

Universal Social Protection for Resilient Recovery and Future Crisis Preparedness
Presented at the High Level Political Forum 2021
Decade of Action to Achieve Universal Social Protection by 2030
July 12th, 2021

Maliki, Ph.D
Director of Poverty Alleviation and Community Empowerment

- Indonesia has achieved remarkable poverty reduction in the last three years. We have reached single digit poverty rate in 2018 with extreme poverty of 4.6%. We also managed to reduce the inequality by pressing the Gini Ratio to around 0.38, compared to its peak in 2014 around 0.42. This achievement become a strong base for achieving the SDGs target in 2030.
- Before COVID-19 Pandemic, our President directed our Minister to formulate strategic planning to achieve zero extreme poverty in 2024; six years earlier than has been scheduled in SDGs Goal 1 by 2030.
- The outbreak of novel corona virus threatens Indonesia's entire gain in poverty alleviation achievement. Undoing years of positive trends in poverty reduction and jeopardizing the target of SDGs. The COVID-19 pandemic has declined the economic growth due to the large-scale constraint on people's physical mobility. While all economies are affected, the crisis hurt most the poor and vulnerable.
- We have learned from the implementation of social assistance to respond to the pandemic. We still have challenges to identify the eligible households or individuals to receive the assistance. Our data is still unfavorable to vulnerable population. Older person who lives alone, households with disable head or female head, informal workers, marginalized children, and homeless. They were among the invisible at the beginning of the pandemic.
- COVID-19 has prompted the government to increase the number of households in our unified database for social protection programs, registering the names and addresses of not only poor and vulnerable households but also lower-middle-class households (aspire middle class; see Figure 1) who are at risk of falling into poor or vulnerable category in case of a crises or other catastrophes.
- Ministry of Planning/Bappenas is mandated by the President to develop Indonesia's social economic registry which hopefully could cover up to 100% of population by 2024. The accurate data is crucial to target the poorest of the population. Coordination among stakeholders is also crucial to ensure the programs are integrated and well-targeted. We have learned a lot from the current Pandemic that Adaptive Social Protection (ASP) is crucial as a mitigation to minimize the effect of disaster problem.
- Conceptually, Indonesia's social protection will be consisting of more adaptive and more focused social assistance, comprehensive and nation-coverage social insurance, and stronger social services. Providing multi-sectoral basic services as well as economic empowerment programs will be ensured to provide higher human capital for all population.

- Social economic registry will be used for program integration, including anti-poverty programs, social insurance, as well as vocational education and entrepreneurship programs.
- Indonesia has also improved the referral system for a rapid response to complaints, it now counts on an improved system of verification and validation.

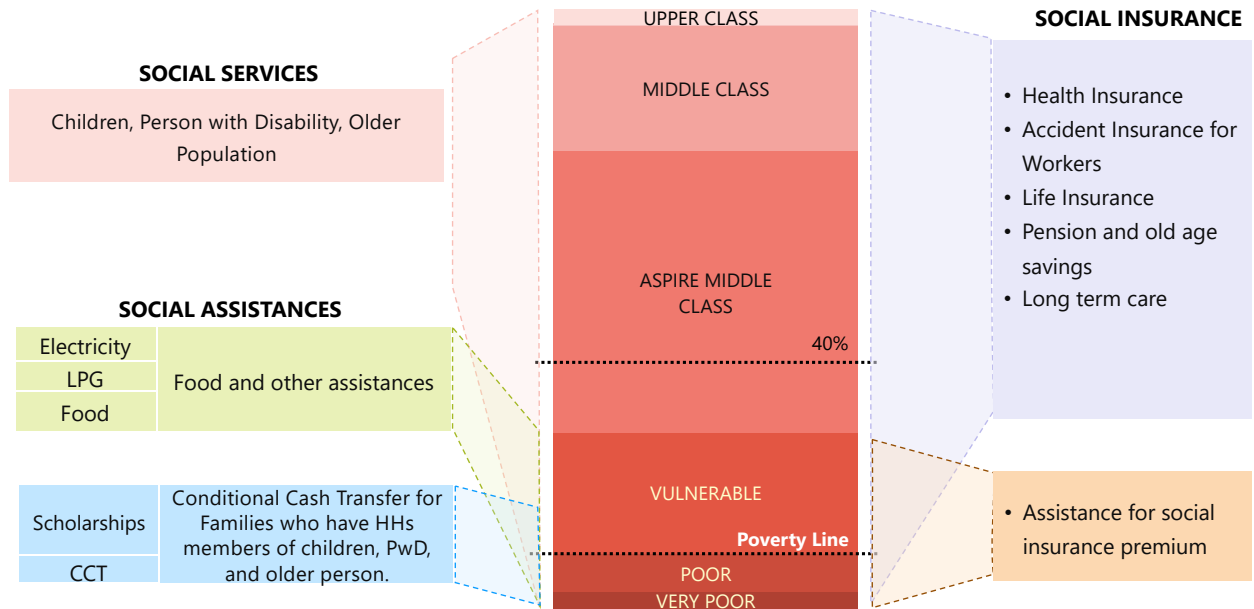


Figure 1. Indonesia's Vision of Social Protection Reform

- Moving forward, we realize that in order to achieve the target we can't do business as usual. There must be breakthrough and innovation. COVID-19 has also fostered some innovations which can be leveraged in the near future, such as building interoperable systems to more effective delivery, digitalization of payment mechanism, and integrated graduation concept of social assistances.
- To conclude, the crisis has shown that accurate data are needed. Social economic registry could be solution to comprehensively assess the individual social economic status which help the Government of Indonesia to formulate the right strategies, policies and programs of social protection, especially to the poorest group, to ensure they receive assistances as well as services they need and to accelerate the target of zero extreme poverty by 2024.