Republic of Indonesia

ROADMAP OF SDGs INDONESIA:

A HIGHLIGHT
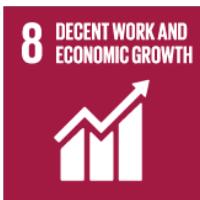
1 NO POVERTY	**2 ZERO HUNGER**	**3 GOOD HEALTH AND WELL-BEING**	**4 QUALITY EDUCATION**	**5 GENDER EQUALITY**	**6 CLEAN WATER AND SANITATION**	**7 AFFORDABLE AND CLEAN ENERGY**	**8 DECENT WORK AND ECONOMIC GROWTH**	**9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**
10 REDUCED INEQUALITIES	**11 SUSTAINABLE CITIES AND COMMUNITIES**	**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**	**13 CLIMATE ACTION**	**14 LIFE BELOW WATER**	**15 LIFE ON LAND**	**16 PEACE, JUSTICE AND STRONG INSTITUTIONS**	**17 PARTNERSHIPS FOR THE GOALS**	**SUSTAINABLE DEVELOPMENT GOALS**

ROADMAP OF SDGs INDONESIA:
A HIGHLIGHT

Ministry of National Development Planning/
National Development Planning Agency

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 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 with rigorous exercises. The roadmap defines issues and projections of main SDGs indicators in each goal, including its forward-looking policies to achieve such targets. There are around 60 selected indicators to include in the full version of the roadmap. This book presents a summary version of the roadmap that shows some highlights only, covering 29 selected indicators. The full version of the roadmap will be soon finalized in due time and launched in Indonesia at the Indonesian SDGs Annual Summit 2019.

From the projection exercises and intervention scenarios of the indicators, it is clear that the achievement of such targets need strong collaboration among stakeholders and commitments in both activities and financing, as the gaps still remain for achieving the ambitious 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 a productive collaboration among stakeholders and deep understanding that each goal and target of 2030 agenda is interlinked and will be the leverage to one and another.

I do thank to the SDGs team in the Ministry of National Development Planning for the efforts of making this roadmap, as well as all parties who have contributed and supported to the completion of this book.

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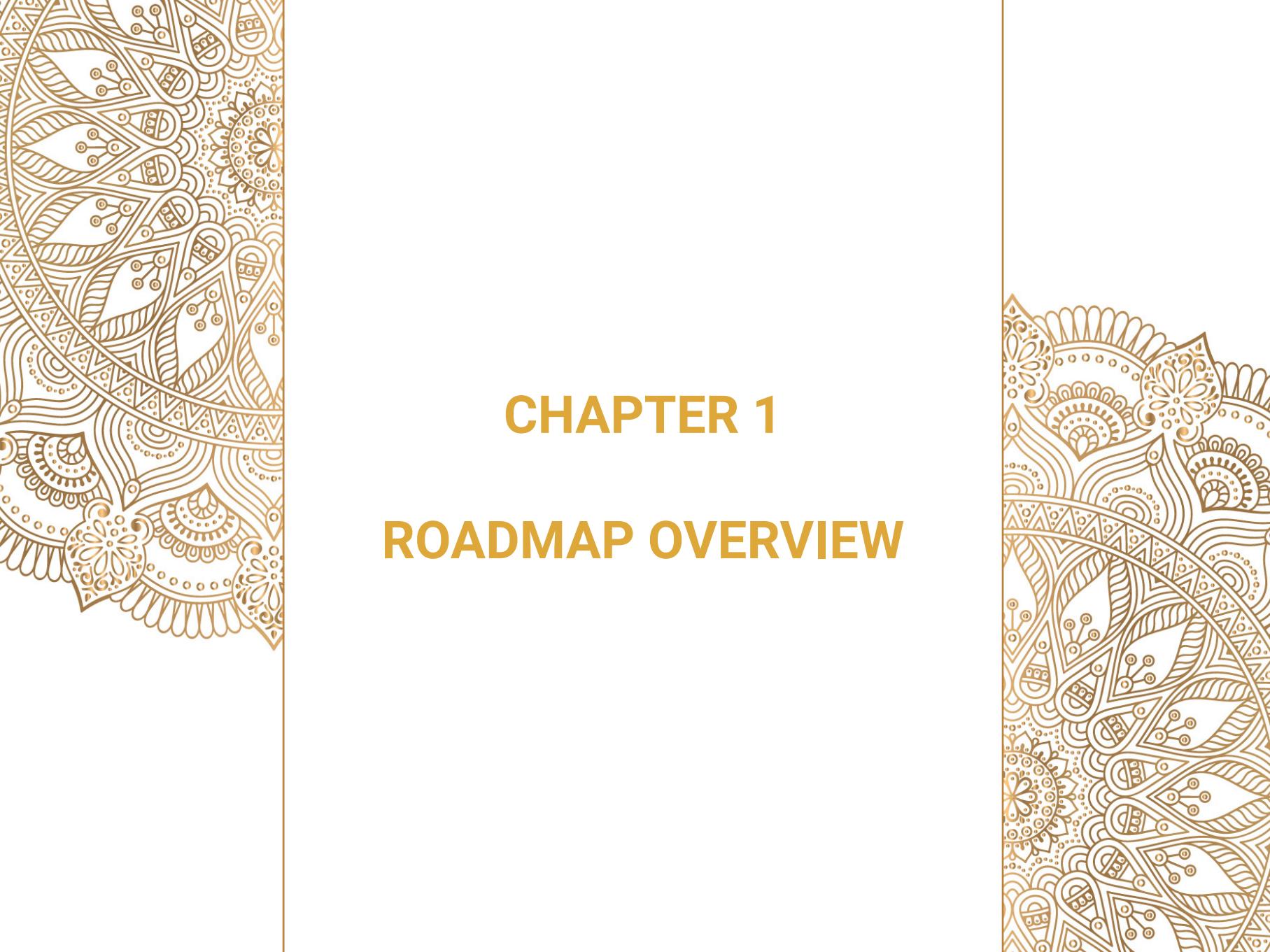
LIST OF ABBREVIATIONS

ASEAN : Association of Southeast Asian Nations

Bappenas : Ministry of National Development Planning

BPJS Kesehatan : National Health Insurance Bureau

BPS : Statistics Indonesia

BTN : Bank Tabungan Negara (commercial bank)

CSR : Corporate Social Responsibility

GDP : Growth Domestic Products

ICT : Information, Communication, and Technology

IGES : Institute for Global Environmental Strategies

JKN : National Health Insurance

KPBU : Government and Business Entities Cooperation

NGOs : Non Governmental Organizations

OECD : Organisation for Economic Co-operation and Development

PINA : Non-Government Budget Equity Financing

PISA : Programme for International Student Assessment

Riskesdas : Basic Health Research

RKP : Government Work Plan

RPJMN : National Medium Term Development Plan

SAKERNAS : National Labor Force Survey

SDGs : Sustainable Development Goals

SDKI : Indonesia Demographic and Health Survey

SJSN : National Social Security System

SUPAS : Population Survey between Censuses

SUSENAS : National Socio-Economic Survey

UNFPA : United Nations Population Fund

WHO : World Health Organization

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CHAPTER 1

ROADMAP OVERVIEW

INTRODUCTION: INDONESIA'S DEMOGRAPHIC DYNAMIC

Indonesia's population projection in 2015, by age group and sex

Age Group	In Millions	Female	Male	In Millions
75+	2,5			1,8
70-74	2,2			1,8
65-69	3,2			3,0
60-64	4,2			4,2
55-59	5,5			5,6
50-54	6,9			6,9
45-49	8,1			8,2
40-44	9,1			9,3
35-39	9,8			10,0
30-34	10,4			10,6
25-29	10,6			10,9
20-24	10,8			11,1
15-19	11,0			11,2
10-14	11,0			11,2
5-9	10,9			11,3
0-4	10,8			11,2

Indonesia's population projection in 2030, by age group and sex

Age Group	In Millions	Female	Male	In Millions
75+	4,8			3,8
70-74	4,3			3,9
65-69	6,0			5,5
60-64	7,4			7,1
55-59	8,6			8,5
50-54	9,4			9,4
45-49	10,1			10,2
40-44	10,3			10,6
35-39	10,5			10,7
30-34	10,7			10,8
25-29	10,8			11,0
20-24	10,8			11,1
15-19	10,7			11,1
10-14	10,8			11,1
5-9	10,8			11,1
0-4	10,9			11,2

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).

This demographic composition provides an advantage to the Indonesian economy as this young population implies a potential large work-forces that can accelerate economic growth. In the next decade, while the young population still dominate Indonesia demographic, **elderly population (65+) is projected to increase** by a nearly two-fold from what it was in 2015. This transition calls for a more policy focus on several areas such as health, nursery, and social protection.

Looking into some demographic indicators, Indonesia has shown remarkable progress in 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).
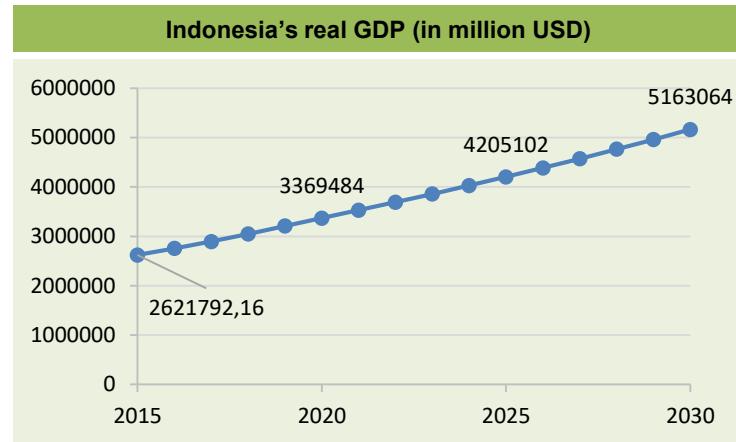
Despite this significant progress, several issues remain challenging for Indonesia's development. The prevalence of **stunting and wasting** in Indonesia are among the highest in ASEAN countries, where **1 out of 3 children under five** is stunted. Furthermore, Indonesia's are facing the threat of **food insecurity** amidst the increasing intensity of climate and weather-related hazards.

Indonesia's economy
has grown vastly in recent decades.

Indonesia's real GDP (in million USD)

Source: OECD

Over 30 years, **the real GDP has nearly quadrupled** from USD 794.027 Billion (constant 2010) in 1990 to USD 3.046 Trillion (constant 2010) in 2018 (OECD, 2019). Indonesia's real GDP is projected to keep growing at USD 5.163 Trillion in 2030, which will place Indonesia among **the five most powerful economies in 2030**. This notable economic progress has been followed by an **improvement in standards of living** –shown by the steady increase in real GDP per capita, as well as **structural transformation** in Indonesia's economy. This transformation has been reflected by the decreasing share of agricultural sectors which at the same time, accompanied by the growing share of the manufacturing and services sectors to GDP. This economic progress also results in the emergence of the digital economy, which will prepare Indonesia in the era of industry 4.0

However, this growth brings another challenge as it has **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 struggling with inequality issues within this booming economy. Since 2000, **income inequality has been rising** rapidly, the Gini Index increased from 28.5 in 2000 to 38.1 in 2017.
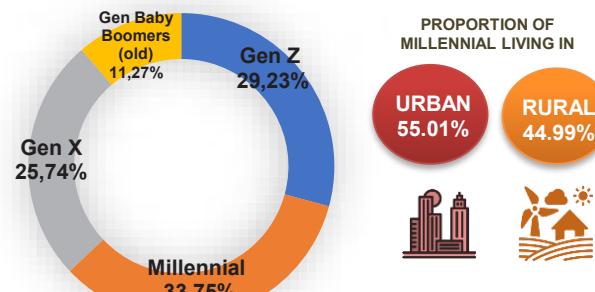
The 2015 World Bank report showed that Indonesia's economic growth is only enjoyed by the top 20%, which identified as consumer class. This demand for **a more inclusive development agenda** in the future so all Indonesian people could contribute to and benefit from the economic development.

To ensure Indonesia's economic development to be more inclusive and improving the well-being of all of its people, **greater participation from society** is required, such as through taxation and more active involvement in democracy. Nevertheless, this increasing participation will also inevitably **calls for better state institutions and good governance**. The challenges and demands that resulted from Indonesian economic progress have been **embodied in the Sustainable Development Agenda** such as Goal 10 Reduced Inequalities, Goal 12 Responsible Consumption and Production, and Goal 16 Peace, Justice, and Strong Institutions.

HIGHLIGHT OF SDGs ROADMAP

The shift from agricultural sector to manufacturing sector induced the high urbanization rate. Most people live in the urban areas. In 2015, **53.3% of people live in the cities** and the number is projected to increase to 63.4% in 2030 (BPS). The vast advancement of economic development had also impacted on the change of socio-economic structure. The higher standard of living had driven people to have higher purchasing power, thus resulted **in the emerge of middle-class group**. This economic dynamic combined with the population dynamic result in the rise of **millennial middle-class** in Indonesia. These facts 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.

PROPORTION OF MILLENNIAL LIVING IN

URBAN 55.01%   RURAL 44.99%

Source: Population Census BPS, 2017

As a matter of fact, Sustainable Development Agenda or SDGs is not a new term in Indonesia. Global issues that are addressed in SDGs have been incorporated in Indonesia's long-term vision. This implies that the issues faced by the global population are also relevant to current Indonesia's development challenges.

Accordingly, Indonesia's commitment to achieve SDGs is not merely about fulfilling global agreement but also about **accomplishing Indonesia's vision of increasing people's well-being**.SDGs is a universal goal of which its accomplishment could not be assigned solely on the government. And as the goals and targets in SDGs cover the environment, social, economic, governance, and partnership issue, there will not be a single formula to accomplish them. Particularly in Indonesia with its **1,340 ethnic group that varied in culture, language, and belief, it will require a multi-disciplinary approach which also involves various stakeholders** ranging from government, academicians, NGOs, private sectors, and the whole society to achieve the goals in SDGs.
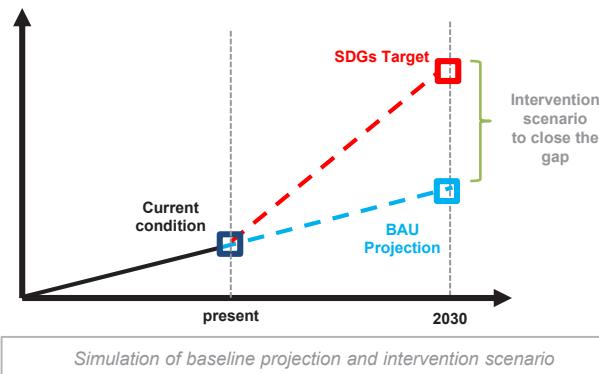
Achieving such ambitious agenda in a relatively short period of time will require all stakeholders to walk an extra-miles. Starting from planning, implementation, financing, and monitoring and evaluation, SDGs would need an extraordinary effort to accomplish. However, resources we have in hands are limited and this exhorts us to prioritize goals and targets. In prioritizing the targets and goals, we take into account the targets that are urgent to address and having the highest leverage among other targets. The key issues are then tapered into **health, education, social protection, foods security and sustainable agriculture, infrastructure, ecosystem services and biodiversity, and the financing for government's administration.**

HIGHLIGHT OF SDGs ROADMAP

To monitor how far or how close we are to SDGs targets, we need measurable indicators to trace SDGs progress in Indonesia. As many as **94 out of 241 indicators in SDGs are in fact already aligned with targets in RPJMN**. Even so, to understand the path projection of SDGs indicators, all stakeholders would need a roadmap which will act as a guidance to better plan and target the programs. The roadmap is expected to be used together, cooperatively, to accomplish SDGs 2030.

Since SDGs involve humans and environment together, it is natural to have gap between the baseline projection and the ideal version of the goals. In this roadmap, beside business-as-usual (BAU) scenario, we also exercise the projection of policy intervention scenario to accelerate the SDGs accomplishment in 2030. By doing so, we could also measure whether the intervention scenarios have been in line with national development plan.

Simulation of baseline projection and intervention scenario

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

This roadmap consists of the existing condition and the projected scenario for several indicators that are followed by the policy direction for every indicators or the goals. The next chapter will then talk about the SDGs interlinkages and the financing need of SDGs.

In writing the narrative, first, we do a quick research on a theoretical study related to indicators projected. And then we jump into an empirical study, making a comparison both on national or peer-countries comparison. Lastly, we assess the whether the projection and calculation are feasible to achieve by 2030.

As we focus on the goals and targets which are most relevant to Indonesia's current development challenges and urgent to address, the key issues on this highlight are then tapered into **health, education, social protection, foods security and sustainable agriculture, infrastructure, – including basic infrastructure such as water and sanitation, telecommunication, and green energy– ecosystem services and biodiversity, and also the financing for government's administration.**

CHAPTER 2

THE 2030 SDGs
TARGET AND POLICY
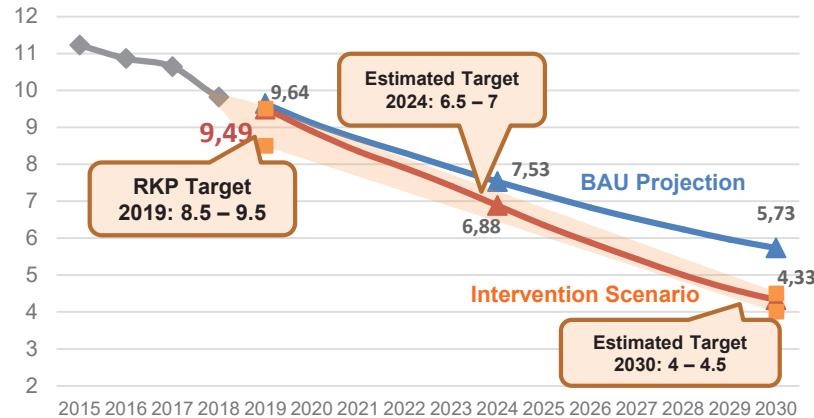
2.1.1 | GOAL 1 NO POVERTY

1.2.1* Percentage of people living below the national poverty line

Chart showing percentage of people living below the national poverty line, 2015–2030. Labels on the chart: Estimated Target 2024: 6.5 – 7; RKP Target 2019: 8.5 – 9.5; BAU Projection; Intervention Scenario; Estimated Target 2030: 4 – 4.5. Data points: 9,64; 9,49; 7,53; 6,88; 5,73; 4,33.

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 has a complex set of circumstances that makes it hard to go out of poverty**; remote areas they live in, limited access to health care, schools, electricity, and clean water.**

- 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

High quality social protection and basic services

- 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.

Strengthening the synergy of governance and institutions

- Strengthening Regional Coordination Team to accelerate poverty alleviation and SDGs achivement.
- Stabilization of Integrated Database management that is conected 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.

Sustainable economic empowerment for society

- 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 debt and Agraria Reform)
- Appropriate technology utilization and innovation to increase value added of community's productive business.
- Development of social entrepeneurs to eradicate social economic issues.

Policy Direction 2025-2030

Strategies

High quality social protection and basic services

- 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.

Strengthening the synergy of governance and institutions

- Promoting regional government innovation in accelerating poverty alleviation.
- Development of replication strategy in difficult regions to promote poverty alleviation.

Sustainable economic empowerment for society

- Enhancing capacity for the vulnerable and middle-class through trainings, business assistance, and mentoring.
- Ensuring capital and market for local economic entrepeneurs.
- Technology utilization and innovation to enhance productive business.
- Creating harmonic business climate supported by the equal and fair policy.
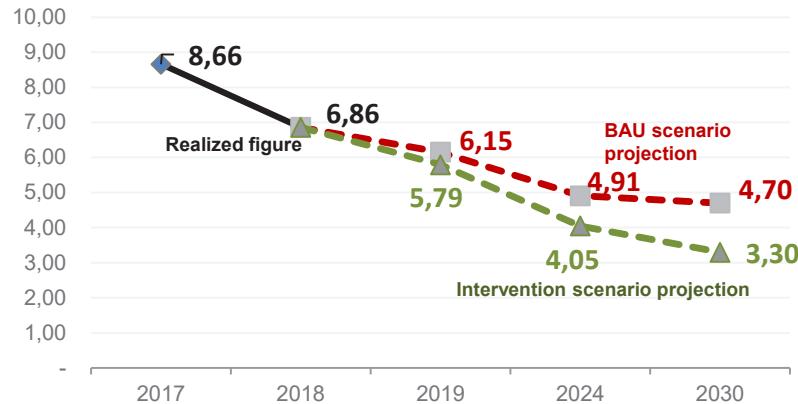
GOAL 2
ZERO
HUNGER

2.2

2.2.1 | 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)

Chart data points:
- 2017: **8,66** (Realized figure)
- 2018: **6,86**
- 2019: **6,15** / **5,79**
- 2024: **4,91** / **4,05**
- 2030: **4,70** (BAU scenario projection) / **3,30** (Intervention scenario projection)

4.70

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

3.30

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

FIES range of score: 0-10

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 semesterly until district-level.

- 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.
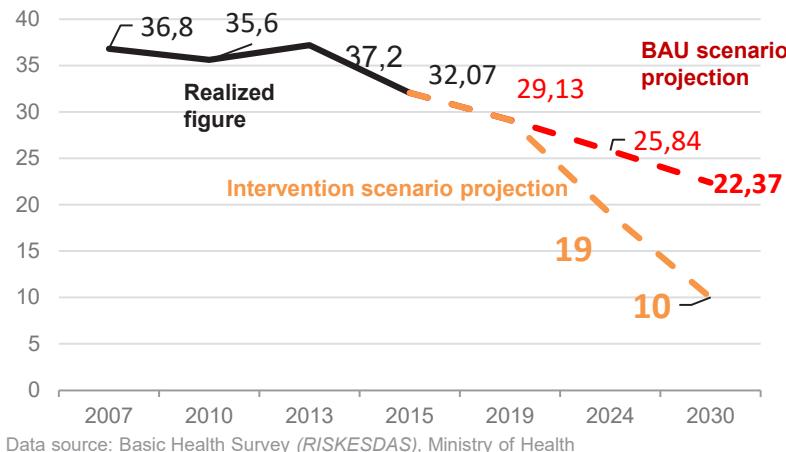
- Map of Food Security and Vulnerability (Ministry of Agriculture, 2018) shows that "a high number of households without access to electricity" and "a high number of villages with no proper road/water access" are among the main characteristics that are associated with high levels of vulnerability to 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.

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

2.2.2 | GOAL 2 ZERO HUNGER

2.2.1 Prevalence of stunting in children under five

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

22.37%

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

10.0%

Prevalence of stunting in 2030 with intervention scenario

*Exponential projection model.
Note: Projection number under intervention scenario for children under five is not available on the 2019 Government Work Plan, the number only available for children under two.

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 stun**ting 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 inequal 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.

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

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

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

Fulfilling people need to adequate, affordable, healthy, nutritious, varied, and safe food & nutrition

Policy Direction 2020-2024

Strategies

- 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.

- Food security early warning system: improving the efficiency of the information system and disasters management related to food and nutrition, developing social institutions.

Fulfilling people need to adequate, affordable, healthy, nutritious, varied, and safe food & nutrition

Policy Direction 2025-2030

Strategies

- 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.

Prevalence of stunting in children < 5		
Year	Baseline	Intervention
2015	32.07	32.07
2019	29.13	29.13
2024	25.84	19.00
2030	22.37	10.00

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

- Protection system for farmers as food producers.
- Farm business development: developing business partnerships between farmers and other business actors, 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

- Improving the protection system for farmers as food producers.
- Farm business development: increasing farm business partnerships to regional and global levels, and developing farm clusters.
- 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
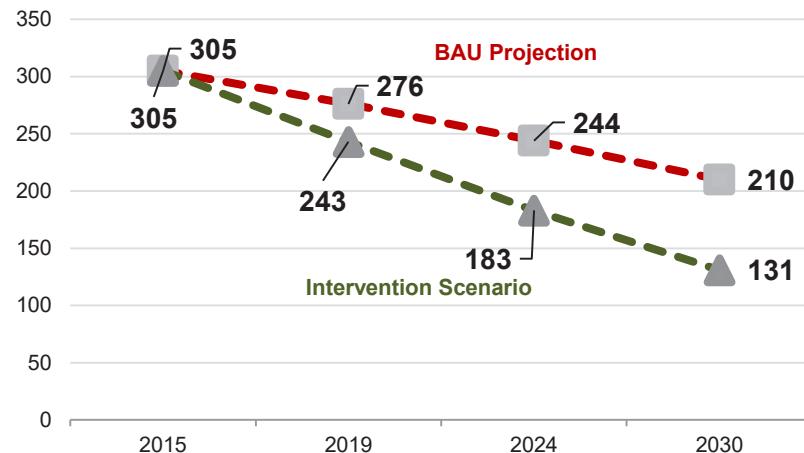
2.3

2.3.1 GOAL 3 GOOD HEALTH AND WELL-BEING

3.1.1* Maternal mortality per 100,000 live births

210
Mortality per 100,000 live birth BAU scenario

131
Mortality per 100,000 live birth with intervention scenario

Policy intervention scenario used ARR 5.0%

Source: Population Census and SUPAS
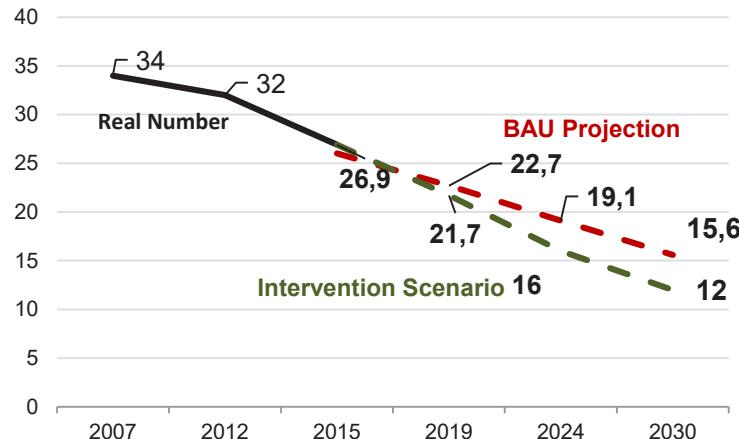
Maternal mortality in Indonesia is the highest among peer countries in ASEAN.

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 referral system have a significant role in preventing maternal mortality.

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

Source: Indonesia Demographic and Health Survey (SDKI)

15.6

mortality per 1,000 live births with BAU scenario

12

mortality per 1,000 live births with intervention scenario
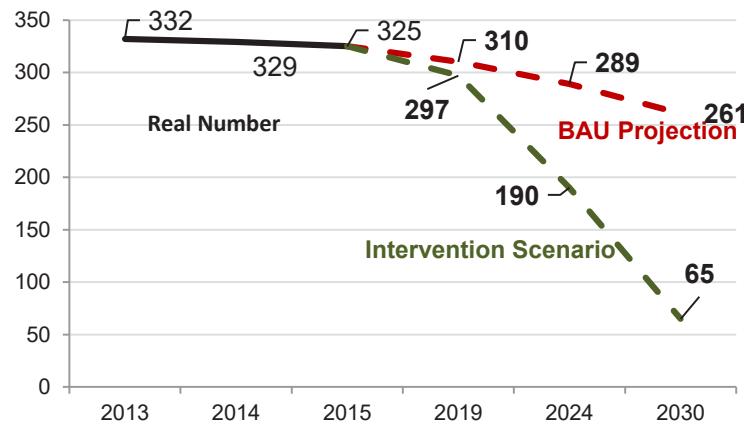
- Policy intervention scenario used is ARR 5.0%
- 2017 realized number : **24**
- RKP target 2019 : **21**

- 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

- 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.

2.3.3 GOAL 3 GOOD HEALTH AND WELL-BEING

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

332
329
325
310
297
289
261
190
65

Real Number
BAU Projection
Intervention Scenario

2013 2014 2015 2019 2024 2030

Source: Global TB Report (adjustment)

Indonesia is the third highest TB-cases country in the world, right after China and India. Out of 842 thousands TB-cases in Indonesia, 110 thousands have died in 2017.

Incidence per 100,000 population

261 | 65
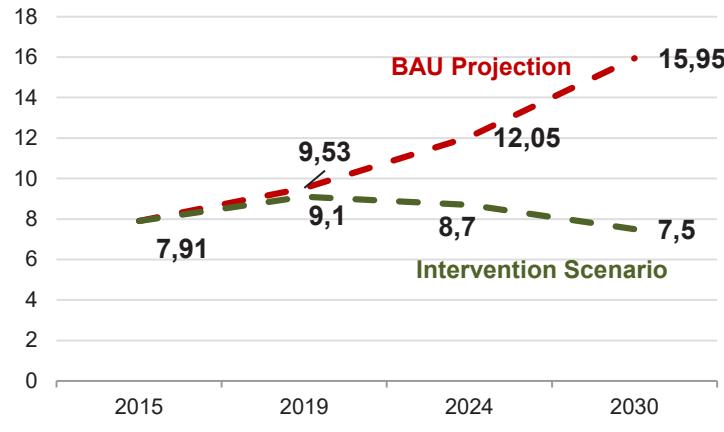
BAU scenario | Intervention scenario

• Policy intervention with acceleration scenario

• TB cases could actually be reduced and prevented if all patients are treated completely. However, **only 53% of the total cases found are reported and notified** (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-resistent 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**.

2.3.4 GOAL 3 GOOD HEALTH AND WELL-BEING

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

BAU Projection

15,95

9,53

12,05

9,1

8,7

7,91

7,5

Intervention Scenario

| | 2015 | 2019 | 2024 | 2030 |

Source: Riskesdas

Projection using Exponential model

15.95%

Smoking prevalence in adolescent with BAU scenario

7.5%

Smoking prevalence in adolescent with intervention scenario
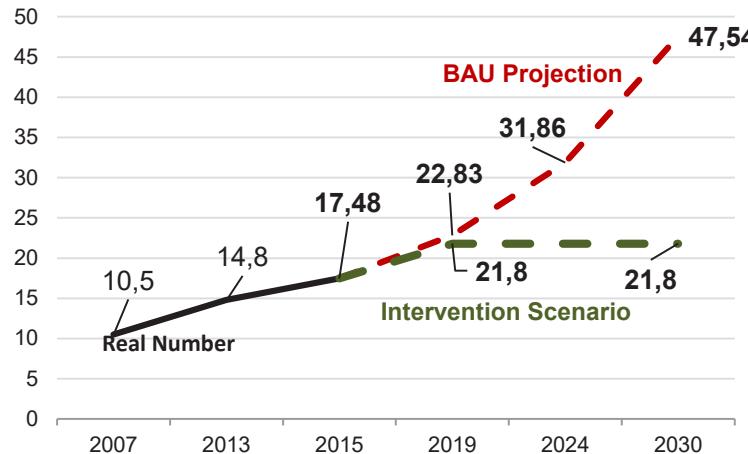
- There have been government's attempts to **control tobacco use** through several **regulations** such as requirement of smoke-free places in public areas, limitation of tobacco advertising, promotion, and sponsorhip, requirement of pictorial health warnings on cigarettes package, and the sales restriction 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.

- 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.

2.3.5 GOAL 3 GOOD HEALTH AND WELL-BEING

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

BAU Projection

47,54

31,86

22,83

17,48

21,8

14,8

21,8

Intervention Scenario

10,5

Real Number

2007　2013　2015　2019　2024　2030

Source: Riskesdas

Projection using Exponential model

47.5%

Obesity prevalence in adult with BAU scenario in 2030

21.8%
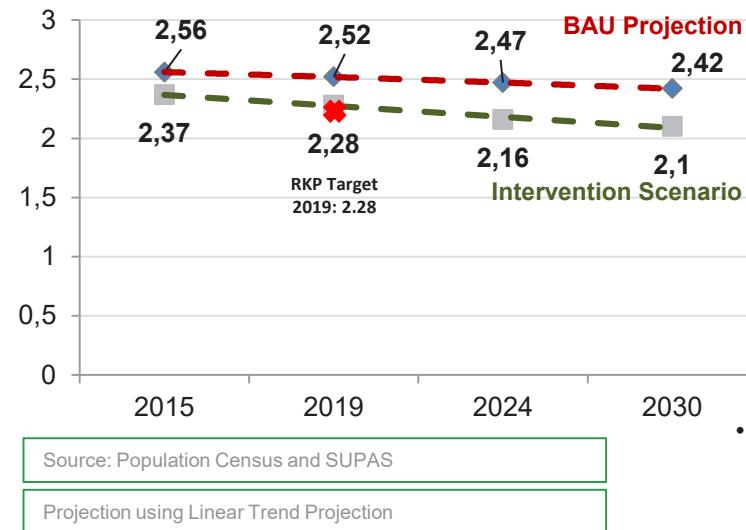
Obesity prevalence in adult with intervention scenario in 2030

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

- 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**.

SUSTAINABLE DEVELOPMENT **GOALS**

2.3.6 | GOAL 3 GOOD HEALTH AND WELL-BEING

3.7.2.(a) Total Fertility Rate (TFR)

2,56 **2,52** **2,47** **BAU Projection** **2,42**

2,37 **2,28** **2,16** **2,1**

RKP Target 2019: 2.28 **Intervention Scenario**

2015   2019   2024   2030

Source: Population Census and SUPAS

Projection using Linear Trend Projection

2.42

with BAU projection

2.1

with intervention scenario

- TFR is held constant in 2.1 from 2025 until 2035
- Population, Sex Ratio, Life's Expectancy, and International Migration were using the source from "***Buku Proyeksi Penduduk Penduduk Indonesia 2010-2035***" from BPS (2013)
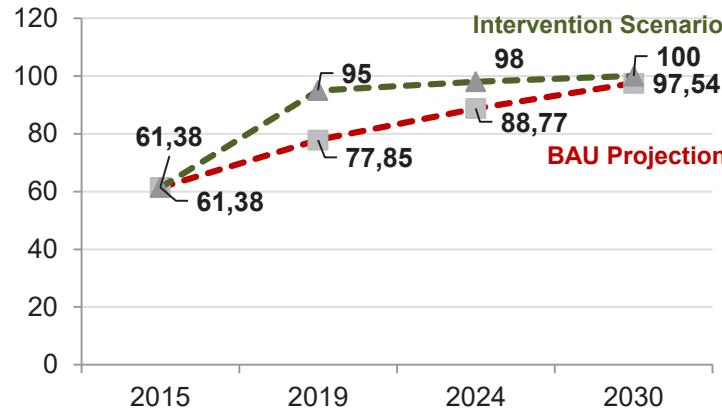
Various programs regarding family welfare included the the decrease of Total Fertility Rate as one of the indicators.

- The TFR in Indonesia was somehow stagnant since 2002 to 2012 of 2.6, and it had decreased to **2.3 in 2017** (World Bank). 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. Some barriers also came from the legislative side where they are currently drafting the law on the prohibition of contraceptive usage promotion.

- The TFR in 2030 will reach 2.1 with a strong coordination from various stakeholders, and an innovative policy intervention that could also dispel the cultural and religion barriers.

2.3.7 | GOAL 3 GOOD HEALTH AND WELL-BEING

3.8.2.(a) Coverage of National Health Insurance

Intervention Scenario

Chart data points:
- 61,38 (2015)
- 95 (2019)
- 98 (2024)
- 100 (2030)
- 77,85 (2019)
- 88,77 (2024)
- 97,54 (2030)
- 61,38 (2015)

BAU Projection

X-axis: 2015, 2019, 2024, 2030
Y-axis: 0, 20, 40, 60, 80, 100, 120

97.5%

Coverage with BAU scenario

100%

Coverage with intervention scenario

Source: BPJS-Health

- 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. The challenges lie in the financial sustainability and the informality.

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

SUSTAINABLE DEVELOPMENT **GOALS**

Maternal mortality per 100,000 live birth		
Year	Baseline	Intervention
2015	305	305
2019	276	243
2024	244	183
2030	210	131

Infant Mortality per 1,000 live birth		
Year	Baseline	Intervention
2015	26.9	26.9
2019	22.7	21.7
2024	19.1	16
2030	15.6	12

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 Community Movement of Healthy Living

- 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.

3.4.1.(c) 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

Tuberculosis (TB) Incidence per 100,000 population		
Year	**Baseline**	**Intervention**
2015	325	325
2019	310	297
2024	289	190
2030	261	65

Percentage of tobacco use 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 strenghtening disease management

Policy Direction 2025-2030 — Strategies

Strengthening the Implementation of National Health Insurance

- Capability of adapting advanced technology of health services.
- Establishment of diseases' prevention and control.
- Mainstreaming of health-based development.
- Strengthening the national health insurance supported by the increasing capacity of health-care services in all regions.

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, and also strengthening the institution and monitoring and evaluation system for JKN
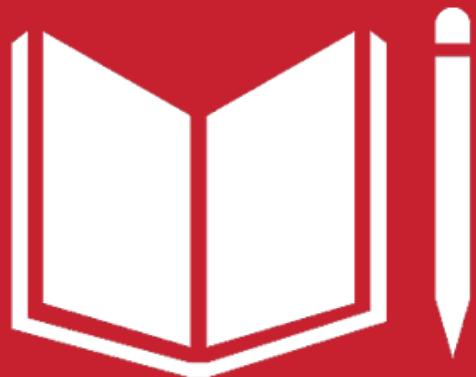
Total Fertility Rate (TFR)		
Year	**Baseline**	**Intervention**
2015	2.56	2.37
2019	2.52	2.28
2024	2.47	2.16
2030	2.42	2.1

| Coverage of National Health Insurance		
Year	**Baseline**	**Intervention**
2015	61.38	61.38
2019	77.85	Min.95
2024	88.77	98.0
2030	97.54	100

GOAL 4

QUALITY EDUCATION
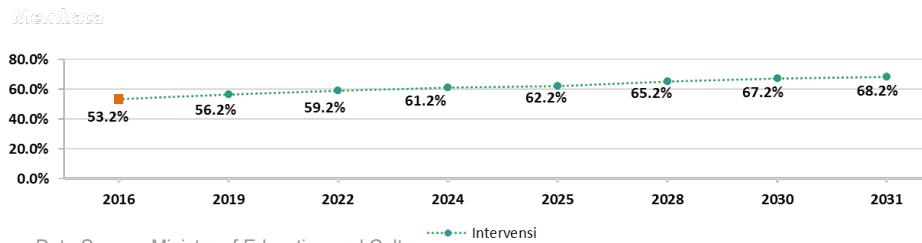
2.4

2.4.1 | 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)

Membaca

- 53.2% (2016)
- 56.2% (2019)
- 59.2% (2022)
- 61.2% (2024)
- 62.2% (2025)
- 65.2% (2028)
- 67.2% (2030)
- 68.2% (2031)

······•······ Intervensi

Data Source: Ministry of Education and Culture

67.2%

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

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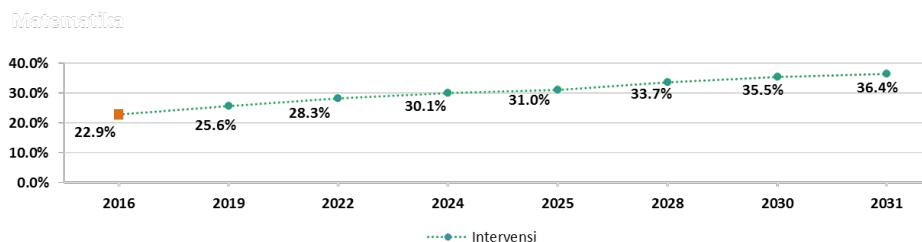
- The indicator calculated using Indonesian National Assessment Programme (INAP) test results. The data on INAP test results only available in the year 2016; hence, BAU scenario projection cannot be administered.
- The intervention scenario projection is based on expert judgment (source: Ideas for Indicators and Targets for Quality Education, TASS 2018):
  ✓ 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)

Matematika

- 22.9% (2016)
- 25.6% (2019)
- 28.3% (2022)
- 30.1% (2024)
- 31.0% (2025)
- 33.7% (2028)
- 35.5% (2030)
- 36.4% (2031)

······•······ Intervensi

Data Source: Ministry of Education and Culture

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.

[1]Indonesian National Assessment Programme (INAP) test results, Ministry of Education and Culture (2016).
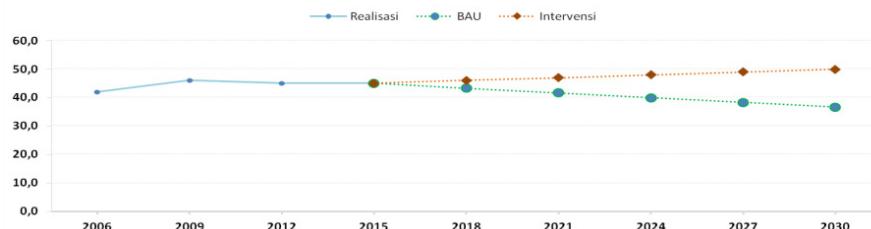
2.4.2 | GOAL 4 QUALITY EDUCATION

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
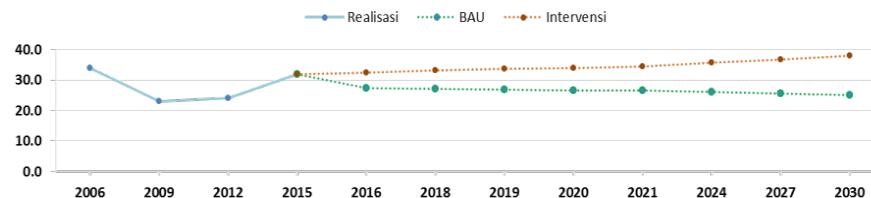
50.0%

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.

[1-2]Indonesia PISA 2015, World Bank (2017).
[3]PISA 2015 Results, OECD (2016).
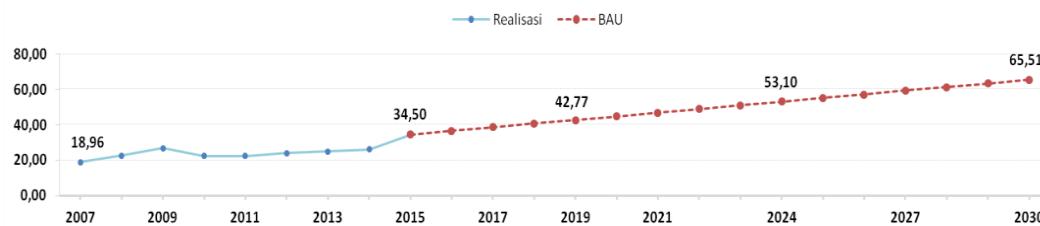
2.4.3 | GOAL 4 QUALITY EDUCATION

4.2.2.(a) Gross enrollment rate, preprimary

School enrollment rate in preprimary education (trend projection)

Realisasi   BAU

18,96   34,50   42,77   53,10   65,51

2007 2009 2011 2013 2015 2017 2019 2021 2024 2027 2030

Data Source: Statistics Indonesia

65.51%

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

*using Linear model

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**.

[1]APK PAUD, by province, Statistics Indonesia.
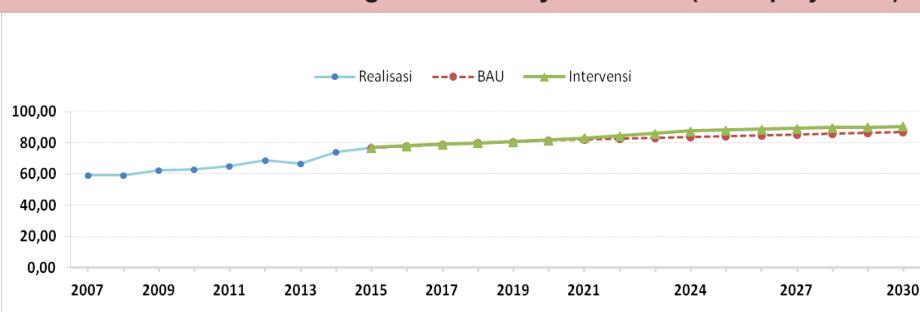
2.4.4 | GOAL 4 QUALITY EDUCATION

4.3.1.(a) Gross enrollment rate, higher secondary

School enrollment rate in higher secondary education (trend projection)

Realisasi --•-- BAU ━━ Intervensi

Data Source: BPS

86.88%

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

90.55%

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

using Logarithmic model

- 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.

[1]*Statistik 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**.
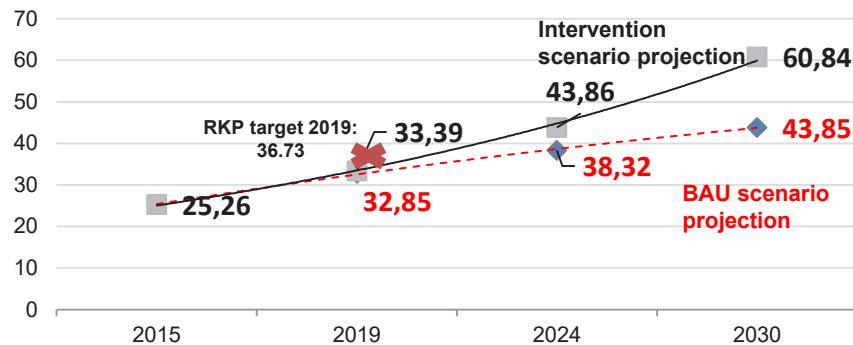
- Aside from retrieving those who dropped out of school to the formal education, they could also be directed to join the life-skills based education program that will prepare them for employment. Furthermore, specific interventions will be needed for vulnerable group children such as street children and children with disabilities.

2.4.5 GOAL 4 QUALITY EDUCATION

4.3.1.(b) Gross enrollment rate, tertiary

School enrollment rate in tertiary education (trend projection)

Intervention scenario projection 60,84
43,86
RKP target 2019: 36.73 33,39
25,26
32,85
38,32
BAU scenario projection
43,85

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.

[1]Tertiary Education in Indonesia: Direction for Policy, World Bank (2014).
[2]Education Statistics, World Bank (2016) & APK PT, Statistics Indonesia (2016).
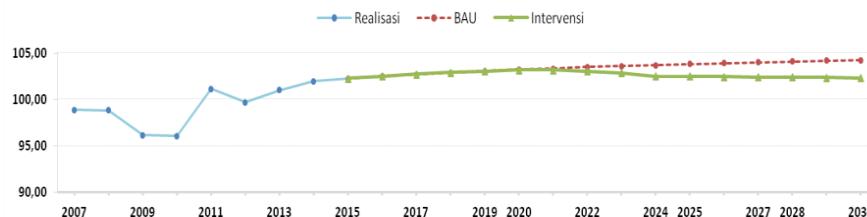
2.4.6 | GOAL 4 QUALITY EDUCATION

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

98.00

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

Using moving average projection

Data Source: SUSENAS, BPS

2.4.7 | GOAL 4 QUALITY EDUCATION

4.5.1* Net ratio of girls to boys in (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.

[1]Ministry of Education and Culture, 2018.
[2]Statistics Indonesia, 2016.

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

	Reading	Mathematics
Year	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.

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

	Reading		Mathematics	
Year	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.

4.2.2 (a) 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

4.5.1* Net ratio of girls to boys in (4) tertiary education		
Year	Baseline	Intervention
2015	117.87	117.87
2019	111.01	95
2024	112.13	96
2030	113.01	98

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

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

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;

4.3.1 (a) 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

4.3.1 (b) 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

Policy Direction 2020-2024	**Strategies**	**Increased quality education services equal distribution**	**Strengthening the quality of vocational education and training implementation:**

Increased quality education services equal distribution

- Educational assistance (*Bidik Misi, Adik, PPA*)
- 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

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

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 logo]

| 1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS	SUSTAINABLE DEVELOPMENT GOALS

GOAL 5

GENDER EQUALITY
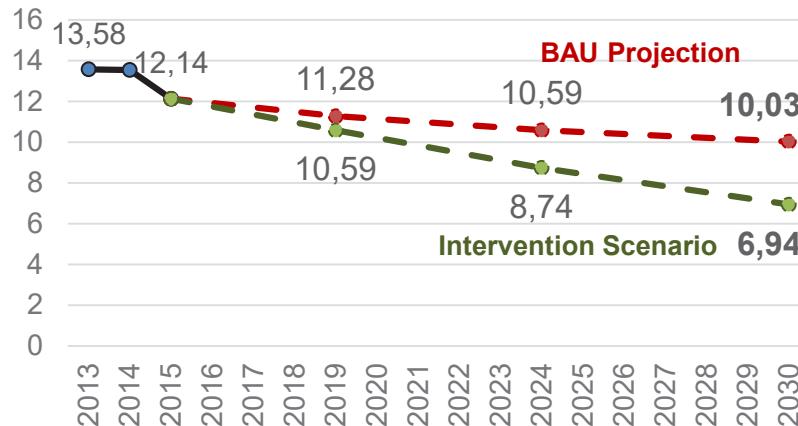
2.5

2.5.1 GOAL 5 GENDER EQUALITY

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

Chart values: 13,58 (2013), 12,14 (2015), 11,28, 10,59, 10,59, 10,03 — **BAU Projection**; 8,74, 6,94 — **Intervention Scenario**

10.03%

Child marriage in 2030 with BAU projection

6.94%

Child marriage in 2030 with intervention projection

Data Source: SUSENAS, BPS

- 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 **24 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.

- The high prevalence of child marriage may also be influenced by the 1974 **Marriage Law that fails to meet the 18-years old threshold for marriage** recommended by the International Human Rights Treaty Bodies. Though all marriages under the age of 21 require parental consent, males can **legally** marry at the age of 19 and **females at 16.**

- 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%.

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

#ChildNotBride

Policy Direction 2020-2024

Strategies

Enhancing access and quality services of family planning and an equal and comprehensive reproductive health in all region for all society

- 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 acess 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 medicines.

- Enhancing the access and to reproductive health for adults which is gender-responsive, adults-friendly, family-based which starts from pre-adolescent and coordinated by multisectors.
- Strengthening a strategic and supportive environment that include population data and information, family, regulation, institution, governance, human resource, and intersectoral cooperation

Policy Direction 2025-2030
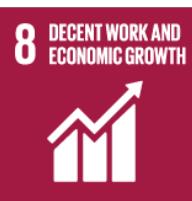
Strategies

High quality social protection and basic services

- 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.
- Strenghtening the access and quality of family planning services under the scheme of national health insurance (JKN).

- Enhancing the access and to reproductive health for adults which is gender-responsive, adults-friendly, family-based which starts from pre-adolescent and coordinated by multisectors.
- Ensuring a strategic and supportive environment that include population data and information, family, regulation, institution, governance, human resource, and intersectoral cooperation.

GOAL 6

CLEAN WATER AND SANITATION
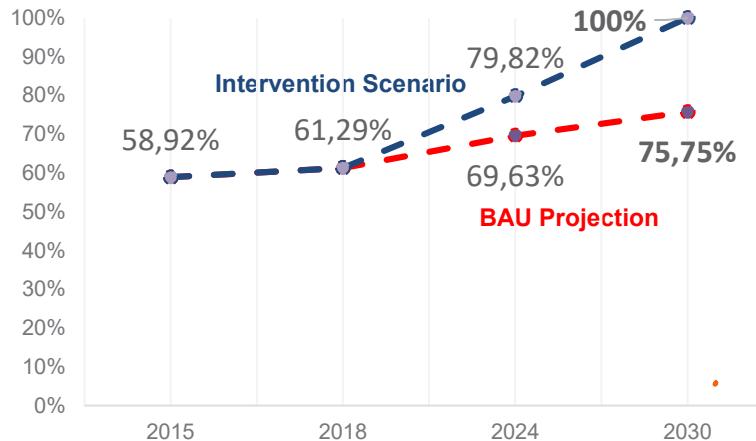
2.6

2.6.1 GOAL 6 CLEAN WATER AND SANITATION

6.1.1.(a) Percentage of households having access to an improved drinking water services

Intervention Scenario

100%
79,82%
58,92%   61,29%
75,75%
69,63%
BAU Projection

2015   2018   2024   2030

75.8% | 100%

in 2030 with
BAU projection

in 2030 with
intervention
projection

- Policy intervention scenario using annual increasing rate of 4.5%

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

- Access to an improved drinking water service has been increasing annually. However, there are still **80 million people have not had an access to an improved drinking water service**, which makes them more vulnerable to nutrition problems. Even in the capital city, Jakarta, the access to safe drinking water **has not reached 100%.**

- Efforts are still required to attain a universal access to a clean and safe drinking water for all. Business as usual projection will still leave around 70 million of people have no access to safe drinking water. Well designed programs should be accelerated to provide safe drinking water for all.

- **Access to an improved drinking water service** is strongly correlated with other development issues such as **health, hunger, and poverty and human development**. Almost 1/10 of global disease burden could be prevented by increasing access to safe drinking water. **Diarrhoea, which contributes 31% in infant mortality in Indonesia, could be reduced by 42-47% with an improved drinking water service** (WHO, 2012).

SUSTAINABLE DEVELOPMENT GOALS

Percentage of households having access to safe drinking water		
Year	Baseline	Intervention
2015	58.92	58.92
2019	64.53	64.05
2024	69.63	79.82
2030	75.75	100

Policy Direction 2020-2024

Strategies

75% Access to Improved Drinking Water Service

- Enhancing good governance for the provision of safe drinking water provision for all people
- Conserving raw water resources, optimizing the utilization of raw water resources (such as dam), and efficient utilization of technology
- Enhancing operator's capacity in the provision of safe drinking water
- Developing and managing the safe drinking water system for society

Finacal Support for Improved Drinking Water Service Development around 24.5 million SR until 2024

- Change in community behavior to support the water resources' conservation and the provision of safe drinking water

Policy Direction 2025-2030

Strategies

100% Access to Improved Drinking Water Service

- Enhancing good governance for the provision of safe drinking water provision for all people
- Enhancing operator's capacity in the provision of safe drinking water
- Accelerating the infrastructure development for safe drinking water system for society
- Conserving raw water resources, optimizing the utilization of raw water resources (such as dam), and efficient utilization of technology

Finacal Support for Improved Drinking Water Service Development around 35.52 million SR 2030

- Change in community behavior to support the water resources' conservation and the provision of safe drinking water

2.6.2 | GOAL 6 CLEAN WATER AND SANITATION

6.2.1.(b) Percentage of households having access to an improved sanitation

Intervention Scenario

BAU Projection

100

89,88

76,78 — 77,83

67,95
67,95

2015 — 2019 — 2024 — 2030

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

100%

universal access to clean sanitation in 2030 is going to be achieved

- The data has accommodated the change of clean sanitation classification in SUSENAS, BPS

- Similar to access to an improved drinking water, access to an improved sanitation correlates strongly with development issues. Particularly, **poor sanitation causes inflamation** in small intestines which makes the nutrient absorption is not optimal. The whole process creates higher probability of **stunting in the households who have poor sanitation**.

- Issues in sanitation is not only about access to toilet facility or the septic tank, but it is also about septage and wastewater management. Indonesia has 150 septage treatment plants, but 90% of them are no longer in operation and only 4% of collected septage is treated at a facility (Bappenas, 2018). At the same time, **open defecation practice** are still persistent in **rural areas** in Indonesia.

- A stronger leadership and technical support for local implementation from national government through clear regulations and guidelines are needed to tackle the challenges in clean sanitation provision for all.

Percentage of households having access to clean sanitation

Year	Baseline	Intervention
2015	**67.95**	**67.95**
2019	77.83	76.78
2024	89.88	90
2030	100	100

Policy Direction 2020-2024 — **Strategies**

Sustainable sanitation services

- Prioritizing the sufficient conditions for a sustainable sanitation service (regulation, institution, and financing) in districts-level and ensuring the local government's commitment.

- Continuing infrastructure's development for a safe access to sanitaiton (centralized aor localized).

- Increasing financial support.

Policy Direction 2025-2030 — **Strategies**
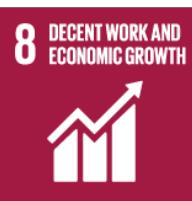
Enhancing access to clean and safe sanitation

- Increasing universal access to decent sanitation, not only a basic sanitation.

- Halving the un-processed waste water (from domestic or industry).
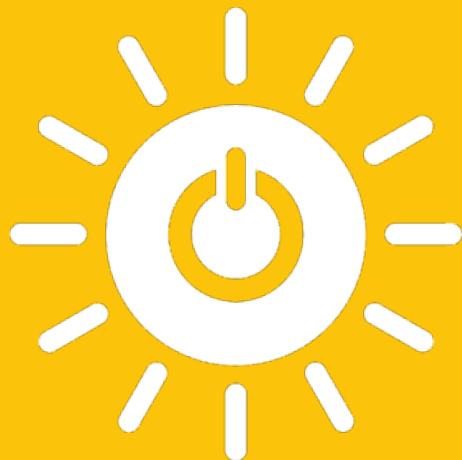
GOAL 7

AFFORDABLE AND CLEAN ENERGY
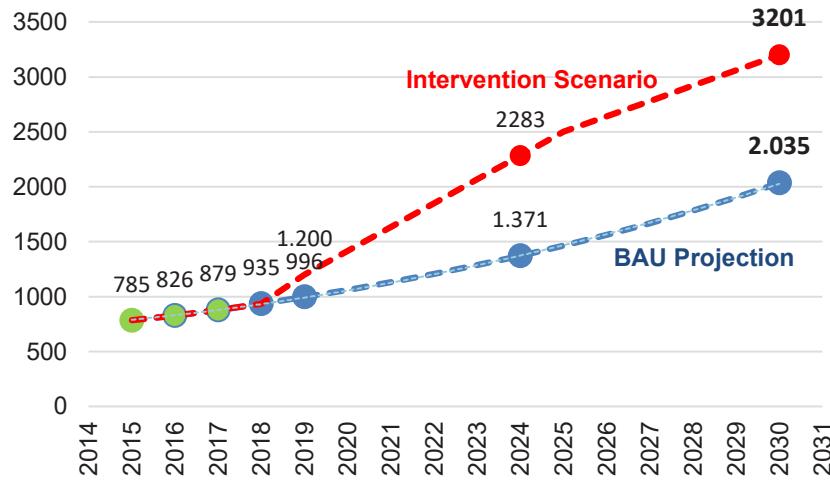
2.7

2.7.1 | GOAL 7 AFFORDABLE AND CLEAN ENERGY

7.1.1.(a) Electric power consumption per capita
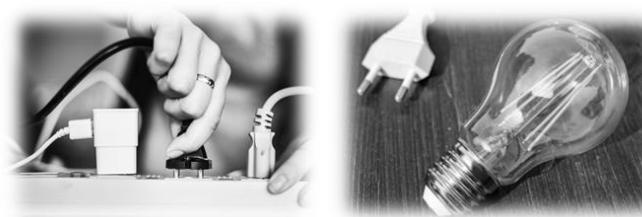
2,035 kWh

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]

[1]Ministry 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

• 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.

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 sector (from 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

7.2.1* Renewable energy mix

Intervention Scenario 26,1

19,5

16

12,2

10,4

11,8 BAU Projection 12,1

5,8
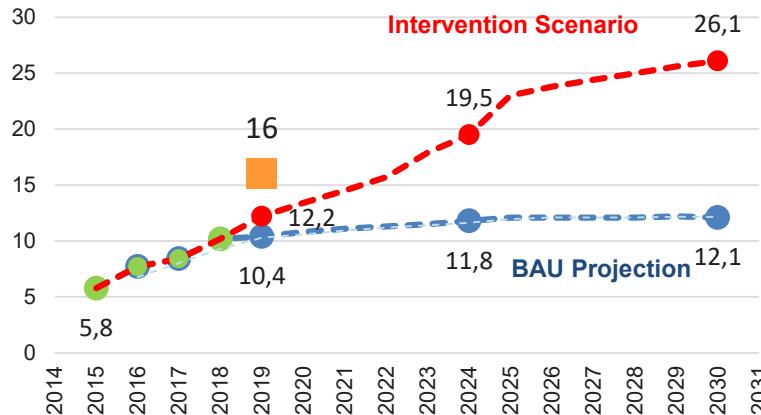
12.1%

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

GOAL 7

- 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.

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

- 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.

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.

Develop 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

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 8

DECENT WORK AND ECONOMIC GROWTH
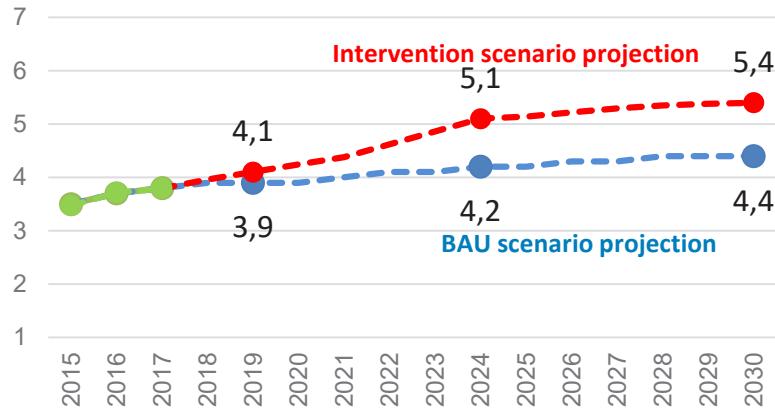
2.8

2.8.1 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

Policy Direction 2020-2024

Strategies

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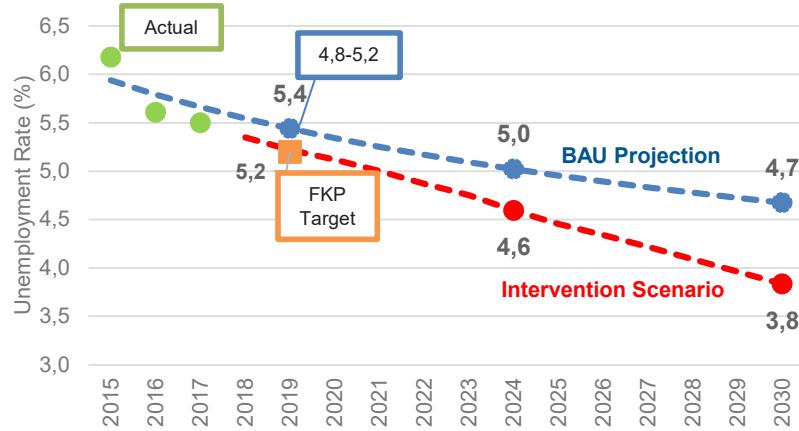
Continuing structural reform policies through increasing economic productivity in an inclusive and sustainable manner

**Policy Direction 2025-2030**

Strategies

- 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

2.8.2 GOAL 8 DECENT WORK AND ECONOMIC GROWTH

8.5.2* Unemployment Rate

4.7% | **3.8%**

Unemployment rate in 2030 with BAU projection | Unemployment rate in 2030 with intervention projection

Source: SAKERNAS, BPS

Baseline projection from BPS
Intervention scenario from Bappenas

- **Youth unemployment** in Indonesia, which **makes up a 58%** of total unemployment, is the **highest in ASEAN**, and is higher than world's average. 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 a service sector should be accompanied by the provision of high quality human resources.
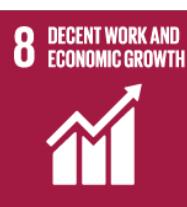
- The level of unemployment should be pushed down to its natural rate. In USA, the natural rate if unemployment is between 4.5%-5% in 2030. Therefore, **decreasing the level of unemployment in Indonesia to 3.8% in 2030 is possible** if the issues on youth unemployment, jobs quality, and low productivity workers are being addressed as well.

- Unemployment is strongly linked to social and criminal issue in which **high level of unemployment might threaten a social cohesion and security**. In Indonesia, underemployment and low productivity of jobs still persist even after successfully decreasing the unemployment rate to 5.3% in 2017.

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
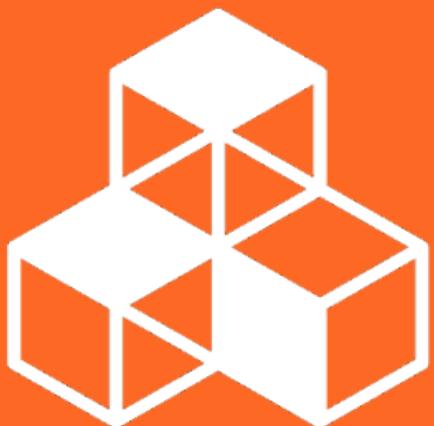
Strategies

Increasing skilled workers for a competitive human resources

- Creating 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's effectivity through future skills' mapping, skills utilization for innovation, and entrepeneurship development based on technology.

- Enhancing skills system through managing vocational institution, expanding cooperation with industry, and developing financial scheme for trainings.
- Increasing participation from the vulnerable group (female, poor, disable, and youth)
- 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

- Maintain domestic price stability and international competitiveness
- Preserve the environmental sustainability

GOAL 9

INDUSTRY, INNOVATION AND INFRASTRUCTURE
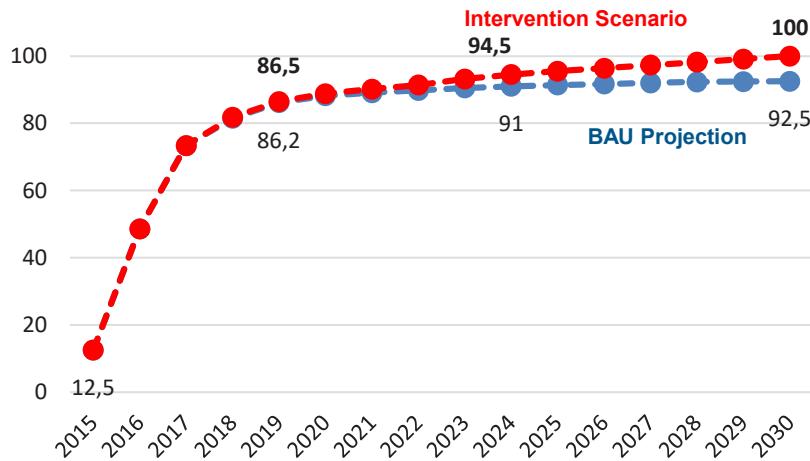

2.9

2.9.1 | GOAL 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

9.c.1* Proportion of population served by mobile broadband service

Chart data:
- **Intervention Scenario** (red): 12,5 (2015); 86,5; 94,5; 100 (2030)
- **BAU Projection** (blue): 86,2; 91; 92,5 (2030)

92.5%

in 2030 with BAU projection

100%

in 2030 with intervention projection

Source: Ministry of Communications and Information Technology
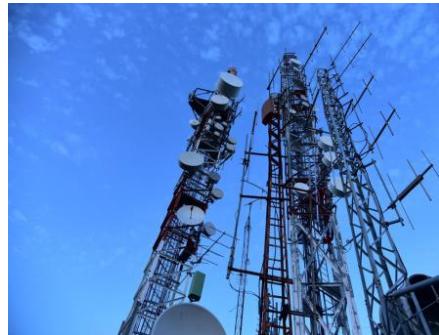
- In the era where digital technology is inevitable and more people need to be connected to keep up with the changing-era, mobile broadband service is a **necessary feature to help people be more empowered**. Government's commitment to provide mobile broadband service in all regions in Indonesia had 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
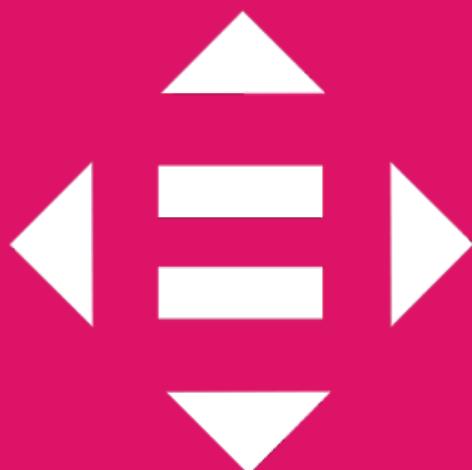
# GOAL 10

REDUCED INEQUALITIES
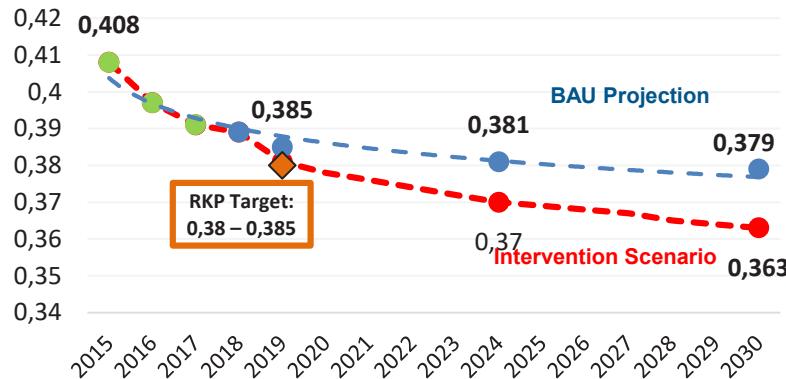
2.10

2.10.1 | GOAL 10 REDUCED INEQUALITIES

10.1.1* Gini coefficient

0.379 in 2030 with BAU projection | **0.363** in 2030 with intervention projection

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 September 2018, the Gini ratio reached 0.384, decreasing by 2.9 points in 5 years. Gini ratio of 0.384 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. As a ratio, Gini has two magnitudes that must be controlled such as middle income and high income groups. 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 0.401 while rural Gini was 0.324 in 2018 (BPS, 2018). Regionally, provinces with a high economic activity also shows a higher income inequality. **Income inequality** is the **highest in Yogyakarta, Southeast Sulawesi, and West Java** where Gini coefficient is 0.441, 0.409, and 0.407 respectively. Meanwhile Bangka Belitung with 0.281 Gini index, North Sumatera (0.318), and North Kalimantan (0.303) had the lowest Gini coefficient among other provinces.

- Through the right program from 2015-2018 which was included 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, particulary 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

GOAL 10

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

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

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.

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

Policy Direction 2020-2024	Strategies	**Enhancing an integrated and comprehensive social security**	**Creation of decent, inclusive and high-value-added jobs**

Enhancing an integrated and comprehensive social security

- Enhancing social assistance system for decent living through a social security system
- 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 national social security (SJSN)
- Developing innovative approach in expanding the national health insurance coverage for informal workers
- Accelerating the integrated database (BDT) for population administration

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

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

Policy Direction 2025-2030

Strategies

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

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

2.11.1 GOAL 11 SUSTAINABLE CITIES AND COMMUNITIES

11.1.1.(a) Proportion of households with access to decent and affordable housing

52.18%

in 2030 with BAU scenario

68.06%

in 2030 with intervention scenario

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

- Limited urban areas insists the **shift of settlement pattern into vertical housing settlement**. But at the same time, architectural situation in Indonesia is still below the international housing standard. The occupancy rate for housing smaller than 36m^2 (national standard) was still 49%. Only 29% fulfilled national standard and other 21% was above the standard.

- Nowadays, the **housing structure is even smaller and narrower**. Meanwhile, the property inflation was higher than inflation which up to 7.75% in 2018 (BTN House Price Index, 2018) when the inflation rate was at 3.13% (Bank Indonesia). As 50% of population will reside in the urban areas in 2030, vertical housing will be a necessity in the future.

- The vertical housing should include the sense of ownership for the people to smoothen the **cultural transformation from a landed-house culture to a vertical-housing culture.**

- The existing condition today is that many people **prefer to settle in the slum areas than moving into a vertical house**. This condition, as it happened, is due to the loss of relationship between the land and the life. Vertical housing is only a transit shelter for most people.

- Increasing the number of people who can have access to decent and affordable housing will require a strong commitment from various stakeholders so that the number would increase higher than it would have been with the usual policy.

Proportion of households with access to decent 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.

Policy Direction 2020-2024 — **Strategies**

A. Demand side
- Strengthening the primary and secondary housing financing system in order to realize low-cost housing financing, including optimizing the utilization of long-term financing sources such as the Public Housing Savings (TAPERA) and social security / pension funds.
- More efficient and sustainable housing subsidy reform.
- Expansion of housing financing facilities, especially for irregular income groups and building houses independently.

B. Supply Side
- Improved integration of housing development of middle and lower income community through the transportation system.
- Increased land efficiency for the provision of housing through inclusive urban renewal and land consolidation in order to handling urban slums.
- Development of a housing provision system that is harmonious with spatial planning and integrated with basic residential infrastructure services.
- Establishing and enhancing the role of public housing agencies in the implementation of housing and settlements in urban areas.
- Utilization of state-owned land/state owned enterprises to support the provision of housing for MBR.

C. Enabling Environment
- Strengthening the implementation of buildings' security and feasibility standards.
- Strengthening the implementation of licensing facilities and land administration for housing.
- Capacity building for the government / regional government, community and business world.
- Increased collaboration and partnership between government, regional government, community and business world.

GOAL 11

Policy Direction 2025-2030

Strategies

Ensuring that all households have access to decent, safe and affordable housing including its basic infrastructure services in order to create a city without slums

1. Strengthening the role of local governments, communities and the business world in providing decent, safe and affordable housing.

2. Increased regulation, guidance and supervision in the construction of housing and settlements for all eligible residential criteria.

3. Provision of housing integrated with basic housing infrastructure.

4. Increased efficiency of sustainable housing subsidies.

5. Increased efficiency of urban land for the provision of housing through inclusive urban renewal in terms of handling slums.

GOAL 13
CLIMATE ACTION
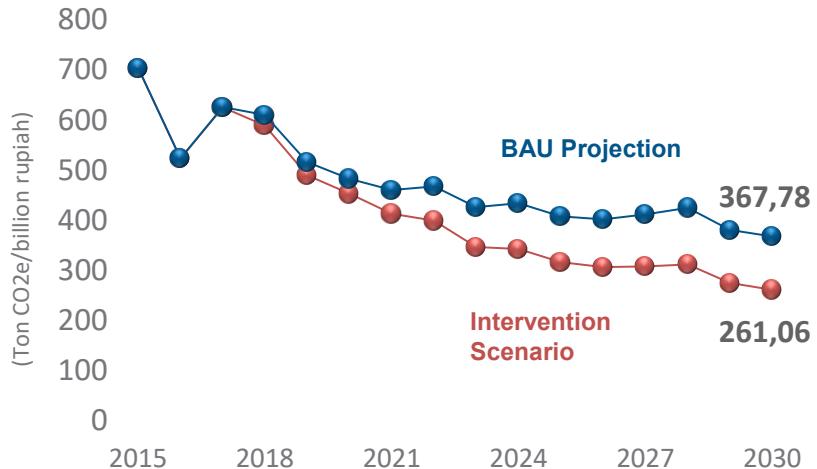
2.12

2.12.1 GOAL 13 CLIMATE ACTION

13.2.1.(b) Intensity of the green house gas emissions

(Ton CO2e/billion rupiah)

BAU Projection

Intervention Scenario

367,78

261,06

2015 — 2018 — 2021 — 2024 — 2027 — 2030

367.78

Ton CO²e/billion Rupiah

in 2030 with BAU scenario

261.06

Ton CO²e/billion Rupiah

in 2030 with intervention scenario

Source: Directorate for the Environment, Bappenas

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.

Intensity of the green house gas emissions (in ton CO_2e/Billion Rupiah)		
Year	Baseline	Intervention
2015	703.79	703.85
2019	515.76	489.57
2024	434.16	342.77
2030	367.78	261.06

Policy Direction 2020-2030

Strategies

Low-carbon Development

- Implementing a strategic environmental studies or a comprehensive analysis in preparing policies, plans and priority development programs to anticipate negative trade-offs on the carrying capacity and capacity of the environment.

- Enforcing regulation for the implementation of a green economic development and low-carbon development, including developing incentive instrument for private sectors who practice sustainable business process

- Strengthening authorization and availability of technology that can improve energy efficiency, clean technology, and waste reduction.

- Active involvement of all stakeholders in implementation and promotion for low-carbon development

- Developing an alternative financing scheme to accelerate green infrastructure development in several key sectors such as blended financing scheme

Enhancing mitigation for climate change in key sectors, which are:

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.

Transportation
Provision transportation modes which are safe, comfortable, and environmental-friendly

Agriculture
Strengthening a sustainable national foods security

Energy
Expanding energy efficiency implementation and renewable energy
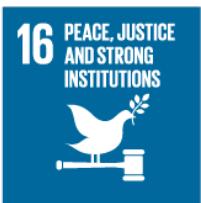
Manufacture
Optimalizing the effectiveness of the use of renewable energy and raw materials in manufacturing process

Waste Management
Provision of integrated waste management system

Blue Carbon
Maintaining the area and returning the function of mangroves

**GOAL 13**
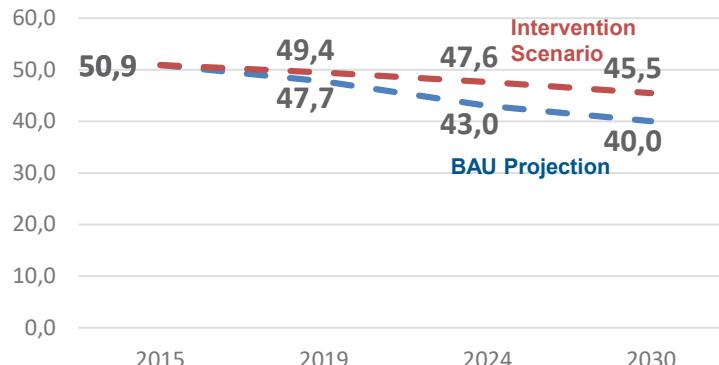
GOAL 15
LIFE
ON LAND

2.13

2.13.1 | 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.

[1]World Bank, 2016.

Proportion of forest cover to total land area		
Year	Baseline	Intervention
2015	50.9	50.86
2019	47.7	49.42
2024	43	47.62
2030	40	45.46

Policy Direction 2020-2024 — Strategies

Decreasing deforestation in Indonesia

- Rearrangement 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 access to the community in forest management.

Decreasing the forest degradation

- 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

- 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

- 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 15

GOAL 17
PARTNERSHIPS FOR THE GOALS
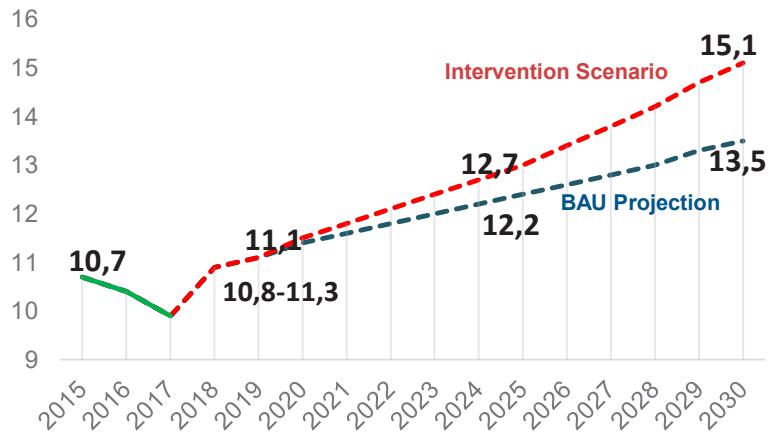
2.14

2.14.1 | GOAL 17 PARTNERSHIPS FOR THE GOALS

17.1.1.(a) Tax revenue to GDP ratio

Intervention Scenario

15,1

12,7

11,1

10,7

10,8-11,3

12,2

BAU Projection

13,5

2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028 2029 2030

13.5%

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

15.1%

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 placed Indonesia at the second lowest –before Myanmar, among the eight 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 15.1% in 2030. 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.

[1]In 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	11.0	11.1
2024	12.2	12.7
2030	13.5	15.1
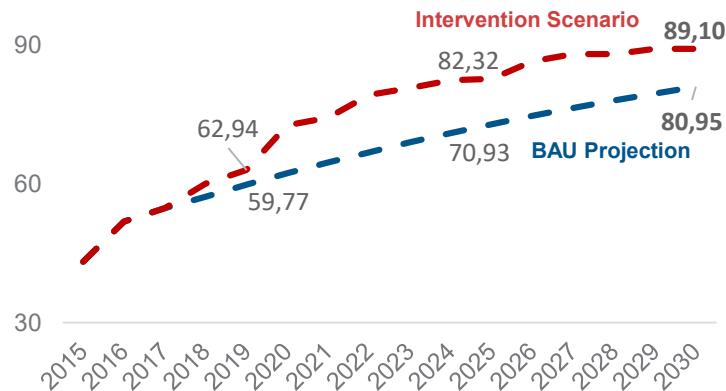
Policy Direction 2020-2024 — Strategies

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

1. **Improvement of tax laws and regulations**
2. **Expansion of information transparency in the field of taxation**
   - Implementation of AEOI, P3B dan *Multilateral Instrument* (MLI)
   - 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

1. **Improvement of taxation administrative system**
   - Core tax system
2. **Improvement of taxation database**
   - 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

1. **Tax revenue optimization**
   - 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**
   - Establishing regulations that can accelerate the adoption of international tax treaties

3. **Improvement of tax policies to increase investment and export competitiveness**
   - 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**
   - Reliability of database management/tax administration
   - Tax officer integrity and productivity

2.14.2 GOAL 17 PARTNERSHIPS FOR THE GOALS

17.8.1* Proportion of individuals using internet

Intervention Scenario — 89,10
82,32
62,94
59,77
70,93 — BAU Projection
80,95

*Projection data from Bappenas

81%
in 2030 with BAU projection

89%
in 2030 with intervention projection

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

- In this era, **internet plays an important role in widespreading 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

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

- Increasing equal infrastructure and 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
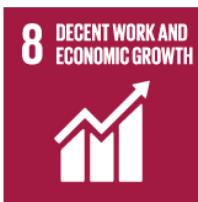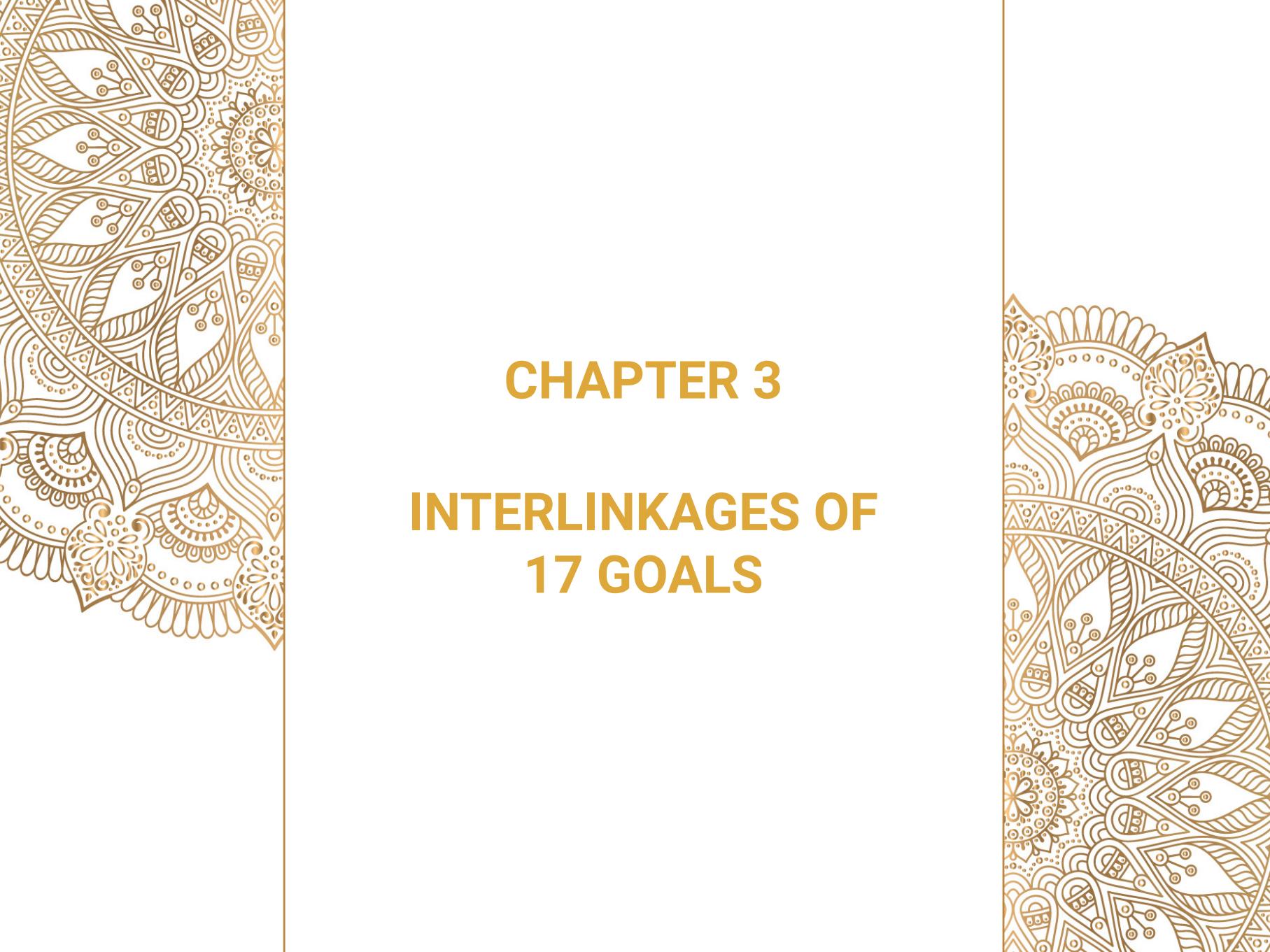
Enhancing coverage to rural areas and increasing the provision of IT-based public services

- Enhancing access and coverage for rural
- 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 queueing 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
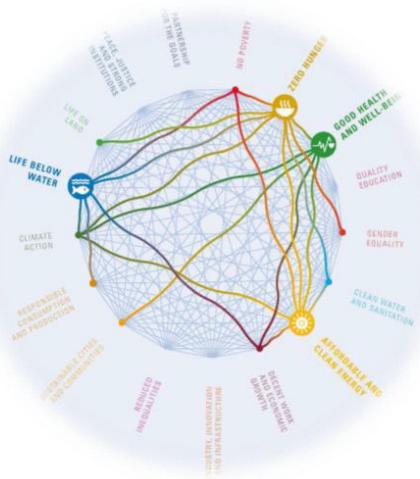
CHAPTER 3

INTERLINKAGES OF 17 GOALS

<table>
<tr><td>**3.1**</td><td>**INTRODUCTION**</td></tr>
</table>

How the 17 goals and their targets are interlinked with one to another

Since Indonesia adopted the Sustainable Development Goals (SDGs), there have been so many concerns on how the 17 goals and their targets are interlinked with one to another. These concerns arose because Indonesia's Development Plans are always designed through a holistic approach, with the framework of Thematic, Holistic, Integrated, and Spatial (THIS), along with the fact that Indonesia is a big country consisting of thousands of islands with hundreds of cultural tribes.

It is undoubted that the implementation of SDGs requests a more systematic policy design, comprehensive implementation strategies, and multi-stakeholder collaborations. All of these need to be translated into such understanding of interlinkages among goals and targets into concrete results on the ground.

Therefore, this chapter discusses the results of detailed mappings of interlinkages across some of the Indonesia's SDG goals and targets. In practical terms, this chapter would be a good reference for all SDGs stakeholders to put their priorities and policy strategies on the goals and targets that can be the leverages of the other goals and targets.

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).
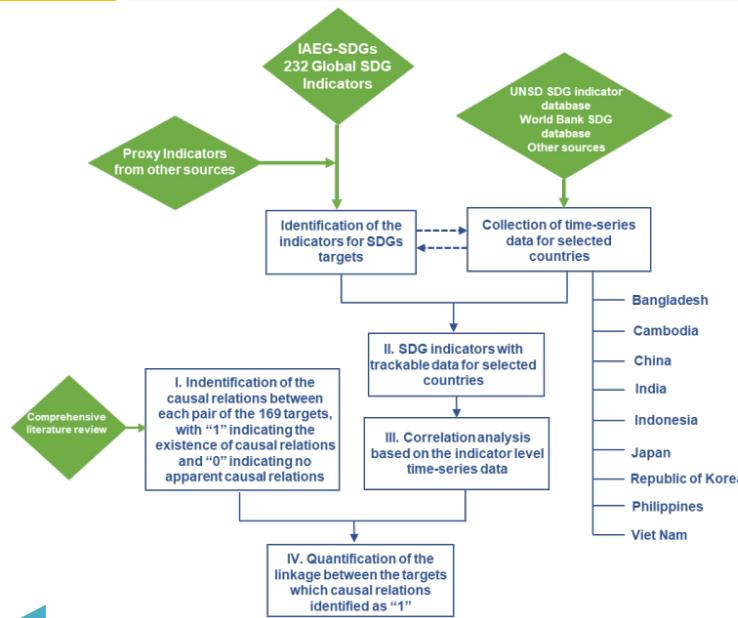

Interlinkages study of SDGs goals and targets conducted by IGES covers case studies of **9 Asian countries including Indonesia. This study** is the most comprehensive reference for the basis of **interlinkages analysis of the Indonesia's SDGs goals** and **targets**, in particular for those being discussed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

3.3 METHODOLOGY

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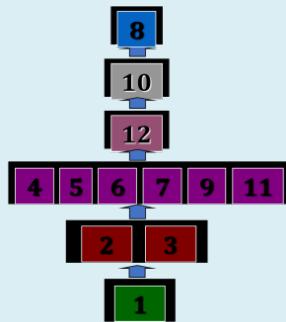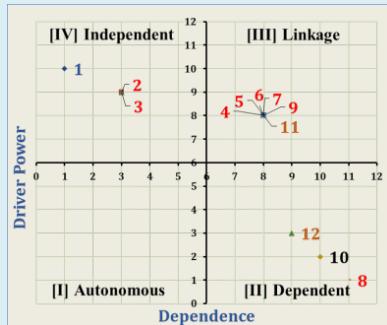
First stage was a review of some reputable studies on SDGs interlinkages. The objective of this literature review was to "**compare, contrast, criticize, synthesize,** and **summarize**" of the various methodology and findings.

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.

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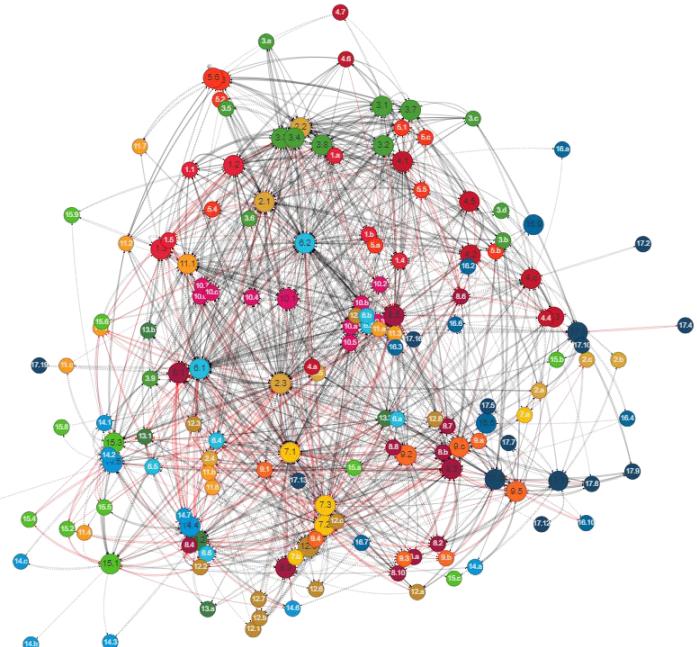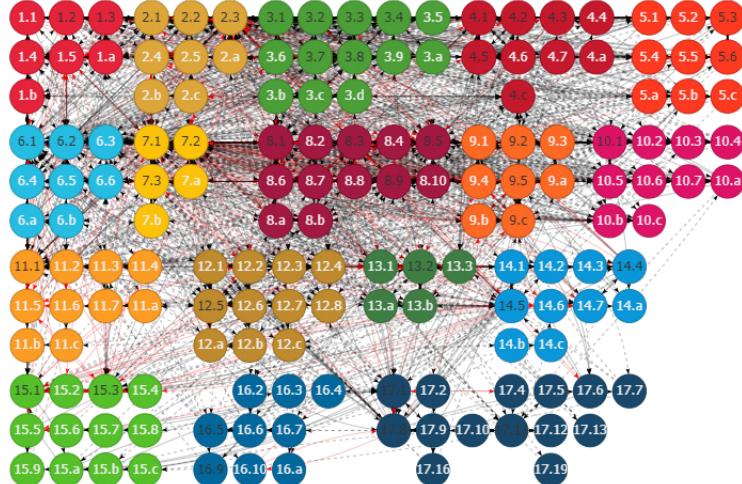
The results of various studies indicate that SDGs goals and targets are interrelated with each other (Le Blanc, 2015; Zhou and Moinuddin, 2017; Bappenas, 2018; Singh et al., 2018).

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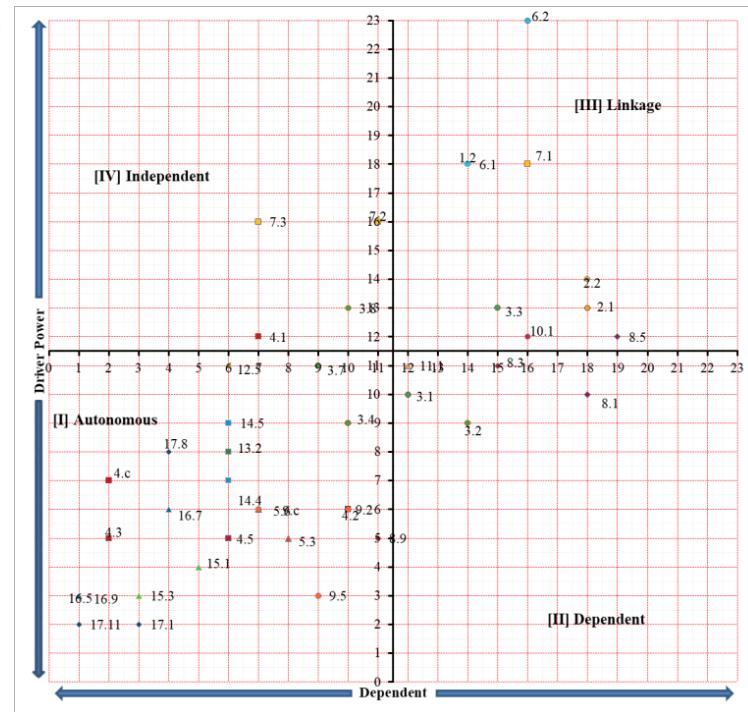
The results of the analysis of the 43 SDGs targets indicate that there are **17 targets** of **9 goals** that have strong influence to other targets, with a low level of dependency. These targets are called to have the high driver power.

MAPPING OF INTERLINKAGES

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

- **Sector 1**: *weak driver-weak dependent variables* (**autonomous**) shows SDGs targets that have relatively low relation to other SDGs targets, even though the relationship can be strong.
- **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 Quadran of Diagraph Between SDGs Targets
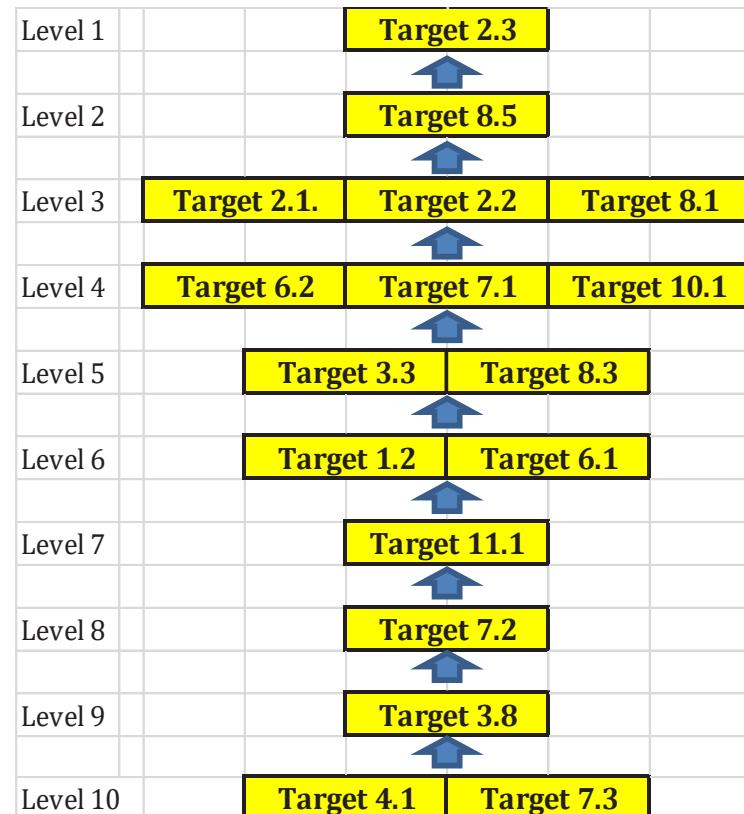
Dependence and Influence

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.

Level 1			Target 2.3	
Level 2			Target 8.5	
Level 3	Target 2.1.	Target 2.2		Target 8.1
Level 4	Target 6.2	Target 7.1		Target 10.1
Level 5		Target 3.3	Target 8.3	
Level 6		Target 1.2	Target 6.1	
Level 7		Target 11.1		
Level 8		Target 7.2		
Level 9		Target 3.8		
Level 10		Target 4.1	Target 7.3	

The Result of Hierarchy Structure of Interlinkages Among SDGs Targets

3.5
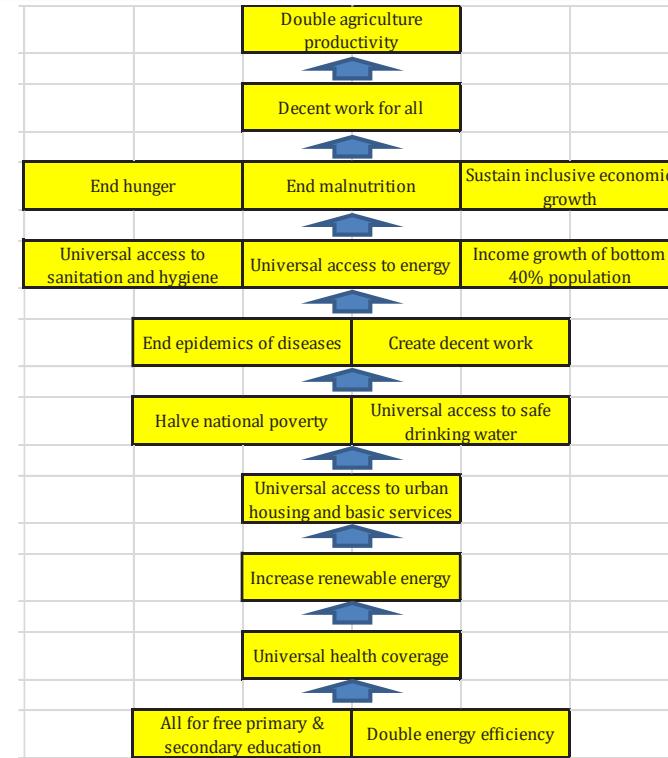
FUTURE PROSPECT

The SDGs achievement
can be leveraged through prioritizing the most important targets of the 17 goals
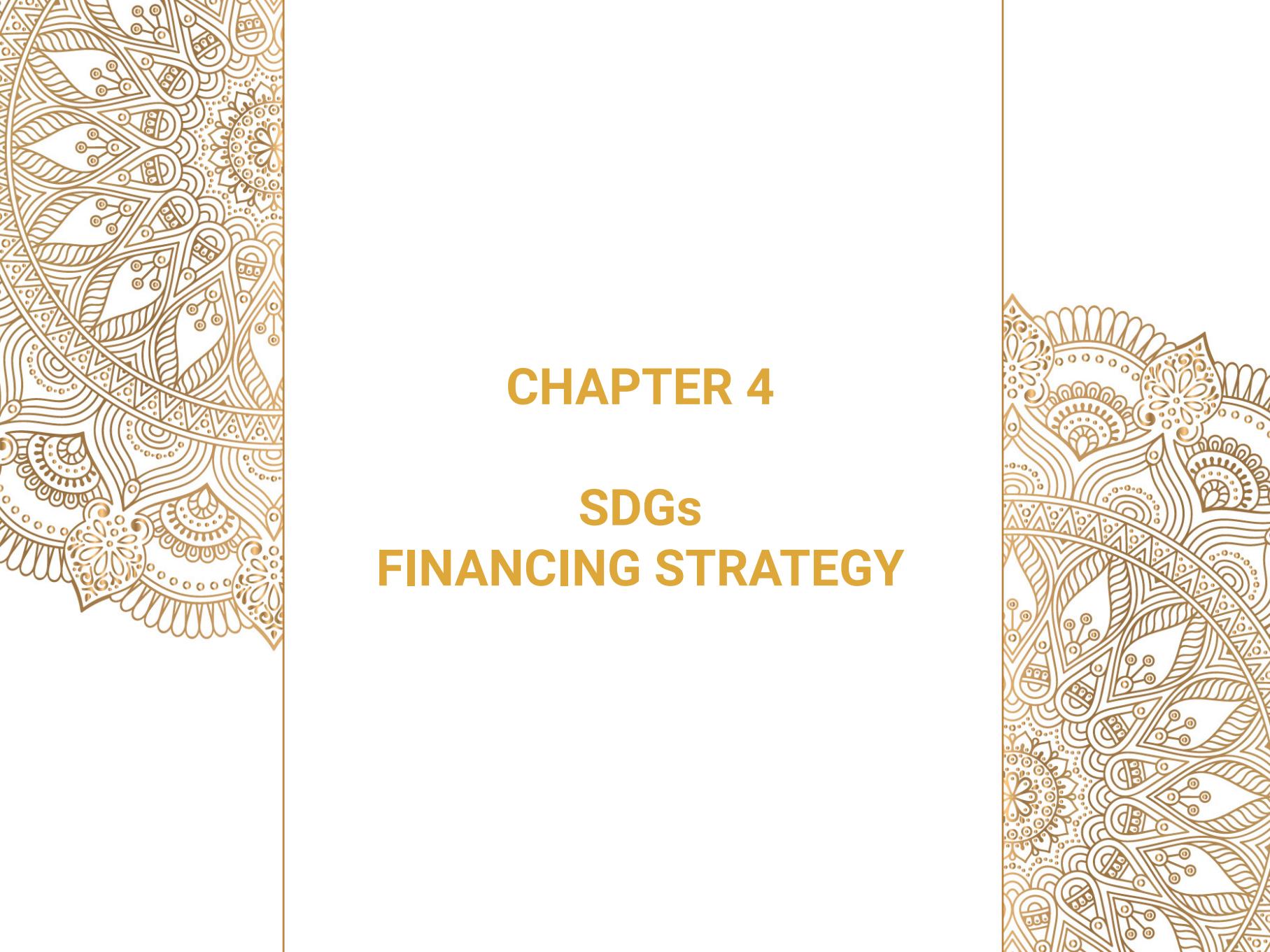
The analysis suggest that policies should focus on the main levels of targets that can effectively drive up the achievement of the other targets. Therefore, the suggestions for main drivers of the SDGs targets are:

- 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.

| | Double agriculture productivity |
	Decent work for all
End hunger	End malnutrition	Sustain inclusive economic growth
Universal access to sanitation and hygiene	Universal access to energy	Income growth of bottom 40% population
End epidemics of diseases	Create decent work
Halve national poverty	Universal access to safe drinking water
Universal access to urban housing and basic services
Increase renewable energy
Universal health coverage
All for free primary & secondary education	Double energy efficiency

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

4.1   INTRODUCTION

It is a common understanding that the 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).

While the Government of Indonesia will continue to play a key financing role and provide a better environment for investment in SDGs, there is still a greater room for private sectors and other non-state actors to engage in financing many areas of the SDGs to help close the gap.

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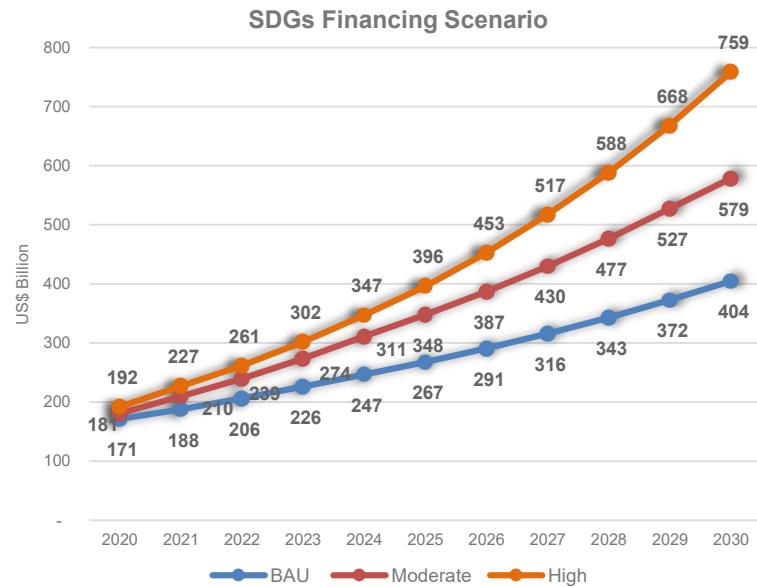
COUNTING SDGs INVESTMENT NEEDS FOR INDONESIA

For the purpose of counting SDGs investment needs for Indonesia, the 2030 sustainable development agenda reflected in the 17 goals is classified into sectoral groups as follows:

- ✓ Infrastructure
- ✓ Health
- ✓ Education
- ✓ Social Protection
- ✓ Environmental Protection
- ✓ Food
- ✓ Public Order & Safety
- ✓ Research & Development
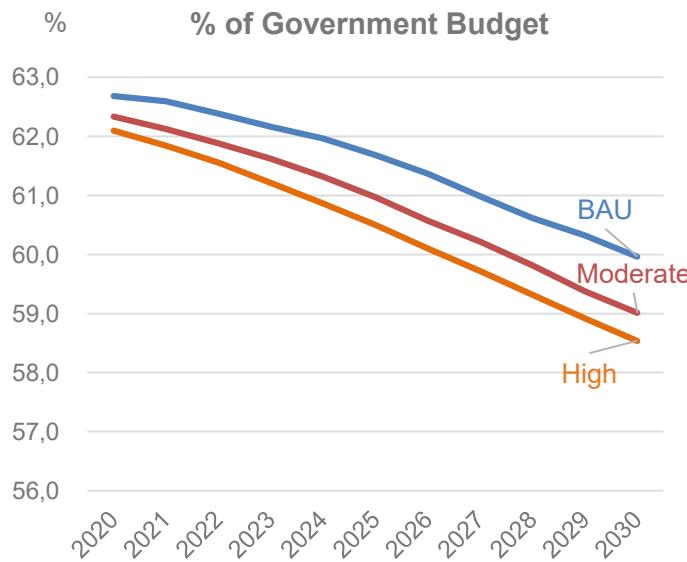
SDGs financing needs for Indonesia depends on intervention scenarios that will be pursued: *Business as usual, moderate, or high scenarios,* as depicted in the graph below.

SDGs Financing Scenario

US$ Billion

Year	BAU	Moderate	High
2020	171	181	192
2021	188	210	227
2022	206	233	261
2023	226	274	302
2024	247	311	347
2025	267	348	396
2026	291	387	453
2027	316	430	517
2028	343	477	588
2029	372	527	668
2030	404	579	759

BAU — Moderate — High

4.3 SDGs INVESTMENT IN INDONESIA AND THE ROLE OF NON-GOVERNMENT

High scenario of SDGs Investment in Indonesia suggests that the **role of the government** will be less than business as usual, as the non-government actors are encouraged to provide more contribution and participation in the implementation of SDGs. In the high scenario, government budget allocation will **gradually decline from 62.1% to 58.5%**.
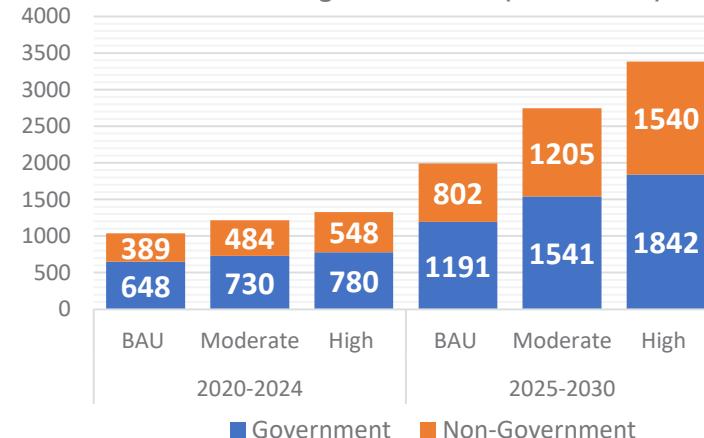
The amount of **non-government financing** – in high scenario – is needed as much as:

in 2020-2024:   **USD   548 Billion**

in 2025-2030:   **USD 1540 Billion**

% of Government Budget

SDGs Financing Distribution (US$ Billion)
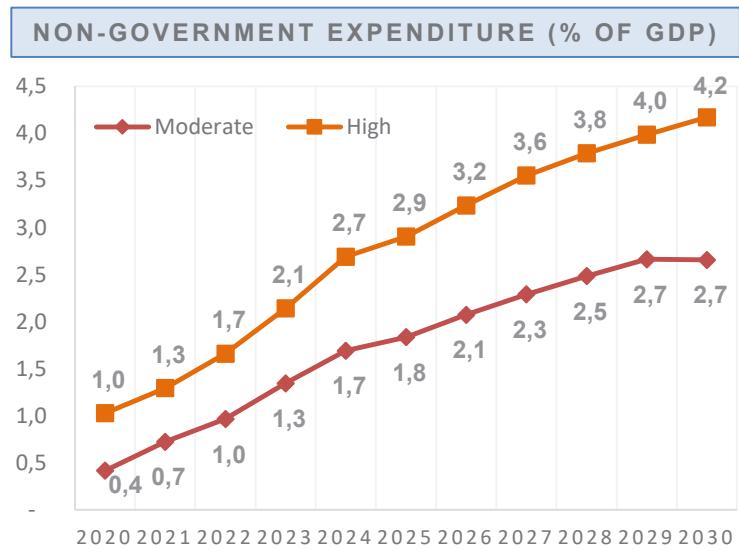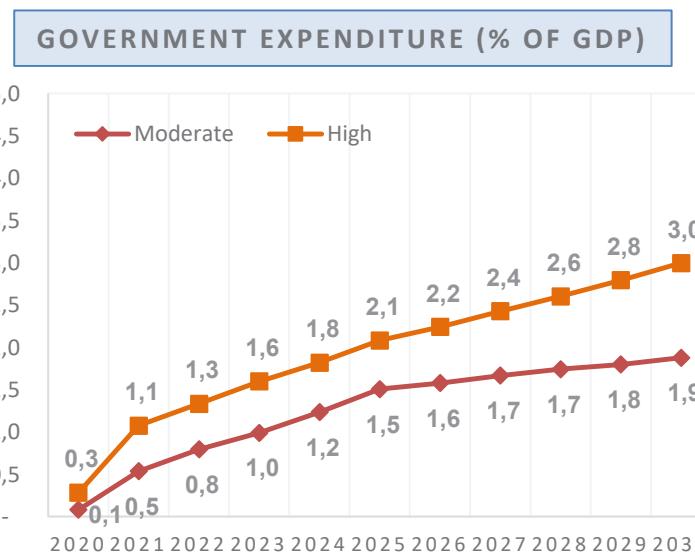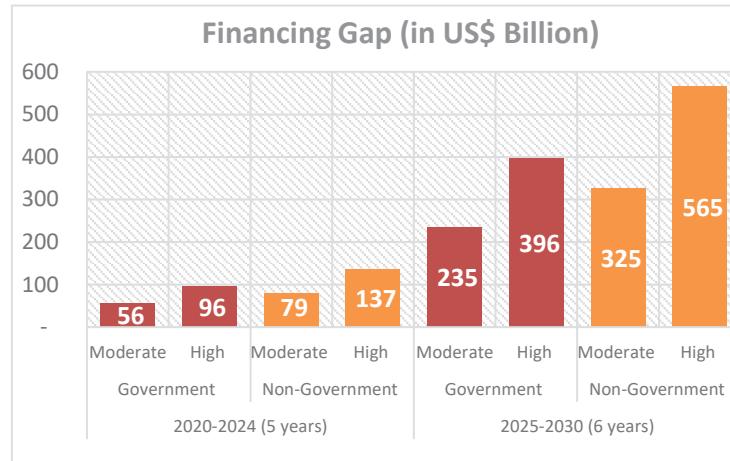
Therefore….
There are SDGs Financing Gaps to be resolved

SDGs financing gap is defined as additional investments needs, above the BAU scenario*

*calculated by differentiating High and Moderate Scenarios and to BAU scenario

Financing Gap (in US$ Billion)

	Moderate	High	Moderate	High	Moderate	High	Moderate	High
	Government		Non-Government		Government		Non-Government	
	2020-2024 (5 years)				2025-2030 (6 years)			
	56	96	79	137	235	396	325	565

GOVERNMENT EXPENDITURE (% OF GDP)

Moderate / High

Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Moderate	0,1	0,5	0,8	1,0	1,2	1,5	1,6	1,7	1,7	1,8	1,9
High	0,3	1,1	1,3	1,6	1,8	2,1	2,2	2,4	2,6	2,8	3,0

NON-GOVERNMENT EXPENDITURE (% OF GDP)

Moderate / High

Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Moderate	0,4	0,7	1,0	1,3	1,7	1,8	2,1	2,3	2,5	2,7	2,7
High	1,0	1,3	1,7	2,1	2,7	2,9	3,2	3,6	3,8	4,0	4,2

4.4 **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 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** 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**

4.6 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
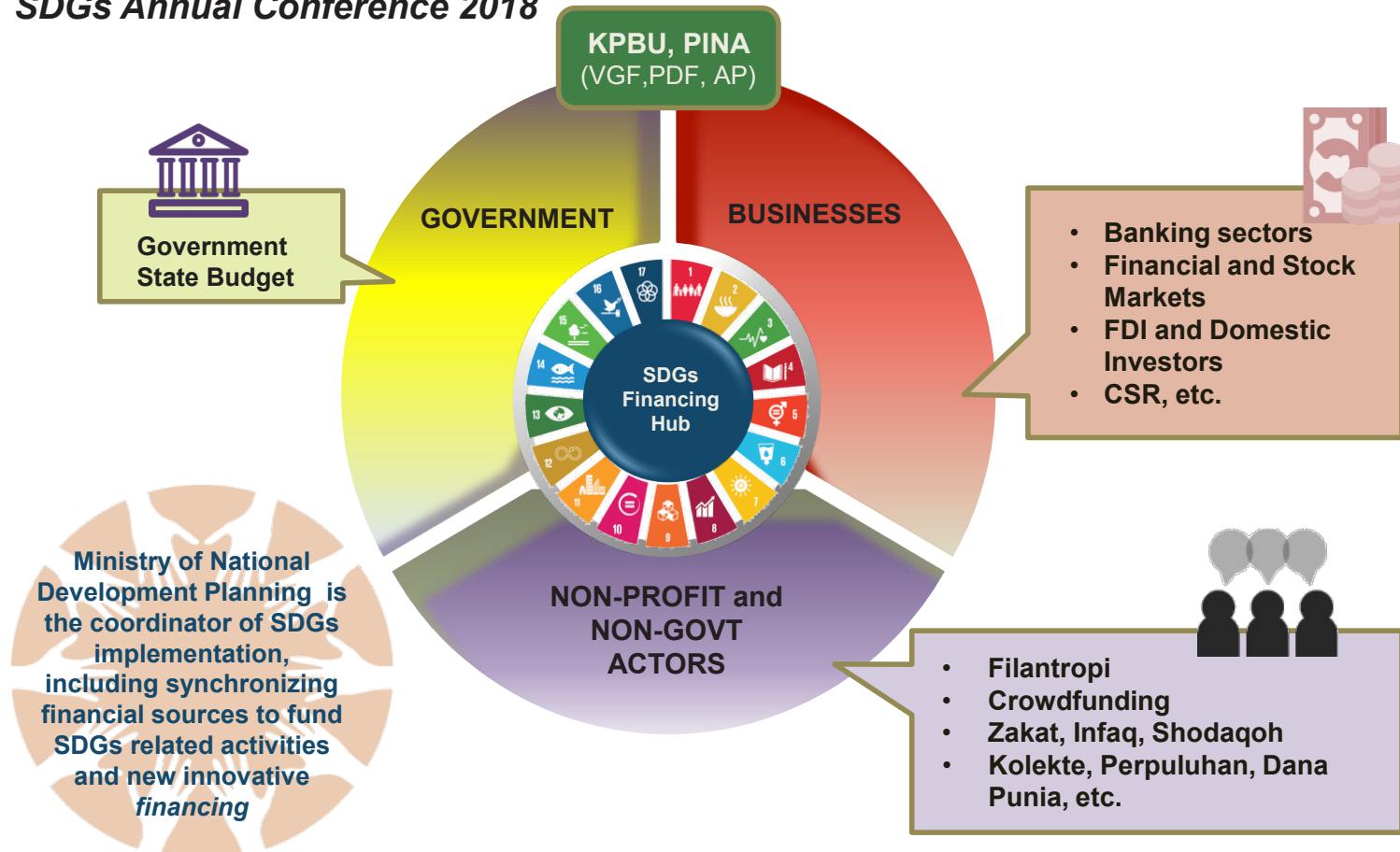
SDGs *Financing Hub*
To coordinate, facilitate, and allign SDGs innovative financing
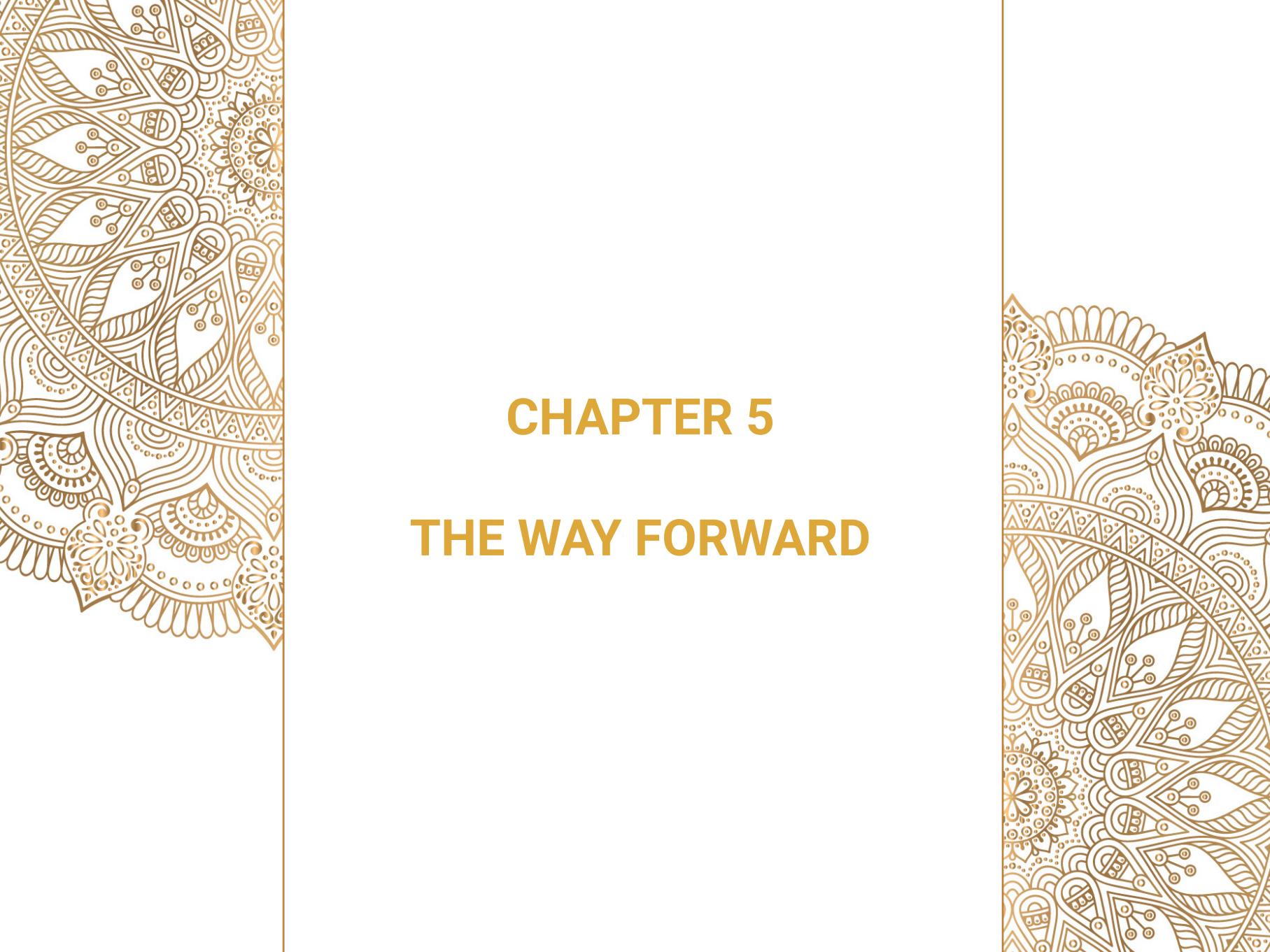
1. Mobilizing funds for sustainable development and raising resources that can be invested in sustainable development.
2. Channelling funds to sustainable development projects – ensuring that available funds make their way to concrete sustainable development-oriented investment projects on the ground 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

## 4.8 FINANCING SOURCES COORDINATED AND SYNCHRONIZED BY SDGs FINANCING HUB

The concept was launched at SDGs Annual Conference 2018

KPBU, PINA
(VGF,PDF, AP)

Government State Budget

GOVERNMENT

BUSINESSES

SDGs Financing Hub

NON-PROFIT and NON-GOVT ACTORS

Ministry of National Development Planning is the coordinator of SDGs implementation, including synchronizing financial sources to fund SDGs related activities and new innovative *financing*

- **Banking sectors**
- **Financial and Stock Markets**
- **FDI and Domestic Investors**
- **CSR, etc.**

- **Filantropi**
- **Crowdfunding**
- **Zakat, Infaq, Shodaqoh**
- **Kolekte, Perpuluhan, Dana Punia, etc.**

CHAPTER 5

THE WAY FORWARD

5.1 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.
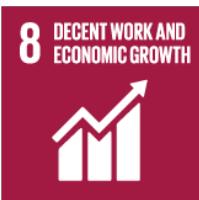
The roadmap of SDGs Indonesia is an important vehicle for Indonesia's SDGs stakeholders in reaching the same goals and missions, with clear targets and directions. The roadmap shall be an important document, showing the high commitment of Indonesia to bring the 2030 agenda into the next development plan 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!

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