

## PARTNERING TO MAKE BUDGETS WORK FOR THE PEOPLE

### Perkumpulan INISIATIF - Indonesia

INISIATIF, an institute for innovation, participatory development, and governance, is one of Indonesia's most prominent civil society organizations. Based in Bandung on the island of Java, INISIATIF was officially founded in 2005 to enhance the quality of life of marginalized people. The group has taken advantage of the opportunities that have resulted from local communities being empowered through Indonesia's political decentralization. With its four major initiatives –Public Policy Reform, Planning and Budgeting Reform, Community Development, and Knowledge Management– INISIATIF has brought democracy to the grassroots level by facilitating citizens' demands for more responsive, accountable, and transparent governance.

#### INISIATIF Advocates for Universal Healthcare Security at the District Level

INISIATIF has been contributing to the reform process in its home district of Bandung for many years, conducting advocacy on such issues as planning and budgeting, basic rights fulfillment, and poverty alleviation. The organization worked diligently to treat the symptoms of poverty but lacked the focus to address its underlying causes. Following the results of a poverty assessment in Bandung, INISIATIF found that many marginalized people suffered most from their inability to secure access to consistent and affordable healthcare services. Health problems, when and if they arise, can be financially crippling for many Indonesians, as nearly 74 percent of the population is uninsured.

The government of Indonesia has been receptive to concerns about how the lack of a social safety net contributes to financial insecurity and uncertainty. In 2004 President Megawati Sukarnoputri signed a law establishing a national social security system that included Jaminan Pemeliharaan Kesehatan Masyarakat, a social health insurance scheme. This framework sought to address multiple problems, including, but not limited to, the lack of insurance and access to affordable care suffered by poor people. Despite positive steps by policymakers, progress on this issue has been regrettably slow. Inequality of access, especially in rural areas, is particularly acute. The results of INISIATIF's poverty assessment showed that the infant mortality rate for the lowest wealth quintile was 56 deaths per 1,000 live births (5.6 percent), more than double the rate for the highest wealth quintile. These findings motivated INISIATIF to focus more comprehensively on healthcare reform issues, and to make the realization of universal healthcare access a key pillar of its mission to enhance the quality of life of disadvantaged constituencies.

To eliminate barriers of access to affordable healthcare insurance and services, INISIATIF drafted an action plan to analyze the current healthcare system and advocate for change at all levels of society. The group started its work from the ground up, by pushing for more aggressive adoption of the new Social Health Insurance scheme. Beginning with its home district of Bandung, INISIATIF calculated the budget capacity and constraints faced by the local government, identified where



**Indonesia**  
**Open Budget Index 2010**  
Overall Score: 51  
Government provides some information to the public on how it manages public resources.

Availability of budget documents critical for effective public input:	
Pre-Budget Statement	Yes
Executive's Budget Proposal	Yes
Citizens Budget	No
Enacted Budget	Yes
In-Year Reports	No
Mid-Year Review	Yes
Year-End Report	No
Audit Report	Yes
<a href="http://www.openbudgetindex.org">www.openbudgetindex.org</a>	

inefficiencies in health spending could be corrected, and then pressured district officials to reallocate social infrastructure investment to target health spending more effectively under the national level insurance framework. INISIATIF faced stiff resistance from the district government, which was skeptical of the proposed policies. District officials believed that the scheme would further subsidize the rich, who already had access to reliable healthcare services, instead of providing universal insurance and increased access for less wealthy individuals.

INISIATIF responded to the government's claims by demonstrating that the majority of Indonesians using public health services were poor, and the government's existing system and statistics were inadequate and misleading. The mechanism for targeting those eligible for a healthcare subsidy had excluded many disadvantaged people in Bandung. INISIATIF launched a comprehensive publicity campaign to disseminate its recommendations to the district government. At the local level,

INISIATIF held a series of meetings with community groups to educate the public about their rights regarding healthcare services under the Indonesian Constitution. INISIATIF expanded its reach by working with journalists and local radio stations, which helped popularize the group's ideas for healthcare reform. By mobilizing support for their recommendations within grassroots constituencies, INISIATIF was able to lobby policymakers at the higher levels of government for change.

Although the struggle for universal healthcare security is still ongoing, there have been some promising developments. In August 2009 the head of Bandung District formed a working group to study possibilities for reforming the local healthcare system. The working group solicited input from many different stakeholders, including civil society organizations, health service providers, district officials, scholars, and community leaders. INISIATIF played a central role in formulating the working group's recommendations, which were eventually

submitted to the parliament for approval. In November 2009 the Bandung District Parliament passed a set of reforms, and the local Puskesmas (community health center) eliminated fees for many basic services.

INISIATIF sees this progress as just a first step in guaranteeing universal healthcare security. Their overall strategy could only be possible in the Reformasi era, in which local districts are granted greater autonomy from the central government in Jakarta. Decentralization has been the catalyst for several policy innovations in healthcare financing and service delivery. In creating opportunities for change at the lowest levels of society, Indonesia is encouraging the development of a burgeoning civil society movement and creating space for social development and meaningful reforms to take root. INISIATIF seeks to take advantage of this space by capitalizing on health policy innovations in Bandung and extending their benefits to all Indonesians.

## INISIATIF's Participation in the Partnership Initiative

The civil society budget movement in Indonesia is diverse and supported by several donors and aid agencies. The Partnership Initiative's strategy in the country has been to support the budget transparency movement as a whole, rather than provide grants to individual organizations. By becoming a PI partner and joining this network, INISIATIF hopes to expand on its ability to do budget monitoring and contribute to the strengthening of Indonesian democracy by increasing government accountability and transparency.

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*The IBP's Partnership Initiative is a collaborative effort that seeks to enhance the impact of civil society budget work in selected countries of Africa, Asia, and Latin America. The initiative strives to contribute to the development of sustainable institutions; to increase public access to timely, reliable, and useful information; to enhance the effective participation of civil society in policy and budget processes; and to establish a platform of good practices on which future generations of civil society can build.*