

## **IGJ's Note - Indonesia in the Vortex of Covid19**

### **Stories from across the Country: “Problems in the Distribution of Government Social Aid in Handling Covid19 & the People’s Economic Recovery”**

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The Covid19 pandemic affects all dimensions of people's lives, especially when the Government implements a Large-Scale Social Restriction (PSBB) policy. All economic activities have stopped. Many workers or laborers were laid off, sent home without clear status. Peasants lose money because their harvest cannot be distributed properly and correctly. Many crops have decreased in price, even a little is wasted. Education has also been affected, with the Large-Scale Social Restriction policy and regulations for working and studying from home.

The government then issued a number of policies in response to the Covid19 pandemic that occurred since early March 2020, one of which was by forming a Task Force through Presidential Decree No.7 of 2020 concerning the Task Force for the Acceleration of Handling Corona Virus Disease 2019 (Covid19) in March 2020, whose hope is that this task force can implement optimal handling in this Covid-19 pandemic, including providing solutions to improve the distribution of Covid19 Social Aid (Bansos). Various aid programs from the government have been disbursed to overcome economic problems faced by the community in the midst of a pandemic, especially when the Large-Scale Social Restriction was implemented.

The aids provided by the Government is not only in the context of handling Covid19, but also in order to deal with the worsening economic crisis due to this pandemic. As of June 2020, the Government began to revoke the Large-Scale Social Restrictions status and implement the New Normal condition in order to accelerate the national economic recovery by forming the Committee for Handling Covid19 and National Economic Recovery (PEN). The government has prepared additional stimulus funds for this, and social incentives have been allocated as much as Rp 110 trillion. Although this figure looks smaller than the stimulus figure prepared for the industrial world, which is Rp 220 Trillion.

In relation to the above-mentioned Government policies, Indonesia for Global Justice (IGJ) and the People's Struggle Union (KPR) have conducted a series of webinars with various community groups from 17 Provinces in Indonesia to hear problems arising from the implementation of the Government's social assistance policies both in the context of handling covid19 and economic recovery. This paper is a summary of the stories raised in the discussion series Voices from across the Country held by IGJ and KPR circa May-June 2020 regarding the situation that occurred in the community during the pandemic.

#### **Basic Needs Groceries Aid**

In dealing with the Covid19 pandemic the Government has provided several forms of social aids, one of which is in the form of basic needs groceries that have been distributed since the beginning of the Covid19 pandemic that occurred in Indonesia in March. This assistance is provided to residents in DKI Jakarta and its surrounding areas, namely Bogor, Depok, Tangerang, South Tangerang and Bekasi.

In DKI Jakarta, basic needs groceries aid is provided to 2.6 million people or 1.2 million families. The amount of basic necessities given is Rp 600,000 per month and is given for three months. The allocated budget is 2.2 trillion. Furthermore, basic needs groceries for the Bodetabek area was given to 1.6 million people or 576,000 families. The amount is the same, which is Rp 600,000 per month for 3 months. The total budget is Rp 1 trillion rupiah. Thus, a total of 4.2 million residents in Jabodetabek will receive this basic needs groceries aid. The total value of the basic food items received by each citizen during the three months, namely April, May and June is Rp 1.8 million.

Regarding the data that has received the social aid, there are still many people who complain that they have not received it until today, even though the program has been running for several months. The difficult times for the community due to the impact of the pandemic have made people even more distrustful of the Government. This is due to many of the people who should have registered to get social aid from the Government have even received aid from other fellow citizens who took the initiative to move to help with “the people help the people movement”. Moreover, this has happened in several regions of Indonesia, one of which is in Semarang which was initiated by the Semarang Legal Aid (LBH), by making public kitchens and also in solidarity distributing seeds, fertilizers and many more to peasants affected by Covid19.

### Cash Social Assistance

Similar to basic needs groceries aid, the Cash Social Assistance (BST) program has also been disbursed since the beginning of the Covid19 case occurred in Indonesia. The difference is, this cash aid is targeting residents outside Jabodetabek. This program provides cash funds of Rp 600,000 to the community for 3 months, namely April, May and June. Cash Social Assistance recipients are citizens who are deemed worthy of receiving assistance and are directly affected by the economic impact of the Covid-19 pandemic and are equipped with data such as BNBA (by name by address), ID number and cellphone numbers.

This assistance is provided to residents affected by Covid-19 who have or have not been included in the Integrated Social Welfare Data (DTKS) belonging to the Ministry of Social Affairs (Kemensos). Local Governments are given the discretion to propose beneficiaries. The proposed data will then be verified by the Ministry of Social Affairs team to ensure that the person concerned is not included in the list of other central government aid recipients that existed prior to the pandemic, hence there is no duplicate data.

Stories from across the country share experiences in each region, the reality that is happening in the field is not as easy as government regulations that are enforced to access existing social assistance. What happens in the field is a far cry from what the government, both central and regional, has always voiced. Many complaints that came from the people, related to data and the process of distributing social aid during this pandemic, experienced disappointment, confusion, where all state apparatus, state agencies, down to the village level participated in regulating the social assistance distribution process and that was what caused confusion in the people; whose voice to listen to. Each of them provided unclear information, while the community data itself was not recorded properly. Who should get social aid. How many breadwinners of the family should receive this aid is not well recorded. A lot of data and information is confusing among the public with the existence of different rules and policies that are circulated and obtained by the public. As happened in West Java and Banten, especially Indramayu, where they were greatly confused with the data which changes every day regarding data on social aid recipients.

It is different from what happened in several other areas. The story was obtained from East Java, especially Blitar, the village head that was overwhelmed in handling the aid distribution process, from data collection to verification of beneficiaries according to the criteria set by the Government. The program is run by verifying aid recipients, both the Ministry of Social Direct Aid in Cash Transfers, Village Funds, and Social Safety Nets in collaboration with Micro, Small and Medium Enterprises (MSMEs). Furthermore, the problem of duplicate data due to poor data collection systems occurs in East Java and Central Java.

Like in other regions, Nusa Tenggara also received Direct Aid in Cash Transfers from the Ministry of Social Affairs which was channeled through the local post office, and other aid was distributed by the local government. The social aid that is expected by the people of East and West Nusa Tenggara is not entirely targeted fairly and equitably, there is a lot of data on multiple recipients, so that the village government has to re-enumerate who are actually beneficiaries of aid. Not to mention the late arrival of aid related to the distribution process, many of whom did not receive this aid.

South Sumatra said that social aid during the pandemic was not very contextual, not conducive. The data used as the receiver is old data. The recipients of social aid are not on target, the wealthy ones who shouldn't get help get it and the poor who should get help here do not get help. Not contextual means that this social aid is only to keep the people from staying at home and not working outside their home.

The local government of Bali which did not implement Large-Scale Social Restrictions replaced them with restrictions on community activities with unclear legal grounds. The community is only advised by the local government to be disciplined and not to leave the house during the specified time during the pandemic. The weakening of the economic sector is a major problem in the society. The people really hope for assistance from the government, especially those who have been laid off and sent home due to the pandemic. In Bali, the victims of layoffs and the employees who were sent home did not receive any aid.

### **Village Fund Direct Aid in Cash Transfers**

The government also diverted part of the village fund budget for this Direct Aid in Cash Transfers in order to face the economic impact of the Covid19 pandemic. The Village Fund Direct Aid in Cash Transfers was distributed in two batches. Per month, each beneficiary family (KPM) will receive aid of Rp 600,000, but in the second batch the amount of aid received is lower, namely Rp 300,000 per month. Many people from remote areas of Kalimantan and Moluccas think that the provision of Direct Aid in Cash Transfers only makes people dependent. They hope that the government can provide more aid than that, where in the future they can have a sustainable life. Like land for instance, which can make them produce plants to help their food security.

Data problems occur, including in Lampung and Medan. Non-transparent data, social inequality there. Who is eligible for aid is not clear. The rules and criteria that the people thought were unreasonable were given by the local government to the villages. For instance, those who have received Direct Aid in Cash Transfers, do not get the Indonesian Conditional Cash Transfer Program (PKH), or if they already get Indonesian Conditional Cash Transfer Program they do not get Non-Cash food Aid (BNPT) and many more. That's the case in Garu 2, Medan.

### **Electricity Tariff Incentives**

Moreover, the Government provided electricity tariff incentives for customers affected by the Covid19 during the pandemic. These incentives are in the form of bill waivers, electricity discounts, elimination of minimum fees, and elimination of subscriptions. The total budget for the electricity tariff incentive program is around Rp 15.39 trillion for 33.6 million customers of *PT Perusahaan Listrik Negara (Persero)*. Customers who get subsidized electricity are customers of 450 VA, and subsidized 900 VA. Electricity bill relief was then extended to MSME businesses, namely 900 VA for business and 900 VA for industry.

### **Pre-Employment Card**

Another aid launched by the government is the Pre-Employment Card, which according to the government, can help employees affected by layoffs as a result of the Covid19 pandemic and unemployment. Participants of this program will receive incentive assistance for job training of Rp. 1 million per month. The government provides funds of Rp 3,550,000 for participants who qualify as recipients of the 2020 Pre-Employment Card. The rest is for incentives. Another story from across the country, people say that this pre-employment card is not effective in helping during a pandemic, because what the community needs right now is assistance that can be accessed directly in meeting their daily needs. Many of them disagree with the existence of this pre-employment card, which only disburses funds for the benefit of digital business people. Besides that, the pre-employment card can only cover 5.6 million while those who have registered are 8.4 million people, meaning that many people indeed need government protection, meaning that currently direct aid in cash transfers is highly expected by the people. Not to mention the difficulties in accessing this pre-employment card funds.

### **Direct Aid in Cash Transfers of Social Security Administrative Bodies**

Later it was discovered that the government had also decided to disburse salary subsidies for private employees. Employees who receive this subsidy are those registered with Social Security Administrative Bodies - Employment with salaries below Rp 5 million. The government has prepared a budget of Rp 37.7 trillion for this salary subsidy aid program, and salary subsidy recipients will receive Rp 600,000 per month for 4 months. The provision of Direct Aid in Cash Transfers of Social Security Administrative Bodies - Employment is planned to be distributed in stages.

### **Direct Aid in Cash Transfers of Micro, Small, and Medium Enterprises (MSMEs)**

The last social aid announced by Jokowi on August 24, 2020 is a business capital aid for micro and small entrepreneurs in the form of grants or Direct Aid in Cash Transfers. An aid worth Rp. 2.4 million will be transferred through an account to be accessed by the micro business actors. The plan is that the aid will be distributed to 12 million micro and small businesses in stages. The requirements for obtaining this assistance are if the micro business actors have never received loan assistance from a bank. Moreover, the Government hopes that the micro and small business actors will actively register themselves with the local cooperative office.

### **Closing**

We will see if the social aid that has just been launched by the Government is optimal in practice as hoped when the Government is committed to helping improve the lives of people affected by Covid19 and the formation of a Task Force for the Acceleration of Handling Covid19. The Committee for Handling Covid19 and National Economic Recovery, which is now a replacement for the Task Force, is expected to be more able to address problems from all corners of the country to truly restore economic conditions in Indonesia. Stories from across the country illustrate that the records of our society are still bad, old data is still used, even the data of the passing are still

circulating. Government assistance is also expected to be in accordance with the respective issues and problems faced by the community. Not only can they receive assistance during a pandemic, but they can also support them in the future. The government must evaluate the form and process of distributing aid to the community, thus all people in all across the country receive proper and equitable aid.

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