BAU scenario

68.06%

Proportion of households with access to adequate and affordable housing in 2030 with intervention scenario

Source: SUSENAS, BPS

- Overpopulation and land scarcity have been the classic issues in urban areas all over the world. Topped with the unaffordable housing price directly results in **the emergence of urban slum areas and urban sprawl** which further **declines the quality of urban life**.
- In 2018, only **38.30% or 26.85 million households** have successfully fulfilled the **four indicators of a safe and adequate house nationally**, while in urban areas only 42.3% of households have fulfilled the indicators. **By 2024**, it is targeted that the number will increase to **53.19%** by policy package designed particularly to tackle urban slums and urban sprawls.
- Within the scope of ensuring the provision of safe and adequate housing, the Government of Indonesia had devised a strategy to meet the basic four indicators defining slum households: **housing durability, living space sufficiency, access to improved water supply and access to adequate sanitation**. Two more indicators are added to strengthen the **housing safety and adequacy**, which are security of tenure and affordability.
- Government of Indonesia have committed to meet the goal of **“ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums by 2030”**, by devising strategies aiming at **upgrading, preventing and alleviating slums to bare minimum**. The strategies are including to properly delivering land tenure, service infrastructure, financing schemes, regulation, stakeholders’ capacity, policies and regulations, as well as holistic planning.

Proportion of Households with Access To Adequate and Affordable Housing

Year	Baseline	Intervention
2015	34.24	34.24
2019	39.47	40.05
2024	45.25	52.78
2030	52.18	68.06



Increasing community access gradually to a decent, safe, and affordable housing, and settlements, in order to create a city without slums

A. Demand Side

- Strengthening the primary and secondary housing finance market to create efficient housing finance system, including optimization of long-term funding resources such as various pooled funds including pension funds and Tabungan Perumahan Rakyat (TAPERA).
- Reforming the housing subsidy scheme to have more efficient and sustainable financing scheme, by developing a progressive housing subsidy and gradually phase out inefficient existing subsidy scheme.
- Expanding the housing finance facility, especially for the inclusion of non-fixed income group and self-build housing households.

B. Supply Side

- Developing housing provision system which complies to and integrated with spatial along with basic infrastructure planning (including transportation system).
- Developing public housing system in urban areas, including industrial areas.
- Increasing efficient urban land usage or occupancy for housing purpose by developing inclusive urban renewal scheme and land consolidation scheme to create cities without slums.
- Utilizing state-owned land to support housing provision for low income households.
- Developing state-owned/local-owned enterprises' role in housing provision.

C. Enabling Environment

- Enforcing the implementation of building codes.
- Enforcing the implementation of housing permit and land administration;
- Enhancing government, local government, community, and private sector's capacity.
- Establishing collaboration and partnership between Government, local government, community, and private sector.
- Developing incentive and disincentive systems in housing provision.



Policy Direction
2025-2030

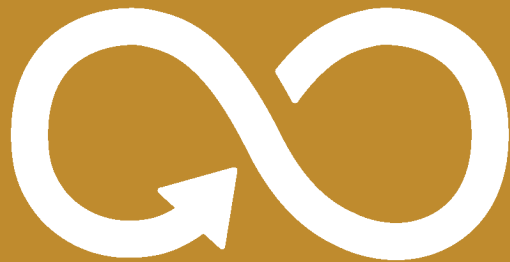
Strategies

Ensure households' accessibility to adequate, safe and affordable housing including basic infrastructure services to create cities without slums

- Strengthening local government, communities and private sector role in adequate, safe and affordable housing provision.
- Enforcing the compliance of housing construction regulation and supervision to fulfil all adequate housing indicators.
- Integrating housing provision with basic infrastructure services.
- Increasing efficiency and sustainability of housing subsidy system.
- Increasing urban land utilization efficiency for housing provision through inclusive urban renewal scheme to create cities without slums.

GOAL 12

**RESPONSIBLE
CONSUMPTION AND
PRODUCTION**

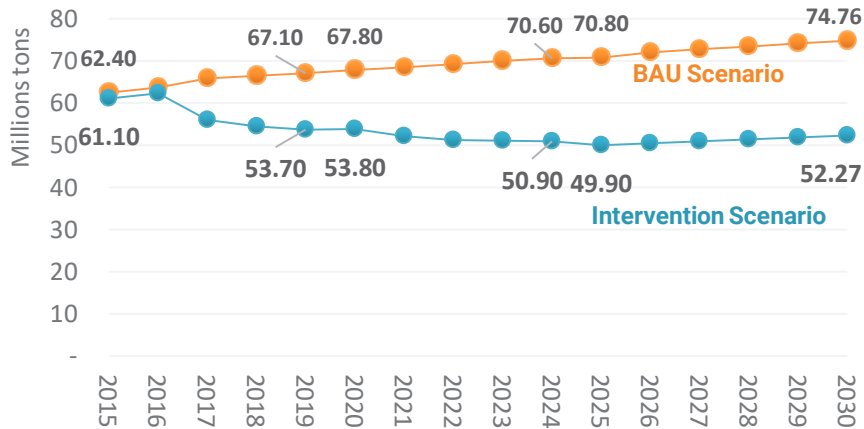


2.12

12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION

GOAL 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

12.5...* Waste Production



74.76

Million tons

The amount of
waste production
in 2030 with
business-as-usual
scenario

52.27

Million tons

The amount of
waste production in
2030 with policy
intervention
scenario

Data source: National Policy and Strategy (2017)

- Indonesia is estimated to generate around 190.000 tons of waste every day, which majorly organic waste. Plastic constitutes around **25.000 tons per day** which at least **20% of it ends up at in rivers and coastal waters**.¹ At the moment, Indonesia is second after only China in terms of being the biggest contributors to dumping plastic waste in the ocean.
- The waste management infrastructures and technology is not keeping up with Indonesia's rate of urbanization. This problem is also compounded with the **lack of awareness of the importance to do waste management at households level** and how damaging the waste, mainly plastic, to the environment.
- The government sets a **target to reduce plastic waste up to 70% in 2025**, which need a major policy reform to achieve this target. Changing people attitude toward waste generation and management is the key to reduce waste production in Indonesia. Moreover, establishing a more radical policy such as banning a single-use plastic can also be an option –Bali has implemented the policy since early 2019, to suppress waste production in Indonesia.

¹The waste challenge in Indonesia: Is Indonesia at a tipping point?, The Jakarta Post (2019).

Waste production (million ton)		
Year	Baseline	Intervention
2015	62.40	61.10
2019	67.10	53.70
2024	70.60	50.90
2030	74.76	52.27



Policy Direction
2020-2024

Strategies

Improving the performance of reduction and handling of household's wastes including plastic waste

- Drafting the Norms, Standards, Procedures, and Criteria (NSPK) in reducing household wastes and household-like waste.
- Strengthening coordination between local and national governments.
- Strengthening the commitment from executives and legislatives institutions in national and local government in providing the budget for household waste reduction.
- Creating information system.
- Strengthening community's involvement through communication, information, and education.
- Application and development of incentive and disincentive system in households' waste reduction.

Policy Direction
2025-2030

Strategies

Strengthening the effort in reducing, handling, and utilizing waste

- Optimization of Reuse, Reduce, Recycle.
- Utilization of waste as a resource (alternative energy sources, sources of industrial materials, organic fertilizers, creative industries).
- Implementation of Circular Economy.
- Standardization of specific waste management services.
- Strengthening mastery of clean technology to support the reduction of waste production.
- Implementation of Extended Producer Responsibility.
- Optimization of specific waste management.
- Strengthened and synergized of the regulatory framework and institutional waste management
- Reduction on carbon emissions sourced from wastes.

GOAL 12

SUSTAINABLE DEVELOPMENT GOALS



GOAL 13
CLIMATE
ACTION



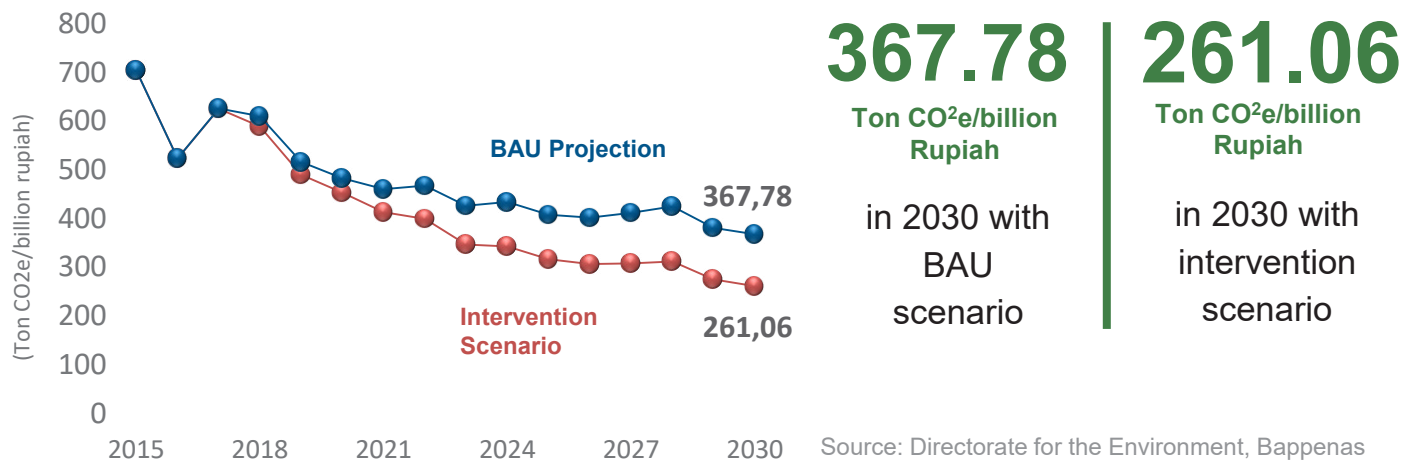
2.13

13 CLIMATE ACTION



GOAL 13 CLIMATE ACTION

13.2.1.(b) Intensity of The Green-House-Gas Emissions



367.78

Ton CO₂e/billion
Rupiah

in 2030 with
BAU
scenario

261.06

Ton CO₂e/billion
Rupiah

in 2030 with
intervention
scenario

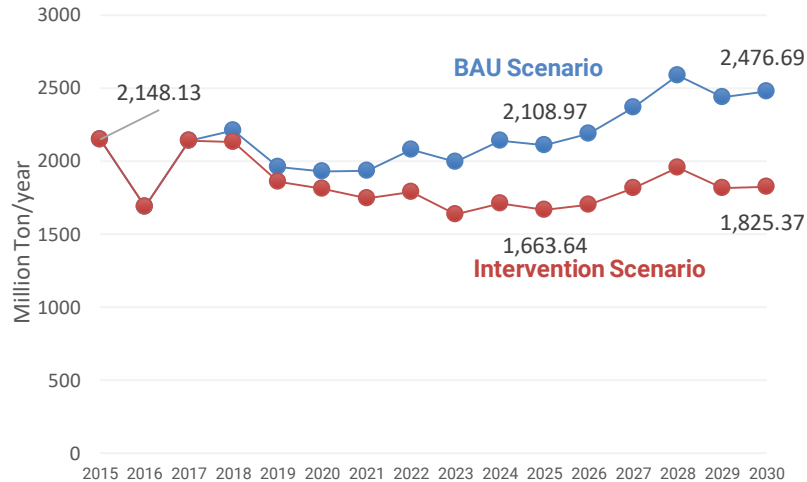
In 2030, green-house-gas emissions in Indonesia will be mostly sourced from fossil fuel consumption where it contributed 57% from the total GHG emissions.

- Came the second, **deforestation and land-use diversion also contributed 30% of the total emissions** (Bappenas, 2019). **Forest and peat fires in Indonesia emitted more than 1 billion tons of CO₂** (Anderson et al, 2016) which mostly caused by **land clearing**.
- Tackling the climate change would involve the improvement in **renewable energy and energy efficiency**, and also the increase in **reforestation**. However, as the development target requires a multi-sectoral approach, addressing the climate change issue should also be in line with maintaining the economic growth.



GOAL 13 CLIMATE ACTION

13.2.1.(c) Percentage of green house gas emission reduction



2.476

Million ton CO₂e

in 2030
with BAU
scenario

1.825

Million ton CO₂e

in 2030 with
intervention
scenario

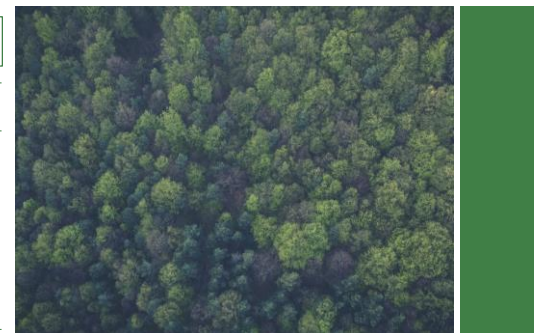
Source: Directorate for the Environment, Bappenas

Indonesia is currently the 5th largest GHG emitter in the world (WRI, 2014).

Although the intensity of the **emissions** shows a **decreasing trend**, growth in demand for coals which is up to 7.4% in 2018 is among the highest in the world (PwC, 2018). Coal-consumption is one of the biggest factors in GHG emissions.

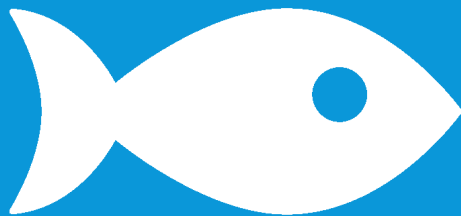
- In Indonesia, efforts to promote a green economy are driven by certain sectors of the government and NGO community, while powerful companies and other government actors oppose the reforms because they are perceived as **constraining economic growth opportunities and national sovereignty** (Anderson et al, 2016).
- The fail to **synchronize development goal** might contribute to the low compliance rate of law enforcement related to reforestation and peatland moratorium.

Intensity of the green house gas emissions (in ton CO ₂ e/Billion Rupiah)			Percentage of green house gas emission reduction (million Ton CO ₂ e)		
Year	Baseline	Intervention	Year	Baseline	Intervention
2015	703.79	703.85	2015	2.148	2.148
2019	515.76	489.57	2019	1.961	1.859
2024	434.16	342.77	2024	2.140	1.710
2030	367.78	261.06	2030	2.476	1.825



		Emission and Intensity of Emission Reduction			
Policy Direction 2020-2024	Strategies	<p>Forest, Land, and Peat Returning the function of ecosystem, watershed, and environmental services of forestry; maintaining and increasing land cover, preserving forests for people's welfare.</p>	<p>Transportation Provision transportation modes which are safe, comfortable, and environmental-friendly</p> <p>Agriculture Strengthening a sustainable national foods security</p>	<p>Energy Expanding energy efficiency implementation and renewable energy</p> <p>Manufacture Optimizing the effectiveness of the use of renewable energy and raw materials in manufacturing process</p>	<p>Waste Management Provision of integrated waste management system</p> <p>Blue Carbon Maintaining the area and returning the function of mangroves</p>
		Low-carbon Development			
Policy Direction 2025-2030	Strategies	<p>Forest, Land, and Peat Application of the total moratorium for forest lands, peatlands, and mangroves; prevention of peat fires; implementation of Reduced Impact Logging (RIL); and forest restoration and reforestation of forest and peat lands.</p>	<p>Transportation Provision transportation modes which are safe, comfortable, and environmental-friendly; developing transportation management system which is sustainable.</p> <p>Agriculture Increasing of agricultural activity progressively; Sustainable agriculture management practice; Increasing agricultural land for paddy to attain food security.</p>	<p>Energy Expanding energy efficiency implementation and renewable energy; increased use of biofuel.</p> <p>Manufacture Increasing clean technology utilization and green industry management.</p> <p>Economy Green technology investment; energy subsidy reduction.</p>	<p>Waste Management Handling of household wastes; industrial waste management; and industrial management and efficiency.</p> <p>Blue Carbon Defending ocean cover and returning mangroves ecosystem function and seagrass beds.</p>

GOAL 14
LIFE BELOW
WATER

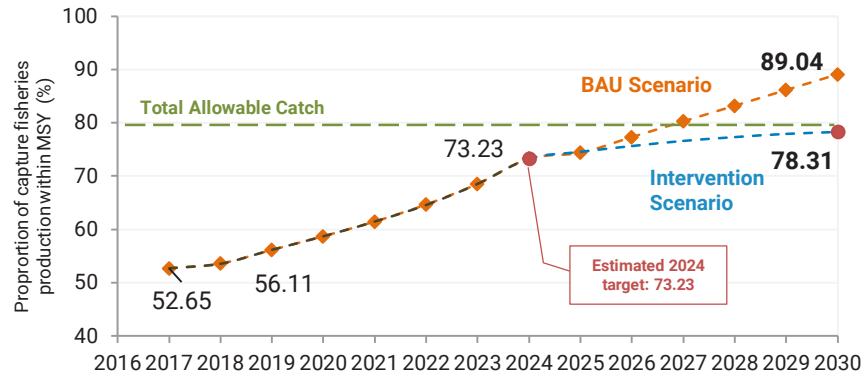


2.14



GOAL 14 LIFE BELOW WATER

14.4.1* Proportion of Capture Fisheries Production Within Biologically Sustainable Levels



89.04%

Proportion of marine capture fisheries production in 2030 with business-as-usual scenario

78.31%

Proportion of marine capture fisheries production in 2030 with intervention scenario

Data Source: Ministry of Marine and Fisheries Affairs
Projection: Directorate for Marine Affairs and Fisheries, Bappenas

Note:

- This picture shows the aggregate for main commercial fish species at all FMA. Detail management measures should be considered and will be implemented based on group of species and FMA.
- Until 2030 MSY assumption is 12.54 million tons ; TAC 80% (based on Code of Conduct for Responsible Fisheries, FAO)

MSY 2011 : 6.52 million tons (7 main group of species)
Big pelagic fishes, small pelagic fishes, demersal fishes, penaeid shrimp, reef fishes, lobster and squid.
MSY 2017 : 12.54 million tons (9 main group of species)
Big pelagic fishes, small pelagic fishes, demersal fishes, penaeid shrimp, reef fishes, lobster, squid, mud crab, blue crab.

- Indonesia's territory comprises of 70% of marine area which is divided into 11 Fisheries Management Areas (FMA)/ *Wilayah Pengelolaan Perikanan* (WPP). Marine capture fisheries production has grown from 2014 to 2018, and reached **6.72 million tons in 2018**.
- Indonesia has a strong commitment to **implement sustainable fishing practices** to maintain ocean resources sustainability in line with improving the welfare of coastal communities. One of the approach for ensuring sustainability is through the implementation of **FMA/WPP based management**.
- Challenges are remained both from the **upstream and downstream fisheries** including **governance and fisheries practices**. Those are needed to be overcome by several strategies including **optimizing fishing capacity** both in terms of productivity and quality of catches, **promoting sustainable fishing practices, strengthening supply chain and traceability mechanism, increasing data reliability** for stocks assessment and related management measures, and **conducting inclusive fisheries governance** both in the FMA/WPP level, as well as national and regional level.

Proportion of fish stocks within biologically sustainable levels

Year	Baseline	Intervention
2017	52.65%	52.65%
2019	56.11%	56.11%
2024	73.23%	73.23%
2030	89.04%	78.31%



Policy Direction
2020-2024

Strategies

Improving Fisheries Governance

- Establishment of Fisheries Management Area (FMA/WPP) as a management body in 3 pilot locations.
- Conducting comprehensive fisheries stock assessments regularly in 11 WPP locations to provide a reliable fisheries data and statistics.
- Developing Sustainable Fisheries Platform for all stakeholders.
- Improving transparent and optimum fishing permits through implementation of harvest strategy and harvest control rules, including “catch based fishing quota”.

Revitalizing Sustainable Fisheries Practices

- Complying environmentally friendly principles in fisheries management standards.
- Promoting the use of environmentally fishing gears and equipments.
- Improving the healthy coastal and fisheries ecosystem to support sustainable production of fisheries.
- Improving capacity and resource access for small scale fisheries.
- Combating Illegal, Unreported, and Unregulated, and Destructive (IUU) fishing.

Policy Direction
2025-2030

Strategies

Strengthening Fisheries Governance

- Strengthening and replicating FMA management authority in 11 FMA locations.
- Strengthening data management of fisheries stock by group of species and FMA.
- Implementation of sustainable fisheries policies and strengthening and operationalizing fisheries platform on National and Regional level.
- Developing efficient and effective electronic-based licensing, to improve fishing capacity, competitiveness, and sustainable production.

Implementing Responsible and Sustainable Fisheries

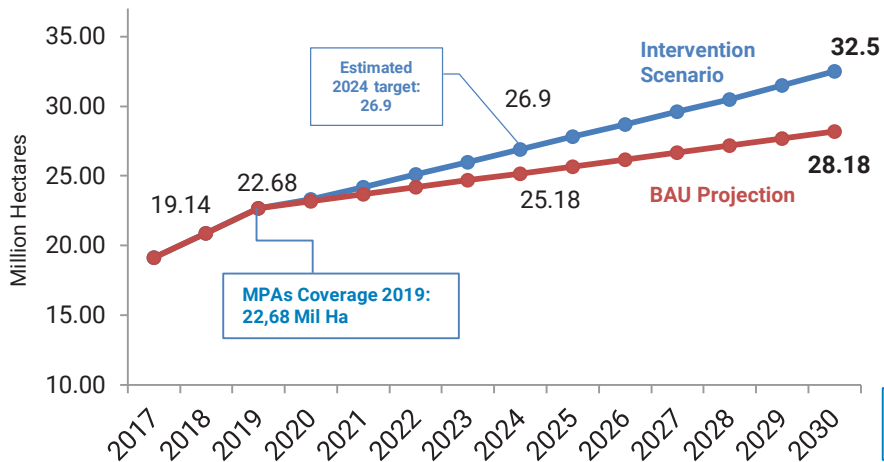
- Applying sustainability instruments for each type of fishing business at national and regional level.
- Strengthening upstream-downstream integration to optimize fisheries development in accelerating sustainable fisheries production and improving added value.
- Promoting rationalization and modernization of fishing vessel.
- Strengthening Legal, Reported and Regulated Fisheries at National and Local Levels.

GOAL 14



GOAL 14 LIFE BELOW WATER

14.5.1* Coverage of Marine Protected Areas



8.6%

Coverage of marine protected areas with business-as-usual scenario

10%

Coverage of marine protected areas with policy intervention scenario

Data Source: Ministry of Marine and Fisheries Affairs
Projection: Directorate for Marine Affairs and Fisheries, Bappenas

- Indonesia, having around **17 thousand of islands and a 99 thousand kilometers of a coastline**, is known as a **mega-biodiversity country**. There are various ocean resources potential to be improved that could benefit the society's welfare in the present and in the future. Marine Protected Areas (MPAs) is developed to maintain the marine and fisheries resources. These **MPAs** provide **ecological, economic, and social benefits** to communities living in or around the protected areas.
- By mid-2019, Indonesia has **established 22.68 million hectares** of MPAs, about **6.97%** of the total Indonesian waters. Indonesia has also committed to accelerate the establishment of MPAs and aimed to increase the MPAs to **32.5 million hectares or 10% of the total Indonesian waters**. Nevertheless, to actually benefit from the marine and fisheries resources, we need to address not only the total of MPAs but also the management of MPAs.
- Challenges are remained in the **management effectiveness** of MPAs, but not limited to, **human resources, management capacity, and the infrastructures**. The participation of local communities to tackle the environmental degradation, which particularly is caused by marine debris and illegal fishing activities, is also required to support the goals of conserving the ocean.



Coverage of Marine Protected Areas (Mil Ha)		
Year	Baseline	Intervention
2017	19.14	19.14
2019	22.68	22.68
2024	25.18	26.90
2030	28.18	32.50

Policy Direction
2020-2024

Strategies

Strengthening Governance and Institution Synergy

- Integration of regulations and policies on conservation.
- Encouraging the establishment of MPAs in provincial level.
- Improving human resources and infrastructures in the conservation areas.
- Developing multi-stakeholders cooperation.
- Strengthening operational and management plan.

Maintaining Ecosystem Health and Promoting Sustainable Use of MPAs

- Monitoring of bio-physic trend and conservation target.
- Increasing local community participation in managing areas.
- Empowering local community livelihood through sustainable use of areas.
- Carrying out routine surveillance and controlling utilization permit.
- Rehabilitation of ecosystem and habitat.

Developing Long-term Sustainable Financing for MPAs

- Analyzing the funding gap.
- Developing payment for ecosystem services mechanism.
- Developing blended finance for marine conservation.
- Exploring other innovative financing (trust fund, blue-bond).

Policy Direction
2025-2030

Strategies

Strengthening Governance and Institution Synergy

- Encouraging the establishment of MPAs in contiguous zone.
- Promoting regional MPAs networking.

Maintaining Ecosystem Health and Promoting Sustainable Use of MPAs

- Implementing the good practices of sustainable use on MPAs.
- Improving community-based management.
- Coastal ecosystem and habitat rehabilitation and coastal disaster mitigation.

Providing Long-term Sustainable Financing for MPAs

- Implementing blended finance and other innovative financing.
- Implementing payment for ecosystem services in each MPAs.

GOAL 14

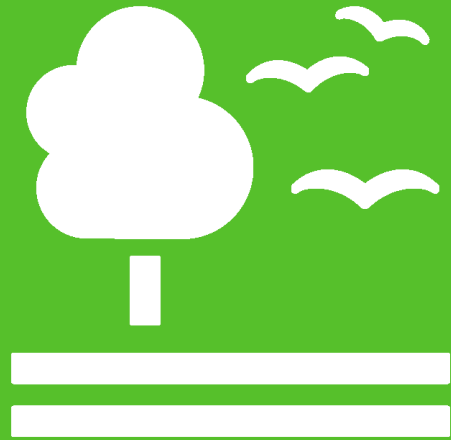
SUSTAINABLE DEVELOPMENT GOALS



GOAL 15

LIFE

ON LAND

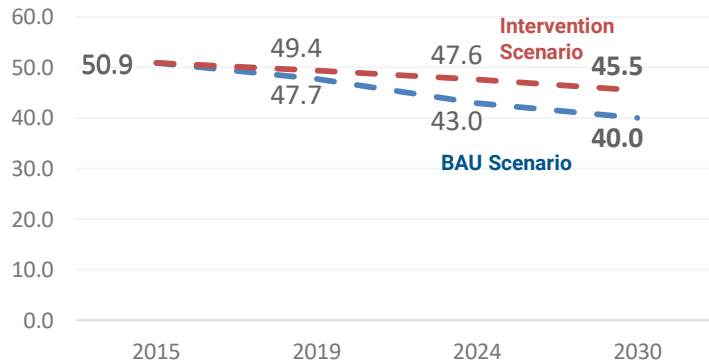


2.15



GOAL 15 LIFE ON LAND

15.1.1.(a) Proportion of forest cover to total land area



Source of Data: Directorate of Forestry and Water Resources Conservation, BAPPENAS

40.0%

Proportion of forest coverage to total land area in 2030 with business-as-usual scenario

45.5%

Proportion of forest coverage to total land area in 2030 with intervention scenario

- Baseline assumption: RPJMN 2020-2024
- Intervention assumption: area rationalization/redesign and forest cover analysis

Forest lands

play a significant role in our life

Forests provide considerable **economic, social, and environmental benefits for the people**. Forests provide habitats for animals, ensure food security and livelihoods for humans. Moreover, forests also prevent soil erosion, provide watershed protection and mitigate climate change.

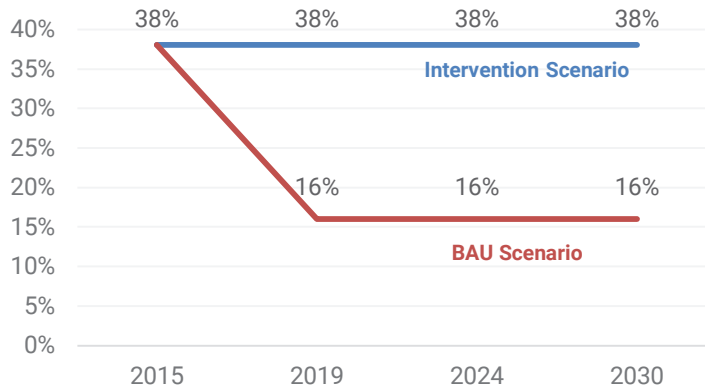
- In 2017, the proportion of forest cover in Indonesia was around 50% of the total land area, which equals to 93 million hectares forest area.¹ It makes Indonesia **the third largest area of tropical forest in the world**. Hence, Indonesia's forests play an important role in climate change mitigation at not only national level but also for the global world (Ministry of Environment and Forestry, 2017).
- Preventing a higher rate of forest degradation is essential to ensure the survival of our civilization in the future. Increasing local participation in forest management and incorporating private and public participation in conservation program could be a more effective protection for Indonesia's forests cover.

¹World Bank, 2016.



GOAL 15 LIFE ON LAND

15.3.1.(a) Proportion of degraded forest lands to total land area



Source of Data: Directorate of Forestry and Water Resources Conservation, BAPPENAS

38%
Proportion of degraded forest lands to total land area in 2030 with business-as-usual scenario

16%
Proportion of degraded forest lands to total land area in 2030 with intervention scenario

- Baseline assumption: Annual rate of forest degradation before 2011
- Intervention assumption: Annual average of forest degradation after a moratorium on primary forest use (2011-2017).

- In the past 25 years, Indonesia has lost almost a quarter of its forest area. The regions that experienced the **largest degradation in the primary forest** are **Kalimantan and Sumatra**, between 2016 and 2017, by 68 percent and 51 percent respectively, with the largest reduction seen in South Sumatra, Central Kalimantan and Jambi.¹ These deforestation has been driven largely by the **conversion of forests to industrial plantations**.
- Amidst the continuing deforestation, Indonesia's forest degradation saw a 60% drop in 2017 compared with 2016.² This is probably due to the **national peat drainage moratorium** which took effect in 2016 and other government action to curb land clearing in forests and peatland area.
- Indonesia's significant decrease in deforestation allows a more ambitious emission reduction target and contribution to the sustainable development agenda at international level. To achieve such target, the national government should encourage more participation from the local government as well as the private sectors in **forest conservation program**.

¹World Economic Forum, 2018.

²World Resource Institute, 2018.

Proportion of forest cover to total land area		
Year	Baseline	Intervention
2015	50.9	50.9
2019	47.7	49.4
2024	43	47.6
2030	40	45.5



Proportion of degraded forest lands to total land area (%)		
Year	Baseline	Intervention
2015	38	38
2019	38	16
2024	38	16
2030	38	16



Policy Direction
2020-2024

Strategies

Decreasing deforestation in Indonesia
<ul style="list-style-type: none"> • Rearrangement of forest allocation in Indonesia. • The use of technology and information to utilize land use and forest area towards Forestry 4.0. • Developing incentives mechanism and disincentives forest management. • Increasing the rights of access to the community in forest management.

Decreasing the forest degradation
<ul style="list-style-type: none"> • Continuing the moratorium policy on postponement of licenses or concessions on the use of primary forests. • Optimizing the utilization of forest plantation. • Continuing the peat protection policy.

Policy Direction
2025-2030

Strategies

Decreasing deforestation in Indonesia
<ul style="list-style-type: none"> • Strengthening institutional community in forest management. • Improve the law enforcement against illegal use of forest areas. • Strengthening the Forestry 4.0.

Decreasing the forest degradation
<ul style="list-style-type: none"> • Continuing the moratorium policy on postponement of licenses or concessions on the use of primary forests. • Optimizing the utilization of forest plantation. • Continuing the peat protection policy.

GOAL 16

**PEACE, JUSTICE AND
STRONG INSTITUTIONS**

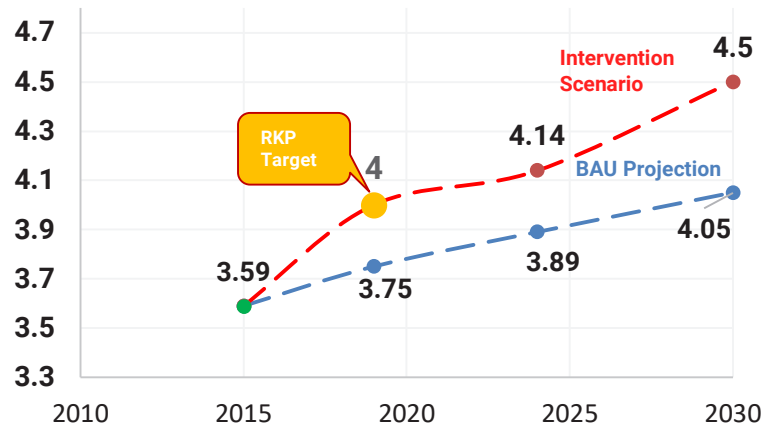


2.16



GOAL 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

16.5.1.(a) Anti-corruption Attitude Index



4.05

Anti-corruption attitude index in 2030 with business-as-usual scenario

4.5

Anti-corruption attitude index in 2030 with intervention scenario

Source of Data: BPS; BAPPENAS projection

- Corruption is a behavior of abusing power in the interests of enriching oneself and groups. **Corruptive behavior will reduce the effectiveness of public policies, hinder economic growth and demean the quality of public services.** Moreover, corruption also diminishes public trust in state institutions.
- Anti-corruption efforts are a long process requiring the support of all parties through 1. Law enforcement, 2. Merit-base recruitment of public officials that emphasize integrity, credibility and track record, 3. Developing value system and anti-corruption attitude from early childhood education.
- In the past decade, Indonesia has **shown promising progress in combating corruption.** The government efforts in eradicating corruption such as through deregulation, establishing the Illegal Levy Eradication Task Force, and issuing Presidential Decree No. 54 of 2018 concerning the National Strategy for Corruption Prevention, has shown a favorable improvement on corruption perception in the country. Data from Transparency International shows Indonesia's steady improvement in Corruption Perceptions Index (CPI), from 26 in 2008 to 38 in 2018, which placed **Indonesia on 89th rank out of 180 countries.** CPI is also used as an important tool to measure the anti-corruption prevention by various stakeholders.

Anti-corruption attitude index		
Year	Baseline	Intervention
2015	3.59	3.59
2019	3.75	4.0
2024	3.89	4.14
2030	4.05	4.5



Policy Direction
2020-2024

Strategies

Anti-Corruption System Reinforcement	
<ul style="list-style-type: none"> Improving the quality of public services. Developing the national integrity system. Strengthening the effort of corruption prevention within ministries/institution (controlled unit for gratification, PPID, LHKPN, LHKASN, PBJ, WBK, integrity pact, integrity zone). Developing a collective mechanism in preventing corruption involving non-governmental actors (civil society, private sectors, academicians, philanthropy, etc). 	<ul style="list-style-type: none"> Collaborative action in prevention of corruption, law enforcement, bureaucracy reformation, states finance, licensing and trading system. Development of Anti Corruption Education Center and disseminate prevention of corruption nationally. Refinement of Justice Collaborator and Whistleblower refinement. Development of integrated anti-corruption clearing house database. Petty corruption management through reasoning administration (non-judicial administrative action).

Policy Direction
2025-2030

Strategies

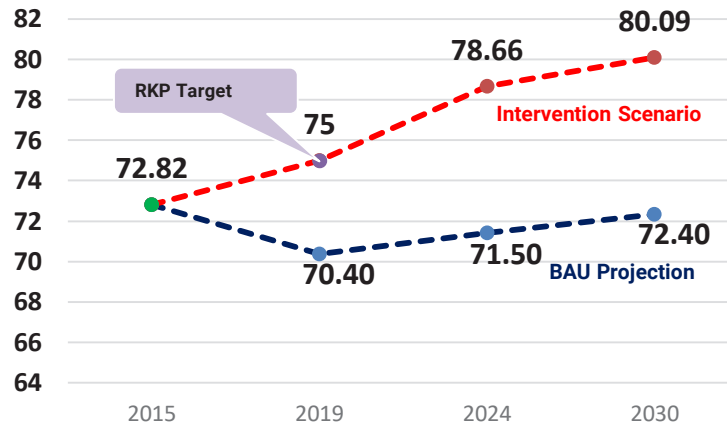
Optimizing Reinforcement of Community Integrity, Law Enforcement, and State Administrators	
<ul style="list-style-type: none"> Anti-corruption education and training at the national scale with the involvement of non-government actors. Integrating anti-corruption clearing house database with One Data Indonesia. 	<ul style="list-style-type: none"> Implementation of collective mechanism to prevent corruption that involve non government actors (civil society, private sectors, academia, philanthropy, etc) at the national scale.

GOAL 16



GOAL 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

16.7.2* Democracy Index



Source of Data: BPS; BAPPENAS projection

72.40

Democracy index
in 2030 with
business-as-
usual scenario

80.09

Democracy index in
2030 with
intervention
scenario

- Indonesia is one of the **third largest democratic countries in the world**. Indonesian democracy is one example that shows Islam and democracy can go hand in hand. In a democratic system, every citizen has equal rights to be involved in the decision-making process of national affairs.
- The current main challenges in Indonesian democracy are the **euphoria of excessive practice of civil rights** which has not been fully compliant with the rules, certain groups that impose the will to replace the system of democracy, and democracy practices that more procedural than substantial.
- As time went by and the direct election system keeps being held in Indonesia, it will drive the maturity of Indonesian democracy. With as **joint efforts and mutual understanding between elements of society that democracy is the best system for the Indonesian people** well as strengthening the role of public institutions, political parties, and community organizations, the Indonesian Democracy Index will improve.

Democracy Index		
Year	Baseline	Intervention
2015	72.82	72.82
2019	70.40	75
2024	71.50	78.66
2030	72.40	80.09



Strengthening democracy institutions, reduce political costs, and reinforcement of decentralization

- Improvement of financial assistance to political parties.
- Improvement of political parties transparency and accountability.
- Improvement of political parties members regeneration.
- Improvement of women participation in legislative and political parties.
- Improvement of community participation and policy makers.
- Improvement of democratic culture understanding among citizens.
- Strengthening the IDI working group.

Strengthening democracy institutions, reduce political costs, and reinforcement of decentralisation, and improving civilians political participation

- Strengthening political parties financial sources.
- Strengthening the political parties transparency and accountability.
- Strengthening the political parties members regeneration.
- Reinforcement women participation in legislative and political parties;
- Stabilizing political regulations.
- Reinforcement community participation in decision making.
- Strengthening democratic culture among citizens.
- Strengthening the role of IDI working group.

Policy Direction
2020-2024

Strategies

Policy Direction
2025-2030

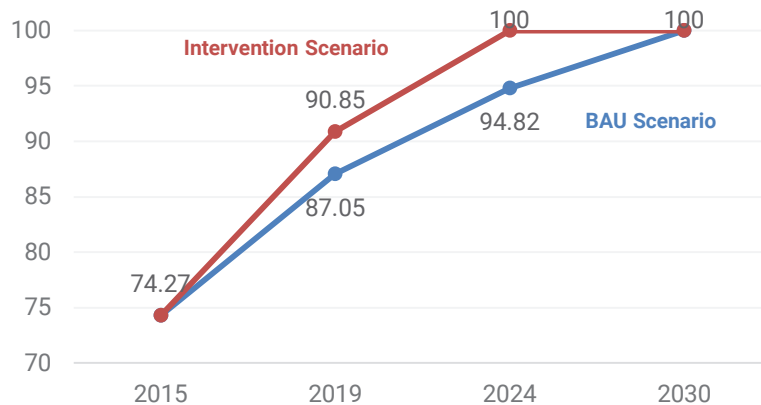
Strategies

GOAL 16



GOAL 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

16.9.1* Proportion of children under 5 whose births are recorded by civil registration institutions, by age



Source of Data: BPS; BAPPENAS projection

100%



Children under five will have birth certificate in 2030



- A birth certificate is a vital legal document for children as it will **provide a guarantee of child protection**. A birth certificate is the first step in population registration; without it, many basic services such as education, health and social assistance could not be given to children.

- In the context of Indonesia's diversity and the culture of recording that is still low, many people do not consider the legal importance of documents. **Unrecorded birth processes**, especially **births at home and remote areas and births from vulnerable/marginal groups**, prevent them from getting formal legal birth certificates.
- There is a need for a serious effort and comprehensive population policy to overcome the challenges mentioned above. Furthermore, it is also important for the government to implement **outreach system birth registration policies**.

Proportion of children under 5 whose births are recorded

Year	Baseline	Intervention
2015	74.27	74.27
2019	87.05	90.85
2024	94.82	100
2030	100	100



Expanding The Range of Birth Certificate Recording Services For Indonesia Citizens Home And Abroad

Policy Direction
2020-2024

Strategies

- Innovation for affordable and convenient birth certificate recording services.
- Increasing the officers' capacity for birth certificate recording services.
- Utilizing village funds and/or village funds allocation for village registration placement.
- Increasing the role of information on birth certificate recording services that is inclusive and accessible.
- Developing online registration system and short messaging portal for birth certificates recordings
- Strengthening complaints system and delivery of responsive aspirations for birth certificates recordings services
- Updating the birth certificates records in villages and sub-districts as part of the Population Administration Information System (SIAK).
- Aligning the sub national government authority at the sub-districts and villages level in updating the birth certificates records

Improving The Range Effectiveness of Birth Certificates Services For Indonesia Citizens Home And Abroad

Policy Direction
2025-2030

Strategies

- Standardizing the innovation for birth certificate recording with maximum quality services.
- Increasing the officer capacity services for birth certificate recordings that fulfill excellent qualification.
- Increase role of birth certificates recordings services information that is inclusive and accessible.
- Expanding the standardized online registration system and short messaging portal for birth certificates recordings.
- Integration of complaints systems and full services.
- Regularly updating the birth certificates records in villages and sub-districts.
- Monitoring the sub-national government authority at the sub-districts and villages level in updating the birth certificates records.



Policy Direction
2020-2024

Strategies

Increase Community Awareness And Activities In Registering Births

- Implementing socialization, advocacy, and education about birth certificates registration.
- Establishing the birth certificate registration systems.
- Involvement of CSOs, community frontliners, religious leaders, and community leaders in socialization, advocacy, and education for birth certificates registration.
- Utilization of data and birth certificates documents for public services; and
- Development of proper incentive system to encourage people to report births.

Strengthen The Coordination And Collaboration Of Stakeholders At The Sub National Level

- Development of budgeting mechanisms for birth certificates recordings and children status alteration at the national and sub national level;
- Program and strategic policies alignment between sectors regarding birth certificate recordings at the national and sub national level;
- Alignment of policies and procedures in children status alteration at the national and sub national level and also between sectors.

Policy Direction
2025-2030

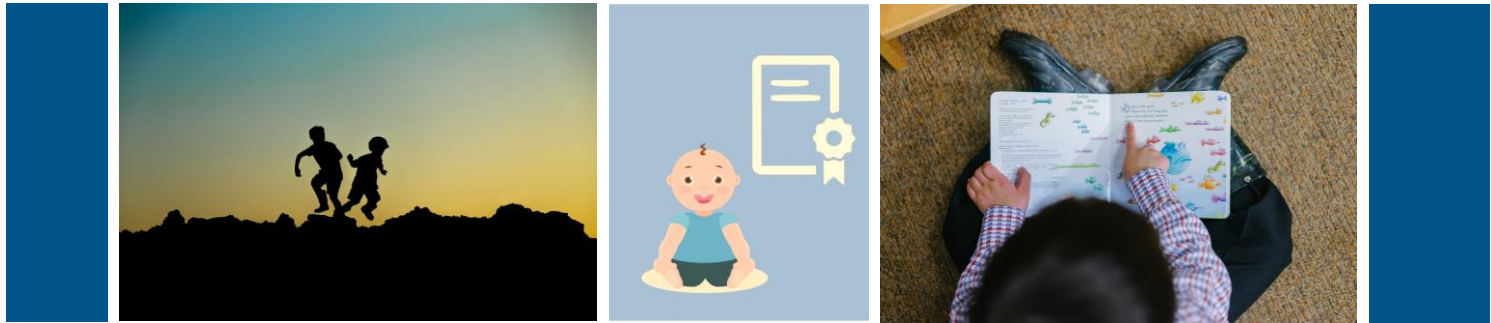
Strategies

Strengthen The Community Awareness And Activities In Registering Births

- Engagement of civil society organizations, community cadres, religious leaders, and community leaders to strengthen understanding of birth certificate registration; and
- Optimizing the use of data and birth certificates for public services.

Optimize The Coordination And Collaboration of Stakeholders At The Sub National Level

- Evaluating the effectiveness for birth certificate recordings mechanisms and children status alteration at the national and sub national level;
- Integrating program and strategic policies alignment between sectors regarding birth certificate recordings at the national and sub national level;
- Integrating policies and procedures in children status alteration at the national and sub national level and also between sectors.



Policy Direction
2020-2024

Strategies

Enhancing the birth certificates ownership for special group

- Identifying the challenges and vulnerabilities in accessing birth certificates;
- Alignment of policies and regulations for birth certificates recordings services particularly for people with vulnerabilities and special groups;
- Preparation of legal basis and technical guidelines for birth certificates recordings particularly for people with vulnerabilities;
- Increasing the officer capacity for birth certificates recordings particularly for people with vulnerabilities;
- Improving knowledge and activity for people with vulnerabilities and special groups to do birth-reporting and receive birth certificates.

Policy Direction
2025-2030

Strategies

Enhancing the birth certificates ownership for special group

- Integrating policies and regulations for birth certificates recordings services particularly for people with vulnerabilities and special groups;
- Expanding the technical innovation for birth certificates recordings services particularly for people with vulnerabilities and special groups;
- Strengthening the officer capacity for birth certificates recordings particularly for people with vulnerabilities.

SUSTAINABLE DEVELOPMENT GOALS



GOAL 17

PARTNERSHIPS

FOR THE GOALS

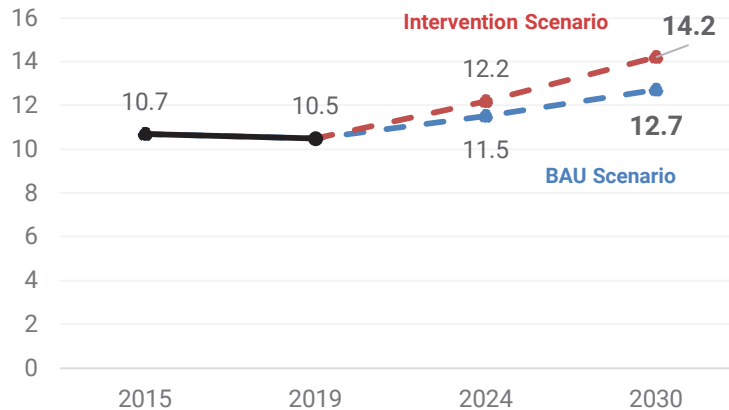


2.17

17 PARTNERSHIPS
FOR THE GOALS

GOAL 17 PARTNERSHIPS FOR THE GOALS

17.1.1.(a) Tax revenue to GDP ratio



12.7%

Tax revenue to
GDP ratio in 2030
with business-as-
usual scenario

14.2%

Tax revenue to
GDP ratio in 2030
with intervention
scenario

Source of Data: BAPPENAS projection



- Taxation has three functions in the economy: **redistribution, reallocation and stabilization**. It is an important resource to run a strong and credible government. Community compliance in paying taxes is a form of participation in the national development agenda.

- The **tax ratio to GDP in Indonesia is still very low** compared to neighbouring countries in ASEAN. In 2016, the tax ratio in Indonesia was only 10.3%, which puts Indonesia in second-to-last place, just above Myanmar, among the ten ASEAN countries.¹
- **Increasing the tax ratio** will increase state capacity to **finance development programs**. It takes a lot of effort to reach a tax ratio of 14.2% in 2030, but it's plausible. Several policy actions that should be done to achieve this target including expanding the tax base, providing legal certainty and ease of administration, and increasing public awareness and public compliance in paying taxes.

¹In ASEAN, Tax ratio in Indonesia is lower than Lao PDR; Katadata (2018).

Tax revenue to GDP ratio		
Year	Baseline	Intervention
2015	10.7	10.7
2019	10.5	10.5
2024	11.5	12.2
2030	12.7	14.2



Policy Direction
2020-2024

Strategies

Optimizing state revenues through strengthening the administration system and tax regulation while maintaining the investment climate

- | | |
|--|---|
| <ol style="list-style-type: none"> 1. Improvement of tax laws and regulations 2. Expansion of information transparency in the field of taxation <ul style="list-style-type: none"> • Implementation of AEOI, P3B dan <i>Multilateral Instrument (MLI)</i> • Regulation of Beneficial Ownership 3. Improvement of tax policies that can encourage investment in accordance with regional characteristics and sectoral characteristics, including the provision of tax incentives that support national competitiveness and create high added value | <ol style="list-style-type: none"> 1. Improvement of taxation administrative system <ul style="list-style-type: none"> • Core tax system 2. Improvement of taxation database <ul style="list-style-type: none"> • Preparation of regional taxpayers profiling to determine potential local taxes • Re-registration of tax subjects and objects • Increasing data exchange cooperation with other data providers |
|--|---|

Policy Direction
2025-2030

Strategies

Optimizing state revenues through continuous administrative reforms and adaptive taxation policies while maintaining the investment climate

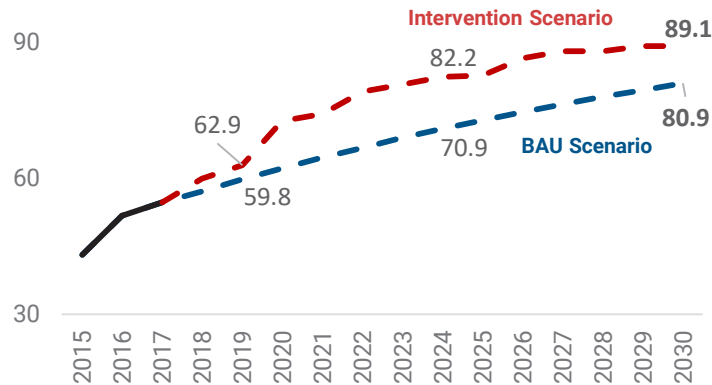
- | | |
|---|---|
| <ol style="list-style-type: none"> 1. Tax revenue optimization <ul style="list-style-type: none"> • Improve compliance e.g., from sectors that are difficult to tax • Guarantee the simplicity of tax collection • Taxation policies that are adaptive to the development of the digital era • Strengthening the utilization of data and information for tax purposes 2. Strengthening commitment and cooperation in international tax agreements <ul style="list-style-type: none"> • Establishing regulations that can accelerate the adoption of international tax treaties | <ol style="list-style-type: none"> 3. Improvement of tax policies to increase investment and export competitiveness <ul style="list-style-type: none"> • Expansion of tax incentives (tax holiday, tax allowance, vocational, Research & Design) 4. Building a more credible tax system, as well as providing service and satisfaction for taxpayers <ul style="list-style-type: none"> • Reliability of database management/tax administration • Tax officer integrity and productivity |
|---|---|

17 PARTNERSHIPS FOR THE GOALS



GOAL 17 PARTNERSHIPS FOR THE GOALS

17.8.1* Proportion of individuals using internet



*Projection data from Bappenas

80.9%

Proportion of
individuals using
internet in 2030
with BAU
scenario

89.1%

Proportion of
individuals using
internet in 2030
with intervention
scenario

Information and technology revolution has pushed the world into Industrial Revolution 4.0.

In this era, internet plays an important role in **widespread access to information as well as improving the public services** (for instance, digitalizing the health and education services).

- **Expansion of the internet access** will likely cause the **reduction of costs and increase productivity**. The invention of digital platform of services (Tokopedia, Bukalapak, or Gojek) has opened a wider access to market for society. Particularly in Indonesia, an archipelago country, internet access expansion requires a huge investment. And Indonesia had started the case with Palapa Ring Program.
- Nevertheless, the internet access expansion has to be balanced by the **contents of the internet itself**. The 2030 target of 89.3% internet users in Indonesia is not a difficult task as the demand-side coming from the society who also need to use internet is high.

Proportion of individuals using internet		
Year	Baseline	Intervention
2015	43.15	43.15
2019	59.77	62.94
2024	70.93	82.32
2030	80.95	89.10



Policy Direction
2020-2024

Strategies

Improving infrastructure and equal access to information and communication technology services and increasing the provision of IT-based public services

- Improving infrastructure and equal access to information and communication technology services, particularly in the extensification of national backbone network (Palapa Ring)
- Increasing the provision of public services which is based on IT in sectors:
 - a) Education, especially in higher and tertiary education.
 - b) Health. Increasing health service to health center level
 - c) Government administration for population administration, social assistance program, and government monitoring
 - d) Public services in economic, banking, transportation sectors

Policy Direction
2025-2030

Strategies

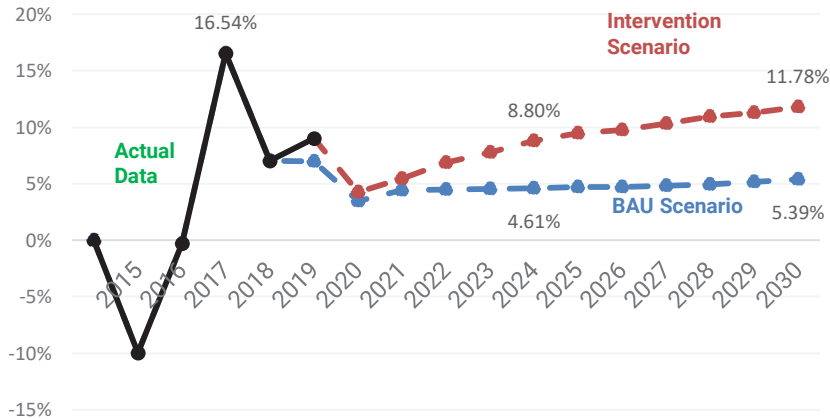
Enhancing ICT coverage to rural areas and increasing the provision of IT-based public services

- Enhancing ICT access and coverage to rural areas
- Increasing the provision of public services which is based on IT in sectors:
 - a) Education. All level of education (primary) have access to use internet
 - b) Health. Tertiary services such as queuing or payment using an online system
 - c) Social services that reach all group of society including the elderly
 - d) Integration government services with other sectors to increase accountability and effectiveness of the public services

17 PARTNERSHIPS
FOR THE GOALS

GOAL 17 PARTNERSHIPS FOR THE GOALS

17.11.1.(a) Growth of non-oil and gas export



Projection: BAPPENAS

5.39%

Growth of non-oil
and gas export in
2030 with
business-as-usual
scenario

11.78%

Growth of non-oil
and gas export in
2030 with
intervention
scenario

- **Trade** is an important economic activity due its **welfare improving function** that would provide benefits to the whole economy. It also affects economic growth through market price mechanism, competition, knowledge spillover, innovation as well as linking and collaborating with the global world.
- Non-oil and gas export are important to the Indonesian economy as they **account for around 90% of Indonesian total export**. This condition allows more people to be able to participate and take benefits from trade since these sectors require more employees. Furthermore, it potentially provides opportunities to mastering technology and creating higher added value to the domestic economy.
- Some challenges still remain. Indonesian export is still dominated with **resource-based commodities** that would face risks from price volatilities that would affect trade balances. To achieve the 2030 target, Indonesia needs to provides a **better environment to engage more actors to participate in production and international trade** as well as to improve **value added and total factor productivity**.

Growth of non-oil and gas export

Year	Baseline	Intervention
2015	-9.96%	-9.7%
2019	7.00%	9.00%
2024	4.61%	8.80%
2030	5.39%	11.78%



Promoting the trade growth through the utilization of global value chain and the expansion of products and export markets

Policy Direction
2020-2024

Strategies

1. Accessing global market

- Market expansion and deepening
- Trade facilitation
- Integrated trade promotion strategy
- Synchronization of economic and political diplomacy

2. Integrating in global market and production network

- Increasing participation of *global production network*
- Export diversification

3. Enhancing value of Indonesia products

- The adoption of higher technology to improve industrial production
- Increasing trade in services
- Improving the standard and the competitiveness of export products

Promoting and sustaining the trade growth through improving competitiveness of goods and services which focus on innovation and higher value added

Policy Direction
2025-2030

Strategies

1. Expanding market for Indonesian products (global producer)

- Opening markets through strengthening the economic diplomacy
- Opening markets which have potentials and strengthening the export positions in the markets which have high growths
- Strengthening the market intelligence and securing exports in the main and prospective markets.
- Expanding and strengthening the position in the global production network through FDI scheme

2. Improving the image of Indonesian products

- Increasing the awareness of Indonesian products (“made in Indonesia” or Indonesian brands)
- Increasing the service sector in the export composition

3. Strengthening trade policies and implementing the international standard

- Harmonizing industrial policies and trade policies
- Improving trade facilitation in Indonesia using international standard
- Developing the online one-stop-shop export assistance

SUSTAINABLE DEVELOPMENT GOALS



CHAPTER 3

INTERLINKAGES OF 17 GOALS



LITERATURE REVIEW

Most literatures suggest that the 17 Sustainable Development Goals (SDGs) and their targets are interacting with each other in an indivisible way. Achieving one goal or target may contribute to achieving the other goals or targets, and these interlinkages may shape a complicated network.



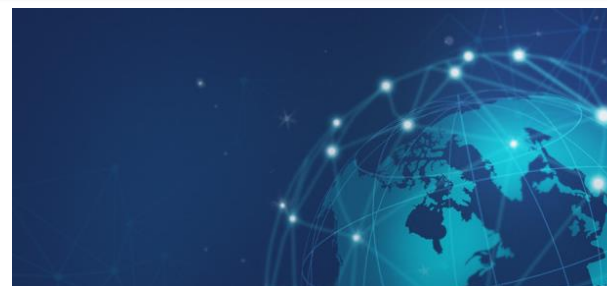
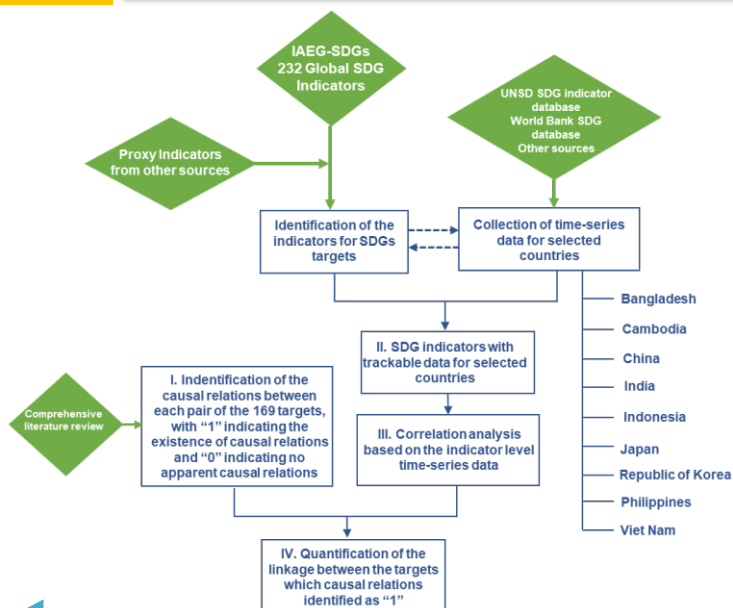
Various SDGs interlinkages studies have been used as a basis of the Indonesian SDGs Roadmap interlinkages analysis. Some of the literatures include the publication of studies from **UN DESA** (Le Blanc, 2015), **IGES** research report (Zhou and Moinuddin, 2017), **Bappenas** study report (Bappenas, 2018), and scientific publications supported by the **Nippon Foundation** (Singh et al., 2018).



Interlinkages study of SDGs goals and targets conducted by IGES covers case studies of **9 Asian countries including Indonesia**. This study is the most comprehensive reference for the basis of **interlinkages analysis of the Indonesia's SDGs goals and targets**, in particular for those being discussed in the SDGs Roadmap for 2017-2030.



METHODOLOGY



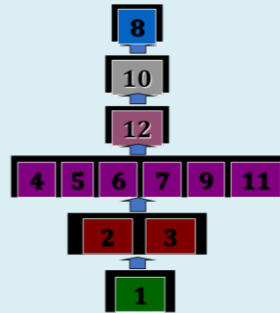
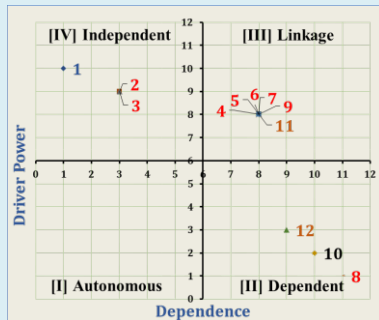
First stage was a review of some reputable studies on SDGs interlinkages. The objective of this literature review was to **"compare, contrast, criticize, synthesize, and summarize"** of the various methodology and findings.

Second stage was to select the study that is most relevant to the Indonesian development context. The study of IGES was selected to be the basis for further analysis for the Indonesian case. IGES conducted a study using the **social network analysis (SNA)** method to develop a network of SDGs interlinkages that were able to describe the **degree of centrality, eigenvector centrality, betweenness centrality, and closeness centrality**. Furthermore, the interlinkages results obtained from IGES methodology were taken and became the underpinning context for the next stage of analysis.

The interlinkages analysis of the Indonesia SDGs was undertaken through several stages.

METHODOLOGY

Interpretative Structural Modeling



DIAGRAPH

(Directional Graph):
graphs the direct
relationship and
hierarchical level of
sub-elements

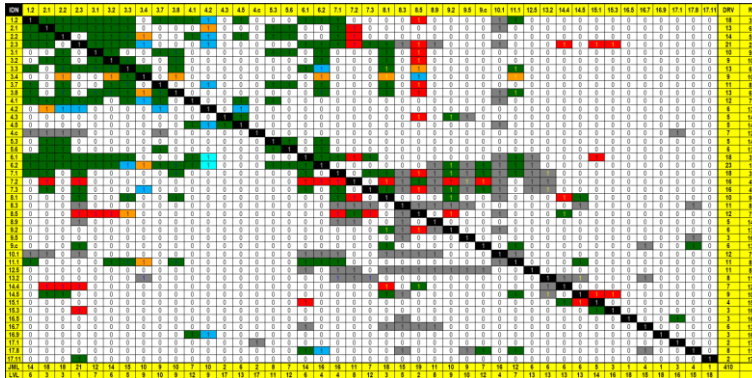
STRUCTURE MODEL

a clear picture of the
sub-elements of the
system & its
relationship

Third stage was to undertake the **interpretative structural modeling** (ISM) technique through the preparation of hierarchies and classification of sub-elements. This stage will produce a structural model of relations between 17 SDGs and their associated targets. The results of this stage will be very useful for the policy makers and other relevant stakeholders in order to define the structure of relationships as well as to determine the priorities among the targets

In this chapter, the interlinkages analysis for the Indonesia's SDGs was commenced for **43 targets** of **17 goals**.

METHODOLOGY



A Matrix of SDGs Interlinkages Across Targets:
Most targets are dependent and have a driver power

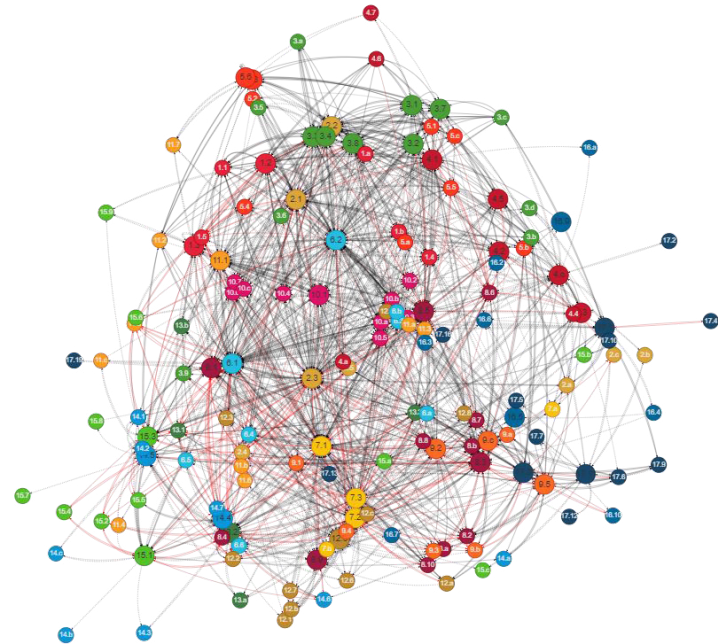
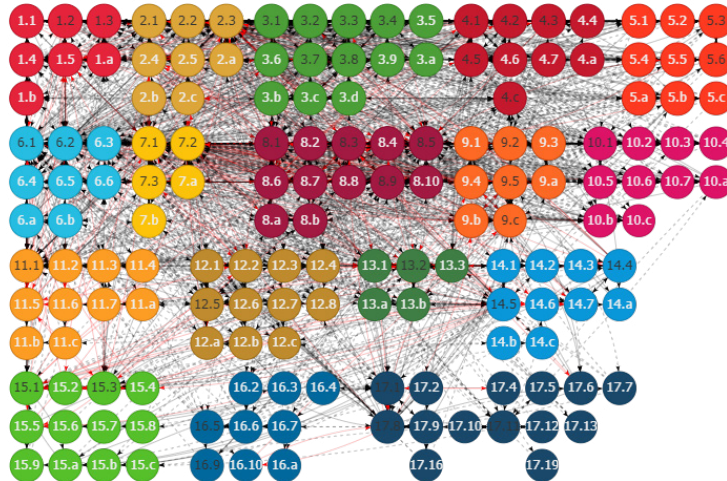
The analysis from the IGES study using ISM methodology found that all goal SDGs have **driver power** and **dependency** between each target or goal with the others.

The results of various studies indicate that SDGs goals and targets are interrelated with each other (Le Blanc, 2015; Zhou and Moinuddin, 2017; Bappenas, 2018; Singh et al., 2018).



SDGs Interlinkages among the 17 Goals

MAPPING OF INTERLINKAGES

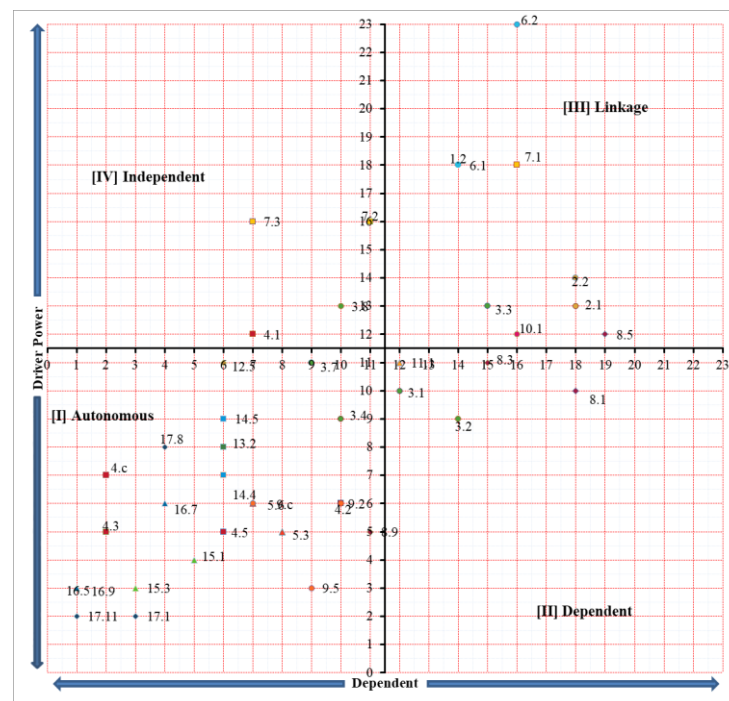


The results of the analysis of the 43 SDGs targets indicate that there are **17 targets** of **9 goals** that have strong influence to other targets, with a low level of dependency. These targets are called to have the high driver power.

MAPPING OF INTERLINKAGES

Diagraph (Directional Graph) describes the classification of SDGs targets based on driver power and dependence

- **Sector 1:** *weak driver-weakly dependent variables (autonomous)* show SDGs targets that have relatively low relation to other SDGs targets.
- **Sector 2:** *weak driver-strongly dependent variables (dependent)* show that the SDGs targets are not free because they have a relatively high dependence on other SDGs targets.
- **Sector 3:** *strong driver-strongly dependent variables (linkage)* show that the SDGs targets have relatively high influence and dependence on other SDGs targets.
- **Sector 4:** *strong driver-weak dependent variables (independent)* indicate SDGs targets that have high influence and have low dependence on other SDGs targets.



Four Quadrant of Diagraph Between SDGs Targets

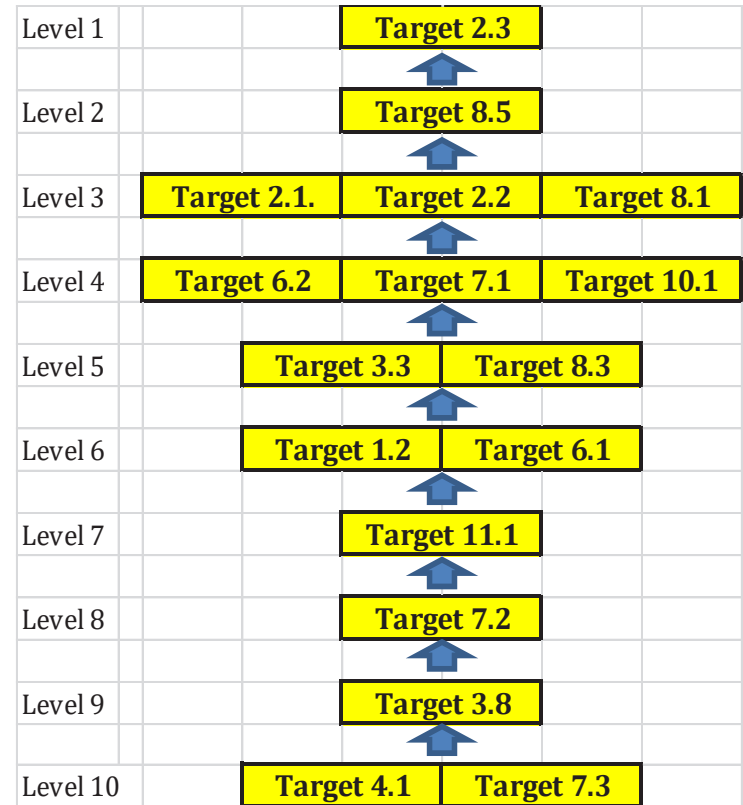
MAPPING OF INTERLINKAGES

Dependence and Influence

The **structure of the influence and dependence** of these 17 targets can be put into a Hierarchy Structure of Interlinkages

Level in the hierarchy structure indicates the degree of SDGs target(s) dependence. Target 2.3 at Level 1 has the highest dependency among the 17 targets, while Target 4.1 and Target 7.3 are at Level 10 showing their lowest degrees of dependence.

The four targets at the lowest level (**Target 4.1, Target 7.3, Target 7.2** and **Target 11.1**) are linked to **independent** sectors in the diagraph. They are less dependent to other targets, but their degree of influence are high. These four targets can be interpreted as the priority targets due to their power to be **the main levers** in the achievement of many other SDGs targets.



The Result of Hierarchy Structure of Interlinkages Among SDGs Targets

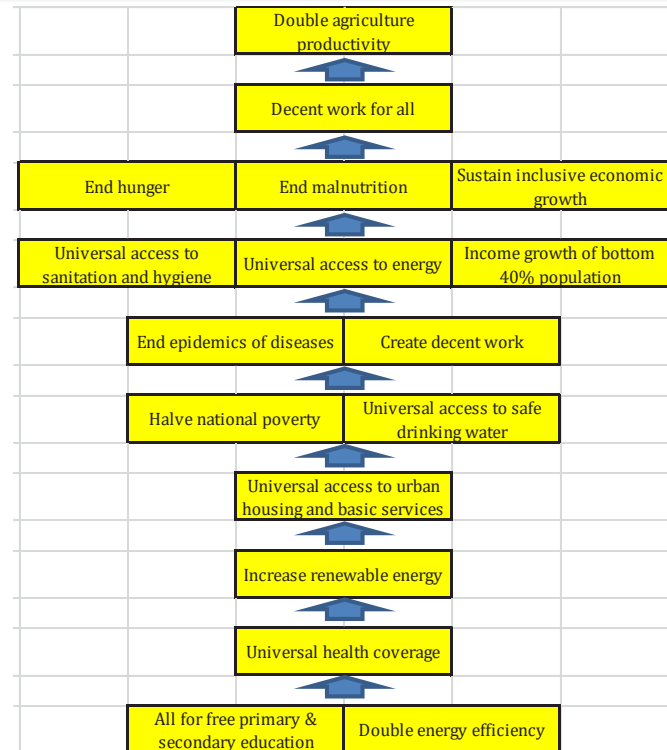
FUTURE PROSPECT

The SDGs achievement can be leveraged through prioritizing the most important targets of the 17 goals

The analysis suggest that policies should focus on the main levels of targets that can effectively drive up the achievement of the other targets. Therefore, the suggestions for main drivers of the SDGs targets are:

- All for free primary & secondary education (Target 4.1),
- Double energy efficiency (Target 7.3),
- Universal health coverage (Target 3.8),
- Increasing renewable energy (Target 7.2).

Additionally, other important policies to accelerate the achievement of SDGs are to achieve universal access to urban housing and basic services, to provide safe drinking water, to reduce poverty, to eradicate epidemic diseases, to improve access to energy, and to increase the income of the poor.



These targets will certainly facilitate the other end goals of development, which are to eliminate hunger and malnutrition, to achieve a more inclusive economic growth, which in turn can generate employment and increase productivity as well as to achieve the prosperity of the people.



CHAPTER 4

SDGs

FINANCING STRATEGY



INTRODUCTION



There is a common understanding that implementation of 2030 Agenda for Sustainable Development in Indonesia and other countries will require significant mobilization of investments, resources, and financing innovation.

The UN estimates that **the gap in financing** to achieve the Sustainable Development Goals (SDGs) is **\$2.5 trillion per year** in developing countries alone (UNCTAD, 2014).

Since most of SDGs targets are related to public spending, the Government of Indonesia will continue to play a key financing role in SDGs. Government will also strive to create a better business climate, so that private sectors and other non-state actors can deeply engage in financing for SDGs to help close the financing gap.

This chapter presents the amount of investment needed by Indonesia to implement the Sustainable Development, and strategies to mobilize funds for SDGs.

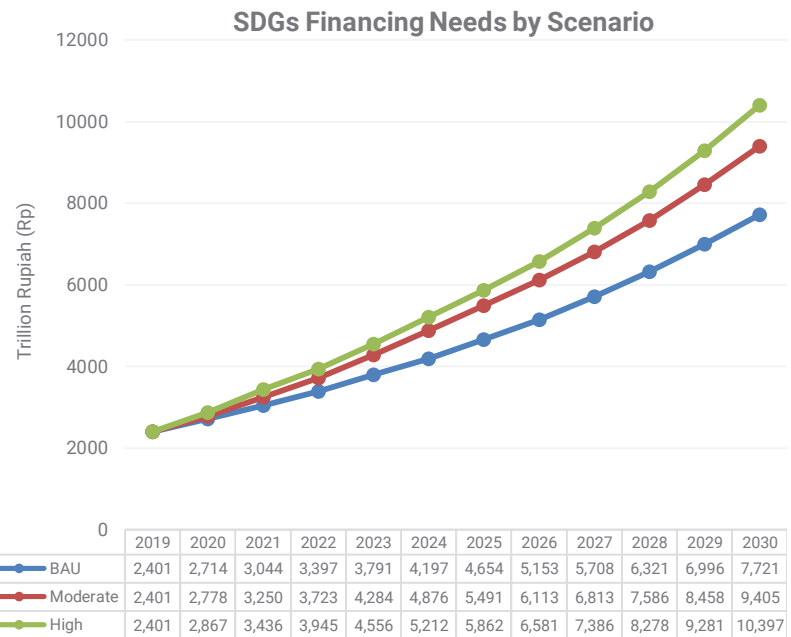
COUNTING SDGs INVESTMENT NEEDS FOR INDONESIA

On counting SDGs investment needs for Indonesia, the 17 goals of 2030 agenda are classified into 8 sectoral groups as follows:

- Infrastructure
- Health
- Education
- Social Protection
- Environmental Protection
- Food
- Clean government, Public Order & Safety
- Research & Development

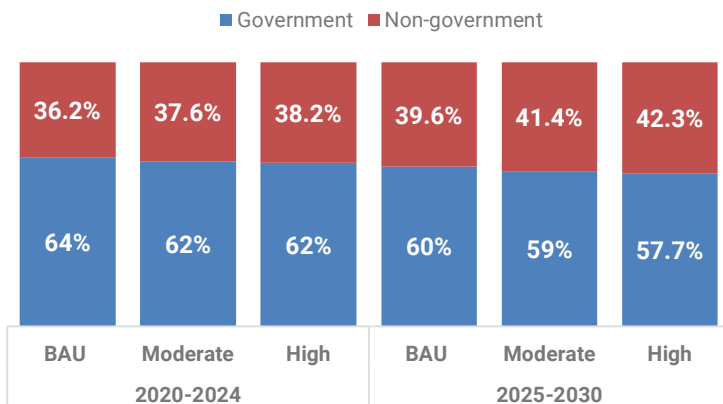


SDGs financing needs for Indonesia are classified into three categories, according to types of intervention scenarios to pursue. Those are: *Business as usual*, *moderate intervention*, and *high intervention scenarios*, as depicted in the graph below.



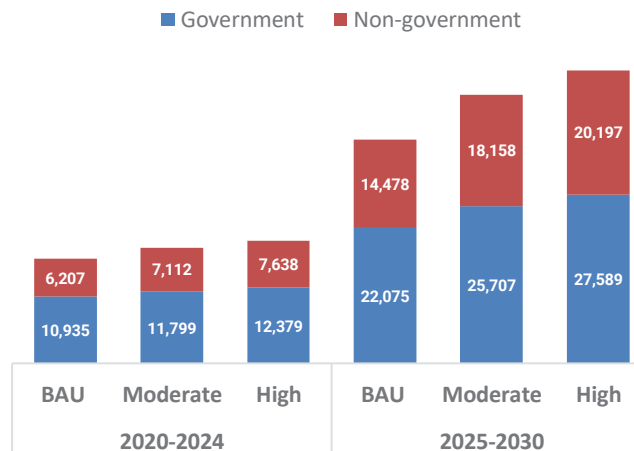
DISTRIBUTION OF SDGS INVESTMENT NEEDS

Distribution of SDGs Investment Needs among Government and Non-government



The Government of Indonesia will initially share most of the investment needs for SDGs. However, this main role of the government will be gradually decreasing, since the role of non-government actors will be increasing. Within the **high-intervention scenario**, **non-government's contribution to SDGs investment is expected to increase from 38.2% (2020-2024) to 42.3% (2025-2030)**.

SDGs Investment Distribution (Trillion Rp)



The amount of **non-government financing** – in high scenario – is expected as much as:

in 2020-2024: **Rp 7,638 Trillion**

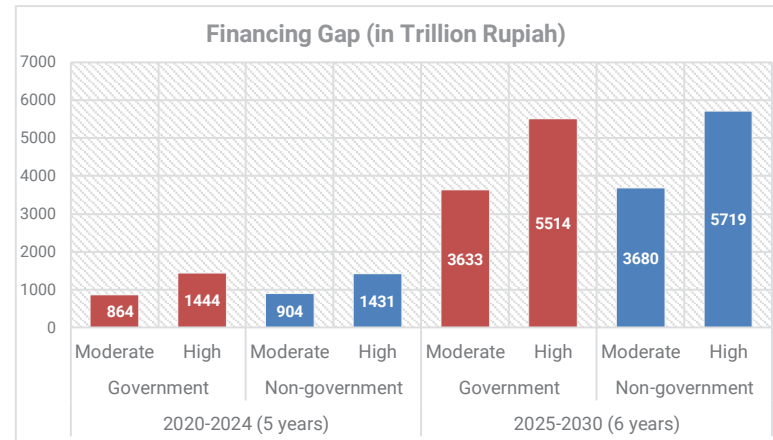
in 2025-2030: **Rp 20,197 Trillion**



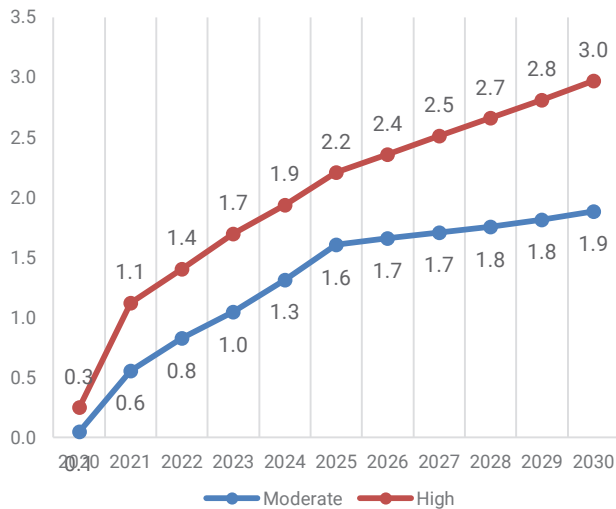
**Therefore....
there are SDGs Financing Gaps
to be resolved**

SDGs financing gap is defined as additional investments needs, in order to attain moderate or high scenario*

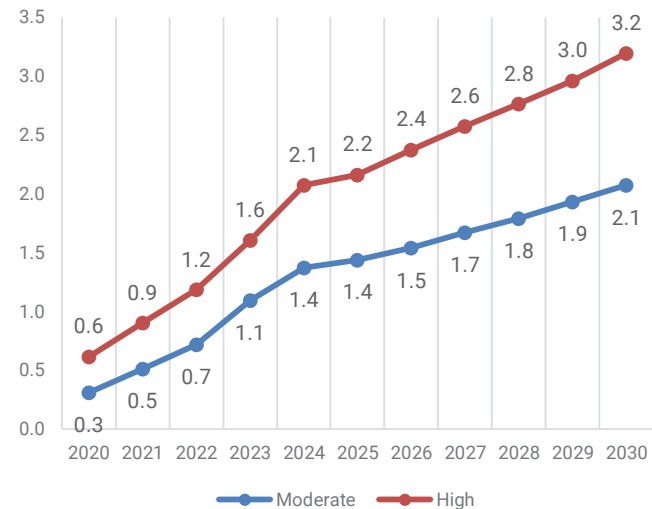
*calculated by differentiating the High and Moderate Scenarios with BAU scenario



**INVESTMENT GAP
GOVERNMENT (% OF GDP)**



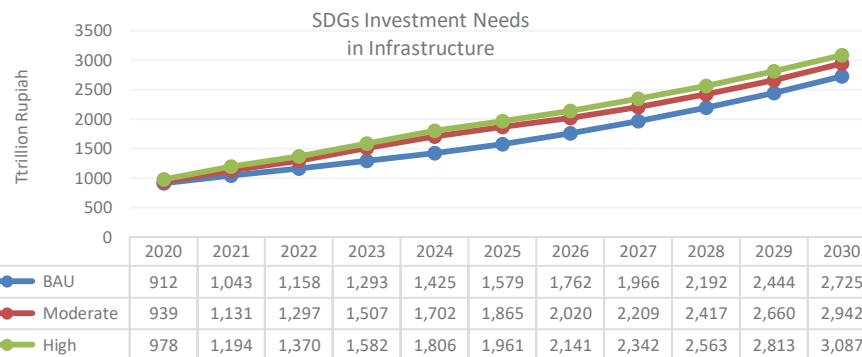
**INVESTMENT GAP
NON-GOVERNMENT (% OF GDP)**



SDGS INVESTMENT NEEDS: INFRASTRUCTURE AND HEALTH

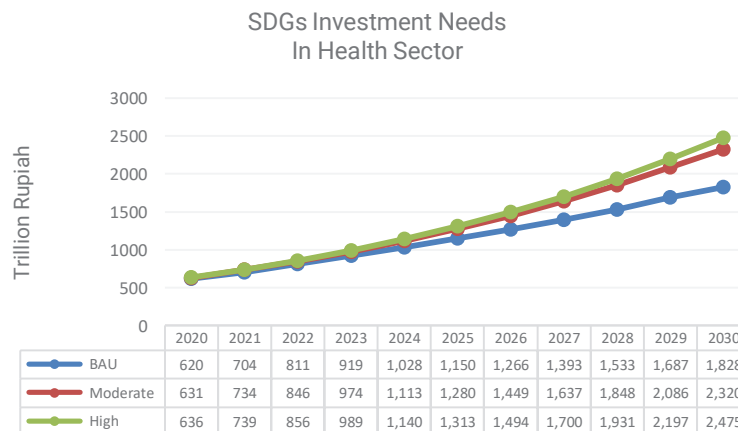
Investment in **infrastructure** includes:

- Transportation (roads, railways, trains, airports, ports)
- Energy (electricity and renewable energy)
- Information Technology and Communication
- Clean Water and Sanitation
- Water Resources



Investment in **health** sector include financing for:

- Improving nutrition, maternal health, and children health
- Disease control and environmental sanitation
- Health-care education and promotion
- Pharmaceuticals and medical devices
- Universal Health Care (JKN/KIS)
- Family Planning Program
- Special Allocation Fund (DAK) for health-sector and family planning program
- Health operational assistance (BOK)

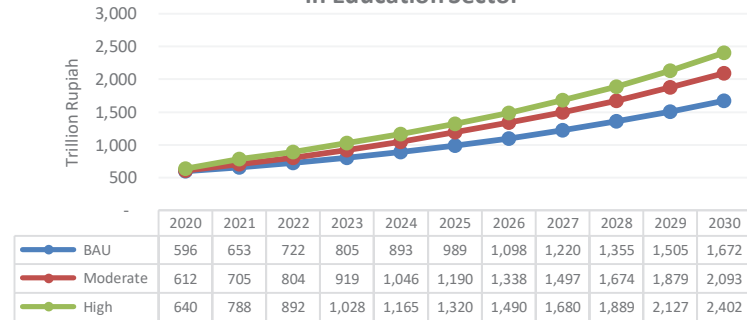


SDGS INVESTMENT NEEDS: EDUCATION AND SOCIAL PROTECTION

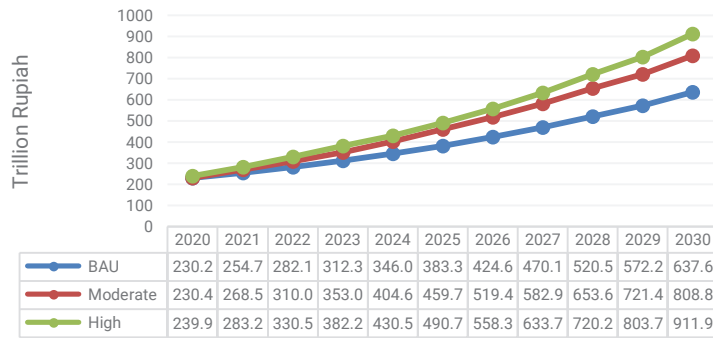
Investment in **education** sector includes financing for:

- Improvement in access and quality of early-childhood, primary, secondary, and tertiary education
- Non-formal and informal education
- General purpose grant (DTU) for education
- Special allocation fund for education
- Allowances for civil servant teachers
- School operational assistance (BOS)

SDGs Investment Needs
in Education Sector



SDGs Investment Needs
in Social Protection



Investment in **social protection** sector includes:

- Social assistance
- Social insurance
- Social rehabilitation

SDGS INVESTMENT NEEDS: ENVIRONMENT AND FOODS

SDGs Investment Needs
In Environmental Protection



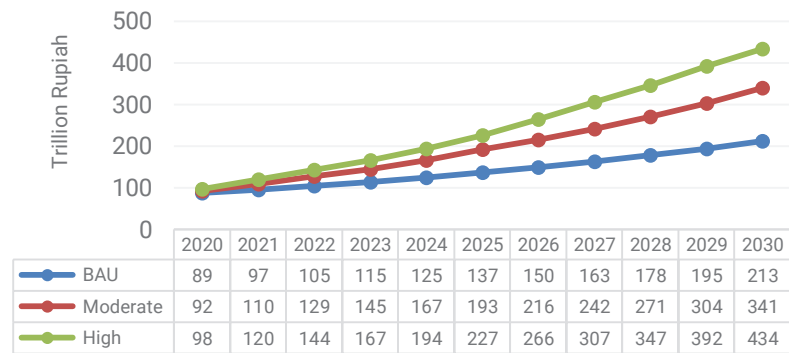
Investment in **environmental protection** include financing for:

- Forest and land rehabilitation
- Watershed management and protected forest control
- Waste management and hazardous & toxic waste management
- Climate change mitigation

Investment in **food** sector covers financing for:

- Increasing food production and access
- Increasing production of capture fisheries, aquaculture, and others
- Developing agricultural irrigation networks
- Fertilizer subsidies
- Special Allocation Fund for irrigation and agriculture

SDGs Investment Needs
in Foods



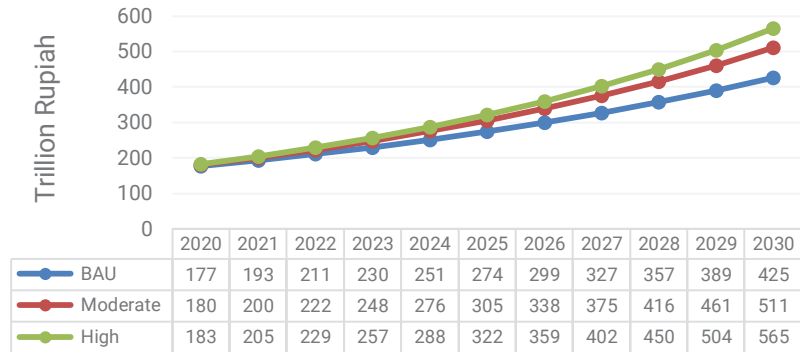
SDGS INVESTMENT NEEDS:

CLEAN GOVERNMENT, PUBLIC ORDER AND SAFETY, AND RESEARCH AND DEVELOPMENT

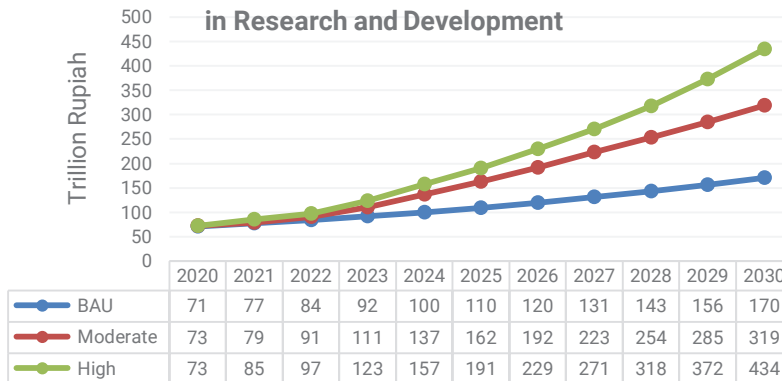
Investment in **clean government and public order and safety** sectors includes financing for:

- Good governance and accountability in several institutions such as Ministry of Law and Human Rights, Attorney General's office, Indonesian National Police, Supreme Court, Corruption Eradication Commission, Audit Board, Financial and Development Supervisory Agency

SDGs Investment Needs in Clean Government and Public Order and Safety



SDGs Investment Needs in Research and Development



Investment in **research and development** sector include financing for:

- Basic and applied research
- Capacity building for researchers
- Strengthening education and research and development ecosystem.
- Aligning research with the needs of industries

INDONESIA FINANCING STRATEGY FOR SDGs

Achieving the SDGs requires a surge in financing and investments. the new financing strategy is a necessity to help accelerate progress and complement efforts being made by champions of financing for sustainable development and longer-term investments from the private sector, philanthropy and other sources of innovation.

the Strategies

- Mobilization of the wider variety of resources that would be needed to achieve the SDGs will demand the development and leverage of a wider array of finance flows behind national priorities, including SDGs.
- Significant institutional reforms and coherent policies to ensure that key finance flows are fully developed and aligned with the SDGs.
- the different components of these key reforms has to be coherently designed, developed, and implemented.
- the government adopts a strategic approach to ensure that these reforms are correctly prioritized and implemented in a timely fashion.

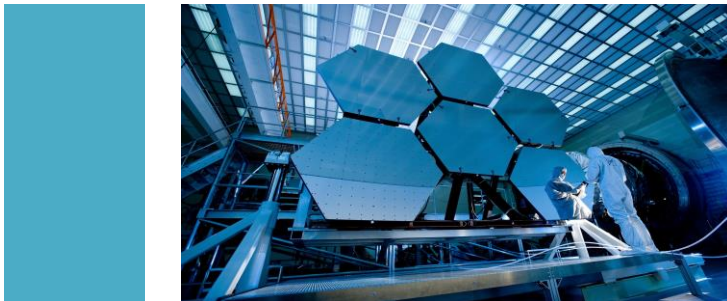
This strategy demands systemic reforms and involves a wide range of areas, from public administration reforms to good governance and the strengthening of the management capacity of the central government and line ministries and sub-regional governments.



THE OBJECTIVES OF FINANCING STRATEGIES

Financing strategies are aimed to achieve **four priority objectives** of:

- **Strengthening the quality of the budget**, including the efficiency and effectiveness of public expenditures and their alignment with national priorities, including SDGs intervention;
- **Deepening domestic resource mobilization, particularly on tax (increasing tax ratio)** with attention to its economic, social and environmental impacts; and
- **Scaling up private sector investment** behind national priorities, including SDGs intervention.
- **Establishing SDG Financing Hub**



IMPLEMENTING FINANCING STRATEGIES FOR SDGs



Strengthening the quality of the budget

- Strengthen strategic resource allocation and results orientation of the budget
- Reduce the current level of subsidization and refinancing of SOEs
- Improve the balance between recurrent and development budgets in line with SDG needs
- Greater allocative efficiency within sectors, between sectors and in terms of the actual budgetary linkages with the plan
- Stronger collaboration with development partners

Deepening domestic resource mobilization

- Strengthen tax office
- Expansion of tax resources and non-tax revenue
- Stronger implementation of the tax modernization project, incl. computerization
- Close collaboration with financial institution

Scaling up private sector investment

- Strengthen Financial Deepening and Financial Inclusion
- Enable environment and regulatory frameworks to ensure private sector investment in SDGs inter alia, the development of innovative SDG-related financial instruments)
- Tax incentive to promote private sector in SDGs related activities (R&D, Vocational education, climate change, etc)
- Promote flows of private investment through PPP, CSR, Remittances, NGO, Phillantrophy, Zakat, etc

Establishing SDG financing hub

- Develop regulatory framework to establish SDG Financing Hub
- Establish the SDG Financing Hub with the support of UNDP
- Dissemination of SDG Financing Hub

THE INDONESIA'S SDGs FINANCING HUB

SDGs Financing Hub

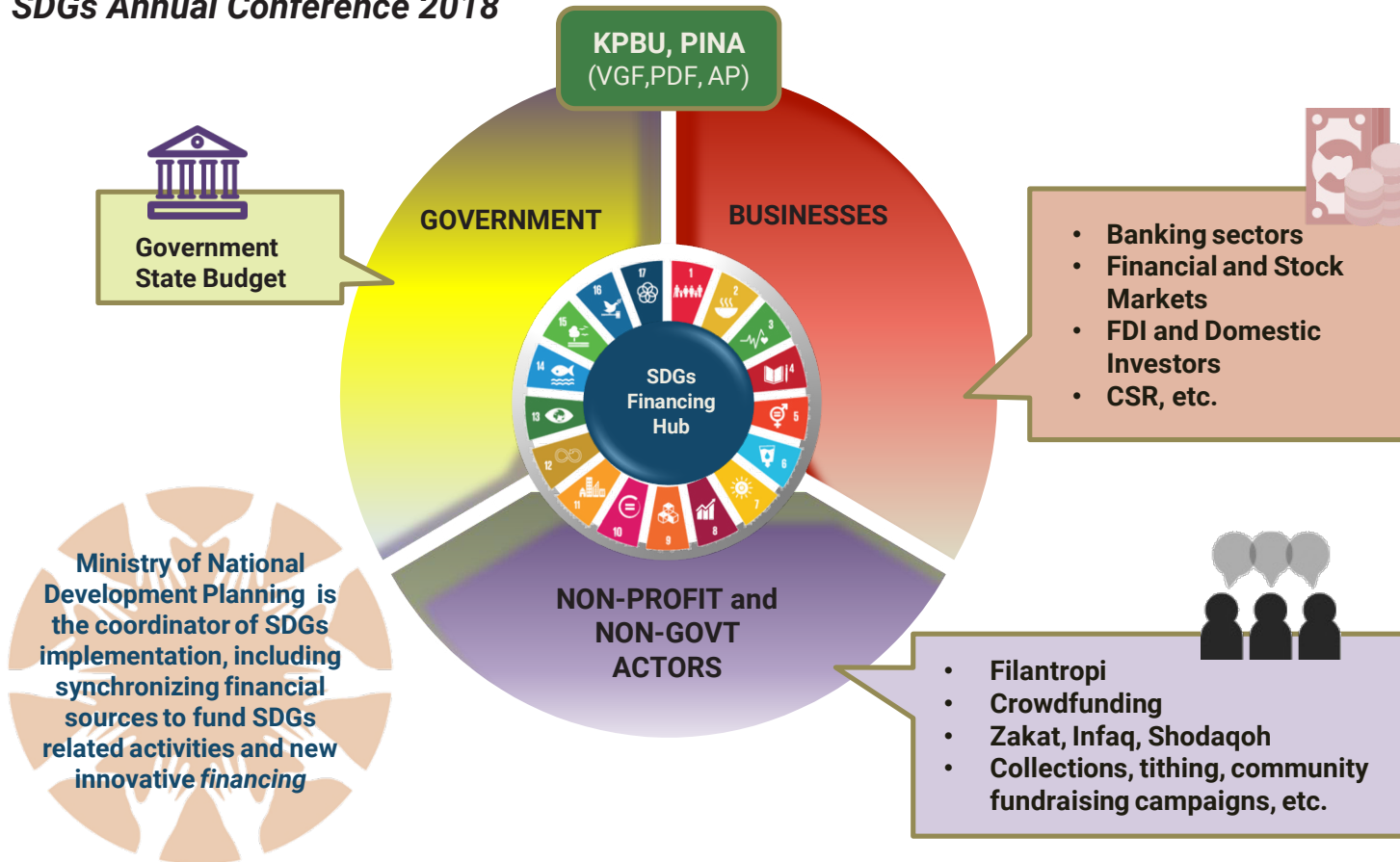
To coordinate, facilitate, and align SDGs innovative financing



1. Mobilizing funds for sustainable development and raising resources that can be invested in sustainable development.
2. Channelling funds to sustainable development projects – ensuring that available funds make their way to concrete sustainable development-oriented investment projects on the ground in Indonesia.
3. Establishing strategic and matchmaking network
4. Maximizing impact and mitigating drawbacks – creating an enabling environment and putting in place appropriate safeguards that need to encourage increased non-state actors involvement.
5. Developing models, instruments and technology, as well as providing enabling environment for innovative financing
6. Capacity building and knowledge sharing

FINANCING SOURCES COORDINATED AND SYNCHRONIZED BY SDGs FINANCING HUB

The concept was launched at
SDGs Annual Conference 2018





CHAPTER 5

THE WAY FORWARD



THE WAY FORWARD

Accomplishing SDGs is also accomplishing the Indonesia's development agenda. Indonesia is putting its best effort to mainstream SDGs into its development policies and targets, and to ensure its implementation on the ground. These ambitious goals must be achieved, but it needs collaborative actions among stakeholders, shared contribution, as well as innovative approaches and strategies.

The roadmap of SDGs Indonesia is an important vehicle for Indonesia's SDGs stakeholders in reaching the same goals and missions, with clear targets and directions. The roadmap shall be an important document, showing the high commitment of Indonesia to bring the 2030 agenda into the next development plan and into the reality. Indonesia is confident to achieve such targets, albeit remaining issues in hands, and these still need to be addressed carefully.

The interlinkages of SDGs targets and indicators presented in the roadmap shall be the basis for policy-makers and stakeholders to put their intervention priorities. Besides, it is essential to convince that achieving certain targets of SDGs will be the leverage of other targets' achievements. Therefore, each target and indicator cannot be treated individually, but it needs a comprehensive framework of policy intervention.

Furthermore, Indonesia is fully aware that the implementation of SDGs needs huge sources of financing. A magnificent financing strategy is a must, while supporting the creative and innovating financing to develop is also a necessity. Financing resource mobilization will also be the key to the successful implementation of the 2030 agenda.

Apart from that, Indonesia will always put its best to the successful achievement of 2030 agenda!

SUSTAINABLE DEVELOPMENT GOALS





INDONESIA 2030



*Ministry of National Development Planning/
National Development Planning Agency*